



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**On the Audit of the National Housing
Authority (NHA) Financial Statements**

For the Period Ended June 30, 2020



December 2022

**P. Garswa Jackson Sr. ACCA, CFIP, CFC
Auditor General, R. L.**

Table of Contents

| | |
|--|----|
| Adverse Opinion..... | 3 |
| Basis for Adverse Opinion | 3 |
| Management's Responsibilities | 3 |
| Auditor's Responsibilities..... | 4 |
| STATEMENT OF RESPONSIBILITIES | 5 |
| REPORT OF THE COMPTROLLER | 6 |
| NOTES OF EXPLANATIONS AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS | 27 |

Acronyms/Abbreviations/Symbols

| Acronyms/Abbreviations/Symbol | Meaning |
|--------------------------------------|--|
| AG | Auditor General |
| BCP | Business Community Plan |
| CBL | Central Bank of Liberia |
| COBIT | Control Objective Information and Related Technologies Tecee |
| DRP | Disaster Recovery Plan |
| CSA | Civil service Agency |
| COSO | Committee of Sponsoring Organizations of the Treadway Commission |
| LBDI | Liberia Bank for Development and Investment |
| GAC | General Auditing Commission |
| GOL | Government of Liberia |
| IFMIS | Integrated Financial Management Information System |
| ISSAI | International Standards of Supreme Audit Institutions |
| IT | Information Technology |
| GST | Goods and Services Tax |
| INTOSAI | International Organization of Supreme Audit Institutions |
| ISSAI | International Standards of Supreme Audit Institutions |
| L\$ | Liberian Dollars |
| LBR | Liberia Business Registry |
| NHA | National Housing Authority |
| PFM Act | Public Finance Management Act |
| LIFE | Liberia Innovation fund for Entrepreneurs |
| PPC Act | Public Procurement Concession Act |
| PPCC | Public Procurement and Concession Committee |
| ToR | Terms of Reference |
| US\$ | United States Dollar |
| MIP | Monrovia Industrial Park |
| NASSCORP | National Standard Laboratory |
| NSL | National Standard Laboratory |
| MFDP | Ministry of finance and Development Planning |
| PAN | Personnel Action Notice |

Auditor General's Report

Hon. Cecelia Cuffy-Brown
Managing Director
National Housing Authority (NHA)
Capitol Hill, Behind the Executive Mansion Ground
Monrovia, Liberia

December 4, 2022

RE: Auditor General Report on the Audit of the National Housing Authority Financial Statements for the Period Ended June 30, 2020

Adverse Opinion

We have audited the accompanying financial statement of the National Housing Authority (NHA) for the Fiscal Period ended June 30, 2020, which comprises the Statement of Receipts and Payments, a Statement of Comparison of Budget and Actual Amounts, and a summary of other accounting policies and explanatory notes.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion Section of our report, the accompanying financial statements do not give a true and fair view of the financial position of the National Housing Authority as at June 30, 2020, and of its statement of receipts and payments, Statement of Comparison of Budget and Actual Amount for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis.

Basis for Adverse Opinion

The amount of US\$89,340 recorded as closing balance in NHA's financial statements for the fiscal year 2018/2019 did not reconcile with the opening balance of US\$2,060 for the fiscal year of 2019/2020; thereby, resulting in a variance of US\$87,280.

Financial statements prepared for the fiscal period lacked comparative information as is required by paragraph 2.6.0 of the Cash Basis IPSAS as adopted by the Government of Liberia.

variance of US\$88,440 between the cash balance per the Statement of Cash Receipts & Payments and the cash balance per the Statement of Cash Position.

Management of the National Housing Authority did not include explanatory notes in the financial statements on the budgetary and classification basis adopted in the approved budget.as required by the IPSAS Cash Basis Accounting.

Management's Responsibilities

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis, and for such

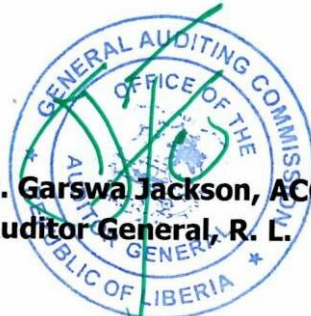
internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the 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 conducted our audit in accordance with International Standards for supreme Audit Institution (ISSAIs). Our responsibilities under these standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the National Housing Authority Management in accordance with the code of ethics for Supreme Audit Institutes together with the ethical requirements that are relevant to audit of the financial statements, and we have fulfilled our other ethical responsibilities an accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

Monrovia, Liberia
December 2022


P. Garswa Jackson, ACCA, CFIP, CFC
Auditor General, R. L.

STATEMENT OF RESPONSIBILITIES

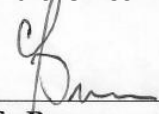
The Financial Statements as set out on pages 8 to 11 have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public-Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.


