

January 7, 2016

Mr. Jaipaul Sharma,
Junior Finance Minister,
Ministry of Finance,
Main Street,
GEORGETOWN.

Dear Sir,

**RE: FINAL REPORT ON THE FORENSIC AND REVIEW AUDIT OF THE
OPERATIONS OF THE PESTICIDES AND TOXIC CHEMICALS CONTROL
BOARD FOR THE PERIOD JANUARY 1, 2012 TO MAY 31, 2015.**

Enclosed is the final report.

Regards,

Ramesh Lal
Managing Partner-TSD LAL & CO.

REPORT
FOR THE FORENSIC AUDIT AND REVIEW OF THE OPERATIONS OF
PESTICIDES AND TOXIC CHEMICALS CONTROL BOARD
FOR THE PERIOD JANUARY 1, 2012 TO MAY 31, 2015

We have conducted a forensic audit and review of The Pesticides and Toxic Chemicals Control Board for the period January 1, 2012 to May 31, 2015.

The Pesticides and Toxic Chemicals Control Board is responsible to make available all documents, records, physical assets, explanations necessary to carry out the audit and review.

We conducted our audit and review in accordance with the scope and objectives stipulated in the terms of reference. The terms of reference requires that we plan our audit and review so as to ensure compliance with laws, regulations and systems efficiency and accountability of documents and records.

We have identified certain internal control matters, compliance issues with Laws and Regulations and operational deficiencies. These matters are included in the report under the heading “Letter of Comments”-page 9 to page 20.

1. Background

The Government of Guyana is reviewing the performance and efficiency of publicly owned entities, statutory bodies, Projects and activities financed by or through public funds. In this regard, the Government of Guyana has commissioned this Forensic Audit and Review of the Operations of The Pesticides and Toxic Chemicals Control Board.

The Pesticides and Toxic Chemicals Control Board (PTCCB), a semi-autonomous Agency within the Ministry of Agriculture, operates under the Pesticides and Toxic Chemicals Control Act 2000 (No. 13 of 2000). Its principal function is the management of pesticides and toxic chemicals with specific focus on the manufacturing, importation, transport, storage, selling, using and advertising of these chemicals in Guyana.

PTCCB is operated by its permanent Secretariat which carries out the mandatory responsibilities and the operational and administrative policies handed down by the Board of Directors.

2. Objectives and Scope of the Forensic Audit

Objectives and scope of the Forensic Audit	Status	Comments
Determine the entity's adherence to and fulfillment of principles of corporate governance in all aspects, including its interpretation of its mission, adherence to legal or statutory policy instruments and good practices;	Done	Observations and inquiries of The Board's principles of corporate governance, legal or statutory policy instruments and good practices were done.
Assess and test systems and detect any instances of corporate malfeasance and inefficiency for remedial and/or judicial interventions and systems realignment;	Done	Review of the "Fiscal Management and Accountability Act 2003" and "Procurement Act 2003" (including amendments), was performed. This was to ensure the payments for assets and expenditures comply with the relevant sectional laws of Guyana.
Determine the authenticity and validity of significant commercial and financial transaction entered into by the entity with related parties, suppliers and customers and measure the extent of potential prejudice the entity may have suffered through such dealing, if any;	Done	Review of the "Fiscal Management and Accountability Act 2003" and "Procurement Act 2003" (including amendments) was performed to ensure compliance. For significant payments, checks were made for the validity of supporting documents attached.
Carry out a comprehensive financial systems audit which should look at all systems, decisions and practices which have underpinned the entity's finances test and assess financial discipline at all levels. Without limitation, the Consultant/Firm should:		

