



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**Ministry of Transport (MoT) Financial
Statements**

For the Fiscal Year ended June 30, 2017

December 2022



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

Republic of Liberia



TRANSMITTAL LETTER

THE HONORABLE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE HONORABLE PRESIDENT PRO- TEMPORE OF THE HOUSE OF SENATE

We have undertaken a financial statements Audit of the Ministry of Transport (MOT) for the fiscal year July 1, 2016 to June 30, 2017. The audit was conducted in line with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

Finding conveyed in this report were formally communicated to the authorities of the Ministry of Transport (MOT) for their responses. The reportable issues were submitted through a Management Letter. Where responses were provided, they were evaluated and were incorporated in this report.

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

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

Monrovia, Liberia

December 2022

Table of Contents

Adverse Opinion.....	4
Basis for Adverse Opinion	4
Management's Responsibility.....	4
Auditor's Responsibility	5
Report and Financial Statement for the Financial Year ended 30th June 2017	6
REPROT OF THE COMPTROLLER	11
STATEMENT OF RESPONSIBILITIES	14
MINISTRY OF TRANSPORT FINANCIAL STATEMENTS	15
Statement of Receipts and Payments.....	15
For the Fiscal Year Ended June 30, 2017.....	15
Statement of Comparison of Budget and Actual Amounts	16
For the Fiscal Year Ended June 30, 2017.....	16
STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS).....	17
NOTES OF EXPLANATION AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS	18

Acronyms

Acronyms/Abbreviation/Symbols	Meaning
ACCA	Association of Chartered Certified Accountants
AFP	Audit Focal Person
AG	Auditor General
CBL	Central Bank of Liberia
CFC	Combined Federal Campaign
CFIP	Certified Forensic Investigation Professionals
CSA	Civil Service Agency
DL	Driver's License
DMA	Deputy Minister for Administration
EV	Electronic Voucher
EWS	Early Warning System
FAR	Fixed Asset Register
FS	Financial Report
GEF	Global Environment Facility
GOL	Government of Liberia
GSA	General Service Agency
IAA	Internal Audit Agency
IBLL	International Bank Liberia Limited
LNP	Liberia National Police
LRA	Liberia Revenue Authority
LRD	Liberian Dollars
MFDP	Ministry of Finance and Development Planning
MOT	Ministry of Transport
MOU	Memorandum of Understanding
NASSCORP	National Social Security & Welfare Corporation
PFM	Public Financial Management Act
PPCC	Public Procurement and Concession Commission
QBP	Quarterly Budget Performance Report
UNDP	United Nation Development Program

RE: AUDITOR GENERAL'S REPORT ON THE FINANCAL STATEMENT AUDIT OF THE MINISTRY OF TRANSPORTS

Adverse Opinion

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 Ministry of Transport as at June 30, 2017 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

A variance of US\$5,533,934.84 was observed between the revenue figures reported for motor vehicle registration in the financial statements and the revenue figures recorded in the Motor Vehicle Registration Report.

A variance of US\$20,402 was observed between the actual expenditure reported for goods and services in the financial statements and the actual expenditure reported in the general ledger for goods and services.

A variance of US\$18,900 was observed between the revenue figures for Insurance Stickers reported in the financial statements and the revenue figures recorded in the Insurance Stickers Report.

We did not receive bank statements for the following revenue sources despite numeral communications and follow-ups from the Office of the Auditor General to Management and the respective banking institutions:

- ✓ Motor Vehicle Plate Registration
- ✓ Insurance stickers and Certificate
- ✓ Eligibility certificate

Also, the revenue collection reports submitted for our verification, did not reconciled with total revenue reported in the financial statements. As the result of these discrepancy, we could not establish assurance over the completeness, existence and accuracy of revenue reported.