In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the NATIONAL HOUSING AUTHORITY.

Under the provisions of the same Act, I am required to prepare unaudited Final Account of the National Housing Authority to be submitted to the Minister of Finance and Development Planning, 15 days after end of each quarter to which it relates. However, I have delegated the preparation of the unaudited Final Account to the Comptroller for my transmittal to the Minister, as provided in the attendant Regulations of the Public Financial Management Act of 2009. Accordingly, I am pleased to submit the required Annual Public Account of the National Housing Authority in compliance with the PFM Act and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations as may be required in connection with the financial statements presented therein.

In preparing these Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgment and estimates. To the best of my knowledge and belief, these Financial Statements agree with the books of accounts, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain and their compliance with the provisions of the Public Financial Management (PFM) Act of 2009.


Celia Cuffy-Brown
Managing Director
National Housing Authority


MANAGING DIRECTOR

09/08/21
Date

REPORT OF THE COMPTROLLER

1 Introduction

The National Housing Authority (NHA) was created by an Act of Legislature in April 1961 with the core responsibility to construct affordable housing units for low income earners to include women, youth and the vulnerable.

This Report analyses and evaluates the implementation and performance of FY 2019/20 Budget of the Authority. It highlights the authority's activities and programs, as it relates to budgetary appropriations, allotments, expenditures, revenue, achievement and challenges for FY 2019/20.

2 The FY2019/20 Approved Budget

For the FY2019-20, the consolidated approved budget for the National Housing Authority by its Board of Directors amounted to **US\$2,148,576.000**. This projected revenue envelope comprises **US\$825,448.00** appropriations by GOL, and **US\$100,000.00** as proceeds from sales of housing units, and **US\$1,200,000.00 as unfunded revenue (Contingent Revenue)**.

Summary

Total inflows received for the FY2019/2020 is US\$ **646,499.31** while total outflow was **(US\$638,370.24)** resulting in a positive cash inflow of **(US\$8,129.07)**

3 Authorised Appropriation/Allocations

Authorized Appropriation/Allocations for the consolidated period was to **US\$488,530.66** which represented employees' compensations and Good & Services for the mentioned period.

4 Grant

No grant was received during this period.

5 Other Receipts

For the period under review, **US\$169,695.10**. was received from sales of housing units and NHA Mortgage program. **See breakdown of the amount:**

| | |
|---------------------------|------------------------------|
| Rent-to-Own Mort. Program | 24,859.13 |
| Sites and Services | 10,036.53 |
| Sales of Housing units | 10,833.58 |
| Miscellaneous Income | 123,965.86 |
| Total | <u>USD169, 695.10</u> |

6 Expenditure – Operational Fund

- a. **Employee benefits** – During the period under review, the consolidated FY2019/20, total employees' benefits were **Five Hundred and Fifty-Eight Thousand, Three Hundred Seventy-One United States dollars and Eighty-five Cents (US\$558,371.85)**. This amount is inclusive of GOL amount (US\$488,530.66) and other receipts of (US\$69,841.19).

b. Goods and Services- This expenditure line items during the FY2019/2020 constituted a total Goods and Services of **Ninety-Four Thousand Five Thirty United States Dollars and Fifteen cents** (US\$94,530.15). This amount is only inclusive of other receipts, with no funding from Government.

c. Purchase of Capital Items- During the period under review, the consolidated FY2019/20, there were no capital items procured

7 Project Outflows- Also during the period under review, FY2019/20, there were **no** project outflows.


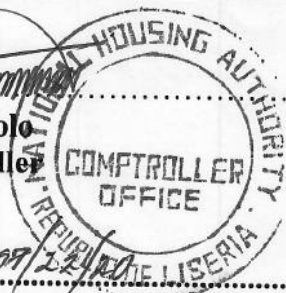
8 Outstanding Commitments- During the period under review, FY2019/20, total outstanding commitment amounted to **Sixteen Thousand Four Hundred Sixty United States Dollars (US\$16,460.00)**. This amount constitutes **US\$14,000.00** of Office Materials, Consumables and services and **US\$2,460.00** of Legal Obligations.

- **Cash Balances-** For the FY2019/20, the cash balance resulting from operation was negative (**US\$7,388.50**)

- **Contingent Liabilities and Commitments-** There were no Contingent liabilities and long-term commitments at the end of the consolidated period which ended June 2020.

9 Conclusion

The Financial Statements for the fy2019/2020 ended 30th June 2020 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.