2. Objectives and Scope of the Forensic Audit-Cont'd

Objectives and scope of the Forensic Audit	Status	Comments
a. Review and examine all financial books and records of the entity as required to undertake such review and to obtain such clarifications and explanations as may be required in relation to such books and records;	Done	All financial books and records in The Board's possession were made available for verification.
b. Review all contracts administration and approval processes in relation to the expenditure of funds during the period;		Contracts were reviewed to ensure the terms and conditions attached to the contract were complied with.
c. Review all material expenditures and contracts made by the entity during the period and obtain all necessary information and explanations as may be required in relation to such books and records;	Done	The "Procurement Act 2003" was checked and compared with purchase decision to ensure compliance.
d. Examine all areas, including budgeting, financing, expenditure, management of revenue inflows, trade terms, procurement or purchase decisions and supply chain management ;	Done	The "Pesticides & Toxic Chemicals Control Act 2000" and "Procurement Act 2003" (including amendments) were checked to ensure compliance with the areas.
e. Examine the entity's assets management system, including its fixed assets, their disposal, management or deployment;	Done	The "Pesticides & Toxic Chemicals Control Act 2000" and "Procurement Act 2003" (including amendments) were checked and compared with the fixed assets management system.
f. Examine the entity's marketing, production and commissioning policies, systems and agreements to determine their integrity, efficacy and responsiveness;	Done	
g. Examine the entity's archiving policy both by way of records keeping and as a performing asset that yields revenue for the entity.		The entity's archiving policy in relation to records keeping has been observed and enquired about to ensure it is operating satisfactory.

2. Objectives and Scope of the Forensic Audit-Cont'd

Objectives and scope of the Forensic Audit	Status	Comments
<p>Recommend statutory, legal or organizational changes required to identify and prevent any recurrence of improprieties.</p>	<p>Done</p>	<p>Recommendations have been made to weaknesses found during the forensic audit and review of the entity's operation.</p>
<p>Conduct a human resources audit which should include key issues like manpower policy and needs determination, selection and recruitment regarding philosophy, grading and departmentalization, payroll system and management, performance, culture and whole policy on advancement and promotions, labour issues, skills development and deployment. Examine current incentives, their access and distribution and what impact they have on skills attraction and retention on staff motivation, performance and commitment;</p>	<p>Done</p>	<p>An overview of the human resources function was performed.</p>

3. Key Audit Procedures Applied

The following auditing techniques were used to review the performance and efficiency of the entity:

- **Inspection of documents, records and physical assets:**
This involved the examination of documents and records to confirm the value, existence of items purchased, rights and obligations. Inspection of physical assets also confirmed that the assets seen were in existence.
- **Observation:**
This involved observing a procedure or process being performed.
- **Inquiry:**
This involves seeking information from client's staff and or external sources.
- **Recalculation:**
This consisted of checking the mathematical accuracy of documents or records and where appropriate performed through the use of IT.
- **Re-performance:**
This is the auditor's independent execution of procedures or controls that were originally performed as part of the entity's internal control.
- **Analytical procedures:**
Evaluating and comparing financial and/or non-financial data for plausible relationships. Also included the investigation of identified fluctuations and relationships that are inconsistent with other relevant information or deviated significantly from predicted amounts.

4. Executive Summary

During our forensic audit and review of the Pesticides and Toxic Chemicals Board for the period January 1, 2012 to March 31, 2015 we noted certain matters. Below is a list of some of the major matters:

- a. The entity does not have a written mission statement.
- b. There are no accounting policies for the appropriate classes of transactions.
- c. Lack of segregation of duties.
- d. There were deficiencies in the petty cash system.
- e. Payments were made for the Ministry of Agriculture.
- f. Several contracts were single sourced.
- g. Tendering file for contract of the storage bond was not provided for examination.
- h. There were also deficiencies in the Fixed Assets system.
- i. Some computer systems were not password protected.
- j. There were no formal procedures for backing up data and information.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments

1. Corporate Governance

Findings

- 1.1 The entity does not have a written mission statement.
- 1.2 There are no accounting policies for the appropriate classes of transactions.

Recommendations

- 1.1 The Board of Directors should formulate a mission statement for the Entity so as to guide the vision and objectives of the Entity.
- 1.2 The Board of Directors should implement approved accounting policies for all material classes of transactions. This is to ensure the Entity's accounting records are not misstated by using unapproved policies.

