



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**ON THE NATIONAL OIL COMPANY OF LIBERIA
(NOCAL) RESTATED FINANCIAL STATEMENTS**

For the Fiscal Year ended June 30, 2014

July, 2017

**Yusador S. Gaye, CPA, CGMA
Auditor General, R.L.**

Republic of Liberia




The Honorable Speaker of the House of Representatives, and the President Pro-Tempore of the House of Senate:

We have undertaken the audit of the National Oil Company of Liberia (NOCAL) financial statements for the financial year ended June 30, 2014. The audit was conducted under the Auditor General's statutory mandate, as provided for under section 2.1.3 of the GAC Act of 2014.

Findings conveyed in this report have been formally communicated to the Management of the National Oil Company of Liberia (NOCAL). Where responses have been provided by the Management on the audit findings, these have been evaluated and incorporated in this report.

Given the significance of the matters raised in this report, we urge the Hon. Speaker and the members of the House of Representatives and Hon. Pro-Tempore and members of the Liberian Senate to consider the implementation of the recommendations conveyed herein with urgency.



Yusador S. Gaye, CPA, CGMA
Auditor General. R.L.

Monrovia, Liberia
July, 2017

AUDITOR GENERAL'S REPORT ON THE NATIONAL OIL COMPANY OF LIBERIA (NOCAL) FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

We were engaged to audit the accompanying financial statements of the National Oil Company of Liberia (NOCAL), which comprise the Statement of Financial Position as at June 30, 2014, and the related Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor General's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting audit in accordance with International Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

Revenue Recognition

The National Oil Company of Liberia (NOCAL) recorded revenue using the cash basis of accounting contrary to the requirement of Financial Reporting Standards (IFRS). Based on this erroneous recognition method, revenue was overstated by US\$6,374,787. We deemed this misstatement to be material.

Redacted Invoices

GAC obtained invoices from TGS-NOPEC in order to validate the accuracy and completeness of the Revenue Sharing Report; however, a large number of the invoices were redacted. TGS-NOPEC claimed it could not provide unredacted invoices because it had confidentiality agreements with parties other than NOCAL whose transactions appeared on the same invoices. GAC could not therefore perform alternative procedures to ascertain the accuracy of the invoices. For the period July 1, 2013 to June 30, 2014, the total amount not traceable to Revenue Sharing Report amounted to \$283,446.

Property, Plant and Equipment

The Management of NOCAL reported US\$4,154,102 as total historical cost of assets for the year ended June 30, 2014, while the Fixed Assets Register had US\$3,588,628 leaving variances of US\$565,474. Furthermore, Accumulated Depreciation was understated by US\$132,952 and Fixed Assets Book Value overstated by US\$698,426. Similarly, Depreciation Expense was understated by US\$300,526. Furthermore, a comprehensive identification of all assets and aligning of those assets

to the general ledgers will attest to the completeness of Fixed Assets. As this was not the case, we **could not validate management's completeness assertion on Fixed Assets.**

Auditor General's Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.


Yusador S. Gaye, CPA, CGMA
Auditor General. R.L.

Monrovia, Liberia
July, 2017



National il Company Of Liberia

Episcopal Church Plaza * 3rd Floor * Corner of Ashmun & Randall Streets * 1000 Monrovia 10 Liberia

RESTATED FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2014



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Corporate Directory

Directors

Cllr. Seward M. Cooper – **Chairman**

Fred Bass-Golokeh

Amara M. Konneh

Jacqueline Khoury

Patrick Sendolo

Joseph Howe

Dr. Randolph A. K. W. McClain – President/CEO & Secretary/Board of Directors

Principal & Registered Office

3rd Floor, Episcopal Church Plaza

Corner of Ashmun & Randall Streets

1000 Monrovia, 10 Liberia

Lawyers

Dunbar and Dunbar

Auditors

General Auditing Commission (GAC)



Management's Responsibilities and Approval

Management is required to maintain adequate records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors will be engaged to express an independent opinion on the financial statements.

Management acknowledges that they are ultimately responsible for the system of internal financial control established by the entity and places considerable importance on maintaining a strong control environment. To enable the management to meet these responsibilities, the board has the responsibility to set procedures for internal controls aimed at reducing the risk of error or loss in a cost effective manner. These procedures will include the proper delegation of responsibilities within a clearly defined framework, effective accounting processes and adequate segregation of duties.

These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risks across the entity. While operating risk cannot be fully eliminated, the entity endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The Board is of the opinion, based on the information and explanation given by the management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The management has reviewed the entity's financial activities for the period, and in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.