Bill G. Dolo
Comptroller

09/22/20
Date

*Auditor General's Report on the Audit of The
National Housing Authority (NHA) Financial Statements
For the Period Ended June 30, 2020*

STATEMENT OF CASH RECEIPTS AND PAYMENTS

(ALL PUBLIC FUNDS)

FOR THE FISCAL YEAR ENDED 2019/2020. (FY2019/20)

RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

| FUND/ACCOUNTS DESCRIPTION | NOTES | FOR THE FY2019/2020 | | | FOR THE FY2018/2019 | | |
|--|-------|--|--|---------------------------------|--|--|---------------------------------|
| | | RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY | PAYMENTS BY OTHER GOVERNMENT ENTITIES | PAYMENTS BY EXTERNAL PARTIES | RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY | PAYMENTS BY OTHER GOVERNMENT ENTITIES | PAYMENTS BY EXTERNAL PARTIES |
| | | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 |
| OPERATIONAL FUND | | | | | | | |
| RECEIPTS | | | | | | | |
| Authorized Allocation/Appropriation | 4 | - | 488.53 | | - | 146 | - |
| Other Receipts | 5 | 169.70 | | | 365 | - | |
| External Assistance: | 6 | | | | | | |
| Grants From Multilateral Agencies | | | | | | | |
| Grants From Bilateral & Other Agencies | | | | | | | |
| Borrowings from Multilateral Agencies | | | | | | | |
| Borrowings from Bilateral Agencies | | | - | | | - | |
| Other Grants and Aid | | | | | | | |
| Other Borrowings | | | | | | | |
| Total Receipts - Operational Fund | | 169.70 | 488.53 | | 364.63 | 145.68 | - |
| PAYMENTS | | | | | | | |
| Operations: | | | | | | | |
| Wages, Salaries and Employee Benefits | 7 | 69.84 | 486.62 | | 37.85 | 145.68 | |
| Supplies and Consumables | 8 | 94.53 | | | 74.98 | - | |
| TRANSFERS: | 9 | | | | | | |
| Grants | | | | - | | | |
| Other transfer payments | | | | - | | | |
| Loan Repayment | | | | | - | | |

*Auditor General's Report on the Audit of The
National Housing Authority (NHA) Financial Statements
For the Period Ended June 30, 2020*

| | | | | | | | |
|--|----|---------------|---------------|----------|---------------|---------------|----------|
| CAPITAL EXPENDITURES: | 10 | | | | | | |
| Residential Building | | | | - | 91 | | |
| Non Residential Building | | | | | - | | |
| Roads and Bridges | | | | | | | |
| Other Structures | | | | - | 60 | | |
| ICT Infrastructure | | | | | | | |
| Total Payments - Operational Fund | | 164.37 | 486.62 | - | 263.76 | 145.68 | - |
| Increase/Decrease in Cash | | 5.32 | 1.91 | - | 101 | - | - |
| Cash at the beginning of the FY1 (JUNE 1, 2018) | | 2.06 | | | 1,062 | | |
| Net change in cash (receipts less payments) | | - | | - | | - | - |
| Foreign currency translation difference | | | | | | | |
| Cash at the End of the FY - Operational Fund(Sept 30, 2017) | | 7.39 | 1.91 | - | 1,163 | - | - |
| CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS) | | | | | | | |
| RECEIPTS | | | | | | | |
| External Assistance: | 11 | | | | | | |
| Grants | | | | | | | |
| Loans | | | | | | | |
| Total Receipts - Capital Development Funds | | - | - | - | - | - | - |
| PAYMENTS | | | | | | | |
| Operations: | 12 | | | | | | |
| Wages, Salaries and Employee Benefits | | | | | | | |
| Supplies and Consumables | | | | | | - | |

*Auditor General's Report on the Audit of The
National Housing Authority (NHA) Financial Statements
For the Period Ended June 30, 2020*

7.38

| | | | | | | | |
|--|----|-------------|-------------|---|--------------|---|---|
| TRANSFERS: | 13 | | | | | | |
| Grants | | | | | | | |
| Other transfer payments | | | | | | | |
| CAPITAL EXPENDITURES: | 14 | | | | | | |
| Residential Building | | - | | | | | |
| Roads and Bridges | | - | | | | | |
| Land | | 0 | | | | | |
| Other Structure | | | | | | | |
| Non- residential buildings | | - | | | | | |
| ICT Infrastructure | | | | | | | |
| Total Payments - Capital Development Funds | | - | - | - | - | | - |
| Increase/Decrease in Cash | | - | - | - | - | | - |
| Cash at the beginning of the FY Jun. 1 2019 | | | | | | | |
| Net change in cash (receipts less payments) | | - | - | - | | | - |
| Foreign currency translation difference | | | | | | | |
| Cash at the FY End Jun, 2019) - Capital Development Funds | | - | - | - | - | - | - |
| Cash at the Beginning of the FY Jun, 2019- All Funds | | | - | - | 1,062 | - | - |
| Cash at the End of FY Jun. 30, 2019 - All Funds | 15 | 7.39 | 1.91 | - | 1,163 | - | - |

| STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (GENERAL FUND) | | | | | | |
|---|---|---------------------|------------------------|--|----------------------------|-----------------------|
| FOR THE FY ENDED FY2019/2020. (FY2019/20) | | | | | | |
| - RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE | | | | | | |
| - Budget Approved on the Cash Basis | | | | | | |
| | For the FY Ended 2019/2020 (FY2019/20) | | | | | FY2018/19 |
| ACCOUNT TITLE/DESCRIPTION | Actual Amounts | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual Amounts |
| | US \$ | US \$ | US \$ | US \$ | % | US \$ |
| CASH INFLOWS | | | | | | |
| Authorized Allocation/Appropriation | 488.53 | 3,393.10 | 3,393.10 | (2,904.57) | | 302 |
| Grants | | | | | - | 1,393 |
| Borrowings | | | | | - | - |
| Other Receipts | 169.70 | | | | | 276 |
| Total Cash Receipts | 658.23 | 3,393.10 | 3,393.10 | (2,734.88) | (0.81) | 1.97 |
| CASH OUTFLOWS | | | | | | |
| Wages, Salaries and Other Employee Benefits | 556.46 | 1,618.65 | 1,618.65 | (1,062.19) | - | 213 |
| Goods and Services Consumed | 94.53 | 195.93 | 195.93 | (101.40) | | 125 |
| Capital Expenditure | - | | - | | | - |
| Loans Repayments | | | - | | | 30.00 |
| Other Payment(Transfer) | | | - | | | - |
| Capital Reserve | - | | - | | | 283 |
| Total Cash Payments | 650.99 | 1,814.57 | 1,814.57 | (1,163.58) | | 650.79 |
| NET CASH FLOW - OPERATIONAL FUND | 7.24 | 1,578.53 | 1,578.53 | 1,571.29 | | (649) |

| STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS) | | | | | |
|--|-------------------------|--------------|---------------------------------|---------------------------------|------------------------------------|
| AS AT 30TH JUNE, 2020 | | | | | |
| | | Notes | As at 30TH JUNE 2020 | As at 30TH JUNE 2019 | Change in Cash Balances |
| Cash/Bank Account Details | Currency Held In | 15 | US \$'000 | US \$'000 | US \$'000 |
| <u>OPERATIONAL FUND</u> | <u>STOP</u> | | | | |
| Petty Cash or Imprest | | | | | |
| Petty Cash -Finance & Accounts | LRD | | 0.20 | | - |
| Petty Cash -Comptroller | USD | | 1.85 | - | - |
| Petty Cash -Administration | LRD | | 0.22 | - | - |
| Petty Cash -Technical | LRD | | 0.12 | - | - |
| Petty Cash -Managing Director | LRD | | 1.03 | - | - |
| Total held in petty cash: | - | | 3.42 | - | - |

*Auditor General's Report on the Audit of The
National Housing Authority (NHA) Financial Statements
For the Period Ended June 30, 2020*

| | | | | | |
|---|-----|----|-------------|---|---|
| Bank Accounts | | | | | |
| NHA ECSROW-LBDI | USD | | - | - | |
| NHA ECSROW-LBDI | LRD | | - | - | |
| NHA-LBDI | USD | | 3.00 | - | |
| NHA-LBDI | LRD | | 1.28 | - | |
| GN NHA/VOA PROJECT | USD | | - | - | |
| GN NHA/VOA PROJECT | LRD | | - | - | |
| GN NHA/VOA HOUSING PROJECT-ESCROW | USD | | - | - | |
| Total held in Bank Accounts: | | | 4.28 | - | - |
| Total Cash and Bank Balances at the end of the period (Operational Fund): | | | 7.70 | - | - |
| CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS) | | 21 | | | |
| Petty Cash or Imprest | | | | | |
| Petty Cash A/c 1 | | | - | - | |
| Petty Cash A/c 2 | | | - | - | |
| Total held in petty cash: | | | - | - | - |
| Bank Accounts | | | | | |
| NHA-NASSCORP PROJECT - GN | USD | | - | - | - |
| NHA-NASSCORP PROJECT - GN | LRD | | - | - | - |
| Total held in Bank Accounts: | | | - | - | - |
| Total Cash and Bank Balances at the end of the period (Donor Financed Projects): | | | | - | - |
| TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS | | | 7.7 | - | - |



| NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FY2019/2020 (FY2019/20) | | | | | | |
|--|-------------------|---------------------|------------------------|--|--------------------------------|-------------------|
| | Actual | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual |
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Employee Compensation | 556.46 | 1,619 | 1,619 | (1,062) | (0.66) | 213 |
| Goods and Services | 94.53 | 196 | 196 | (101) | (0.52) | 125 |
| Capital Expenditure | - | | | | | 283 |
| Other Payment (Loan) | - | - | - | - | | 30 |
| TOTAL RECEIPTS | 650.99 | 1,815 | 1,815 | (1,164) | (0.64) | 650.79 |

| NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FY2018/2019 (FY2018/19) | | | | | | |
|--|-------------------|---------------------|------------------------|--|--------------------------------|-------------------|
| | Actual | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual |
| | FY 2018/19 | FY 2018/19 | FY 2018/19 | FY 2018/19 | FY 2018/19 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Employee Compensation | 775.51 | 594 | 594 | | | 213 |
| Goods and Services | 256.88 | 150 | 150 | | | 125 |
| Capital Expenditure | - | | | | | 283 |
| Other Payment (Loan) | - | - | - | - | | 30 |
| TOTAL RECEIPTS | 1,032.39 | 744 | 744 | 288 | 0 | 651 |

NOTE 5 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL OTHER RECEIPTS FOR THE FY ENDED 30TH JUNE, 2020 (FY 2019/20)

| | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|-------------------------------------|-------------------|-------------------|-------------------|--|-------------------|------------|
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Mortgage Program | 36.63 | - | - | 36.63 | - | - |
| Donor | - | - | - | - | - | - |
| Other Property Income | 8.80 | - | - | 8.8 | - | - |
| Administrative Fees and Licenses | | | | - | - | - |
| Fines, Penalties and Forfeits | | - | - | - | - | - |
| Miscellaneous receipts | 117.97 | | | 118 | - | |
| TOTAL OTHER RECEIPTS | 163.40 | - | - | 163.40 | - | - |

| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|--|------------|--------------|-----------------|---|------------|------------|
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| | | | | | | |
| Grants - Foreign Governments (Current) | | | | - | - | |
| Grants - Foreign Governments (Capital) | | - | - | - | - | |
| Grants – International Organisations (Current) | | | | - | - | |
| Grants – International Organisations (Capital) | | | | - | - | |
| | | | | | | |
| Multi-laterals Loans | | | | - | - | |
| Bi-lateral Loans | | | | - | - | |
| Other Loans | | | | - | - | |
| | | | | | | |
| GRAND TOTAL | - | - | - | - | - | - |

| NOTE 7 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FY ENDED 2019/ 2020(FY2019/20) | | | | | | |
|--|-------------------|---------------------|------------------------|--|-------------------|-------------------|
| | | | | | | |
| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Wages, Salaries and other Employee Benefits | | | | | | |
| Wages and Salaries | 486.62 | 1,618.65 | 1,618.65 | 1,132 | 1 | 213 |
| Social Contributions | - | - | - | - | - | - |
| Other Employee Costs | | | | - | - | - |
| | | | | | | |
| GRAND TOTAL | 486.62 | 1,618.65 | 1,618.65 | 1,132 | 1 | 213 |

| NOTE 8 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH JUNE 2020(FY2019/20) | | | | | | |
|---|-------------------|---------------------|------------------------|--|-------------------|-------------------|
| | | | | | | |
| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 | US \$'1000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Supplies and Consumables | | | | | | |
| Travel Expenses | 23.10 | 48.88 | 49 | (26) | | 0.01 |
| Utilities | 10.73 | 27.50 | 28 | (17) | | 0.00 |
| Rent | 4.77 | 10.00 | 10 | (5) | | 0.00 |
| Fuel and Lubricants | 13.29 | 68.75 | 69 | (55) | | 0.00 |
| Repairs and Maintenance | 5.04 | 43.75 | 44 | (39) | | 0.01 |
| Office Materials, Consumables & Services | 16.42 | 108.88 | 109 | (92) | | 0.02 |
| Consultancy services/Audit /Studies | 23.70 | 25.00 | 25 | (1) | | 0.02 |
| Specialized Materials and Services | - | | - | - | | - |
| Education and Training Related | - | 150.0 | 150 | (150) | | - |
| Other General Expenses & Arrears | 22.32 | 148.75 | 149 | (126) | | 0.06 |
| | | | | | | |
| | | | | | | |
| GRAND TOTAL | 119.37 | 631.50 | 631.50 | (512) | (1) | 0.1 |

