



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**ON THE LIBERIA MARITIME AUTHORITY'S
(LMA) FINANCIAL STATEMENTS**

For the Fiscal Year ended June 30, 2014

January 2017



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

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AUDITOR GENERAL'S REPORT ON THE LIBERIA MARITIME AUTHORITY'S (LMA) FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 30, 2014

We have audited the financial statements of the LMA, which comprise the balance sheets as at June 30, 2014, the income statements and cash flow statements 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 United States (US) Generally Accepted Accounting Principles (US GAAP), 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 our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Property, Plant and Equipment

As disclosed in Note 2, LMA maintains a Fixed Assets Register on which it records activities associated with Property, Plant & Equipment including addition, usage and disposal. During the audit period, the activities on the Fixed Assets Register were inconsistent with the activities and balances reflected in the general ledgers. Due to these inconsistencies, Fixed Assets costs is overstated by US\$574,544, depreciation expense is understated by US\$180,537 and accumulated depreciation is overstated by US\$957,094. We have reasonably determined the effects on the financial statements of the variances to be material.



Auditor General's Opinion

In our opinion, except for the possible effect of the matters described in the Basis for Qualified Opinion Paragraph, the financial statements present fairly, in all material respects, the financial position of Liberia Maritime Authority as at June 30, 2014, and its financial performance and its cash flows for the year then ended in accordance with US Generally Accepted Accounting Principles.


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

Monrovia, Liberia
January 2017



RESTATED BALANCE SHEET

		30-Jun-14	30-Jun-13
ASSETS	NOTES	US\$	US\$
CURRENT ASSETS:			
Cash & Cash Equivalent	1	437,110	61,887
Staff Receivable		15,428	120,060
Inventory Store-MRCC		2,398	2,398
Interagency Prepayments	1	25,000	428,502
Other Current Assets		41,667	51,667
TOTAL CURRENT ASSETS		521,604	664,515
NON-CURRENT ASSETS			
Buildings and Improvements	2	3,212,443	3,544,540
Leasehold Improvements	2	816,123	766,227
Work in Progress	2	1,983,350	1,671,350
Land		960	0
Fixed Assets	2	1,012,769	1,150,367
TOTAL NON-CURRENT ASSETS		7,025,644	7,132,484
TOTAL ASSETS		7,547,248	7,796,999
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Current Liabilities	3	2,982,795	2,803,061
TOTAL CURRENT LIABILITIES		2,982,795	2,803,061
NON CURRENT LIABILITIES			
Non Current Liabilities		847,789	767,711
Total Non Current Liabilities		847,789	767,711
TOTAL LIABILITIES		3,830,585	3,570,773
EQUITY			
Retained Earnings 07.01.2013		4,226,226	3,123,467
Net Income (Loss)		(509,563)	1,102,759
Retained Earnings 06.30.2014		3,716,663	4,226,226
TOTAL LIABILITIES AND EQUITY		7,547,248	7,796,999

RESTATED STATEMENT OF REVENUE AND EXPENSES

		30-Jun-14	30-Jun-13
INCOME	NOTES	US\$	US\$
Government of Liberia Subsidy	4	11,888,275	12,471,584
Internally Generated	4	2,682,100	1,282,911
TOTAL INCOME		14,570,375	13,754,495
 OPERATING EXPENSES			
Salaries, Wages and Benefits	1	2,995,925	3,221,543
Taxes	8	125,980	128,090
Miscellaneous, Freight, Subscription	15	126,850	129,737
Insurance		397,912	318,523
Special Employment/Waterways	18	2,769,455	1,874,572
Board Related Services		107,550	173,175
Diplomatic Initiatives		1,236,157	275,750
Contributions and Donations	14	133,728	34,116
Professional Services	10	1,964,077	1,194,514
Communications	13	848,678	470,250
Gas, Fuel and Lubricants	9	1,121,061	1,101,160
Bad Debt Expense		0	0
Stationeries, Supplies and Printing	12	119,742	261,626
Entertainment		41,890	23,338
Accommodation		890	7,835
Utilities	17	48,554	14,187
Repairs and Maintenance	11	201,712	200,473
Depreciation	2	514,003	405,260
Bank Charges		556,800	415,924
Travels and Transportation	16	728,434	783,845
Scholarship-Foreign and Local	19	525,213	789,816
Rent		55,000	63,333
Loss (Gain) on FX		115,912	0
Other Expense		170,263	663,036
Conferences		174,152	101,635
TOTAL OPERATIONAL EXPENSES		15,079,938	12,651,736
 OPERATING INCOME (LOSS)		 (509,563)	 1,102,759
 NET INCOME (LOSS)		 (509,563)	 1,102,759