Fulton D. Reeves
PP Financial Comptroller


Karmo D. Yille
Vice President Finance
PP.


Randolph A. K. W. McClain
President/CEO
PP



STATEMENT OF FINANCIAL POSITION

(All amounts are expressed in United States Dollars)

	Note	As at June 30	
		2014	2013
Assets			
Non-Current Assets			
Property, Plant and Equipment	(1)	3,274,296	1,599,698
Total Non-Current Assets		3,274,296	1,599,698
Current Assets			
Inventories		77,566	20,066
Prepayments	(2)	90,628	136,794
Trade & Other receivables	(3)	4,594,517	2,896,959
Cash and Cash equivalent	(4)	18,430,782	35,995,191
Total Current Assets		23,193,492	39,049,010
Total Assets		26,467,788	40,648,708
Equity and Liabilities			
Retained Earnings		17,372,386	38,078,425
		17,372,386	38,078,425
Liabilities			
Non-Current Liabilities			
Accrued Liabilities	(5)	8,937,811	2,473,872
Total Non Current Liabilities		8,937,811	2,473,872
Current Liabilities			
Accounts Payable		157,591	69,844
Other Liabilities		-	26,567
Total Current Liabilities		157,591	96,411
Total Equity and Liabilities		26,467,788	40,648,708

The notes on pages 8 to 25 are an integral part of these financial statements



STATEMENT OF COMPREHENSIVE INCOME

(All amounts are expressed in United States Dollars)

	Note	As at June 30	
		2014	2013
Revenue	(6)	18,535,487	27,462,642
Cost of Sales		-	-
Gross Profit		18,535,487	27,462,642
Other Income	(7)	1,564,990	117,739,708
Operating Expenses	(8)	(25,291,072)	(18,590,397)
Operating profit (loss)		(5,190,595)	126,611,953
Other Expenses	(9)	(8,166,039)	(120,375,000)
Profit (Loss) Before Tax		(13,356,634)	6,236,953
Income Tax Expense		-	-
Profit (Loss) After Tax		(13,356,634)	6,236,953
Other Comprehensive Income		-	-
Profit (loss) for the year		(13,356,634)	6,236,953

The notes on pages 8 to 25 are an integral part of these financial statements



STATEMENT OF CASH FLOWS

(All amounts are expressed in United States Dollars)

	Note	As at 30 June	
		2014	2013
Cash flows from Operating Activities			
Receipts from customers/ Others	(6)	20,100,477	145,202,350
Cash paid for Operating expenses		(22,368,089)	(100,058,032)
Net Cash Generated From Operating Activities		(2,267,613)	45,144,318
Cash flows from investing Activities			
Purchase of property, plant & Equipment		(2,162,705)	(1,049,574)
Net Cash flows from investing Activies		(2,162,705)	(1,049,574)
Cash Flows from Financing Activities			
GOL Dividend		(13,134,090)	(47,500,000)
Net Cash flows from Financing Activities		(13,134,090)	(47,500,000)
Net increase (decrease) in cash held		(17,564,408) [█]	(3,405,257)
Cash at beginning of the period		35,995,190	39,400,447
Cash and Cash Equivalent at end of year		18,430,782	35,995,190

The notes on pages 8 to 25 are an integral part of these financial statements



STATEMENT OF CHANGES IN EQUITY

(All amounts are expressed in United States Dollars)

Figures in US Dollars	Note(s)	Share Capital	Share Premium	Retained Earnings	Total	Total equity
Balance at 1 July 2012				38,829,595	38,829,595	38,829,595
Profit/ Loss for the period				6,236,953	6,236,953	6,236,953
Total comprehensive income				45,066,548	45,066,548	45,066,548
Dividends paid		-	-	(47,500,000)	(47,500,000)	(47,500,000)
Effect/Correction of prior period errors		-	-	40,511,877	40,511,877	40,511,877
Balance at 30 June 2013		-	-	38,078,425	38,078,425	38,078,425
Balance at 1 July 2013				38,078,425	38,078,425	38,078,425
Profit/ Loss for the period				(13,356,634)	(13,356,634)	(13,356,634)
Total comprehensive income				24,721,791	24,721,791	24,721,791
Dividends paid		-	-	(13,134,090)	(13,134,090)	(13,134,090)
Effect/Correction of prior period errors		-	-	5,784,685	5,784,685	5,784,685
Balance at 30 June 2014		-	-	17,372,386	17,372,386	17,372,386

The notes on pages 8 to 25 are an integral part of these financial statements



1. General Information

The National Oil Company of Liberia (NOCAL) was established in April 2000, by Liberia's National Legislature for the purpose of holding all of the rights, titles and interests of the Republic of Liberia in the deposits and reserves of liquid and gaseous hydrocarbons within the territorial limits of the Republic of Liberia, whether potential, proven, or actual, with the aim of facilitating the development of the oil and gas industry in the Republic of Liberia.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

2.1. Basis of Preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretation Committee (IFRS IC) interpretations applicable to companies reporting under IFRS. The Financial Statements have been prepared on a historical cost convention.