| NOTE 9 - COMPARATIVE ANALYSIS OF TRANSFER MADE DURING THE FY ENDED 2019/ 2020(FY2019/20) | | | | | | |
|---|------------|--------------|-----------------|---|------------|------------|
| | | | | | | |
| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| | | | | | | |
| Grants - Foreign Governments (Current) | | | | - | - | |
| Grants - Foreign Governments (Capital) | | | | - | - | |
| Grants – International Organisations (Current) | | | | - | - | |
| Grants – International Organisations (Capital) | | | | - | - | |
| Grants- Non-Governmental Organisations (Current) | | | | - | - | |
| Grants- Non-Governmental Organisations (Capital) | | | | - | - | |
| Grants- Private Entities (Current) | | | | - | - | |
| Grants- Private Entities (Capital) | | | | - | - | |
| | | | | | | |
| GRAND TOTAL | - | - | - | - | - | - |

*Auditor General's Report on the Audit of The
National Housing Authority (NHA) Financial Statements
For the Period Ended June 30, 2020*

| NOTE 10 - COMPARATIVE ANALYSIS OF CAPITAL EXPENDITURE PAYMENTS MADE DURING THE FISCAL YEAR ENDED(FY2019/20) | | | | | | | |
|--|------------|------------|--------------|-----------------|--|---------------|------------|
| | | | | | | | |
| | Actual | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| Account Title | FY 2018/19 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$' | | US \$' | US \$' | US \$' | | US \$' |
| Comparative Analysis by Economic Classification | | | | | | | |
| CAPITAL EXPENDITURES: | | | | | | | |
| Non-residential buildings | - | - | | | - | - | - |
| Residential Buildings | | - | | | | - | - |
| Roads and Bridges | | - | | | | - | - |
| Other Structures | | | | | | - | - |
| Machinery, Furniture and Equipment | - | | - | - | - | - | - |
| Transport Equipment | - | | - | - | - | - | - |
| Machinery and other Equipment | - | | - | - | - | - | - |
| Security Equipment | - | | - | - | - | - | - |
| Furniture and Fixtures | - | | - | - | - | - | - |
| ICT Infrastructure | - | | - | - | - | - | - |
| ICT infrastr., Hardware, Networks & Facilities | - | | - | - | - | - | - |
| Strategic Stocks & Other fixed assets | - | | - | - | - | - | - |
| | | | | | | | |
| GRAND TOTAL | - | - | | | | | - |

| NOTE 11 - COMPARATIVE ANALYSIS OF EXTERNAL ASSISTANCE RECEIVED DURING THE FISCAL YEAR ENDED 30TH JUNE 2020 (CAPITAL DEVELOPMENT FUNDS, DONOR FINANCED PROJECTS) | | | | | | |
|---|------------|--------------|-----------------|---|------------|------------|
| | | | | | | |
| | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| Account Title | | | | | | |
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| | | | | | | |
| Grants - Foreign Governments (Current) | - | | | - | - | |
| Grants - Foreign Governments (Capital) | - | - | - | - | - | |
| Grants – International Organisations (Current) | | | | - | - | |
| Grants – International Organisations (Capital) | | | | - | - | |
| | | | | | | |
| Multi-laterals Loans | | | | - | - | |
| Bi-lateral Loans | | | | - | - | |
| Grant | - | - | - | - | - | |
| | | | | | | |
| GRAND TOTAL | - | - | - | - | - | - |

NOTE 12 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FINANCIAL YEAR ENDED 30TH JUNE, 2020(CAPITAL DEVELOPMENT (FUNDS, DONOR FINANCED PROJECTS))


| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|--|-------------------|---------------------|------------------------|--|-------------------|-------------------|
| | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2019/20 | FY 2018/19 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Wages, Salaries and other Employee Benefits | | | | | | |
| Wages and Salaries | 487 | 1,619 | 1,619 | 1,132 | 1 | 213 |
| Social Contributions | - | | | | | |
| Other Employee Costs | - | | | - | | |
| Total Compensation | 487 | 1,619 | 1,619 | 1,132 | 1 | 213 |