RESTATED STATEMENT OF CASH FLOWS

	30-Jun-14	30-Jun-13
	US\$	US\$
OPERATING ACTIVITIES		
Net Income (Loss)	(509,563)	1,102,759
Adjustments to reconcile Surplus to Net Cash Provided by Operating Activities:		
Depreciation (Excluding Building and Leasehold)	343,841	405,260
Adjusted Depreciation	0	0
Changes in Payables and Accruals	259,812	(459,141)
Changes in Receivables and Prepayments	518,133	(293,778)
TOTAL ADJUSTMENTS	1,121,787	(347,659)
Net Cash Provided by Operating Activities	612,224	755,100
INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(206,243)	(522,013)
Building and Improvements	332,097	(569,661)
Leasehold Improvements	(49,896)	(58,296)
Land	(960)	0
Work in Progress	(312,000)	(1,250)
Net cash provided by Investing Activities	(237,001)	(1,151,220)
Net Cash Increase (Decrease) for the period	375,223	(396,120)
Cash at the Beginning at the Period	61,887	458,007
Cash at the End of the Period	437,110	61,887

Notes to the Restated Liberia Maritime Authority Financial Statements as of 30 June 2014

1. General information

1.1 Overview

The Liberia Maritime Authority (the “Authority”), formerly the Bureau of Maritime Affairs, was established by an Act of the National Legislature on September 6, 2010 with the mandate, among others, to regulate, control and administer all matters to the standards for merchant shipping, and all foreign and domestic water-borne commercial and noncommercial activities. The Authority is also charged with the responsibilities of coordinating and assisting by forming strategic partnerships in the growth and development of the maritime sector and other maritime related industries in Liberia. Operating segments are those segments for which results are reviewed by the Authority’s Board of Directors (BoD) to assess performance and make decisions about resources to be allocated.

The (BoD) meets regularly throughout the year to discuss the performance and results of the Authority as a whole. The business of the Authority is focused almost entirely to regulate, control and administer all matters pertaining to the standards for merchant shipping, and all foreign and domestic water-borne commercial and noncommercial activities. The Authority operates as a legal entity in Liberia, the United States, United Kingdom, and Ghana and in order to provide information in a structured manner to readers of the accounts who are unfamiliar with the internal management reporting of the Authority, its financial statements are consistent with the core principle of US GAAP, which is to disclose information to enable users of the financial statements to evaluate the nature and financial effects of the business activities in which the Authority engages the economic activities in which it operates.

1.2 Accounting Policies

1.2.1 Basis of preparation

The Authority’s financial statements have been prepared on the historical cost basis as modified by the revaluation of financial assets and financial liabilities at fair value through the Revenue and Expenses accounts, in accordance with the **United States- Generally Accepted Accounting Principle (US-GAAP)**. Upon the adoption of the use of International Financial Reporting Standards (IFRS) by the Government of Liberia, the Authority will continue to use US-GAAP for the preparation of its Financial Statements.

For 2015

The financial statements of LIMA have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). For all periods up to and including the year ended 30 June 2014, the Group prepared its financial statements in accordance with United States generally accepted accounting practice (US GAAP). These financial statements for the year ended 30 June 2015 are the first LIMA has prepared in accordance with IFRS.

