



AUDIT
OFFICE



REPUBLIC
OF CYPRUS

AUDIT OF THE MINISTRY OF EDUCATION, SPORT AND YOUTH

Executive Summary



**AUDIT OFFICE OF THE REPUBLIC
SPECIAL REPORT no. ΥΠΑΝ/01/2022**

19 October 2022

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AUDITED ENTITY

Ministry of Education, Sport and Youth

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In Accordance with the provisions of article 116 of the Constitution of the Republic of Cyprus and article 81 of the Fiscal Responsibility and the Fiscal Framework Law (20(I)/2014), the Audit Office of the Republic performed an audit on a statistical sample of transactions of the Ministry of Education, Culture, Sport and Youth for the year 2020, for the purpose of expressing an audit opinion on the financial statements of the Republic of Cyprus. The Ministry was renamed in 2022 to Ministry of Education, Sport and Youth (MoESY).

The most important audit findings, are summarized as follows:

- ❖ Disbursements of grants and subsidies were made to Public Organizations, including School Boards, in spite of them having adequate cash reserves and in contravention of the regulatory framework and procedures laid down in the relevant Circulars of the Accountant General and the Ministry of Finance.

We recommended that the MoESY complies with all the provisions of the relevant circulars.

- ❖ No measures or action was taken by the MoESY, in order to ensure that School Boards apply an efficient and effective internal control system, as stipulated by the provisions of the Law on Accounting and Financial Control of the Republic.

We recommended that the MoESY takes the necessary steps to ensure that School Boards comply with the provisions of the legislation, regarding the implementation of an efficient and effective internal control system.

- ❖ A number of balances remain outstanding in the 'deposits control account' regarding deductions and retainers on contract payments. Due to the long time which has passed since the completion of the projects, it is difficult to investigate and sort out the outstanding amounts.

We recommended that the MoESY takes the necessary steps to investigate the outstanding balances.

- ❖ Weaknesses and omissions were noted regarding the monitoring of receivables mainly fees due to Government Training Institutes. We recommended the implementation of an efficient and effective internal control system regarding the collection of revenue.