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those 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 MOT Management in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Management's Responsibility

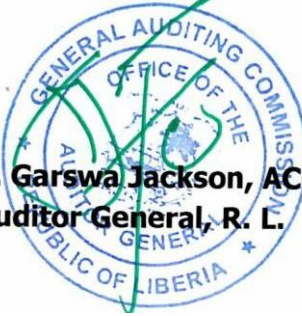
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS Cash Basis, and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material

misstatement, whether due to fraud or error. In preparing the financial statements, Management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to cease operations, or has no realistic alternative but to do so.

The Management of the Ministry of Transport is responsible for overseeing the Ministry's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

Monrovia, Liberia

December 2022

Report and Financial Statement for the Fiscal Year ended 30th June 2017

Introduction

This report provides information on the budget performance of the Ministry of Transport for the period July 1, 2016 to June 30, 2017. During the Fiscal Year 2016/2017, the Ministry generated revenue from motor vehicle registration, issuance of drivers' licenses, and issuance of eligibility certificates to duly registered transport related businesses and received fees from insurance companies as charges for the sale of compulsory third-party motor vehicle liability insurance stickers. Other taxes withheld from internal transaction was deposited into GOL General Revenue Account at CBL. The report also presents the rates of performance of the Ministry's adjusted budget for F/Y 2016//2017.

The activities and programs undertaken by the Ministry during the reporting were in consonance with the mandate of the Ministry coupled with its vision of creating a vibrant transport section that is responsible to growth and socio-economic needs for a viable transportation system taking into consideration GOL Vision 2030.

Statutory Mandate

The Ministry of Transport was established by an Act of National Legislature in 1987. The Ministry has the mandate and function as stipulated under chapter 37 of the New Executive Law, to primarily ensure the development of all modes of transport in the country; develop, implement, and regulate standards for all modes of transport within the sector, and provide reliable up-to-date statistic on the transport sector.

Core Function areas are: policy, regulation, support service, coordination, supervision and performance monitoring of the transport section.

Structure of the Ministry

The Ministry of Transport is headed by a minister appointed by the president. The Ministry has two departments each headed a deputy minister and assisted by an assistant minister. The head of the following bureau report directly to the Office of the Minister.

1. Internal Audit
2. Press & Public Affairs
3. Planning, Policy and Research
4. Legal Affairs

Department of Administration & Insurance: This department performs all administrative function of the Ministry and implements the compulsory third party Motor Vehicle Liability Insurance Scheme in Liberia. The Department comprises the division of Personnel, Finance, Meteorology, Insurance, Procurement, Security and Maintenance.

Department of Land & Rail Transport: This Department is the operational and revenue generating arm of the Ministry. It comprises the divisions of Motor Vehicle, Land & Rail Transport, Driver License and Inspectorate. Its responsibilities, among others things, are to administer the Land and Rail Transport Law of Liberia; regulate land and rail related activities, etc.

Goal/Objective

The goal of the Ministry of Transport is to create an enabling environment for the development and growth of the Transport Sector aimed at providing safe, efficient, effective, well-coordinated and reliable transport services in all modes-land, air, sea, inland waterways and pipeline throughout the country.

Mission

The Ministry of Transport exist to formulate policies and enforce regulations of all transport related activities so as to ensure the provision of effective and efficient transport services and infrastructure that enhances the quality of life of Liberians.

Vision

The vision of the Ministry is to achieve a secure, affordable sustainable, efficient and effective transport section contributing to socio-economic growth and development of Liberia.

The Ministry Core Values are: Dedication, Accountability, Transparency, Professionalism and Quality of Service.

Sector Goal: To have increase accessibility, reduced transport costs (including maintenance of roads and vehicles), improved safety, and an enhanced road connection between all regions of Liberia especially for south eastern parts of the country that lagged behind in terms of access to road infrastructure.

Service delivery

The transport industry remained robust throughout the fiscal year 2016/2017. Based on its statutory mandate and functions, the Ministry above all, ensured during the reporting period that all modes of transport in the Country were incessantly regulated through appropriate policy, support services, coordination, supervision and performance monitoring and the provision of reliable up-to-date statistics on the sector.

