



General Audit Chamber
Algemene Rekenkamer



ANNUAL REPORT 2023



General Audit Chamber



www.arsxm.org



April 2024

General Audit Chamber, Juancho Yrausquin Blvd 10, Philipsburg, Sint Maarten

Foreword

This is the General Audit Chamber's annual report for the year 2023. It outlines our responsibilities and duties, staffing details, budget allocation, a summary of the audits conducted during 2023, and a comprehensive report on our social media results. The report also provides technical details of our audit procedures, findings, and recommendations for improvement.

In late 2022, the Audit Chamber released its new interactive online platform. This environment provides the user with interactive insight into our role and audit results. In 2023, the online environment continued to expand, emphasizing interactive approaches to presenting audit results. Shortly after the introduction of the platform, the Audit Chamber was invited to contribute to the EUROSAI magazine, with a specific request to comment on the interactive approach to audit results.

In addition to the EUROSAI magazine, the Secretary General was invited to present this theme using the interactive environment for the International Organization of Supreme Audit Institutions Development Initiative (IDI) in Oslo, Norway. The Audit Chamber is proud to report that the presentation and interactive environment were the cornerstones for developing courseware for the IDI.

We launched our new website in April 2023. The website is designed to be interactive and user-friendly, allowing users to find what they need quickly.

In June, the Chairman visited the CAROSAI executive board gathering in Jamaica. The travel showcased CAROSAI's commitment to capacity building and international collaboration, with notable successes in gaining approval for assisting smaller SAIs and exploring partnerships in Public Financial Management.

The year 2023 was also marked by several in-depth investigations, such as the audit into the travel expenses of parliamentarians, ministers, and within the civil service, the investigation into Medical Aid, the audit into SMIA (a subsidiary of the General Pension Fund), and the audit into the tax assessment process. The audit of the travel costs has been combined with Parliament's audit request to investigate Parlatino's effectiveness.

Accountability (especially financial accountability) to the public is important. Beginning with our 2020 annual report, we include an in-depth financial report detailing our budget realization and expenses for the fiscal year, which an independent accountant prepared. Fiscal year 2023 is no different.

We encourage other entities using public funds to follow this practice, increasing transparency and public accountability.

Alphons M. Gumbs MSc.
Chairman

Keith de Jong, LL.M
Secretary-General

Contents

Foreword.....	1
1. The General Audit Chamber.....	1
1.1. Role.....	1
1.1.1. Tasks and Authorities.....	1
1.2. The Organization.....	1
1.3. Cooperation and Contacts.....	2
1.3.1. Visit of the Council of State.....	2
1.3.2. Visit of the Netherlands Court of Audit.....	2
1.3.3. CAROSAI.....	2
1.3.4. Invitation from IDI: Work Group Course.....	2
1.3.5. Meeting in de Committee for Country Expenditures.....	2
2. Operations.....	3
2.1. Secretariat Staffing.....	3
2.2. Training and Education.....	3
3. Audit Activities.....	3
3.1. Compliance Audit: Financial Statements 2021 of the Government of Sint Maarten.....	3
3.2. Audit into the Ex Officio Tax Assessments.....	3
3.4. Medical Assistance Under Pressure: Management, Communication and compliance.....	4
3.6. Auditing Public Sector Travel: How efficiently is tax money spent?.....	4
3.7. Policy.....	5
3.7.1 Internal Policy: ICT Security.....	5
3.7.2 Internal Policy: Political Neutrality.....	5
3.7.3 Internal policy: Business Travel.....	5
3.8. Advisory work.....	5
3.8.1 Advice on the integrity statement of ministers.....	5
4. Communication.....	6
4.1. Publishing in the EUROSAI Magazine.....	6
4.2. Interactive environment: public procurement.....	6
4.3. Social Media Statistics.....	6
4.3.1 Facebook.....	6
4.3.2 LinkedIn.....	7
5. Financial Accountability.....	8
5.1. Budget 2023.....	8
5.1.1 Erroneous 2023 Budget.....	8
5.1.2 Budget Realization.....	8
5.2. Financial Report.....	8
Annex 1: Financial Report on Material Expenditures.....	9

1. The General Audit Chamber

1.1. Role

As a High Council of State, the General Audit Chamber is charged with investigating the legitimacy and efficiency usage of public funds.¹ The National Ordinance of the General Audit Chamber governs our organization and how we perform our duties.²

1.1.1. Tasks and Authorities

We are independent of the government and Parliament and are authorized to conduct three types of investigations:



Compliance Audits
(Was money spent legitimately?)