The LIMA financial statements have been prepared on a historical cost basis, The financial statements are presented in united states dollars and all values are rounded to the nearest thousand (US\$000), except when otherwise indicated. Assets costing US\$500 and above are capitalized by the Authority. Work-in-progress involved the renovation and the improvement

on the Liberia Marine Training Institute (LMTI) where the construction of the Liberia Maritime Headquarters is being constructed.

1.2.2 **Accounting Period**

The Authority's financial statements are prepared on a Fiscal Year basis (July 1-June 30).

1.2.3 **Foreign Currencies**

Functional and Presentation Currency – the Authority's financial statements are presented in United States Dollars. The functional currency of the nation is the Liberian Dollar. However, the currency (reporting currency) of the primary economic environment in which the entity operates both in Liberia and abroad is the US Dollar.

Transactions and Balances – transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the balance sheet date. Exchange differences on retranslating monetary assets and liabilities are recognized in the Revenue and Expense Statement.

1.2.4 **Taxation**

Income tax for the year comprises current and deferred tax on withholdings from employees, professional services, board remuneration that are taxable and vendors payments subject to withholdings as enshrined in Section 905 of the **Liberia Revenue Code (LRC)** of 2000. Income tax is recognized in the Revenue and Expense Statement to the extent that it relates to items recognized directly in the statements. Additionally, it includes taxes withheld for the National Social Security Scheme. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities based on tax rates and laws that are enacted at the balance sheet date.

1.2.5 **Inventories**

Inventories including work-in-progress are measured at the lower of cost and net realizable value on a weighted average cost basis. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

1.2.6 **Receivables and Prepayments**

Receivables are non-interest bearing and are stated at their nominal amount less provisions made for estimated irrecoverable amounts in the financial statements. Estimated irrecoverable amounts are based on historical experience together with specific amounts that are not expected to be collectible. Individual amounts are written off when management deems them not to be collectible.

Prepayments are inter agency/department pass thru account given to the Government of Liberia and other relevant agencies and sub-offices of the Authority like that of the Deputy Commissioner for Financial Affairs (DCFA) in Vienna, VA, in the United States. The decrease in prepayment for 2013/14 accounts for reports from Orion that is in charge of remitting wages to the Beaches and Waterways Program daily hires and payments by DCFA on behalf of the Authority for the IMO Council Elections.

INTERAGENCY PREPAYMENTS	30-Jun-14	30-Jun-13
Prepayment to DCFA	25,000	179,757
Prepayment to Escrow	0	248,745
Total Interagency Prepayments	25,000	428,502

1.2.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, short-term deposits and bank overdrafts. Bank overdrafts are disclosed as current liabilities except where the group participates in offset arrangements with certain banks whereby cash and overdraft amounts are offset against each other. Increase in cash for the end of this fiscal year is largely due to the late remittance of the allotment for June 2014 as compared to the early payment of the previous fiscal year.

CASH AND CASH EQUIVALENT	30-Jun-14	30-Jun-13
Cash in Bank/ Ecobank Enterprise Fund	777	2,089
Cash in Ecobank/ Building Fund	1,279	(1,541)
Cash in Ecobank/ Operations	426,634	28,267
Cash in Ecobank/LMTI	857	(10)
Cash in Ecobank/Small Watercraft	3,694	26,605
Cash in Bank/UBA	677	3,200
Cash in Bank/UBA LD	137	0
Cash in Bank/CBL	0	242
Cash in GT Bank/Special Project	474	1,344
Cash in GT Bank/Operations	1,576	1,693
Total Cash In Bank	436,104	61,887
Petty Cash	1,006	0
Total Cash and Cash Equivalent	437,110	61,887

1.2.8 Salaries and Other benefits

Other benefits plan or scheme is a scheme in which the group pays contributions or pay-off retired employees in accordance with Liberia Labor Law and statutory or contractual basis. The group has no further payment obligations once the contributions have been made. The amount charged to the Revenue and Expense Statement is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as payables in the balance sheet.