2.2. Foreign currency translation

2.2.1. Presentation currency

NOCAL presents its Financial Statements in United States Dollars (USD). The majority of NOCAL's revenues and expenses are denominated in USD, and USD is the functional currency for most of the International Oil Companies and agents dealing with NOCAL.

2.2.2. Transactions and balances

Non- functional currency transactions are recorded in functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transaction are recognized in the income statement.



2.3. Property, plant and equipment

The cost of an item of property, plant and equipment is recognized as an asset when:

- ✓ It is probable that future economic benefits associated with the item will flow to the entity and
- ✓ The cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

The residual value and the useful life of each asset are reviewed, and adjusted if appropriate, at the end of each financial reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income in the income statement.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset.

Land is not depreciated. Depreciation on the other assets is calculated using the straight-line to allocate the cost to their residual values over their useful lives. The following useful lives are applied:

Vehicle	3yrs
Furniture and fixture	2.5yrs
Office equipment	2.5yrs
Other equipment	2.5yrs
Computers	2.5yrs



2.4. Financial Assets

2.4.1. Classification

Management determines the classification of its financial assets at initial recognition. The classification depends on the purpose for which the assets were acquired. The company classifies its financial assets as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. The company's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

2.4.2. Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade date – the date on which NOCAL commits to purchase or sell the asset. Loans and receivables are carried at amortized cost using the effective interest method.

2.4.3. Impairment of Financial Assets

The amount of loss on loans and receivables is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement.

2.5. Inventories

Inventories are measured at lower of cost and net realizable value. Inventories are measured at lower of cost and net realizable value on the first-in-first-out basis.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.



The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, are recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

2.6. Trade receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

The allowance recognized is measured as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount is reduced through the use of allowance account, and the amount of the loss is recognized in the income statement within operating expenses.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

2.7. Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise cash in hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or



redemption of borrowings is recognized over the term of the borrowings in accordance with the entity's accounting policy for borrowing costs.

2.8. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method.

2.9. Share Capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

2.10. Provisions

Provisions for restructuring costs and legal claims are recognized when: NOCAL has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.11. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates.

NOCAL recognizes revenues when invoices are issued to International Oil Companies on Petroleum Sharing Contracts obligation and when TGS NOPEC makes sales of seismic data and issues the company an invoice. NOCAL's share is recognized as revenue.



NOCAL shares revenues with (Tomlinson Geophysical Service & Norwegian Petroleum Exploration Consultants) as TGS NOPEC based on ratios contained in each agreement of Seismic sales agreements.

2.12. Interest income

Interest income is recognized using the effective interest method. These interests are generated from fixed time deposits and savings account.

2.13. Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also

- ✓ Tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- ✓ Tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the assets belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortization is recognized immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Goodwill acquired in a business combination is from the acquisition date, allocated to each of the cash generating units that are expected to benefit from the synergies of the combination.



An impairment loss is the recognized for cash –generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the units in the following order:

- ✓ First, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- ✓ Then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The entity assesses at each reporting date whether there is any indication that an impairment loss recognized in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset carried at cost less accumulated depreciation or amortization other than goodwill is recognized immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3. Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including interest rate risk, price risk), credit risk and liquidity risk.

The entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

Risk management is carried out by under policies approved by the board of directors. Entity treasury identifies, evaluates and hedges financial risks in close co-operation with the entity's operating units. The board of directors provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instrument, and investment of excess liquidity.

3.1. Market risk

3.1.1. Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates. The entity's interest rate risk arises from placements with various local banks.



3.1.2. Price risk

The National Oil Company of Liberia is exposed to commodity price risk, specifically, oil and gas. As a frontier country, decline in the price of oil directly impacts the company's ability to generate revenues from seismic data.

3.2. Credit risk

Credit risk consists mainly of cash deposit, cash equivalents, and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one party. Trade receivables comprise a widespread customer base.

Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilization of credit limits is regularly monitored

3.3. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Due to the dynamic nature of the underlying business, entity treasury maintains flexibility in funding by maintaining availability under committed credit lines. The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilized borrowing facilities are monitored.

4. Accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the period ended 30 June 2013, Management did not make estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



4.1 GOL Dividend

NOCAL remits to the Government of Liberia profit at year end and other contributions, based on a provision in the Petroleum Law.

4.2 Transfers Payments

As part of the provisions in the Production Sharing Contracts (PSCs), NOCAL receives funds from International Oil Companies which it then remits to the Government and other institutions like the University of Liberia and the Ministry of Lands, Mines and Energy



Notes to the Financial Statements

1. Property, plant and equipment

	Land	Vehicles	Furniture & Fixture	Computer	Office Equipment	Other Equipment	Generator	Total
At 30 June 2013								
Cost	-	2,177,421	116,117	26,905	199,869	110,729	25,900	2,656,940
Accumulated depreciation	-	(890,943)	(39,554)	(7,483)	(65,275)	(39,998)	(13,990)	(1,057,243)
Net book value	-	1,286,478	76,562	19,422	134,594	70,731	11,910	1,599,697
At 1 July 2013								
Opening net book amount	-	1,286,478	76,562	19,422	134,594	70,731	11,910	1,599,697
Additions	710,435	396,600	112,836	183,918	185,321	488,333	85,263	2,162,705
Disposals	-	-	-	-	-	-	-	-
Depreciation charge	-	(185,099)	(50,880)	(43,583)	(64,375)	(100,206)	(43,964)	(488,107)
Closing net book amount	710,435	1,497,979	138,518	159,756	255,540	458,858	53,209	3,274,296
At 30 June 2014								
Cost	710,435	2,574,021	228,953	210,823	385,189	599,062	111,163	4,819,646
Accumulated depreciation	-	(1,076,042)	(90,434)	(51,066)	(129,649)	(140,204)	(57,954)	(1,545,350)
Net book value	710,435	1,497,979	138,518	159,756	255,540	458,858	53,209	3,274,296



National Oil Company Of Liberia

Episcopal Church Plaza * 3rd Floor * Corner of Ashmun & Randall Streets * 1000 Monrovia 10 Liberia

	As at June 30	
	2014	2013
2. Prepayment		
Other prepayment	-	20,435
Prepaid Insurance	62,328	37,716
Prepaid expenses	-	19,697
Prepaid rent	28,300	58,946
Total Prepayment	90,628	136,794
3. Trade & Other receivables		
	2014	2013
Accounts Receivable	4,143,984	2,266,655
Chervon-LB-14	475,000	
European Hydrocarbon-LB-8	520,798	
European Hydrocarbon-LB-9	516,791	
Romanco	107,800	
Data Management/TGS	1,094,095	
Anadarko LB-15	468,500	
Anadarko LB-10	961,000	
Staff salary advance	9,663	23,291
Staff Loan	199,203	102,374
Other advances		10,889
Interest Receivable on Term Deposit	241,667	493,750
Total Trade & Other Receivables	4,594,517	2,896,959



4. Cash and cash equivalent

Lbdi	1,042,928	1,022,383
Ecobank(Operation)	3,044,691	3,418,843
Ecobank(Hydrocarbon)	680,683	5,630,340
Ecobank(Savings)	1,041,970	13,416,208
Ecobank (Term Deposit-Annual Training)	5,000,000	5,000,000
Ecobank(LD)	21,540	8,218
International Bank	101,659	99,460
International Bank (Term Deposit-Annual Training)	5,000,000	5,000,000
First International Bank	495,611	398,336
First International Bank (Term Deposit-Annual Training)	2,000,000	2,000,000
Cash on hand	1,700	1,403
Total Cash & Cash Equivalent	18,430,782	35,995,191



5. Accrued Liabilities

	<u>2014</u>	<u>2013</u>
Provident fund	-	280,000
Elevator Lease	6,000	-
SAGE Accounting System	27,820	460,199
Scholarships International	2,363,400	1,583,673
Scholarships Local	1,757,996	-
Construction-new office	3,310,970	-
Local Vocational Skills Training	124,080	150,000
Sporting Project	900,000	
Social Intervention	425,369	-
Staff Biometric	22,177	-
Total Accrued Liabilities	8,937,811	2,473,872