| | | | | | | |
|--|---------------|---------------|-----------------|-----------------|---------------|------------|
| Supplies and Consumables | | | | | | |
| Travel Expenses | 23.10 | 48.88 | 48.88 | (25.77) | (0.53) | 0.01 |
| Utilities | 10.73 | 27.50 | 27.50 | (16.77) | (0.61) | 0.00 |
| Donation | | | | - | - | |
| Rent | 4.77 | 10.00 | 10.00 | (5.23) | (0.52) | 0 |
| Fuel and Lubricants | 13.29 | 68.75 | 68.75 | (55.46) | (0.81) | |
| Repairs and Maintenance | 5.04 | 43.75 | 43.75 | (38.71) | (0.88) | |
| Office Materials, Consumables & Services | 16.42 | 108.88 | 108.88 | (92.46) | (0.85) | |
| Consultancy services/Audit /Studies | 23.70 | 25.00 | 25.00 | (1.30) | (0.05) | |
| Specialized Materials and Services | | | | | - | |
| Education and Training Related | - | 150.00 | 150.00 | (150.00) | (1.00) | |
| Other General Expenses & Arrears | 22.32 | 148.75 | 148.75 | (126.43) | (0.85) | |
| Total Goods and Services | 119.37 | 631.50 | 631.50 | (512.13) | (6.10) | 0 |
| GRAND TOTAL | 606 | 2,250 | 2,250.15 | 619.90 | (5.40) | 213 |

NOTE 14- COMPARATIVE ANALYSIS OF CAPITAL EXPENDITURE PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH JUNE, 2020(CAPITAL DEVELOPMENT FUNDS, DONOR FINANCED PROJECTS)

| | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|--|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|
| Account Title | | | | | | |
| | <u>FY 2019/20</u> | <u>FY 2019/20</u> | <u>FY 2019/20</u> | <u>FY 2019/20</u> | <u>FY 2019/20</u> | <u>FY 2018/19</u> |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| CAPITAL EXPENDITURES: | | | | | | |
| Non-residential buildings | | | | | | - |
| Residential Buildings | - | | - | - | - | 156 |
| Roads and Bridges | | | - | - | - | 19 |
| Other Structures | - | - | - | - | - | 108 |
| Machinery, Furniture and Equipment | | | | - | - | |
| Transport Equipment | | | | - | - | |
| Machinery and other Equipment | | | | - | - | |
| Security Equipment | | | | - | - | |
| Furniture and Fixtures | | | | - | - | |
| ICT Infrastructure | | | | - | - | |
| ICT infrastr., Hardware, Networks and Facilities | | | | - | - | |
| | | | | - | - | |
| Strategic Stocks & Other fixed assets | | | | - | - | |
| | | | | | | |
| GRAND TOTAL | - | - | - | - | - | 283 |

| APPENDIX 1 - OUTSTANDING COMMITMENTS AS AT 30TH JUNE, 2020 | | | | | | |
|--|--|----------|-----------------------------|---------------|-----------|------------|
| No. | Economic Classification | Currency | Total Amount Outstanding | Aged Analysis | | |
| | | | | 3 Months | 6 Months | Prior Year |
| | | | US \$'000 | US \$'000 | US \$'000 | US \$'000 |
| 1 | Fuel and Lubricants Generators | USD | | | | |
| 2 | Office Materials, Consumables & Services | USD | 16.00 | | | |
| 3 | Machinery, Furniture and Equipment | USD | 30.00 | | | |
| 4 | ICT Infrastructure | USD | | | | |
| 5 | Legal Obligation | USD | 3.96 | | | |
| GRAND TOTAL | | | 49.96 | - | - | - |
| NOTE: USD figure includes commitment denominated in LRD | | | | | | |


Celia Cuffy-Brown
 Managing Director
 National Housing Authority

 09/08/21
 Date


Bill G. Dolo
 Comptroller
 COMPTROLLER
 OFFICE

 09/22/20
 Date

NOTES OF EXPLANATIONS AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS

The numbered notes that follow relate directly to the content of the Financial Statements above and are numbered accordingly.

1 General Information – Reporting Entity

The financial statements are for **NATIONAL HOUSING AUTHORITY** a public sector entity of the Government of Liberia. The financial statements encompass the reporting entity as specified in the relevant legislation (Public Finance Act 2009). National Housing Authority's principal activity is to construct/provide affordable housing units for low income earners (Liberians).

The Financial Statements presented above reflect the Cash Receipts and Payments of the **National Housing Authority** for the Fiscal Year Ended 30-June, 2020 on the basis of moneys received by, held in or paid out by the **National Housing Authority** during the quarter under review. The Entity controls its own bank accounts. Appropriations and other cash receipts are deposited into its bank accounts, from which cash expenditures are administered upon presentation of appropriate documentation and authorisation.

Information to be provided on Donor Funded Projects included in the Financial Statements.

The principal address of the reporting entity is National Housing Authority is

National Housing Authority

Capitol Hill, Executive Mansion Ground
Opposite LACE
Monrovia-LIBERIA

2 Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Liberia in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of the financial statements therein are set out below.

(a) Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Public Financial Management Act, 2009 and comply with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS): Financial Reporting under the Cash Basis of Accounting. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies adopted have been consistently used throughout.

