



REPUBLIC OF THE MARSHALL ISLANDS
Office of the Auditor General
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July 11, 2008

CONFIDENTIAL

Mr. Philip Okney
Chairman
Land Registration Authority

Dear Mr. Okney:

In performing our audit of the financial statements of the Land Registration Authority (the Authority) as of and for the year ended September 30, 2006, on which we have issued our report dated July 11, 2008, we developed the following recommendations concerning certain matters related to the Authority's internal control and are summarized below:

(1) Purchases/Disbursements

Of twenty-seven (27) non-payroll expenditures tested in the amount of \$16,450.00, supporting invoices for all items were not stamped paid. We recommend that supporting invoices be stamped paid to prevent duplicate payments. This matter was discussed in our previous letter dated October 11, 2007.

(2) Revenue/Receipts

During our examination, we noted that cash receipts in the amount of \$120.50 (CR #00052-00077) from 10/06/05 to 09/27/06 were not deposited until 09/28/06. We recommend that the Authority establish policies and procedures requiring the timely deposit of cash receipts. This matter was discussed in our previous letter dated October 11, 2007.

(3) Travel Advances

We noted three (3) instances where one traveler was advanced 100% of the per diems as follow:

<u>Check date</u>	<u>Check #</u>	<u>Amount</u>
12/27/05	1087	\$379.00
03/03/06	1110	\$375.00
03/07/06	1136	\$312.50

We recommend that travel advances be made in accordance with RepMar's prescribed travel policies and procedures. This matter was reported in our previous report on Internal Control and On Compliance dated October 11, 2007.

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4) Prior Year Audit Adjustments

Fiscal Year 2005 audit adjustments were not recorded by the Authority. We recommend that LRA ensure that all approved audit adjustments are properly recorded in the general ledger.

(5) Revenues/Receipts

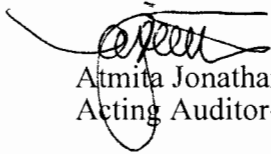
We found that cash receipts issued in FY 2005 (CR#001-0051) in the amount of \$214.50 were not recorded as revenues in the proper period. We recommend that LRA ensure revenues recorded in the proper period.

We have communicated certain matters noted during our audit of the financial statement of the Authority for the year ended September 30, 2006, which we considered to be reportable conditions in our report dated July 11, 2008.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

We would like to thank the accounting staff and management for their assistance during the course of the audit. Should you have any questions regarding the matters discussed herein, please contact our office at your convenience.

Sincerely,



Atmita Jonathan
Acting Auditor-General