Other benefits are a defined benefit scheme, which involves the amount of pay-offs benefit that an employee will receive on retirement. For the defined benefit scheme, other benefit costs and the costs of providing other post-retirement benefits are charged to the Revenue and Expense Statement. Additionally, the provision of a bag of rice to junior and support staff on a monthly basis is a part of the other benefits expenditure. Decrease in salaries, wages and benefits were a direct result of a reduction in benefits and reduction in the number of senior staffers.

SALARIES, WAGES AND BENEFITS	30-Jun-14	30-Jun-13
Salaries and Wages	2,661,523.51	2701454.18
Relocation Allowance	15,000.00	
General Allowance	1,060.00	500
Other Benefits	318,341.43	519588.53
	2,995,925	3,221,543

2. **Property and Equipment**

Equipment is recorded at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The Authority has restated property previously revalued in accordance with US GAAP and to treat these earlier revaluations as deemed cost. Additionally, there are some fixed assets without value that were kept on the book. Leasehold improvement consists of arrangement with the Ministry of National Defense and the Coast Guard involved the renovation and maintenance of the Monrovia Regional-Maritime Rescue Coordination Center (This is a global distress maritime signal center for MR-MRCC covering Liberia, Ghana, Cote d'Ivoire and Sierra Leone), a Guest House lease in Lofa County as well as the Leasing of a sub office in Buchanan, Grand Bassa County.

Work in progress is a direct result of architectural, engineering design work and excavation of the site of the global headquarters of the Authority in Marshall, Margibi County.

Depreciation is calculated on the depreciable amount (being cost less the estimated residual value) on a straight line basis over the estimated useful lives of the assets as follow:

Machinery	6 Years
Fixtures and fittings	6 Years
Motor vehicles	3 Years
Office furniture	10 Years
Building and Improvement	25 Years

All assets are depreciated fully regardless of the date of purchase. Residual values and useful lives are reviewed at each balance sheet date for continued appropriateness and indications of impairment and adjusted if appropriate.

FIXED ASSETS COST SUMMARY	30-Jun-14	30-Jun-13
Furniture, Fixtures & Fittings	77,988	79,583
Building and Improvement	3,212,443	3,544,540
Leasehold and Improvement	816,123	766,227
Machines and Equipment	440,662	463,172
Motor vehicles	494,119	607,613
	5,041,334	5,461,134
FIXED ASSETS- BOOK VALUE REFLECTED		
Total Cost at 01-07-2013	7,354,762	7,073,424
Less: Impairment	181,329	0
Less: Accumulated Depreciation	2,124,745	1,612,290

Net book value at 30-06-2014

5,048,688

5,461,134

3. **Liabilities**

Accounts payable and others are stated at their nominal value. Additionally, as at June 30, 2012 Account payables were being classified as a portion was inherited by the current administration and carried over balance due to the reduction in the Authority's allotment. Liabilities increased in this period due to delays, in some instances, no funding from the GoL. This caused a heavy reliance on financing gaps from banks.

CURRENT LIABILITIES	30-Jun-14	30-Jun-13
Accounts Payable	1,122,245	118,923
Board Fees Payable	36,925	2,700
Salaries Payable	176,600	0
Income Tax Payable	172,534	173,470
NASSCORP Payable	476,264	407,968
Ecobank Restructured Facility (Repayment)	642,250	1,350,000
Ecobank Financing Gap Facility (Short Term)	0	750,000
GT Bank Financing Gap Facility (Short Term)	355,978	0
Total Current Liabilities	2,982,795	2,803,061

3.1 **Long-term Liabilities**

Long-term liabilities comprise of accruals made between 2006 and 2014, which were reclassified from accounts payable in current liabilities to notes payable in non-current liabilities. The total amount reclassified for the period ending June 30, 2014 was \$847,789.