Performance Audits
(Was money spent efficiently?)



Integrity Audits
(Has integrity been maintained?)

Our findings, conclusions, and recommendations are compiled in digital reports, which can be accessed by anyone via our website. These reports are intended to support Parliament's oversight role.

In addition, we can issue notifications to Parliament and the Governor. Following these notifications, further discussion can take place. We also have the option to share suggestions, comments, and concerns with ministers (confidential or otherwise) to promote better financial management.³

1.2. The Organization

The board of the General Audit Chamber consists of a Chairman and two members. Three substitute members are appointed to replace the board. As of April, the board consists of a Chairman (also a member), two members, and a substitute member. Figure 1 depicts the composition.

Figure 1: Board of the General Audit Chamber in 2023



Mr. Alphons Gumbs
Chairman



Mrs. Mandy Daal-Offringa
Member



Mrs. Sheryl Peterson
Member



Mrs. Amanda Gumbs-Weijmer
Substitute Member

The board generally meets every two weeks. In 2023, 19 board meetings were held.

¹ Constitution of St. Maarten, article 74.

² National Ordinance General Audit Chamber.

³ Idem, article 39.

1.3. Cooperation and Contacts

We value collaboration with other institutions. Our contacts continued in 2023. The following is a summary:

1.3.1. Visit of the Council of State

In January 2023, the Audit Chamber hosted a delegation comprising members of the Council of State from the Netherlands, the Secretary-General of the Ombudsman, and members of the Integrity Chamber. The meeting focused on the significance of these organizations in maintaining checks and balances, and their role in promoting cooperation. Various technical aspects were discussed during the session.



Photo from left to right: Mr. R. de Veer, Mr. K. de Jong, Ms. M. Van der Sluijs-Plantz, Mr. R. Boasman, Mr., R. Duggins, Mr. A. Gumbs, Mr. T. de Graaf, Mr. P. Comenencia and Mr. F. de Grave.

1.3.2. Visit of the Netherlands Court of Audit

The General Court of Audit Netherlands visited St. Maarten in February. With them, we discussed different topics with the Governor, the President of Parliament, and the Minister of Finance, such as the importance of an independent Supreme Audit Institution, the conduct of specific audits, and the possibilities for further cooperation.

1.3.3. CAROSAI



Photo from left to right: Mrs. Mary Ann Curet-de Jong, Mrs. Xiomara Williams-Croes; Mr. Alphons Gumbs and Mrs. Brigitte Obertop

CAROSAI is the international umbrella organization for audit institutions, consisting of 23 member states in the Caribbean region. Its function is to enable its members to exchange ideas and experiences in the field of public sector auditing.

As of May 2022, the General Audit Chamber is represented on the board of CAROSAI, a role that continued in 2023. The board, consisting of 6 members, is headed by the current president (Court of Audit Aruba). The Chairman undertook a mission in June to strengthen ties with CAROSAI. As a result of the mission trip, important agreements were made to support comparatively small Supreme Audit Institutions more intensively.

1.3.4. Invitation from IDI: Work Group Course

The INTOSAI Development Initiative (IDI) invited the Secretary-General to Oslo, Norway, in March to participate in a working group that was preparing a course on securing the independent position of a Supreme Audit Institution.

During the presentation, the Secretary-General emphasized the importance of engaging stakeholders through an interactive approach. The IDI fully covered the mission's costs.

1.3.5. Meeting in the Committee for Country Expenditures

On Oct. 27, 2023, the General Audit Chamber presented to the Parliament's Committee on Country Expenditures about its 2022 Annual Report. Topics discussed included the role and duties of the General Audit Chamber, the importance of a Chamber, our budget and realization, social media activities, and, of course, our reports.

2. Operations

This chapter describes activities on the operations for fiscal year 2023.

2.1. Secretariat Staffing

By law, the General Audit Chamber has a workforce of 8 FTEs. Figure 2 shows the staffing in 2023.

In 2023, our staffing consisted mainly of four full-time employees: a Secretary-General, a researcher (until August 1, 2023), a senior administrative officer, and an all-around administrative officer. In addition, our audit team was strengthened with a part-time registered accountant and two part-time consultants. As of May 2023, a second part-time registered accountant was added as a consultant.

