

Audit Office of the Republic of Cyprus

Constitution

Part 6, Chapter 2 - The Auditor-General and the Deputy Auditor-General

Article

115

1. The President and the Vice-President of the Republic shall appoint jointly two fit and proper persons one to be the Auditor-General and the other to be the Deputy Auditor-General:

Provided that the Auditor-General and the Deputy Auditor-General shall not belong to the same Community.

2. The Auditor-General shall be the Head and the Deputy Auditor General shall be the Deputy Head of the Audit Office of the Republic which shall be an independent office and shall not be under any Ministry.

3. The Auditor-General and the Deputy Auditor-General shall be members of the permanent public service of the Republic and shall not be retired or removed from office except on the like grounds and in like manner as a judge of the High Court.

Article 116

1. The Auditor-General assisted by the Deputy Auditor-General shall, on behalf of the Republic, control all disbursements and receipts and audit and inspect all accounts of moneys and other assets administered, and of liabilities incurred, by or under the authority of the Republic and for this purpose he shall have the right of access to all books, records and returns relating to such accounts and to places where such assets are kept.

2. The Auditor-General assisted by the Deputy Auditor-General shall exercise all such other powers and shall perform all such other functions and duties as are conferred or imposed on him by law.

3. The powers, functions and duties of the Auditor-General provided in this Chapter may be exercised by him in person or by such subordinate officers acting under and in accordance with his instructions.

4. The Auditor-General shall submit annually a report on the exercise of his functions and duties under this Chapter to the President and the Vice-President of the Republic who shall cause it to be laid before the House of Representatives.

Article 117

1. The Deputy Auditor-General shall have such powers and shall perform such functions and duties as normally appertain to his office and also shall, subject to the directions of the Auditor-General, exercise all the powers and perform all the functions and duties vested in the Auditor-General under the provisions of this Constitution or by law.
2. The Deputy Auditor-General shall act for the Auditor-General in case of his absence or his temporary incapacity to perform his duties.

Statutory Bodies

Financial Audit of Statutory Bodies Laws of 1983 and 1984 (Nos 40/83 and 73/84)

The above Laws provide that the financial statements of all Statutory Bodies shall be audited annually, by the Auditor General. This overrides any other requirement that may be provided by any other Law.

The financial statements must be prepared by the end of February following the year end.

The Auditor General must complete his audit and submit his report and the audited accounts by the end of May. These, together with the report on his findings must be submitted to Parliament by the 15th of June.

The financial statements of any Statutory body may be audited by a private firm of auditors with the approval of the Auditor General. The former must submit their report together with the audited accounts to the Auditor General by the 30th of April. The Auditor General may conduct a value for money audit or any other additional audit that he may deem necessary.

Municipalities

Municipalities Laws 1985 to 1997

All Municipalities must keep proper books of accounts. Financial Statements must be prepared and submitted for audit by the 30th of April following the year end.

The audited accounts are submitted by the Auditor General, together with his audit report thereon to the Municipal Council, the House of Representatives and the Minister, who sees that they are published in the Official Gazette.

The Auditor General has the right to request any information or explanations from any council member or employee and the right of access to any minute, record, contract, invoice or other document necessary to conduct his audit.

Local Authorities

Local Authorities Law No 86(I)/99

In accordance with the Law each Local Authority must keep proper accounts and books and records and prepare financial statements by the end of March following the year end.

The financial Statements are submitted to the Auditor General for audit. The audited financial statements are submitted to the District Officer together with the Audit Report and the report on his audit findings. In addition to the annual financial audit the Auditor General may conduct value for money audits, special reviews or any other audit that he deems necessary.



Provision of Evidence and Information to the Auditor General

Law No. 113(I)/2002

The main provisions of the above Law which came into force on 12.7.2002 are:

The Auditor General has the authority to request any evidence or information in any form, including electronic form, and any explanations either written or oral, required in discharging his duties, from the following persons:

Ministers

Civil Servants

Chairmen and members of the board of Statutory Bodies

Mayors and members of the Municipal Councils

Chairmen and members of Local Authority Councils

Employees of Municipalities and Local Authorities

Officers and employees of government services, authorities, councils established or to be established by Law.

Officers and employees of public funds or other organizations audited by him.

Any other person possessing or being responsible for any such information.

The above persons have a duty not to:

- Knowingly provide the Auditor General with false or inaccurate information
- Withhold any evidence or information
- Hinder the provision of information or the access to all relevant sources of information
- Provide compensation or influence any person called upon to provide any necessary information
- Try to incite any person into withholding evidence or providing false or inaccurate evidence and information

Any person convicted for breaching the above legal provisions is liable to a prison sentence for a maximum of one year and/or a fine of up to £1.000.

The Auditor General has the authority to request any person or legal entity receiving a

grant or guarantee or loan from the Consolidated Fund or any other public fund to furnish him with any evidence or information necessary to ascertain how the funds were expended.

The Auditor General has the authority to conduct a value for money audit in any Ministry or department, statutory body, municipality, local authority or in any other fund or organization audited by him to ascertain that it operates in an efficient, effective and economic way.