4. **Revenue**

Revenue comprises the amounts received or receivable in respect of the services provided in the normal course of business and subsidies from the Government of Liberia and donors. Revenue is recognized when the significant risks and rewards of services have been performed or cash in the case of GOL subsidies have been received by the Authority. Increase in Domestic Registry collections was a direct result of activity within the oil sector as it relates to exploration and the registration of more fishing vessels.

Revenues include the following:

- a. Revenue from Domestic (Small) Watercraft
- b. Miscellaneous income
- c. Government of Liberia Subsidy

INCOME	30-Jun-14	30-Jun-13
Government of Liberia Subsidy		
Subsidy from GOL	11,888,275.00	12,471,584
Total Government of Liberia Subsidy	11,888,275.00	12,471,584
Domestic (Small) watercraft	2,586,870.25	1,071,495

Miscellaneous Income	90,095.20	10,325
Other Income	5,135.00	201,091
Internally Generated (Total)	2,682,100	1,282,911
TOTAL INCOME	14,570,375	13,754,495

5. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are accounted for as operating leases. Payments made under such leases are charged to the Revenue and Expense Statement on a straight line basis over the period of the lease.

6. Foreign Exchange Risk

The Authority operates internationally and is exposed to foreign currency risk on charges and fees due and purchases made that are denominated in a currency other than USD and Liberian Dollar. There are a range of currencies giving rise to this risk. To mitigate risks associated with future exchange rate fluctuations, the Authority uses the daily market rate as of the date of that transaction.

6.1 Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due subject to the availability of funding through the Ministry of Finance.

7. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with generally accepted accounting principles require the use of certain estimates and associated assumptions that affect the application of policies, the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best assessments of amounts, events or actions, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on a regular and ongoing basis.

The estimates and judgments that have had the most significant effect on the amounts included in these financial statements are as follows:

7.1 Allowance for doubtful debts

Provision is made against accounts that in the estimation of management may be impaired. Within the receivables, assessment is made of the recoverability of receivables based on a range of factors including the age of the receivable and the creditworthiness of the customer.

Determining the recoverability of an account involves estimation as to the likely financial condition of the customer and their ability to subsequently make payment. If the LMA is cautious as to the financial condition of the customer the entity may provide for accounts that are subsequently recovered. Similarly, if the entity is optimistic as to the financial condition of the customer, the entity may not provide for an account that is subsequently determined to be irrecoverable.

7.2 Inventories

For financial reporting purposes the Authority evaluates its inventory to ensure it is carried at the lower of cost or net realizable value. Provision is made against obsolete and damaged inventories. Damaged inventories are identified and written down through the inventory counting procedures.

7.3 Income taxes

In determining the Authority's provisions for income tax and deferred tax, it is necessary to consider transactions in a small number of key tax jurisdictions for which the ultimate tax determination is uncertain. To the extent that the final outcome differs from the tax that has been provided, adjustments will be made to income tax and deferred tax provisions held in the period the determination is made.

7.4 Other benefit obligations

The liability recognized in respect of other (retirement) benefit obligations is dependent on a number of estimates including those relating to mortality, inflation, salary increases, and the rate at which liabilities are discounted. Any change in these assumptions would impact the retirement benefit obligations recognized. Additionally, obligations quoted were inherited from prior administration dating far back as 1999. Others are a direct result of constant budget cuts in the Authority's allotment regardless of approval by the Legislature.

8. Taxes

Taxes, in the case of this financial statement, represent the accounting for social security taxes (Management contribution) in the amount of 4.75% of the total gross monthly payroll. This is a mandate under the Liberian Labor Law.

