



AUDIT DEPARTMENT

Report of the Director of Audit, Grenada
on the Financial Statements of the

Office of the Ombudsman

For the year ended 31 December 2020

Report of the Director of Audit, on the Financial Statements of the Ombudsman, for the year ended 31 December 2020.

Jeanelle Andrew
Director of Audit (Ag.)

OFFICE OF THE OMBUDSMAN

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**AUDIT DEPARTMENT
ST. GEORGE'S
GRENADA, W.I.**

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11 September 2022

Hon. Dickon Mitchell
Minister for Finance
Ministry of Finance
Financial Complex
Carenage
ST. GEORGE'S

Dear Sir,

In accordance with Section 82 (4) of the Grenada Constitution Order 1973 and the Audit Act CAP 22A of the Laws of Grenada, I hereby submit my Report on the accounts of the Office of the Ombudsman for the year ended 31 December 2020. This report is for laying before the House of Representatives.

Section 82 (4) of the Constitution stipulates that every report made by the Director of Audit should be submitted to the Minister for the time having responsibility for Finance, who shall after the receipt of the report, no later than seven (7) days, lay the report before the House of Representatives after the House first meets.

Yours respectfully,

A handwritten signature in blue ink that reads 'Jeanelle Andrew'.

Jeanelle Andrew
DIRECTOR OF AUDIT (AG.)

Acknowledgement

I would like to thank the staff of the Office of the Ombudsman for their courtesies and co-operation during the audit and to the Government Printer for his assistance in publishing this report.

**DIRECTOR OF AUDIT REPORT TO THE HOUSE OF REPRESENTATIVES
ON THE FINANCIAL STATEMENTS OF OFFICE OF THE OMBUDSMAN FOR
YEAR ENDED 31 DECEMBER 2020**

Opinion

I have audited the Financial Statements of the Office of the Ombudsman, which comprise the Statement of Financial Position as at 31 December, 2020 and the Income and Expenditure Statement and Cash Flow Statement for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

In my opinion, the accompanying Financial Statements of the Office of the Ombudsman as at 31 December 2020 are prepared in all material respects, in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME's).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs) issued by the International Organization of Supreme Audit Institutions (INTOSAI). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Statutory Body in accordance with the ethical requirements that are relevant to my audit of the financial statements in Grenada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of the Financial Statements in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME's) and for such internal control as management determines is necessary, to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Statutory Body's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Statutory Body or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Statutory Body's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an Auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures to those risks and obtain evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Statutory body's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists relate to events or conditions that may cast significant doubt on the statutory body's ability to continue as a going concern. If I conclude that a material uncertainty exists; I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the statutory body to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that are identified during my audit.



Jeanelle Andrew

DIRECTOR OF AUDIT (AG.)

**Audit Department
Grenada**

11 September 2022

OFFICE OF THE OMBUDSMAN
Statement of Financial Position
As at December 31st, 2020 with comparative figures

| ASSETS | | 2020 | 2019 |
|---------------------------------------|-------|---------------|---------------|
| <u>Fixed Assets</u> | Notes | EC\$ | EC\$ |
| Furniture, Fixtures & Tools | 6 | 10,923 | 14,055 |
| Computers & Equipment | 6 | | 1,908 |
| Total Fixed Assets | | 10,923 | 15,963 |
| <u>Current Assets</u> | | | |
| Cash at Bank | | 16,861 | 9,867 |
| Cash on Hand | | 63 | 83 |
| Prepayments (NIS) | | 504 | |
| Total Current Assets | | 17,428 | 9,950 |
| TOTAL ASSETS | | 28,351 | 25,913 |
| LIABILITIES & EQUITY | | | |
| <u>Current Liabilities</u> | | | |
| Accruals - Membership fee | 7 | 1,151 | 244 |
| Accounts Payable | 8 | 1,917 | 2,056 |
| Total Current Liabilities | | 3,068 | 2,300 |
| <u>Equity</u> | | | |
| Retained Earnings | | 24,408 | 359,072 |
| Surplus (Deficit) for the year | | 875 | (335,459) |
| Total Equity | | 25,284 | 23,613 |
| TOTAL LIABILITIES & EQUITY | | 28,351 | 25,913 |

Approved by:

Ronny Marryshow
 Ronny Marryshow
 OMBUDSMAN (Ag.)

OFFICE OF THE OMBUDSMAN
Income & Expenditure Statement
For the Year ended December 31st, 2020 with comparative figures

| INCOME | Notes | 2020 | 2019 |
|--------------------------------------------------|--------------|----------------|------------------|
| | | EC\$ | EC\$ |
| Government Grant | 3 | 345,000 | 41,600 |
| Other Income | | | |
| TOTAL INCOME | | 345,000 | 41,600 |
| | | | |
| EXPENDITURE | | | |
| Staff Costs | 4 | 260,839 | 258,082 |
| Local & International Travel | | 60 | 4,858 |
| Other Administrative Costs | 5 | 77,391 | 103,020 |
| TOTAL EXPENDITURE | | 338,290 | 365,960 |
| | | | |
| Net Surplus/(Deficit) before Depreciation | | 6,710 | (324,360) |
| Depreciation | 6 | 5,835 | 11,099 |
| Net Surplus (Deficit) after Depreciation | | 875 | (335,459) |

