



# FEDERATED STATES OF MICRONESIA

## Office of The National Public Auditor

P.O. Box PS-05, Palikir, Pohnpei FSM 96941

Tel: (691) 320-2862/2863 Fax: (691) 320-5482

CID Hotline: (691) 320-6768; Website: [www.fsmopa.fm](http://www.fsmopa.fm)

Facebook: FSM Office of the National Public Auditor; E-mail: [info@fsmopa.fm](mailto:info@fsmopa.fm)

Thursday, November 17, 2022

Excellency David W. Panuelo  
 President  
 Office of the President  
 Federated States of Micronesia  
 Palikir, Pohnpei FM 96941

Excellency President Panuelo:

This is the status report for the FY2021 single audits and it is as of October 31, 2022. This report is based on information received from Deloitte & Touche LLP, our contracted auditor.

For easy references, we have color coded the audit phases to show the ongoing efforts on the FY2021 single audit. In addition, we have summarized below the information on *Table 1*:

- Yet to Commence - Two (2) audits as the Internal Financial Statements and other related documents are yet to be submitted to the auditors.
- On-going - Twenty (20) audits (10 - Reporting and 10 - either on planning or planning/substantive stages)
- Finalized & Issued -Five (5) audits

Table 1 – Monthly Status Update as of September 30, 2022		
No.	Entity	Audit phases
● Audit Not started ● Planning ● Substantive Tests ● Drafting Reports ● Report Issued		
<b>FSM National Government and Component Units</b>		
1	FSM National Government	●
2	College of Micronesia – FSM	●
3	FSM Telecommunication Corporation	●
4	FSM Telecommunications Cable Corporation	●
5	FSM Petroleum Corporation	●
6	National Fisheries Corporation	●
7	FSM MiCare Plan, Inc	● ●
8	FSM Development Bank	●
9	FSM Social Security Administration	●
10	Caroline Islands Air	●
11	Telecommunication Regulation Authority	●
<b>Chuuk State Government and Component Units</b>		
12	Chuuk State Government	●

Table 1 – Monthly Status Update as of September 30, 2022		
No.	Entity	Audit phases
● Audit Not started ● Planning ● Substantive Tests ● Drafting Reports ● Report Issued		
13	Chuuk Public Utilities Corporation	●
14	Chuuk State Health Care Plan	● ●
15	Chuuk Housing Authority	● ●
<b>Pohnpei State Government and Component Units</b>		
16	Pohnpei State Government	●
17	Pohnpei State Housing Authority	●
18	Pohnpei Utilities Corporation <sup>1</sup>	● ●
19	Pohnpei Port Authority	● ●
<b>Kosrae State Government and Component Units</b>		
20	Kosrae State Government	●
21	Kosrae Utilities Authority	●
22	Kosrae Port Authority	●
23	Kosrae Housing Authority	●
<b>Yap State Government and Component Units</b>		
24	Yap State Government	●
25	Yap State Public Service Corporation	●
26	Yap Visitors Bureau	●
27	The Diving Seagull, Inc	●

Table 2 provides the details of documents yet to be provided by the Entities for the successful completion of respective audits.

Table 2 – Listing of Outstanding Documents to be provided to Deloitte		
No.	Entity	List of Documents
1	FSM National Government	<ul style="list-style-type: none"> <li>• Copy of unaudited financial report</li> <li>• Final budgetary statements for the general fund with details such as continuing appropriations</li> <li>• Open items from General Funds substantive testing regarding purchase of real estate</li> <li>• Detailed supporting schedules for material receivable and payable accounts</li> </ul>
2	FSM Petroleum Corporation	<ul style="list-style-type: none"> <li>• Management Discussion &amp; Analysis</li> </ul>
3	National Fisheries Corporation	<ul style="list-style-type: none"> <li>• Final subledger reports (including Accounts Receivables and Accounts Payable).</li> </ul>
4	Caroline Islands Air, Inc	<ul style="list-style-type: none"> <li>• Final internal financial statements and related schedules</li> </ul>
5	Pohnpei Port Authority	<ul style="list-style-type: none"> <li>• Movement analysis responses.</li> <li>• Samples for PP&amp;E phase, Accrued Liabilities phase, and Revenue phase along with a few more related inquiries.</li> </ul>
6	Yap Visitors Bureau	Final internal financial statement and related schedules

<sup>1</sup> According to PUC documents have already been provided to Deloitte in March and June 2022.

Our records shows that five (5) component units submitted the trial balance by February 28, 2021<sup>2</sup> which are: FSM Telecommunication Corporation, FSM Development Bank, Chuuk Public Utilities, Pohnpei Port Authority and Yap State Public Service Corporation.

On August 09, 2022, the United States Department of the Interior approved the extension of the completion timeline for the FY2021 Single Audit from June 30, 2022 to October 31, 2022. The extension was communicated to the Heads of Finance for all Primary Governments on August 10-11, 2022. The Office of Insular Affairs (OIA) further approved the extension of the audit completion timeline from October 31, 2022 to December 16, 2022.

A copy of this status report will be uploaded to the FSM Public Auditor's website at [www.fsmopa.fm](http://www.fsmopa.fm). The final audit reports that have been issued for FY2021 can also be accessed from our website.

Let me know if you have questions about this report.

Sincerely,



Haser Hainrick  
National Public Auditor

cc: FSM Vice President  
Speaker, FSM Congress  
All State Governors  
Heads of all FSM Audit Entities  
Secretary & Directors, National and State Finance Departments  
State Public Auditors

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<sup>2</sup> As per the contract agreement, each Government entity shall provide a complete trial balance no later than February 28, 2022 for fiscal year 2021. If a Government entity is unable to meet the February 28<sup>th</sup> deadline, that entity shall immediately notify the National Public Audit and provided a revised schedule to submit a completed trial balance.