TAXES	30-Jun-14	30-Jun-13
Social Security Tax	125,980	128,090
Total Taxes	125,980	128,090

9. Gas, Fuel and Lubricants

This segment is the sum of fuel and lubricants consumption at all Maritime Installations in Liberia especially at the MR-MRCC Headquarters at the Coast Guard Base that runs a 24-hour service for 365 days of the year. The center has never shut down since its inception and opening in April, 2009. Fuel Cost increased due to price changes, increment in staffs of expanded departments and the LMTI as well as increased inspections at the port of Buchanan and Greenville in order to ensure that the all the ports are complaint with the International Ship and Port Security (ISPS) convention. The Authority serves as the Designated Authority- appointed in 2009 by the President of the Republic of Liberia. The operation of the Liberia Marine Training Institute also caused an increase in the fuel consumption for 2013/14.

GAS, FUEL AND LUBRICANTS	30-Jun-14	30-Jun-13
Fuel	1,121,061	1,101,160
Total Gas, Fuel and Lubricants	1,121,061	1,101,160

10. Professional Services

All laws of the Republic of Liberia apply to the selection and maintenance of such consulting services. The increase in Professional Service as compared to the previous fiscal period was driven by the fact that the cost of services incurred to seek litigation in the case the Fallen Cadets v. the LiMA where the Plaintiff, the Families of the Fallen Cadets, were rendered a favored judgment amounting to US\$3.1M for wrongful deaths of their relatives. A settlement was being sought through the Supreme Court. The settlement finally amounted to US\$1.2M.

PROFESSIONAL SERVICES	30-Jun-14	30-Jun-13
Professional Services	179,477	364,964
Legal Services	1,784,600	829,550
Total Professional Services	1,964,077	1,194,514

11. Repairs and Maintenance

This segment of the financial statement highlights the sum total expense for maintaining equipment, vehicles, Buildings, Generators, etc. that are either owned or leased by the Liberia Maritime Authority. Vehicles services are carried out by entities that the vehicles are purchased from as this form part of the initial contract that is signed after the bidding process. Increase in repairs and maintenance was driven by the increase in the Authority fleet of vehicles and the numerous trips to Buchanan, Greenville and the Marshall area (LMTI Campus).

REPAIRS AND MAINTENANCE	30-Jun-14	30-Jun-13
Repairs and Maintenance- Equipment	19,461	6,144
Repairs and Maintenance- Building	34,466	32,754
Repairs and Maintenance- Vehicles	112,954	109,531
Repairs and Maintenance- General	0	1,635
Repairs and Maintenance- Generators	24,975	31,330
Repairs and Maintenance- Grounds	9,855	19,080
Total Repairs and Maintenance	201,712	200,473

12. Stationeries, Supplies and Printing

This segment of the Revenue and Expense Statement highlights the Authority's expenditure on stationeries, supplies, printing and binding.

The supplies highlighted are office, janitorial, canteen, security and instructional supplies that may be needed by departments of the Authority, as it is known that the authority runs an elite Maritime Security Division. The decrease in Stationery and Supplies is driven by the fact that operational and instructional supplies were purchased in bulk during the previous fiscal year and that instructional supplies were still in use during the current fiscal period.

STATIONERIES, SUPPLIES & PRINTING	30-Jun-14	30-Jun-13
Stationery and Supplies Expense	91,892	173,004
Janitorial supplies Expense	6,971	18,647
Security Supplies Expense	3,826	7,733
Canteen Supplies Expense	5,499	6,000
Instructional Supplies (LMTI)	898	32,240
Printing	10,657	24,003
Total Stationeries, Supplies and Printing	119,742	261,626

13. Communication

The Liberia Maritime Authority used this account to highlight cost of telephone and Telex, Press and Public Relations, Advertisement, postage and or any other publication that the Authority may deemed necessary for the public consumption.

The increase in communication was due to immense marketing carried out for the IMO Council Bid in 2013.