The Compulsory Motor Vehicle Third Party Liability Scheme remains also under the coordination, supervision and performance monitoring of the Ministry to ensure that insurance companies comply with the Motor Vehicle Third Party Liability Scheme policy. The third-party liability (TPL) scheme was enacted to guarantee protection for roads accident victims of death, bodily injury and property damage of third party with fair and prompt compensation. To date, at least 50% of vehicle plying streets of Liberia particularly Monrovia and its environs have a minimum of compulsory third-party liability insurance coverage.

Vehicle Registration

There was an increase in the registration of vehicles providing transport services to the public. The number of vehicles registered during the reporting period increased by 4% bringing the total number of vehicles registered to 30,464. Of the total number of vehicles registered, motorcycles account for 5.93% (1,805); Taxis account for 8.3% (2,530); Sedans and station wagons account for 26.1% (7,597); Jeeps and pick-ups account for 40.68% (12,394); Buses account for 3.88% (1,183); trucks and other heavy-duty vehicles account for 14.64% (4,459).

Transportation Related Business Registration

During the reporting period, the number eligible transport related businesses rose by 67.37%; the number of eligible transport related businesses issued eligibility certificates was 554.

Drivers Licensing

During the reporting period, the number of qualified drivers licensed increased by 7.8%; the number of qualified drivers who were issued driver licenses was 3,412.

The Compulsory Third Party Motor Vehicle Liability Insurance Scheme

Revenue generated through the receipt from various registered insurance companies the amount of US\$34,800.00 as GOL share of Compulsory Third-Party Vehicle Liability Insurance stickers sale. Due to some contractual procedure issues, the provision of provision of insurance stickers is delayed thereby causing a situation of not meeting the target revenue on the sale of insurance stickers for FY 2016/2017.

Revenue Performance

Exceeded adjusted projected revenue (US\$5.9million) target for the fiscal year 2016/2017 by US\$0.3million (US\$6.2million).

Decentralization

The Fiscal Year 2016/2017 witnessed a marked increase in decentralization of the Ministry operations. In spite of lack adequate logistics and manpower, the administration and employees of the Ministry were engaged in the process of operationalizing several service centers in four region of the country which include Kakata, Margibi County, Buchanan, Grand Bassa County, Gbarnga, Bong County and Ganta, Nimba County. Of the total revenue generated for FY 2016/2017, decentralization operation account for US\$76,016 or LRD7,601,600.00.

Draft Act to amend Law establishing the Ministry of Transport

The mandate and functional review of the Ministry of Transport was completed in prior period and Draft Act to Amend the law establish the Ministry was prepared and currently under review by the relevant authorities.

Axle Load Control Act

With the collaboration of national stockholders and international partners, the Ministry of Transport submitted through the office of the president an Axle Load Control Act to the Legislature to protect the government investment in road infrastructure with the primary concern on all newly constructed roads. The Act was passed by both houses and subsequently signed into law by the Chief Executive. This Act is tailored to enforce an ECOWAS agreement among member states to harmonize the weight of vehicles carry heavy loads across West Africa and to set limits on amount per axle as well as the weight and dimensions of the various categories of vehicles.

The Ministry has developed and completed the regulations detailing out modalities for the implementation of Axle Load Control Act to protect government investment I roads, the ministry had established a Technical Support Unit to provide Technical Support/Advise to MOT the issuance of regulation and policies and monitor compliance, hired (with the support of international partners)

Consultancy services develop a national Axle Load Policy/Strategy.

- (1) Set up a system of weigh bridges on key road in Liberia to enforce the new controls,
- (2) Recruit a private sector firm to provide equipment and manage Axle Load operations countrywide,
- (3) Establish and operationalize the multi-stakeholder Working group on axle load control,
- (4) Build capacity of Government Agencies – including the recruitment of an axle load control expert to with implementation,
- (5) Strengthen the multi-stakeholder Working group to manage change process and
- (6) Undertake study tour to other countries in the region to understand their road safety management system to serve as a basis for managing consultancy services to replicate same in Liberia.

