

PLAN OF APPROACH FOR STUDY INTO REDUCING TURNAROUND TIME OF THE DELIVERY AND AUDIT OF ANNUAL ACCOUNTS OF SAINT MAARTEN

Executive summary

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| Study into reducing turnaround time of the delivery and audit of annual accounts of Saint Maarten | |
| Saint Maarten | |
| Financial management | |
| Enhancing financial column (A.1) | |
| Background | This study arises from the delay in the delivery, audit, and adoption of the overdue annual accounts for the years 2017, 2018, 2019, and 2020. The agreed deadlines failed to be met several times, which shows that Saint Maarten is insufficiently 'in control' of this process. Moreover, the audit by SOAB takes longer than the maximum period of one-and-a-half months prescribed in Article 50(2) of the Administrative Law Code (Landsverordening Compabiliteit). |
| Goal | The goal of the project is to gain greater control over the process of the delivery and the audit of the annual accounts and to reduce the turnaround time to ensure it will be in line with the underlying regulations again. |
| Engagement | The study will consist of an analysis of the latest annual accounts, the latest reports by SOAB on financial management, the preparation of the annual accounts, and the notes to the auditor's report. In addition, an analysis of the captured process agreements and the planning will be conducted. The project will result in a report with findings and specific recommendations for measures to reduce the turnaround time. |
| Approach chosen | The study will be conducted by two external professionals of the Nederlandse Auditdienst Rijk (ADR) (Central Government Audit Service) to guarantee the required independence, knowledge, and capacity. The study will consist of: <ol style="list-style-type: none"> 1. A document analysis; 2. Interviews with immediate stakeholders and the responsible management. |
| Intended results | The study is expected to produce the following results: <ul style="list-style-type: none"> • Insight into the main causes of the longer turnaround time of the audit; • Insight into the measures already taken to improve the process; • Recommended measures to increase the availability of the audit information; • Recommended measures to simplify and/or improve the audit; • Recommendations for improving the preparation process of the annual accounts and the auditor's report. |
| Conditions, coherence and/or dependencies | The study is part of theme A of the country package (financial management) and has a relationship with the other activities in measure A1 of the country package. The outcomes of these processes are expected to also have a positive impact on the turnaround time of the delivery and audit of the annual accounts and must, for this reason, also be involved in the analysis and the recommendations arising from this study. |
| Schedule | The study will start at the end of April and is expected to be completed by mid-June 2022. |