Figure 2: staffing complement in 2023

Function	Status
Secretary-General	Fulltime
Researcher	Fulltime
Head Financial Administration	Fulltime
Administrative Officer	Fulltime
Registered Accountant x 2	Parttime
Consultant x 2	Parttime

On July 31, 2023, we bid farewell to our researcher.

2.2. Training and Education

The board completed the Good Governance "*Responsibility & Accountability*" training program in February 2023. The Secretary-General started a 1-year online master's degree in international project management in September. In addition, he completed the *Professional Education for SAI Auditors (PESA)* program, making him internationally accredited as a Public Performance Auditor.

In October 2023, the secretariat successfully obtained the accredited Business Emergency Response Course ("BHV") and further completed the online course "*Introduction to Cyber Security: Stay Safe.*" The course is available free of charge online and concludes with a test and certification.

3. Audit Activities

In the following sections, we discuss our audit work.

3.1 Compliance Audit: Financial Statements 2021 of the Government of Sint Maarten



The 2021 Financial Statements were due September 1, 2022, but were presented to us and SOAB on November 7, 2022. We have six weeks to report after receiving SOAB's report, which was received on December 21, 2022. Our report was sent to Parliament on January 24, 2023.

We found irregularities and shortcomings in the 2021 Financial Statements. For example, expenditures have no associated budget, and revenues were not realized or were under budget.

Click [here](#) to read the report.

3.2 Audit into the Ex Officio Tax Assessments

The ex officio tax assessment process report was published on April 25, 2023.

We noted a lack of documented policy, which can result in arbitrary processing and amounts. During the investigation, no Inspectors were employed. Measuring the effectiveness of the surcharge measure as a driver for assessment submission was missing, and no statistics are maintained on the effectiveness of the assessment. Furthermore, badly outdated ICT systems pose an increased IT risk.

To read the report, click [here](#).



3.3 Compliance Audit: 2022 Financial Statements General Pension Fund St. Maarten



In September 2023, we submitted our report on APS's financial statements to Parliament. We found that in 2022, APS' coverage ratio fell to 98.8% (2021: 104.1%), indicating that, despite the pension reform, APS is still not financially sound. A recovery plan has been drafted, potentially adversely affecting participants.

Moreover, indexation has been withheld since the reform, and the pension accrual in 2022 was 1.75% instead of 2%.

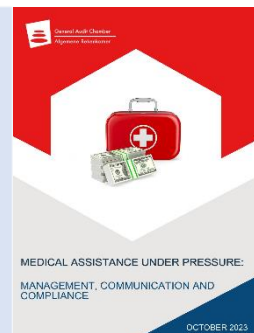
Click [here](#) to read the report.

3.4 Medical Assistance Under Pressure: Management, Communication and compliance

The report on the medical assistance process was published in October 2023. Our report revealed significant problems, including an annual budget overrun of about ANG 10 million and a lack of control.

Given the material impact, we believe an in-depth investigation is warranted. Such investigation should focus on identifying causes behind the overspending, improving communication and the reporting between involved agencies, and verifying the validity of pp-cards.

To learn more about the report, click [here](#).



3.5 Performance Audit: Sint Maarten Investment Agency (SMIA)



Our performance audit on SMIA was released in November 2023. The SXM Investment Agency, a subsidiary of APS, has underperformed since its inception, costing the participant NAf 1.8 million. Accountability is lacking.

We found deficiencies in governance: financial statements have been missing since inception, there is a lack of clarity about supervision by the Central Bank of Curaçao and St. Maarten, and currently, SMIC is operating on behalf of SMIA. The articles of incorporation have not been amended, and consequently, SMIC does not (yet) formally exist.

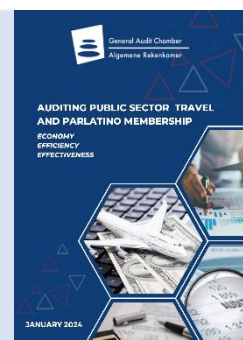
Click [here](#) to read more.

3.6 Auditing Public Sector Travel: How efficiently is tax money spent?

This investigation was completed in December and published in January 2024 as Parliament requested more time. Our research analyzed travel regulations and expenses in the public sector to enhance efficiency, transparency, and compliance.

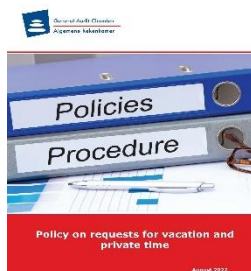
Specifically, the report highlights the importance of compliance and accountability for travel expenditures. We identify travel with the highest costs in 2022. Recommendations include changing regulations and policies, tightening accountability, refunding unspent daily allowance, and promoting transparency. Our report calls on parliament, the government, and related entities to adopt these recommendations.