(b) Reporting currency and translation of foreign currencies

(i) Functional and presentation (or reporting) currency

The Republic of Liberia operates a dual currency regime comprising the Liberian Dollar (LD) and the United States of America Dollar (US \$) both of which are legal tenders. The attendant Financial

Regulations to the PFM Act of 2009 states that:

“ the monetary unit of Liberia for all government agency accounting and financial reporting shall be the Liberian Dollar. The United States Dollars may also be used for financial reporting purposes, but the Liberian Dollar is the base currency.”

Hence, for the purpose of the Financial Statements being submitted, the United States Dollar is used as the reporting currency, which is permitted under the attendant Financial Regulations to the PFM Act of 2009 and adopted by the Government of Liberia as its reporting currency.

(ii) Translation of transactions in foreign currency

Foreign currency transactions and transactions in Liberian Dollar and other foreign currencies are translated into United States Dollar using the exchange rates prevailing at the dates of the transactions. Closing monetary balances are translated into the reporting currency using the closing rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

The Fiscal Year ended (30th June, 2020) exchange rate for the Liberian Dollar vary considerably per 1.00US \$.

(c) Reporting Period

The reporting period for these financial statements is for the consolidated period, which runs from 1st April. 2018 to 30th June, 2020.

(d) Payments by Third Parties

NATIONAL HOUSING AUTHORITY also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of loans and contributions. The payments made by other Government Units (Government Projects) and the Third Parties do not constitute cash receipts or payments by *NATIONAL HOUSING AUTHORITY* but do benefit it. They are disclosed in the Payments by Third Parties column in the Statement of Cash Receipts and Payments and other financial statements.

(e) Receipts

Receipts represent cash received by *NATIONAL HOUSING AUTHORITY* during the financial year, comprising Authorised allocations/appropriations, Grants and other receipts. Receipts are recognized as follows:

(i) Authorized Allocations/Appropriations

Authorized Allocations are recognized when they are received and under the control of the *NATIONAL HOUSING AUTHORITY*.

(ii) Grants

Grants are recognized when received. Similarly, grants/transfers to other entities of Government are recognized when disbursement is made.

(iii) Other Receipts

Other Receipts are fees/charges collected and proceed from sales of designated services by the NATIONAL HOUSING AUTHORITY. Sales of services are recognized in the period in which the payment for the service is received and not necessarily when the service is rendered. Other Receipts, whether directly collected by the NATIONAL HOUSING AUTHORITY or collected by another entity on its behalf is recognized when received and under its control.

(f) Expenses

In general, all expenses are recognised in the statement of Cash Receipts and Payments when paid for.

(g) Property, Plant and Equipment (physical assets or fixed assets)

Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipment, and any other capital assets controlled by the NATIONAL HOUSING AUTHORITY.

Under the Government's cash basis of accounting, purchases of property, plant and equipment are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Assets Register at historical cost for all non-current assets of the NATIONAL HOUSING AUTHORITY. Unrealized gains or losses arising from changes in the values of property, plant and equipment are not recognized in the financial statements. Proceeds from disposal of property, plant and equipment are recognized as other receipt in the period in which it is received.

(h) Inventories

Consumable supplies are expensed in the period in which they are paid for.

(i) Employee benefits

Employee benefits include salaries, wages, allowances, pensions and other related-employment costs. Employee benefits are recognized when they are paid. No provision is made for accrued leave or reimbursable duty allowances.

(j) Contingencies

Contingent liabilities are recorded in the Statement of Contingent Liabilities (on memorandum basis) when the contingency becomes evident and under the cash accounting method they are recognized only when the contingent event occurs and payment is made. Contingent assets are neither recognized but disclosed where probable.

(k) Commitments and Guarantees

Long term Commitments, including operating and capital commitments arising from non-cancellable contractual or statutory obligations as well as Guarantees made, will be reported as Notes to the Financial Statements.

3 Authorization Date

The financial statements were authorized for issue on 30-June, 2020 by Madame Celia Cuffy-Brown, Managing Director of the National Housing Authority

4 Authorised Allocations/Appropriation

15 Cash and Cash Equivalents

Cash and Cash Equivalents comprise Cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks. Cash included in the statement of cash receipts and payments comprise the following amounts:

16 Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 July 2019 to 30th June 2020) as for the financial statements. The original budget was approved in July, 2019. There was no supplemental appropriation for the consolidated period ended 30th-June, 2020. The original budget objectives and policies, and subsequent revisions are explained more fully in the Report of the Comptroller issued in conjunction with the financial statements.

17 External Assistance - Payment by Other Government Units and Third Parties

Payments by Other Government Units and Third Parties is included below as memorandum item to the Financial Statements for the consolidated Financial Statement FY ended 30th June, 2020.