



FEDERATED STATES OF MICRONESIA

Office of The National Public Auditor

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Thursday, December 8, 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 November 30, 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*:

- On-going - Nineteen (19) audits (8 - Reporting and 11 - either on planning or planning/substantive stages)
- Finalized & Issued - Eight (8) 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		
FSM National Government and Component Units		
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	●
Chuuk State Government and Component Units		
12	Chuuk State Government	●
13	Chuuk Public Utilities Corporation	●

Table 1 – Monthly Status Update as of September 30, 2022		
No.	Entity	Audit phases
● Audit Not started ● Planning ● Substantive Tests ● Drafting Reports ● Report Issued		
14	Chuuk State Health Care Plan	● ●
15	Chuuk Housing Authority	● ●
Pohnpei State Government and Component Units		
16	Pohnpei State Government	●
17	Pohnpei State Housing Authority	●
18	Pohnpei Utilities Corporation ¹	● ●
19	Pohnpei Port Authority	● ●
Kosrae State Government and Component Units		
20	Kosrae State Government	●
21	Kosrae Utilities Authority	●
22	Kosrae Port Authority	●
23	Kosrae Housing Authority	●
Yap State Government and Component Units		
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"> Copies of final or closing Trial Balance and General Ledger details were received during the first week of September. Final budgetary statements for the general fund with details such as continuing appropriations Open items from General Funds substantive testing regarding purchase of real estate Detailed supporting schedules for material receivable and payable accounts were provided by November 30, 2022.
2	FSM Petroleum Corporation	<ul style="list-style-type: none"> Management Discussion & Analysis
3	National Fisheries Corporation	<ul style="list-style-type: none"> Audit samples and reconciliation of confirmations
4	Pohnpei Port Authority	<ul style="list-style-type: none"> Movement analysis responses. Samples for PP&E phase, updated GL details, accrued leave samples, AR samples, SUL samples, and OPEX samples.

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

A few audits such as FSMPC, TRA, KPA and KHA were in the 'drafting report' stage as of October 31, 2022 and continued to have the same update as of November 30, 2022. This is due to the audit review processes that has to be completed prior to issuance of audit reports and documents for the finalization of the audits were yet to be provided by the auditee management such as the final MD&A and signed management representation letters.

Our records shows that five (5) component units submitted the trial balance by February 28, 2021² 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. 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

² 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 28th deadline, that entity shall immediately notify the National Public Audit and provided a revised schedule to submit a completed trial balance.