To learn more, click [here](#).



3.7 Policy

3.7.1 Internal Policy: ICT Security



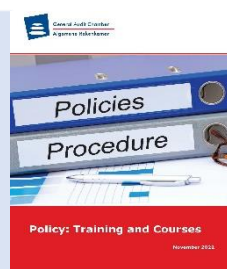
In 2023, internal policies were established to improve the security of online activities. The secretariat and the board are expected to be well-informed about threats and the necessary precautions to ensure safe online practices.

As an example, the policy mandates the use of two-factor authentication, strong passwords that are regularly changed, active antivirus software, and completion of an online training course every year. Furthermore, all messages and documents are now shared within a secure environment, and the use of internal emails has been reduced.

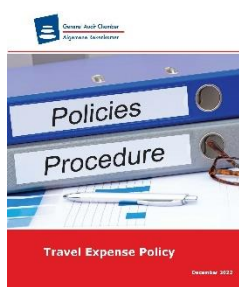
3.7.2 Internal Policy: Political Neutrality

The board adopted the internal policy on political neutrality in October. The General Audit Chamber is an independent and politically neutral institution that ensures transparency, accountability, and good governance within government and public administration.

Board members, staff, and consultants must clearly separate their professional roles from their personal political affiliations to maintain impartiality and credibility.



3.7.3 Internal policy: Business Travel



By December 2022, the board established the internal travel and accommodation costs policy. This policy governs procedures regarding business travel and accountability. A travel plan is prepared in advance. As far as possible, expenses are paid in advance by the organization and unused funds are returned.

The policy is periodically reviewed, including in 2023. In particular, the changes relate to the annually updated list of maximum hotel and subsistence expenses in 2023.

3.8 Advisory work

3.8.1 Advice on the integrity statement of ministers

According to Article 2 of the National Ordinance on Integrity, a minister shall, within 30 days of accepting his position, submit to the Prime Minister a written statement concerning his assets and those of his immediate family. The Prime Minister decides which business interests, ancillary positions, and outside activities are undesirable. On the decision to be taken, the Prime Minister seeks the advice of the General Audit Chamber and Council of Advice. In January 2023, the Minister of TEATT was appointed. We received a request for an opinion in March 2023 and advised on it in May. In September, we received a request for advice for the following ministers:

Name	Function	Date of signing the declaration
S.E. Jacobs	Prime Minister / Minister of General Affairs	December 19, 2019
E.J. Doran	Minister of Justice	December 3, 2019
R.F. Violenus	Minister Plenipotentiary	December 19, 2019
A.M.R. Irion	Minister of Finance	Februari 4, 2020
C.L. Wever	Minister of VROMI	June 1, 2020
P. Gordon-Carty	Minister of VSA	December 4, 2019
R. Panneflek	Minister of VSA	April 25, 2020
S.E. Jacobs	Prime Minister / Minister of General Affairs	April 27, 2020
E.J. Doran	Minister of VROMI	April 30, 2020
A.E. Richardson	Minister of Justice	April 2020 (no exact date)
L. de Weever	Minister of TEATT	April 30, 2020
R. Samuel	Minister of ECYS	May 18, 2021
O.E.C. Ottley	Minister of VSA	May 18, 2021

On October 13, 2023, we provided advice on the potential ancillary position of the Minister of Justice within the two-week deadline required by law.

4. Communication

Social media is an effective tool for improving communication with the public. Our reach has increased significantly due to social media.

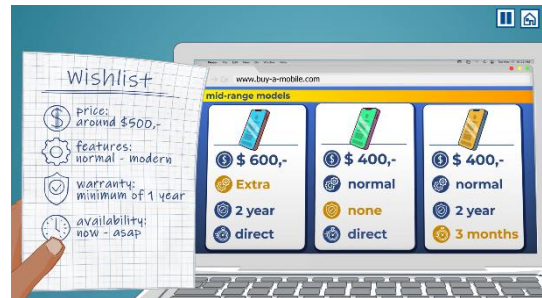
4.1. Publishing in the EUROSAI Magazine

The General Audit Chamber is pleased to report the publication of an article authored by the Secretary-General and Ms. Joane Dovale-Meit in the [annual EUROSAI Magazine](#). This publication by EUROSAI, the organization for European Supreme Audit Institutions, highlights the efficient use of public funds worldwide. Recognizing non-member contributors emphasizes the professional expertise of the Secretary-General and Ms. Dovale-Meit. The article expands our reach internationally demonstrating commitment to good governance.