Client's Comments

- 1.1 The Board of Directors shall formalise the mission statement for the entity in keeping with its mandate under the PTCC Act and Regulations and implement same.
- 1.2 Accounting policies are currently being developed and shall be presented to the Board of Directors for approval shortly.

2. Payments and Receipts

a. Payments

Findings

- 2.1 There was a lack of segregation of duties with regards to the Cash and Bank System. There is only one staff dealing with section. The accountant was responsible for the preparation of cash book, bank reconciliations, cheque payments, collection of cash and cheques, making payments and depositing cash.
- 2.2 The petty cash vouchers were not pre numbered.
- 2.3 Petty cash was not balanced off on a regular basis by an independent person.
- 2.4 There was no list of payments and no limit to the value of petty cash expenditure.
- 2.5 Several payments had less than three quotations (see appendix 1).
- 2.6 Some payment vouchers were not signed by the Chairman or Deputy Chairman (see appendix 2).

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments - Cont'd

2. Payments and Receipts – Cont'd

a. Payments – Cont'd

Findings – Cont'd

- 2.7 A number of per diems payments to employees did not include the per diems printout (see appendix 3).
- 2.8 Cabinet approval for the attached expenditure was outstanding (see appendix 4).

Recommendations

- 2.1 The Board should implement systems to ensure effective segregation of duties are in place, through hiring of more staff or delegating efficiently.
- 2.2 Payment vouchers for petty cash should be numbered sequentially as evidence of all vouchers being accounted for.
- 2.3 The Board should have an independent person to balance the petty cash on a regular basis to prevent unauthorized use of cash.
- 2.4 The Board should determine the type of payments to be made from petty cash and the limits to such payments. This is to ensure the proper use of cash.
- 2.5 Three quotations should be obtained from suppliers before purchases are made as this is the requirement of the Procurement Act.
- 2.6
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- 2.8 All payments should be signed by the approved personnel and attached with the appropriate source documents. This is evidence that control policies and procedures were properly adhered to in the execution of payments.

Client's comments

- 2.1 The Board acknowledges this shortcoming and is currently expanding the Accounts Department to allow for adequate segregation of duties. The expansion in staffing will be completed by 30th November, 2015.
- 2.2 Management is committed to implementing the recommendation with regards to numbering of petty cash vouchers.
- 2.3 The additional staffing will allow for adequate segregation including the implementation of the above-stated recommendation.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments - Cont'd

2. Payments and Receipts – Cont'd

a. Payments – Cont'd

Client's comments – Cont'd

2.4 Petty cash payment types and limit will be addressed in the accounting policy that is being developed. The Board aims to address this as soon as possible.

2.5 The Board will ensure that transparency in procurement from approved suppliers is carried out with the relevant quotations being requested and provided.

2.6 Management acknowledges this shortcoming and will correct the same.

2.7

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2.8 Management acknowledges this shortcoming and will strengthen its review systems to ensure all supporting documentation is attached for all payments.

b. Receipts

Findings

2.9 Several license forms were not signed by the customer (see appendix 5).

2.10 A number of licenses had no invoice to support the calculation of fees (see appendix 6).

2.11 Several license forms had no invoices and the customers did not sign the forms (see appendix 7).

2.12 A few license forms were casted (added) incorrectly resulting in an incorrect charge (see appendix 8).

Recommendations

2.9

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2.11 License forms should be properly completed by the customer and all documents must be attached. This is evidence that procedures according to the PTCC Act and control policies were properly adhered to in the execution of sales.

2.12 An employee other than the license officer should be tasked with rechecking the forms and ensuring the necessary documents are attached and the forms are calculated correctly to ensure Sales System is effective.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

2. Payments and Receipts – Cont'd
b. Receipts – cont'd

Client's Comments

2.9

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2.12 Management acknowledges this shortcoming and in keeping with regulatory policy for licenses will not be issuing any licenses for applications that are unsigned, lacks invoices and any other supporting documentation. In addition, the Board has already implemented the above stated recommendation with another employee other than the licensing officer being tasked to review all forms and other submitted documents.