6. Revenue

	2014	2013
TGS Nopes	10,919,718	15,927,519
Other income	160,460	170,165
Interest on Term deposit	-	619,673
Chevron-Soc Welfare Cont-LB-11	150,000	150,000
Chevron-Annual Training-LB-11	100,000	100,000
Chevron-Soc Welfare Cont-LB-12	150,000	150,000
Chevron-Annual Training-LB-12	100,000	100,000
Chevron-Soc Welfare Cont-LB-14	150,000	149,988
Chevron-Annual Training-LB-14	100,000	124,988
Anadarko-Soc Welfare Cont-LB-10	-	500,000
Anadarko-Annual Training-LB-10	100,000	500,000
Anadarko-Soc Welfare Cont-LB-15	150,000	299,996
Anadarko-Annual Training-LB-15	100,000	199,995
Anadarko-Hydrocarbon Dev.LB-10	250,000	499,988
Transactional fees Chevron	-	1,499,988
J.O.C -Chervon LB-11	21,333	31,992
J.O.C -Chervon LB-12	21,333	31,992
J.O.C -Chervon LB-14	21,333	31,992
Transactional Income/Sign-Bonus	-	4,999,988
J.O.C Fees-Anadarko LB-10	-	10,988
J.O.C Fees-Anadarko LB-15	21,333	15,988



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Exxonmobil Hydrocarbon-LB-13	-	499,994
Repsol-Soc.Welfare Cont.LB-17	150,000	150,000
Repsol-Soc.Welfare Cont.LB-16	150,000	246,750
European Hydrocarbon Soc.Wel .Cont-LB-8	150,000	121,760
European Hydrocarbon Annual Training-LB-8	100,000	71,761
European Hydrocarbon Soc.Wel .Cont-LB-9	150,000	122,963
European Hydrocarbon Annual Training-LB-9	100,000	72,963
European Hydrocarbon J.O.C-LB-8	59,994	30,000
European Hydrocarbon J.O.C-LB-9	59,994	30,000
Transactional income-CEPSA	5,099,988	-
Exchange Gain	-	1,212
Total Revenues	18,535,487	27,462,642



7. Other Income	2014	2013
Chevron-Surface rental-LB-11	119,381	214,862
Chevron-Surface rental-LB-12	65,902	115,305
Chevron-Surface rental-LB-14	-	93,618
Chevron Rural Energy Fund-LB-14	100,000	99,988
Anadarko-Surface rental-LB-10	193,866	386,978
Anadarko-UL-LB-10	100,000	300,000
Anadarko Rural Energy Fund-LB-10	-	399,988
Anadarko-Surface rental-LB-15	96,500	127,500
Anadarko-UL-LB-15	75,000	149,995
Exxonmobil Rural Energy Fund-LB-13	100,000	99,994
Repsol-Surface rental LB-17	-	94,488
Repsol-UL LB-17	100,000	175,000
Repsol-Surface rental LB-16	96,750	74,968
Repsol-UL LB-16	100,000	100,000
European Hydrocarbon Surface Rental-LB-8	135,798	107,559
European Hydrocarbon-UL-LB-8	75,000	46,761
European Hydrocarbon-UL-LB-9	75,000	47,963
European Hydrocarbon Surface Rental-LB-9	131,791	104,754
Transactional Income-LB-13	-	114,999,988
	1,564,990	117,739,708



8. Operating Expenses

	2014	2013
General & Administrative Expenses	4,938,902	4,791,138
Legal fees	65,690	42,800
Foreign Travel & Per Diems	1,969,030	1,584,505
Depreciation Expense	488,107	738,652
Donation & Contribution	405,886	241,847
Social Intervention	1,883,946	193,580
Training & Scholarships	6,036,258	1,952,705
Board & Sitting Fees	192,150	116,100
Personnell Contingency	2,578,069	2,662,327
Hydrogen Technical Committee	94,600	874,646
Public Relations	235,511	241,523
Wages & Salaries	5,315,247	4,336,476
Consultancy fees	841,865	236,628
Development of Petroleum Policy	245,812	577,471
Total Operating Expenses	25,291,072	18,590,397



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7. Other Expenses/Transfer Payments

GOL Subsidy	6,875,129	2,500,000
University of Liberia	-	1,075,000
Surface rental	890,910	1,500,000
GOL Expenditure-LB-13	-	45,000,000
ExxonMobil-COPL Transaction	-	68,500,000
Interest on Loan-LB-13	-	1,500,000
Renewable Energy Fund	400,000	300,000
	8,166,039	120,375,000