4.2. Interactive environment: public procurement

In 2023, we continued to expand the online interactive platform. Capitalizing on the innovation of our explainer videos, we added a dynamic digital resource: a procurement-themed game.

Its objective is to help users understand why it is important to establish sound conditions before the government conducts a tendering process.



In the game, the user's purchase of a new phone is used as an example. What does the user consider important when purchasing a good or service? The government should apply the highest standards.

In 2023, work continued on a new version of the overall interactive environment.

4.3. Social Media Statistics

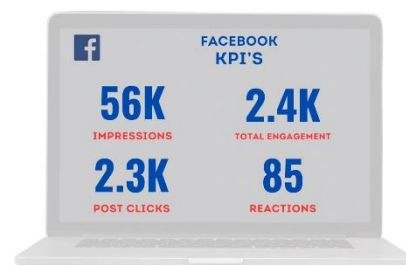
We actively measure relevant performance indicators (KPIs) to be effective and make targeted adjustments. The social media KPIs we used in 2023 are impressions, engagement, post clicks, and reactions. Impressions involve the number of times content has appeared. Engagement refers to the number of likes, referrals (shares) and comments for social media posts.

4.3.1 Facebook

In 2023, the General Audit Chamber had 56,000 impressions, "total engagement" was 2,400, post clicks were 2,300, and total responses were 85.

The most significant difference compared to the 2022 fiscal year concerns total engagement, which increased by 23%. Figure 3 presents the KPIs of our [Facebook](#) page for 2023.

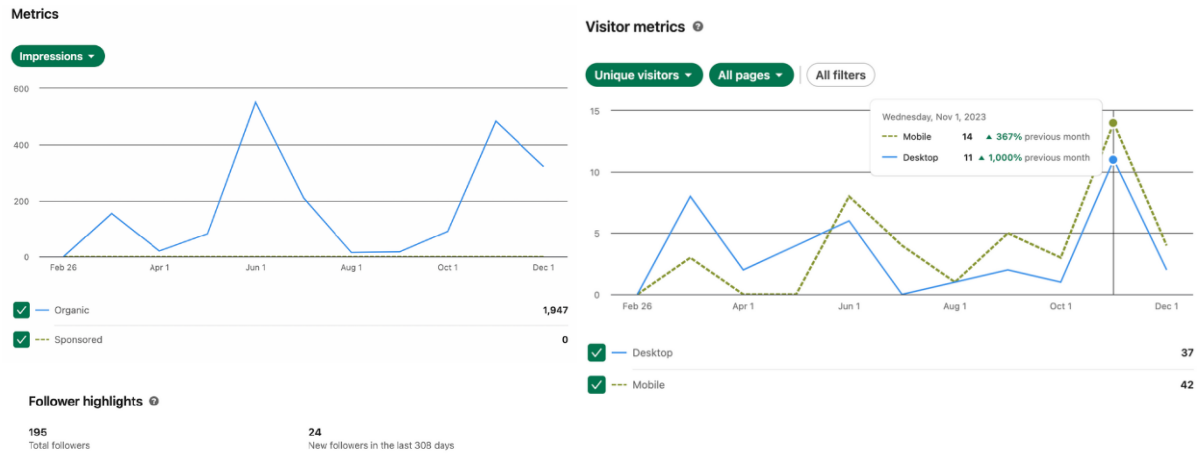
Figure 3: Key performance indicators (Facebook)



4.3.2 LinkedIn

Figure 4 presents the KPIs of our [LinkedIn](#) page for the year 2023. During the year, a total of 24 followers were added. The number of impressions totaled 1,947 in 2023. The total number of organic visitors was 79.

Figure 4: Key performance indicators (LinkedIn)



5 Financial Accountability

This chapter presents the use of our budget for fiscal year 2023.

5.1 Budget 2023

The Chairman carries out financial management.⁴ The Secretary-General is authorized to perform certain financial operations. In 2023, the Secretary-General reported this information quarterly. We use our internal financial systems to record expenses.