3. Related Parties

Findings

There were two (2) payments made for the Ministry of Agriculture which were requested by the Minister or Permanent Secretary. These payments totaled G\$3,799,247 and were treated as expenditure and not as receivables (see appendix 9).

Recommendation

The Board of Directors should ensure that no payments are made on behalf of other entities.

Client's Comments

Payments were made as per request for assistance from the Minister or Permanent Secretary. However, the Board is taking relevant steps to reduce instances of this nature.

4. Material Expenditure and Contracts
a. Contracts

Finding

4.1 Several contracts had no quotations. See appendix 10.

Recommendation

4.1 Management did not follow the procurement policy stated in the Procurement Act2003.

Client's comment

4.1 Management shall ensure that all procurement is in keeping with procurement policy. However, laboratory consumables are specific to the make and model of the equipment.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

4. Material Expenditure and Contracts – Cont'd

b. Bids

Finding

4.2 Two Tendering Files were not provided for our examination (contract of the Storage bond and the purchase of the Toyota Hilux Double cab). Therefore, an assessment could not be made on the basis on which contracts were awarded to contractors; such as:

- (a) the bidders fulfilled the required qualification
- (b) lowest cost was accepted
- (c) Satisfy the administrative requirements of the bid document (GRA, NIS Compliances, Business Registration and TIN Certificates)
- (d) were properly signed
- (e) conform to the terms and conditions, specifications and drawings without material deviations.

Recommendation

4.2 Bids should be properly filed and maintained, therefore making it readily retrievable upon request.

Client's comment

4.2 Tendering files for awards made by the Board are kept by the Agency and were provided for examination. The specific files being requested (outside of those kept by the agencies) can be viewed or provided for examination by the National Procurement and Tender Administration.

c. Budgets and Accounting Records

Findings

4.3 Budgets were prepared on cash basis while the Financial Statements were prepared on an accrual basis. Some items included on the financial statements were not included in the budgets. Therefore, no reconciliation could have been done between the actual figures, Budget figures and the Financial Statements.

4.4 The Entity does not prepare a trial balance for accounting purposes.

4.5 Journal entries were not posted to the account balances.

4.6 Yearly audits are done by the Auditor General Office. However, the Audit Report for 2014 was not completed.

4.7 Management prepared Income Statement on a monthly basis and Financial Statements yearly to submit to the state auditors. However no Financial Statements were prepared for the period January 2015 to May 2015.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

4. Material Expenditure and Contracts – Cont'd
c. Budget and Accounting Records – Cont'd

Recommendations

- 4.3 The Entity should re-examine the current presentation of information to enable reconciliations between Budgets, actual figures and Financial Statements.
- 4.4 Trial balance is used to ensure all accounts are captured and balanced. Therefore, management should ensure this is implemented. This along with schedules of account balances for the entire year will enhance the financial information system.
- 4.5 Management should ensure all journals are posted to the account balances.
- 4.6 Follow ups should be done by The Board to have the Audit Report finalized.
- 4.7 Financial Statements should be prepared to facilitate the audit.

Client's comments

- 4.3 Management acknowledges this shortcoming and will take necessary steps to ensure reconciliation between actual and budgeted figures.
- 4.4 The Board will be implementing accounting software on 1st January, 2016 to enhance and strengthen the financial information systems. This system will generate a trial balance.
- 4.5 Journals are posted to the account balances. However, management will take the necessary steps to ensure more visibility and timeliness in doing same.
- 4.6 The Board has been actively following up with the Audit Office for the Audit Report for 2014 financials. The Board is not yet in receipt of the finalised report.
- 4.7 Management is committed to providing all documentation to facilitating the audit. However, financial statements for the entity are prepared for period January – December, (over a 12 month period). One was not prepared for the period January. – May, 2015.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