Meteorology

Climate information for Resilient Development/Early Warning System Project

Liberia has limited capacity currently to monitor the weather and water resources to aid development planning and prevent climate related disasters from happening to man-power and infrastructure deficits in meteorology, hydrology and disaster management. The government of Liberia therefore launched the Early Warning System (EWS) Project in January 2014 to remedy this situation through the project suffered some setbacks due in part to Ebola Virus Disease (EVD) and insufficient technical ability on the part of National Hydrology and meteorology Services to utilize equipment to be procured under the project. The ministry is still engaged in the process of ensuring that adequate training and technical support from an external source are obtained.

The regional support body for the EWS Project known as Climate Information for resilient Development in Africa (CIRDA) and the United Nations Development Program (UNDP) embarked on the recruitment of a firm to rebuild Liberia hydrological and climate services delivery in a long term agreement (LTA). That exercise concluded with the contracting of Earth Networks (EN), a United States based meteorological service provider with their own brand of technology that operates using lightning detection system (LDS) mounted on cell phone towers. EN is in partnership with Cellcom Liberia in the hosting of EWS weather monitoring equipment on Cellcom towers around the Country.

Following the contracting of Earth Networks (EN) to procure; install and train Staff of the Liberia Meteorological Service (LMS), The EN has been shipping equipment into the Country and about 125 persons had been trained to work at the LMS.

Currently, CRDA has also contracted the services of BRL to Inge'nerie, a French company for the provision of hydrological software solution for an integrated water resources management and hydrological early warning system. This contract provides for the use of internet related software with ten (10) modules, hardware and technical services.

The renovation of the National Meteorological Center was carried out by MOABEL Inc. a Weala based Company executing work at RIA. Equipment have arrived and the Center is being equipped

for use by the Hydro-MET Service of Liberia. Information generated from this service will inform the general public on weather phenomenal in Liberia.

Regional capacity building for agriculture and coastal adaptation to early warning information activity was conducted in three (3) regional workshops held in Barclayville, Tubmanburg and Ganta, Nimba County. The workshops brought together fifteen (15) Counties.

Major Procurement Contract

After conducting a successful vetting proceeding of bidders, technical proposals on the automation of the registration of motor vehicle transport related businesses eligibility and the licensing of qualified drivers with five national and international companies participating, the Techno Brain Company won the bid and subsequently the ministry entered a contractual agreement with the company to automate, operate and transfer (BOT Contract) the registration of motor vehicles transport related businesses eligibility and the licensing of qualified drivers in Liberia.

Employees Capacity Building

The development of human resource capacity corresponding to professional service delivery in all aspects of the Ministry of Transport is crucial to the development of the transport sector of Liberia. The Ministry remains committed and consistent in its drive to provide requisite training for enhancement of the capacity building of its 315 employees. In this direction, two staffers returned home after obtaining masters in specialized training in transport management in Tanzania. Additionally, two staffers of the Ministry underwent training in Comprehensive Transport planning in October 2016 in Japan under the sponsorship of Japan international Cooperation Agency (JICA).

REPORT OF THE COMPTROLLER

1 Introduction

The report gives explanation and analysis on the cash receipts and payments and information on the budget performance of the Ministry of Transport for the financial year ended 30th 2017 and of its financial position as at that date.

During the Fiscal Year 2016/2017, the Ministry generated revenues from motor vehicle registration, issuance of drivers' licenses, and issuance of eligibility certificate to duly registered transport related businesses and received fees from insurance companies as charges for the sale of compulsory third-party motor vehicle liability insurance sticker; and other tax revenue withheld from internal transactions. The report also presents the rates of performance of the Ministry's adjusted budget for F/Y 2016/2017.