5.1.1 Erroneous 2023 Budget

On April 13, 2022, in accordance with the law, we submitted our 2023 budget to Parliament and the Minister of Finance. Said budget totaled ANG 1.30 million (a decrease of 24% compared to 2022). We strive to use public funds as efficiently as possible, hence the trend of annual budget reductions. In 2023, however, to our surprise, we discovered that the Government mistakenly adopted our 2022 budget figures for 2023. In our opinion, this is an unlawful act by the Government that should not have occurred. Although this left us with more to spend, we made the internal decision to maintain and operate based on our submitted (and lower) 2023 budget. Nevertheless, for the sake of legal compliance, we report here using the figures as established in the (higher) 2023 National Budget.

5.1.2 Budget Realization

The overall budget realization (material expenditure) for 2023 is 80%. Personnel expenses are lower than budgeted. A major cause of this is the researcher's departure at the end of July 2023. In addition, open vacancies have not been filled. One travel mission was conducted at the expense of the General Audit Chamber. Table 1 presents an overview of the budget realization.⁵

Table 1: summary of the budget realization for fiscal year 2023

Budget item (ANG)	National Budget 2023	Expenditure	Remainder	Realization (%)
Personnel Expenses	822,132	561,694	260,438	68
Material Expenses	831,000	664,570	166,430	80
Capital Expenses	0	0	0	
Total	1,653,132	1,226,264	426,868	74

5.2 Financial Report

We have consistently provided the Minister of Finance with timely quarterly reports on material expenditures. An independent auditor (BDO) prepared our financial report on material budget expenditures, which is included in Appendix 1.

⁴ Article 49, paragraph 2 of the National Ordinance General Audit Chamber.

⁵ Based on the National Budget Ordinance 2023 (AB 2023, No. 17).

Annex 1: Financial Report on Material Expenditures

General Audit Chamber

at St. Maarten

Management report 2023

Table of contents

	page
1. Accountant's compilation report	2
2. Management report	
Balance sheet as at 31 December 2023	4
Statement of actual versus budgeted costs for the year 2023	6
Explanatory notes to the management report	7
Notes to the balance sheet as at 31 December 2023	8
Notes to the actual versus budgeted costs for the year 2023	11

The General Audit Chamber
Attn. Mr. A. Gumbs
Philipsburg
ST. MAARTEN

St. Maarten, March 21, 2024

Ref.:A24.068/md/PL

Subject: Management report 2023

Dear Mr. Gumbs,

Following your request, we have prepared the 2023 Management report of The General Audit Chamber.

Our procedures were limited to gathering of relevant information such as bank statements and specifications prepared by management, processing of this information in the accounting records, classifying the information and presenting it in the format agreed upon with management.

These procedures do not provide assurance about whether the financial figures are free of material misstatement as that provided by an audit or a review.

Please do not hesitate to contact us if you require further details.

Yours sincerely,

BDO St. Maarten B.V.



P.C. Lungu FCCA

2. MANAGEMENT REPORT

General Audit Chamber, St. Maarten

BALANCE SHEET AS AT 31 DECEMBER 2023

	<u>31 December 2023</u>		<u>31 December 2022</u>	
	ANG	ANG	ANG	ANG
ASSETS				
Fixed assets				
Tangible fixed assets	1			
Building Improvements		21,754		15,940
Equipment		2,497		3,489
Furniture and fixtures		8,466		19,818
Computers		<u>13,297</u>		<u>10,735</u>
		46,014		49,982
Current assets				
Deposit	2	2,002		-
Cash and banks	3	235,484		513,246
Total assets		<u>283,500</u>		<u>563,228</u>

General Audit Chamber, St. Maarten

		<u>31 December 2023</u>		<u>31 December 2022</u>	
		ANG	ANG	ANG	ANG
EQUITY AND LIABILITIES					
Investments Reserve	4	61,370		80,363	
			61,370		80,363
To be settled with Government	5	166,430		477,461	
Accounts payable	6	<u>55,700</u>		<u>5,404</u>	
			222,130		482,865
Total liabilities			<u>283,500</u>		<u>563,228</u>

General Audit Chamber, St. Maarten

STATEMENT OF ACTUAL VERSUS BUDGETED COSTS FOR 2023

<i>(in Antillean Guilders)</i>	Note	Budget 2023	Actual 2023	Available	Actual 2022
Subsidy received		831,000	831,000	-	830,000
Reimbursement to Government		-	(166,430)	-	(209,676)
		831,000	664,570	-	620,324
<i>Operating Expenses</i>					
Housing expenses	7.1	161,000	135,022	25,978	132,070
Office expenses	7.2	37,000	20,890	16,110	17,134
General Expenses	7.3	633,000	508,658	124,342	471,120
Depreciation	1	-	21,198	-	24,461
Appropriated reserve depreciation		-	(21,198)	-	(24,461)
Total Expenses		831,000	664,570	166,430	620,324

Explanation of under- and overspending

The operating expense budget of the General Audit Chamber totalled ANG 831,000. This amount is established by national ordinance. The operating expenses are underspent by ANG 166,430. This remaining amount will be settled with Government. See page 10 for the total breakdown.

