



ANNUAL REPORT

AUDITOR GENERAL'S DEPARTMENT

2024

Report of The Auditor General on the Financial Transactions and Financial Statements of the Government of Jamaica for the Financial Year Ended March 31, 2024, and Performance Report of the Auditor General's Department.



ANY REPLY OR SUBSEQUENT REFERENCE
TO THIS COMMUNICATION SHOULD BE
ADDRESSED TO THE AUDITOR GENERAL
AND NOT TO ANY OFFICER BY NAME
AND THE FOLLOWING REFERENCE
QUOTED: -

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December 30, 2024

The Honourable Speaker
House of Representatives
Gordon House
81 Duke Street
Kingston

Dear Madam,

Pursuant to the provision of Section 122 (2) of the Jamaican Constitution, I have the honour to submit my report on the results of my examination of the accounts of the Island for the year ended 31st March 2024 for tabling in the House of Representatives.

The report is a compendium of the performance of the Auditor General's Department for the period December 2023-November 2024 and all audits conducted up to November 2024.

Yours faithfully,

Pamela Monroe Ellis (Ms.), JP, F.C.A., F.C.C.A.
Auditor General

address these issues promptly to safeguard the integrity of the ADSC's data and ICT environment.	
3.2.195. Management has since taken steps to address the weaknesses identified.	

HEAD 53038: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE - COMPANIES OFFICE OF JAMAICA

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.196. During the period under review, I completed the audit of the 2016/2017 and 2021/2022 Appropriation Accounts and the 2019/2020 financial statements for the Companies Office of Jamaica (COJ). The following matters of concern were brought to management attention:</p>	
RESOURCE MANAGEMENT	
<p>Financial Statements - FY 2019/2020</p> <p>3.2.197. The audit of the 2019/2020 financial statements revealed a generally satisfactory state of affairs. However, we advised CoJ to strengthen the controls over the preparation of bank reconciliation statements to minimise the delays and the risk of errors and irregularities going undetected. During the audit, we observed delays ranging from three to fifteen months in the preparation and or review of the bank reconciliation statements. The GoJ guidelines, stipulates that all public entities should prepare monthly reconciliations of official bank accounts.</p> <p>3.2.198. Management accepted our recommendation and committed to making improvements in the preparation and review of bank reconciliation statements.</p>	
<p>Submission of Outstanding Appropriation Accounts</p> <p>3.2.199. The Companies Office Jamaica (COJ) has made noted improvements in the submission of its Appropriation Accounts since this issue was raised in the 2023 Annual report. During the period, the CoJ submitted nine Appropriations Accounts for the period 2013/2014 to 2015/2016 and 2017/2018 to 2022/2023.</p> <p>3.2.200. CoJ committed to staying current with the Agency's Appropriation Accounts submissions.</p>	
Appropriation Accounts FY 2016/2017 and 2021/2022	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Non-Adherence to GoJ established Budgetary Control Policy</p> <p>3.2.201. Section 3.7 (vii) and Section 7.9.3 (i) of the Financial Instructions stipulates adherence to the approved budget ceilings and prohibits Accounting Officer to reallocate the approved budget for certain objects including Object 23 Rental of Property and Machinery and Object 24-Utilities and Communication Services. However, contrary to this requirement, CoJ reallocated \$14.6 million under these Object to accommodate excess expenditure. CoJ's failure to obtain the required approval to reallocate appropriated funds under these Objects overrides the GoJ Budgetary Control Policy and exposes the Agency to budget overrun.</p> <p>Recommendation</p> <p>3.2.202. COJ was advised to strengthen its commitment controls process to ensure that the implementation of the Agency's approved budget adheres to the GoJ's established Budgetary Control Policy.</p> <p>3.2.203. CoJ acknowledged the finding and committed to complying with GOJ regulations going forward.</p>	
INFORMATION COMMUNICATION TECHNOLOGY	
<p>Inadequate Information Technology General Controls</p> <p>3.2.204. We identified weaknesses in CoJ IT control environment as, despite being the subject of prior audit report and management's commitment to engage a consultant to draft the Agency's IT policies, CoJ is yet to develop and implement the requisite information technology (IT) policies. Additionally, the Agency did not have a Business Continuity Plan/Disaster Recovery Plan to reduce the risk of loss and its continued operation in the event of an unplanned disruption.</p> <p>Recommendation</p> <p>3.2.205. We encouraged Management to strengthen CoJ's IT general controls environment by ensuring the Agency develops and implements the requisite IT policies and Business Continuity Plan without further delays, to protect its ICT resources.</p> <p>3.2.206. Management accepted our recommendations and subsequently advised that procurement activities are underway to engage a consultant to develop the required IT policies by March 31, 2025.</p>	