4. Material Expenditure and Contracts – Cont'd

d. Fixed Assets

Findings

- 4.8 The Registrar does not keep a log book of vehicle usage.
- 4.9 Upon physical verification of high valued Fixed Assets, several assets such as Motor Vehicles and Other Fixed Assets were used by other Agencies or Departments within the Ministry of Agriculture but were still on the Fixed Asset Register (refer to appendix 11a and 11b).
- 4.10 The purchase of a motor vehicle was done by using restricted tendering but no approval was given (refer to appendix 11c).
- 4.11 Several Fixed Assets were not in working condition but were still on the Fixed Assets Register (refer to appendix 12).
- 4.12 A number of expenditure items were wrongly categorized as Fixed Assets (refer to appendix 13).
- 4.13 Most items of fixed assets had no unique identification number.
- 4.14 There was no nominal ledger maintained for Fixed Asset categories.
- 4.15 The Fixed Assets Register did not show Depreciation charged for the year. Depreciation charged was merged with accumulated depreciation.
- 4.16 The Fixed Assets Register for May 31, 2015 was not completed to include current depreciation.

Recommendations

- 4.8 A log book should be kept for all vehicles according to the Motor Vehicle Policy.
- 4.9 The Board of Directors should ensure all assets that are not under the control of the Pesticides and Toxic Chemicals Board be removed from the Fixed Assets Register using the approved procedures since this is misstating the accounts.
- 4.10 The board should ensure the correct procurement policies are used.
- 4.11 The Board of Directors should ensure all Fixed Assets that are not in working condition are properly disposed of and removed from the Register.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

4. Material Expenditure and Contracts – Cont'd

d. Fixed Assets – Cont'd

Recommendations – Cont'd

- 4.12 The Board should analyze the Register and remove all items that were wrongly categorized and implement systems to ensure it does not reoccur.
- 4.13 The Board should label fixed assets with unique numbers for identification purposes.
- 4.14 Nominal ledger for Fixed Asset categories should be implemented and reconciliations should be done between the Register and the Nominal Ledger so as to ensure fixed assets are not misstated.
- 4.15 The Fixed Assets Register should show depreciation charged for the year as a separate item.
- 4.16 Fixed Assets Register should be updated on a monthly basis.

Client's comments

- 4.8 Management will ensure that vehicle log book will be kept for all vehicles.
- 4.9 The Board of Directors has reviewed the Fixed Assets register and has approved the transfer and removal of assets not under the control of the Board.
- 4.10 Approval for purchasing was minuted in the Minutes of the Board of Directors Meeting.
- 4.11 The Board has already compiled a list of assets for removal from the Fixed Asset Register. These items are not in working condition. A formal request will be done shortly.
- 4.12 Management will ensure the implementation of systems for correct categorizing of all fixed assets.
- 4.13 Most assets held by the Board are adequately marked with the Board's unique identification number; however unmarked items are being addressed.
- 4.14 Nominal ledger will be implemented with the accounting software in January 2016.
- 4.15 Management acknowledges this shortcoming and will implement with immediate effect.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

4. Material Expenditure and Contracts – Cont'd

e. Records Management System

Findings

- 4.17 Some computer systems were not password protected.
- 4.18 There were no formal procedures for backing up data and information.
- 4.19 No accounting Software was used.

Recommendations

- 4.17 Management should ensure all computer systems are password protected so that unauthorized persons do not have access to sensitive information. Also, passwords should be changed frequently.
- 4.18 Management should put procedures in place to ensure regular backup of information is done and stored at a separate location so as to prevent loss of information and data.
- 4.19 The Board should analyze the cost and benefits of implementing an accounting software package.