Legal and professional advice

For the year 2023, a budget was made available to seek additional advice (in the form of a certified accountant) pertaining to the financial audits (SSRP, APS, Financial Statement 2020 of Country St. Maarten).

The General Audit Chamber was unable to obtain the expertise advice. Also, the budget of the General Audit was unilaterally increased in the amount of ANG 40,000. This amount was added without prior consultation and, as a result, was not allocated in the original operational budget.

Board members fee

The budget is based on a full board for the year. In 2023, the board was incomplete, which led to an underspending of ANG 33,750.

Rent

The budget of the General Audit Chamber was submitted to Government in 2021, in accordance with the law. In February 2022, a new lease was signed in where a rent reduction was negotiated.

2.4 NOTES TO THE MANAGEMENT REPORT

General notes

Activities

On the 10th of October, 2010 the General Audit Chamber was established by the Constitution and started its operations. By official letter of August 23rd, 2019 (DIV number 3300) it was approved for the General Audit Chamber to manage their own financial management as of January 1st, 2020. The payroll administration of personnel is currently still being managed by the Government.

By Constitution, the General Audit Chamber is responsible for investigating the effectiveness and legal compliance of the Government’s income and expenditure.

The 2023 management report has been drawn up in accordance with the provisions of the National Accountability Ordinance.

Principles for balance sheet valuations

General

Assets and liabilities are valued on the basis of historical cost. Unless stated otherwise in the relevant accounting policy for the specific balance sheet item, the assets and liabilities are stated at nominal value. Impairment of fixed assets is taken into account.

Assets that have been obtained in whole or in part from third parties other than at market price and that have been transferred to the Country, are, as far as possible, valued at market value at the time of transfer.

Tangible fixed assets

Tangible fixed assets are valued at acquisition price or production costs, less accumulated depreciation and, if applicable, with impairment. Depreciation is based on the estimated useful life and is calculated on the basis of a fixed percentage of the acquisition price or manufacturing costs.

The depreciation percentages used are as follows:

Improvements to housing, etc.	10%
Inventory	15%
ICT and software	20%

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value and are at the free disposal of the Country, unless stated otherwise.

Current liabilities

Short-term liabilities concern liabilities with a term of up to 1 year. Unless stated otherwise, these are valued at nominal value.

General Audit Chamber, St. Maarten

NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2023

Fixed assets

1 Tangible fixed assets

Changes in tangible fixed assets are presented as follows:

	Building improvements	Equipment	Furniture and fixtures	Computers	Total
<i>(in Antillean Guilders)</i>					
Balance as at 1 January 2023					
Costs	29,457	6,608	75,655	58,508	170,228
Accumulated depreciation	(13,517)	(3,119)	(55,837)	(47,773)	(120,246)
Book value	15,940	3,489	19,818	10,735	49,982
Movements in book value					
Investment	9,387	-	-	7,843	17,230
Depreciation	(3,573)	(992)	(11,352)	(5,281)	(21,198)
	5,814	(992)	(11,352)	2,562	(3,968)
Balance as at 31 December 2023					
Costs	38,844	6,608	75,655	66,351	187,458
Accumulated depreciation	(17,090)	(4,111)	(67,189)	(53,054)	(141,444)
Book value	21,754	2,497	8,466	13,297	46,014
Depreciation percentages used					
	10%	15%	15%	20%	

Due to the passing of hurricane Irma in September 2017, the General Chamber Audit suffered damages to its inventory. Consequently, an insurance claim was received of US\$ 95,659. The non-current assets purchased between 2017 and 2019 reflects the period that the General Audit Chamber was still under the financial management of the Government. As per January 1st, 2020 these non-current assets are held by the General Audit Chamber

General Audit Chamber, St. Maarten

Current assets

2 Deposit

	<u>31-12-2023</u>	<u>31-12-2022</u>
	ANG	ANG
Credit card deposit	<u>2,002</u>	<u>-</u>

3 Cash and banks

Windward Island Bank N.V. (ANG)	212,319	474,750
Windward Island Bank N.V. (USD)	<u>23,165</u>	<u>38,496</u>
	<u>235,484</u>	<u>513,246</u>

The bank balances are conform the balance on the bank statements as per December 31, 2023.