The FY 2016/2017 Approved Budget (Annual Expenditure Budget)

The Ministry's operational budget as passed by the Legislature was originally US\$2,136,373 which was adjusted to US\$1, 1,821,568 due to budgetary constraint during the reporting period.

Summary

As shown in "Table 1" below, the figure explains the rate of performance of the Ministry's budget of F/Y2016/2017. The Ministry was allocated the revised budgetary allotment of \$1,832,516 or 100% of the revised appropriation ©. During the period July 2016 to June 2017, \$1,821,517 was operational cost incurred, representing 99% of the allotment YTD (d); the balance of US\$303,857 representing 14% of the original budgetary appropriation of US\$2,136,372 was risk adjustment to the Ministry's budget.

MINISTRY OF TRANSPORT, GOVERNMENT OF LIBERIA Report and Financial Statement for the Financial Year ended 30th June 2017

Table 1: FY 2016/2017 Budget Execution by Major Objective of Expenditure

Code	Object of Expenditure	FISCAL YEAR 2016/2017						
		Original Appro. (a)	MFDP Appropriation (b)	Revised Appro. (c)	Allotment YTD (d)	YTD Actual (e)	Bal Allot. (f)	Bal. Rev. Appro.
11	Personnel Cost	1,202,398	-28,698	1,173,770	1,173,770	1,166,171	7,529	0
22	Goods & Services	861,475	-202, 659	658,816	658,816	655,400	3,416	0
23	Capital Expend	72,500	-72,500					
Budget Total		2,136,373	-303,857	1,832,516	1,832,516	1,821,571	10,945	0
			14% (of a)	86% (of a)	100% (c)	99%(d)	1%(d)	

a) Authorized Appropriation/Allocation	-	US\$1,821,571.00
b) Expenditure-Operational Fund:	-	-
c) Employee benefits	-	US\$1,166,171.00
d) Goods and services	-	655,400.00
e) Purchase of Capital Items	-	-

6. Revenue Performance (July 1, 2016 to June 30, 2017)

For the period July 1, 2016 to June 30, 2017, the Ministry of transport generated a total of US\$6.2million from revenue categories as shown in "Table 2" below:

Motor vehicle registration accounts for 95% of the total revenue generated, while drivers' Licenses and transport related business eligibility certificates account for 4.3% and compulsory third Liability Insurance Sticker also account for 0.56%. The Ministry didn't meet the projected revenue for the period under review by \$0.3million (United States dollars)

Summary Table 2: Categories of Revenue Generation

Code	Revenue Category	FY2016/2017 Adjusted Projection Amount In US\$	QTY	Actual Revenue Generated (July 2016 to June, 2017)		Variance USD
				Amount In US\$	Percentage	
114512	Motor vehicle Reg.	5,615,200	30,464	5,904,784.78	95.0%	289,584.78
114513	Driver Licenses	120,000	3,412	130,547.59	2.1%	10,547.59
142297	Eligibility Certificate	130,000	554	136,848.24	2.2%	6,848.24
142525	Insurance Stickers	34,800	5,800	34,800.00	.56%	-
142525	Other Transport Related Fees/Charges	-		12,462.32	0.14%	12,462.32
Total Motor Vehicle Related fees/charges		5,900,000		6,219,442.93	100%	319,442.93

Note: Withholding taxes deducted from internal vendors' transaction (taxes on payment to vendors/service providers) were deposited directly into GOL General Revenue Account at the CBL (LRD 100,387 OR USD 1,003.87).

7 Cash Balances

Cash at the beginning of the period is the operational fund balances brought forward from the fiscal year 2016/2017 as cash in bank.