Client's comments

- 4.17 Management has implemented a password system for all computers as this was highlighted during the audit.
- 4.18 Management has established a secure server system which includes cloud storage for regular backup of information and data from all computers.
- 4.19 The Board of Directors has approved the implementation of accounting software after a review of benefits to our financial systems. This will take effect January 2016.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

5. Other Breaches with the Legislation

Findings

Findings on the Legislation compliance for Pesticides and Toxic Chemicals Control Act of year 2000 and Amendments:

- 5.1 The legislation for Pesticides and Toxic Chemicals Board states that the maximum amount of Board members should not exceed seven; however the Board exceeded this requirement.
- 5.2 There was no documentation from the Minister to approve increase in the fees of director.
- 5.3 The legislation requires a Medical Officer to be a part of the Board, however, this was only implemented in 2014.
- 5.4 Manufacturing and Research License systems have not been established.
- 5.5 There was not adequate enforcement to ensure individuals transporting Pesticides and Toxic Chemicals above 100litres inform the Board, Police and Fire Service.
- 5.6 Due to the remoteness of some areas and limited number of inspectors, enforcement activities were limited.
- 5.7 No legal actions were taken to enforce the legislations. Only warning letters were issued. Also, items were seized and 'stop sale' made.
- 5.8 The gazetting of Monocroptophos was not published by the Ministry of Legal Affairs.

Recommendations

- 5.1 to
- 5.3 The requirements of the PTCC Act section III Establishment and Functions of the board must be complied with to facilitate the effectiveness of the Board.
- 5.4 The Board should implement the systems for Manufacturing and Research license so as to have control over these activities.
- 5.5 The Board should have inspectors do more visits to areas that have movements of 100litres or more of chemicals and pesticides. The public should also be notified that this is an offence. Non-compliance with the law should be made a criminal offence.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

5. Other Breaches with the Legislation – Cont'd

Recommendations – Cont'd

- 5.6 Additional inspectors may be needed to ensure more efficient enforcement.
- 5.7 The Board should ensure that legal proceedings are taken where necessary so as to ensure the public is aware of the severity of not complying with the legislation(s).
- 5.8 Management should follow up on the gazetting of matters.

Client's comments

- 5.1
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- 5.3 Management agrees that legislative compliance is important. However, the Chief Medical Officer has always been a member of the Board. In 2014, a representative from the Ministry of Labour was finally appointed in keeping with legislation.
- 5.2 In keeping with legislation, the remuneration of Directors is determined by the Minister. The increase in Director fees was approved by the Minister at the Agency specific Ministers meeting.
- 5.4 The Board has implemented the research permit requirements so as to allow for management of same. The Board is also in process of regularizing all manufacturing premises.
- 5.5 The Board is currently expanding its inspectorate division to allow for management of all areas of the legislation.
- 5.6 The Board is currently expanding its inspectorate division to allow for management of all areas of the legislation.
- 5.7 The Board will take legal action where necessary and in keeping with the legislation to ensure adherence to the laws.
- 5.8 Management has received the outstanding gazette documents and will continue to ensure that gazetting of other relevant areas under the ACT and Regulations continue.

Letter of Comments
Objectives/Findings/Recommendations/Client's Comments-Cont'd

6. Payroll

Findings

- 6.1 Payroll was not approved by the Chairman or Deputy Chairman.
- 6.2 There was no segregation of duties in the payroll department. The same person who prepared the payroll also prepared the cheques and paid the staff. This could result in fraud being perpetrated.
- 6.3 There was no correspondence to show increase of G\$35,640 in salary for Dietmar Chichester.

Recommendations

- 6.1 Payroll should be signed by Chairman or Deputy Chairman as evidence of approval to release salaries.
- 6.2 The Board should delegate tasks to staff to ensure there is proper segregation of duties. This is a control mechanism over the payroll system to ensure its effectiveness.
- 6.3 The Board should ensure proper documentations are kept for all increases in staff salaries.

Client's Comments

- 6.1 Management acknowledges this shortcoming and will implement with immediate effect.
- 6.2 The Board acknowledges this shortcoming and is currently expanding the Accounts Department to allow for adequate segregation of duties. The expansion in staffing will be completed by 30th November, 2015.
- 6.3 Management acknowledges this shortcoming and will ensure secure filing of all relevant and important documentations.