4 Investments reserve

Movements in the investments reserve were as follows:

	Appropriated reserve depreciation	Appropriated reserve Improvements to be made	Total
General reserves			
Balance as at 1 January 2023	28,889	51,474	80,363
Changes in 2023	(17,530)	(3,668)	(21,198)
Adjustment	-	2,205	2,205
Balance as at 31 December 2023	11,359	50,011	61,370

Appropriated reserve Depreciation

The reserve was recorded in connection with the fixed asset recovery investments financed by the Government in the prior years. The reserve is being amortized and it's offsetting the depreciation charge recorded for the respective assets taking into account their useful life. The reserve will be fully depleted at the end of the depreciation period of these assets.

Appropriated reserve Improvements to be made

Management presented the amounts received from the insurance company as compensation for the losses incurred regarding the damages caused by hurricanes Irma and Maria as designated reserve. Considering that the proceeds from the insurance company were solely to replace assets, the reserve will be amortized together with the depreciation charge for the assets being replaced.

General Audit Chamber, St. Maarten

5 To be settled with Government

As per December 31st, 2023, the total amount to be settled with the Government is ANG 166,430.

	<u>31-12-2023</u> ANG	<u>31-12-2022</u> ANG
Balance as at January 1, 2023	477,461	484,832
Correction to opening balance	-	(1,482)
Settled in 2023 / correction	(311,031)	(215,565)
Government grant	664,570	830,000
Actual expenses (less depreciation)	<u>(664,570)</u>	<u>(620,324)</u>
To be settled with Government	<u>166,430</u>	<u>477,461</u>

In 2023, the unspent budget of 2021, totalling ANG 267,785, and the unspent budget in 2022 totalling to ANG 209,676, were paid back in full.

In agreement with the Ministry of Finance, the General Audit Chamber will settle the unspent budget of 2023 in fiscal year 2024.

6 Accounts payable

Trade creditors	15,700	3,922
Other payable	-	1,482
Advance payment	<u>40,000</u>	<u>-</u>
	<u>55,700</u>	<u>5,404</u>

General Audit Chamber, St. Maarten

NOTES TO THE ACTUAL VERSUS BUDGETED COSTS FOR THE YEAR 2023

OPERATING EXPENSES

(7.1) Housing expenses

	Budget 2023	Actual 2023	Available	Used in %	Actual 2022
Rent	108,000	95,040	12,960	88%	92,070
Cleaning	2,500	396	2,104	16%	466
Electricity	15,000	11,099	3,901	74%	12,843
Water	3,000	2,203	797	73%	3,089
Insurance premium	5,000	3,534	1,466	71%	3,534
Maintenance building	10,000	6,461	3,539	65%	6,452
Security expenses	2,500	176	2,324	7%	-
Other maintenance	15,000	16,113	(1,113)	107%	13,616
Total Housing expenses	161,000	135,022	25,978		132,070

(7.2) Office expenses

	Budget 2023	Actual 2023	Available	Used in %	Actual 2022
Telephone and internet	12,000	8,037	3,963	67%	7,995
Office supplies	10,000	6,671	3,329	67%	2,954
Subscription books	15,000	6,182	8,818	41%	6,185
Total office expenses	37,000	20,890	16,110		17,134

General Audit Chamber, St. Maarten

(7.3) General expenses

	Budget 2023	Actual 2023	Available	Used in %	Actual 2022
Legal and professional advice	390,000	326,498	63,502	84%	299,266
Board members fee	148,000	114,250	33,750	77%	102,375
Representation expenses	30,000	29,441	559	98%	30,116
Other services	10,000	11,313	(1,313)	113%	3,265
Travelling and hotel expenses	30,000	16,873	13,127	56%	17,812
Membership fee	4,000	2,730	1,270	68%	2,874
Training expenses	15,000	15,614	(614)	104%	12,446
Bank charges	5,000	2,703	2,297	54%	2,637
Postage and freight	1,000	31	969	3%	329
Prior year adjustments	-	(10,795)	10,795		-
Depreciation expense	-	21,198	-		24,461
Appropriated reserve depreciation	-	(21,198)	-		(24,461)
Total general expenses	633,000	508,658	124,342		471,120
Total operating expenses	831,000	664,570	166,430		620,324



General Audit Chamber

Algemene Rekenkamer