COMMUNICATION	30-Jun-14	30-Jun-13
Telephone and Telex	92,327	64,980
Postage	4,052	2,985
Press and Public Relations	752,300	402,285
Total Communication	848,678	470,250

14. Contributions and Donation

This segment controls all of the Authority's contribution and donation for the period. It also highlights the Authority's corporate social responsibility program, which focuses on three (3) areas Health and Social Welfare, Community Volunteering and Education. The education forms part of the Liberia Maritime Authority Local Scholarships. Expenditure reported in this segment is related to health and community volunteering. Corporate donations were given in this fiscal year as compared to the previous.

CONTRIBUTIONS AND DONATION	30-Jun-14	30-Jun-13
Corporate Social Responsibility	133,728	34,116
Total Contribution and Donation	133,728	34,116

15. Miscellaneous, Freight and Subscription

This category summarizes the Authority's expenditure on honorarium, contract services, subscriptions, freight forwarding and handling, license and registration as well as miscellaneous.

MISCELLANEOUS, FREIGHT & SUBSCRIPTION	30-Jun-14	30-Jun-13
Honorarium	24,485	46,752
Subscriptions	34,731	42,505
Freight, Handling and Forwarding	153	2,500
License and Registration	4,895	6,475
Miscellaneous Expense	62,586	31,504
Total Miscellaneous, Freight & Subscription	126,850	129,737

16. Travels and Transportation

This accounts for cost of local and foreign travel in terms of the tickets for foreign travels and that of the per diem component for both local and foreign travel. All rates are in line with the finance manual of the Authority as approved for usage. Moreover, these rates were inherited by the current administration and had been used from the pre war era. The costing for vehicle rental is also a part of this segment as the Authority used this as a means of travel domestically to attend to pertinent maritime obligations at the port of Buchanan, Greenville and Harper. This fiscal period saw the regaining of Liberia's seat on the IMO Council.

TRAVELS AND TRANSPORTATION	30-Jun-14	30-Jun-13
Local Travel	74,946	65,383
Foreign Travel-Air Tickets	314,890	344,066
Per Diems	316,305	302,710
Transportation (Vehicle Rental)	22,293	71,685
Total Travels and Transportation	728,434	783,845

17. Utilities

Utilities capture the Authority's usage of water from the Liberia Water and Sewer Corporation and that of the Electricity from the Liberia Electricity Corporation all at the Headquarters in Sinkor, Monrovia.

UTILITIES	30-Jun-14	30-Jun-13
Water	5,239	3,421
Electricity	43,315	10,765
Total Utilities	48,554	14,187

18. Special Project

This accounts for the "Reclaiming Liberia's Waterways" Project and other projects that brings in direct benefits to the Republic of Liberia. This project has employed nearly 2,000 persons in coastal communities around Monrovia. Decrease in this expenditure line was driven by the completion of the other projects except for the waterways daily hires spanning from Bushrod Island up to ELWA Communities.

19. Scholarship

This accounts for the Authority's expenditure on foreign and local scholarships. The Authority maintains scholarship at the Regional Maritime University in Accra, Ghana and other International Maritime Institutes and Universities around the world. The Authority also under its local scholarship program maintained by the Corporate Social Responsibility Department handles tuition payments several students at the almost all of the higher institutions of learning and high schools across the country. The reduction is largely due to the completion of studies by students sponsored by LiMA abroad and by the reduction in the number of students at the LMTI. Due to the lack of funding the LMTI was shut down in December 2013.

SCHOLARSHIPS	30-Jun-14	30-Jun-13
Foreign	85,965	154,475
Local (CSR/LMTI)	439,249	635,341
Total Scholarships	525,213	789,816

Subsequent Event

The Ebola Outbreak caused a decline in the domestic revenue of the Authority. The Authority experienced a sharp decline due to the abrupt closure of exploration activities in Liberian Jurisdictional Waters that accounted for the major increase in the Domestic Revenue of the Liberia Maritime Authority. Secondly, the actual construction of the Liberia Maritime Authority headquarters in Marshall, Margibi County began with the pouring of the first concrete in FY2014/15.