Other Necessary Reporting Information

1. The Pesticides and Toxic Chemicals Control Board has to carry out several functions. There were breaches of two of the functions in the Pesticides and Toxic Chemicals Control Act which are:
 - To consider and determine applications made pursuant to this Act and to deal with all aspects of the importation, manufacture, transportation, storage, packaging, preparation for sale, sale, use and disposal of pesticides and toxic chemicals and to advise the Minister on all matters in relation thereto.
Please refer to reference 5.3-5.8.
 - To exercise and perform such other functions conferred upon it by or under the Act.
Please refer to reference 5.1 & 5.2.
2. During the period under review there was no suspension of license for registration of a product.
3. Two authorized bank accounts were acquired by the Agency. A Current Account and Business Cash Management Account.
4. Physical verification of Fixed Assets was done on a sample basis with mostly high value items. Several findings were observed such as items on the Fixed Asset Register were expenses, were used by other Agencies and not in working condition. Please refer to 4.10, 4.12 and 4.13.
5. The Agency maintains a petty cash imprest system with a float \$300,000. The Petty Cash System had some deficiencies such as, segregation of duties, vouchers are not pre-numbered, petty cash not balanced off regularly by an independent personnel and no list of payments and limit to petty cash payments. Please refer to 2.1-2.4 for more details.
6. Revenue System
Revenue is received from the following main sources:
 - License fees for importing pesticides (3% of CIF Value) and toxic chemicals (1.5% of CIF Value).
 - 1.1 Application form for licenses is prepared by the applicant and the form is signed by the customer.
 - 1.2 The form is then submitted along with the commercial invoice to the inspector in charge of issuing licenses which is vetted by the inspector. Checks will also be made to ensure the chemicals and pesticides are within the limits and are not restricted.
 - 1.3 An invoice along with the license is prepared. The applicant then makes the necessary payments to which a receipt is generated by the accountant.
 - 1.4 License takes 24 hours to one working day before issued to applicant.

Other Necessary Reporting Information – Cont'd

6. Revenue System – Cont'd

- Annual Pest Control Operating Fees (G\$200,000)
 - 2.1 Applicant submits their Business Registration Certificate and their National Identification Card to the Inspector who then retains a copy. A folder is maintained for the applicant.
 - 2.2 An interview is conducted with the applicant explaining their responsibilities. Upon satisfaction of the inspector the applicant pays the fee and a receipt along with a License is generated.
 - 2.3 The license has to be renewed yearly.
- Selling of Import applications and vending forms (G\$200)

Forms can either be downloaded online or purchased for a fee of G\$200.
- Vending License (G\$200 for form)
 - 3.1 Applicant completes and submits a Vending License Application form.
 - 3.2 Inspector examines the completed form and once satisfied a vending site information package is issued.
 - 3.3 Requirements of the package have to be fulfilled. A visit is done by the inspector to ensure this.
 - 3.4 Upon satisfaction the vending license is issued.

Information Outstanding

Management was unable to further provide the following:

1. Details in relation to the suppliers that were used e.g. contact information, addresses or whether they were registered businesses.
2. Details on individuals and companies who smuggled chemicals such as reports on the incident and charges made.
3. Agreements with the government on restricted chemicals.
4. Registration of products documents.
5. A listing of all the workshops and seminars hosted by PTCCB along with the costs.
6. Listings of experts hired and retained by the Board along with names of reports produced.
7. Details of revenue analysis with budgeted and actual.

Information Outstanding – Cont’d

8. Schedule and documents of any loans taken.
9. Financial Statements submission letters.
10. Details on policies on spending limits e.g. does the Agency go to the Ministerial Tender Board or National Tender Board.
11. Details of employees’ employed within the agency for each year such as names and designations.
12. Details of vehicles included on the Fixed Asset register e.g. persons the vehicle is assigned to.
13. Details on per diem approval e.g. was the approved per diem policy used.
14. Details on listing of each source of revenue along with the amount collected for the period and when the rates were increased.