

AUDIT REPORT

**For the period January, 2006 to December, 2007**

M.Deochand

Auditor

27 Meten-Meer-Zorg  
West Coast Demerara.

September 2, 2008

## AUDITOR REPORT

Thru: The Registrar of Friendly Societies.

For the Members of DEVNET on the Financial Statements for the year 2005.

### Audit Authority:

By letter of appointment dd. August, 2008, I was appointed Auditor by the Registrar of Friendly Societies to audit the Society's record.

### Audit Objective/Scope:

Assess the internal controls to determine the extent to which reliance can be placed on them as a basis for the preparation of the Financial Statements

Be able to express an opinion on whether the financial statements give a true and fair view of the results of the operations for the years and of the Society's financial position for each year.

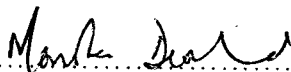
Determine whether the Society complied with the applicable laws and regulations.


### Audit Methodology

The audit was conducted in accordance with generally acceptable auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements reflect a true and fair view of the Society's state of affairs and generally complied with the applicable laws and regulations under which it is governed. An audit also includes, examination on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used. I believe that my audit provides a reasonable basis for my opinion, having regards to the matters referred to in the Management letter

### Audit Opinion

In my opinion, the attached Income and Expenditure Account and accompanying Balance Sheet, reflects a true and fair view of the state of affairs of the DEVNET for the years 2006 and 2007 and were in compliance with the rules of the Society and the Friendly Societies Act, Chapter 36:04, the Laws of Guyana.

  
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Auditor

  
.....  
Date

## Management Letter

September 2, 2008

Thru: The Registrar of Friendly Societies.  
To: Members of DEVNET on audit of Society for the years 2006 and 2007.

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The following comments and observations relates to the stated audit:

### Administrative

#### 1. Operation

##### a. Finance

The Society recorded an increase in retained income of \$1.6M during the period under review.

##### b. Fulfilling its Object

The Society has undertaken to prepare its annual reports for presentation to the AGM. As such, I was unable to report on this aspect.

##### c. Record -keeping

The Society records were noted to be, generally properly maintained. It was however advised that prescribed receipt books be utilized.

#### 2. Membership

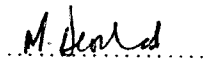
A member register was not presented. Membership at the end of 2007 was reported at (09).

#### 3. Meetings

Two (2) meetings were held for each year - 2006 and 2007.

#### 4. General

The assistance of Staff in conducting this audit is sincerely appreciated.

  
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M. Deochand  
Auditor

September 2, 2008.

DEVNET

**Income and Expenditure account**

for the year ending 31 December, 2006

	Notes	2006	2005
<b>INCOME</b>			
Grant/Operations		13,440,748	9,238,780
<b>EXPENDITURE</b>			
Grant/Operations		11,590,445	10,617,921
Nett Income		<u>1,850,303</u>	<u>(1,379,141)</u>

DEVNET

BALANCE SHEET

As at 31 December, 2006

	Current \$	Previous \$
<b>ASSETS</b>		
Current assets		
Cash and cash equivalent	3,188,216	1,509,478
Debtors	189,300	315,600
	<u>3,377,516</u>	<u>1,825,078</u>
<b>CAPITAL and Liabilities</b>		
Opening Capital	1,527,213	3,016,354
Accumulated Fund	1,850,303	(1,379,141)
Current Liability		
Payables		187,865
	<u>3,377,516</u>	<u>1,825,078</u>

DEVNET

Income and Expenditure account

for the year ending 31 December, 2007

	Notes	2007	2006
INCOME			
Grant/Operations		12,091,634	13,440,748
EXPENDITURE			
Grant/Operations		12,352,763	11,590,445
Nett Income		<u>(261,129)</u>	<u>1,850,303</u>

**DEVNET**

**BALANCE SHEET**

As at 31 December, 2007

	Current \$	Previous \$
<b>ASSETS</b>		
Current assets		
Cash and cash equivalent	2,648,887	3,188,216
Debtors	467,500	189,300
	<u>3,116,387</u>	<u>3,377,516</u>
<b>CAPITAL and Liabilities</b>		
Opening Capital	3,377,516	1,527,213
Operating Income/(loss)	(261,129)	1,850,303
<b>Current Liability</b>		
Payables		
	<u>3,116,387</u>	<u>3,377,516</u>

**DEVNET**

**Notes to Financial Statements-2006**

	2006	2005
	\$	\$
Income		
Carisnet Project	671,040	585,080
Consultancy	33,000	39,200
Domain Name Reg	292,800	97,200
GYDG Implementation	2,772,700	998,750
GECOMM	381,900	
Misc Income		(500)
UNIFEM	278,600	
OP ICT Income		1,199,300
PAHO Services	21,250	67,500
Tech Support Services		464,200
Trigrammic Consultancy		409,850
UNDP Project Proposal analysis	1,130,000	60,000
UNDP Tech Support	5,046,600	4,864,200
Website hosting(full support)	588,700	455,000
linux training		
USAID-GDCCR Project	1,807,526	
Website development		
Sewa Project	360,000	
Assets-SNDP	56,632	
	<b>13,440,748</b>	<b>9,239,780</b>
Expenditure		
Employment Cost	9,956,913	9,121,126
Rackspace-Hosting fee		894,040
Bandwith		12,000
Moving Office		92,200
Repairs	81,400	111,610
Miscellaneous	45,182	21,660
Office	126,000	24,583
Postage	9,060	
Telephone	358,890	238,602
Travel & Entertainment		52,100
UNDP project analysis	800,000	50,000
Sewa Project	180,000	
Audit fees	33,000	
	<b>11,590,445</b>	<b>10,617,921</b>



DEVNET

Notes to Financial Statements-2007

	2007	2006
	\$	\$
Income		
Carisnet Project		671,040
Consultancy	280,200	33,000
Domain Name Reg	235,400	292,800
GYDG Implementation	3,728,240	2,772,700
GECOMM		381,900
Misc Income	180,096	
UNIFEM		278,600
OP ICT Income		
PAHO Services		21,250
Tech Support Services		
Trigrammic Consultancy		
UNDP Project Proposal analysis	1,183,300	1,130,000
UNDP Tech Support	4,836,000	5,046,600
Website hosting(full support)	1,223,400	588,700
USAID-GDCCR Project	364,998	1,807,526
Website development	60,000	
Sewa Project		360,000
Assets-SNDP		56,632
	<b>12,091,634</b>	<b>13,440,748</b>
Expenditure		
Employment Cost	10,134,706	9,956,913
Rackspace-Hosting fee	1,036,264	
Bandwith	79,750	
Moving Office		
Repairs		81,400
Miscellaneous	13,650	45,182
Office	19,386	126,000
Postage	520	9,060
Telephone	423,587	358,890
Travel & Entertainment		
UNDP project analysis	400,000	800,000
Sewa Project		180,000
Audit fees		33,000
Carisnet Project	244,900	
	<b>12,352,763</b>	<b>11,590,445</b>