OFFICE OF THE OMBUDSMAN
Cash Flow Statements
For the Year ended December 31st 2020 with comparative figures

| | <u>2020</u> | <u>2019</u> |
|---------------------------------------------------|--------------|------------------|
| Cash at the beginning of the year | 9,950 | 334,806 |
| <u>Cash flows from Operations</u> | | |
| Received - Government Grant | 345,000 | 41,600 |
| Paid - Operating & Admin Expense | 76,623 | 102,949 |
| - Salaries & Related Expenses | 261,343 | 258,082 |
| - Local & International Travel | 60 | 4,858 |
| Adjustment | 338,026 | 365,889 |
| Net Cash Flow from Operations | 6,974 | (324,289) |
| <u>Cash Flow from Investing Activities</u> | | |
| Purchase of Fixed Asset | | 567 |
| Cash Flow from Financing Activities | | |
| Net increase in Cash | 6,974 | (324,856) |
| Cash at the ending of the year | 16,924 | 9,950 |

OFFICE OF THE OMBUDSMAN
Notes to the Financial Statements
As at December 31st, 2020 with comparative figures

1. GENERAL INFORMATION

The Office of the Ombudsman was established by the Ombudsman Act CAP 218B of the Laws of Grenada. The office commenced operations on October 1st 2009. The Ombudsman is appointed to investigate complaints of mal-administration on the part of a public authority or individuals within such authority. Currently the office has five (5) members of staff including the Ombudsman Ag.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements are prepared using the Accrual Basis of Accounting, in accordance with International Financial Reporting Standards for Small and Medium-sized Enterprises (IFRS for SMEs).

Transactions are expressed in Eastern Caribbean dollars.

Fixed Assets

Items of fixed assets are measured at cost less accumulated depreciation less their residual values over their estimated useful lives, using the straight line method. In the year of acquisition, only 50% depreciation is charged and 100% thereafter. No depreciation is charged in the year of disposal.

The following are the annual rates used for the depreciation of fixed assets.

| | |
|-----------------------------|--------------|
| Furniture, Fixtures & Tools | 2.5 - 10% |
| Computers & Equipment | 12.5 - 33.5% |
| Motor Vehicle | 20% |
| Laws of Grenada | 2% |

3. RECEIPT OF GOVERNMENT GRANT

This is an amount received from the government monthly. During the year, \$345,000 was received.

4. STAFF COSTS

| | 2020 | 2019 |
|--------------|----------------|----------------|
| | \$ | \$ |
| Salaries | 227,196 | 225,163 |
| Allowances | 26,700 | 25,200 |
| NIS | 5,580 | 6,593 |
| PWU Medical | 1,363 | 1,126 |
| TOTAL | 260,839 | 258,082 |

5. OTHER ADMINISTRATIVE COSTS

| | 2020 | 2019 |
|---------------------------------------------|---------------|----------------|
| | \$ | \$ |
| Utilities | 14,110 | 16,388 |
| Equipment Maintenance | 2,864 | |
| Office Supplies | 4,945 | 9,946 |
| Bank charges | 863 | 480 |
| Cleaning & Cleaning Supplies | 1,361 | 2,118 |
| Website | 865 | 979 |
| Miscellaneous Expenses | | 276 |
| Canteen Expense | 1,350 | 1,909 |
| Printing | | 4,833 |
| Membership dues | 907 | 449 |
| Professional Fees | 1,500 | 1,500 |
| Rent | 46,500 | 46,500 |
| Advertising & Promotions | 2,110 | 3,450 |
| Postage | 15 | 65 |
| Training | | 1,080 |
| Public Relations & Anniversary Celebrations | | 13,049 |
| TOTAL ADMINISTRATIVE EXPENSES | 77,391 | 103,023 |

6. FIXED ASSETS

| | Furniture, Fixtures and Tools | Computers & Equipment | Laws of Grenada | TOTAL |
|----------------------------------------------------|----------------------------------------------|------------------------------------------|----------------------------|----------------|
| | \$ | \$ | \$ | \$ |
| <u>Cost/Valuation</u> | | | | |
| Balance December 31 2019 | 61,689 | 41,238 | 8,000 | 110,927 |
| Accumulated Depreciation | 54,134 | 39,330 | 1,500 | 95,060 |
| <u>NET BOOK VALUE DECEMBER 31, 2019</u> | 7,555 | 1,908 | 6,500 | 15,867 |
| January 1 2020 | 61,689 | 41,238 | 8,000 | 110,360 |
| Additions | | | | |
| Disposals | | | | |
| December 31 2020 | 61,689 | 41,238 | 8,000 | 110,927 |
| <u>Accumulated Depreciation</u> | | | | |
| January 1 2020 | 54,134 | 39,330 | 1,500 | 94,964 |
| Annual Depreciation | 2,933 | 1,908 | 200 | 5,836 |
| Disposals | | | | |
| December 31 2020 | 57,067 | 41,238 | 1,700 | 100,005 |
| Carrying Amount/NBV | 4,622 | 0 | 6,300 | 10,922 |

7. ACCRUALS

Amount owing for membership fees as at 31st, December 2020.

8. ACCOUNTS PAYABLE

| | 2020 | 2019 |
|------------------------------|--------------|--------------|
| | \$ | \$ |
| Bernadine Andrew | 1,500 | 1,500 |
| Grenada Electricity Services | 417 | 556 |
| TOTAL | 1,917 | 2,056 |