7a: Cash at the beginning of the quarter included only cash in bank accounts:

USD Account balance	10,519	OR	LD\$1,204,42
LD Account balance	<u>21,040</u>		<u>2,409,080</u>
Total	<u>31,559</u>		<u>LD\$ 3,613,506</u>

7b: Cash at the end of the fiscal year included only in bank accounts:

*Cash Account balance as of June 30, 2020


USD Account balance:	USD 425	OR	LD\$ 42,500
LD Account balance	<u>11,859</u>		<u>1,185,931</u>
Total	<u>12,284</u>		<u>1,228,431</u>

Contingent Liabilities and Commitments

Contingent liabilities at the end of the financial year totaling US\$123,362 comprise various obligations, as presented in appendix # 1. Outstanding commitments as June 30, 2017. Some of the suppliers/ vendors have sued and threatened lawsuits against the Ministry for failure to pay for goods and services provided.

Conclusion

The Financial Statement for the financial year ended 30th June 2017 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.



 Arthur L. Gliklay
 Comptroller

September 15, 2017

 Date

STATEMENT OF RESPONSIBILITIES

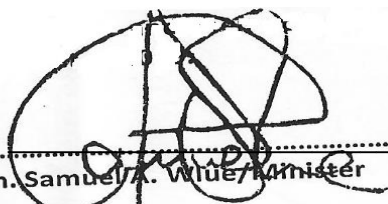
The Financial Statements have been prepared in accordance with the provision of the Public Financial Management Act of 2009 and in compliance with Cash Basis International Public Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.

In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, the minister is responsible for the control of and accounting for public funds received, held expended for and on behalf of the Ministry of Transport.

Under the provision of the same Act, the minister is required to prepare unaudited Final Account of the Ministry of Transport to be submitted to the minister of Finance and Development Planning, two months after the end of the financial year 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 please the required Annual Public Account of the Ministry of Transport 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 herein.

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

I accept responsibility for the integrity of these Financial Statements, the Information they contained and their compliance with provision of the Public Financial Management (PFM) Act of 2009.



Hon. Samuel A. Wujek, Minister
MINISTER

September 15, 2017

Date

MINISTRY OF TRANSPORT FINANCIAL STATEMENTS
Statement of Receipts and Payments
For the Fiscal Year Ended June 30, 2017

Account descriptions	Notes	2016/2017			2015/2016		
		Receipts/Payments Controlled by Entity June 30, 2017 US\$	Receipts /Payments made by other Government Entities June 30, 2017 US\$	Payment made by External Parties June 30, 2017 US\$	Receipts/Payments Controlled by Entity June 30, 2016 US\$	Receipts /Payments made by other Government Entities June 30, 2016 US\$	Payment made by External Parties June 30, 2016 US\$
GENERAL FUND							
Receipts:							
Authorized Allocation/Appropriation	4	284,282	1,537,289		221,530	1,579,146	1,800,676
Other Receipts (Presidential Task Force)		18,000					
Total Receipts		302,282	1,537,289		221,530	1,579,146	
Payments:							
Wages, salaries and Employees Benefits	7	18,714	1,166,171		20,007.58	1,073,428	
Supplies and Consumable & Rent	8	302,843	371,118		258,728.06	448,482	
Capital Expenditures		-	-		-	-	
Property, plant and equipment	10	-	-	-	1,690.46	57,236	
Total Payments		321,557	1,537,289	-	280,426.10	1,579,146	
Increase/ (Decrease in Cash)		19,275	-	-	(58,896.10)	-	
Cash at the beginning of the year		31,559	-	-	90,455.03	-	
Cash at the end of the year		12,284	-	-	31,558.93	-	

Notes set out on page 18 to 24 form an integral part of the Financial Statements.

**Statement of Comparison of Budget and Actual Amounts
For the Fiscal Year Ended June 30, 2017**

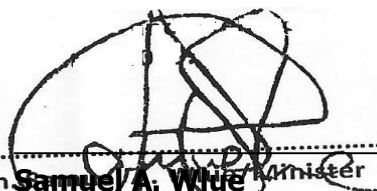
Account Description	For the fiscal year ended June 30, 2017					Prior year June 30, 2016
	Actual Amounts US\$ June 30, 2017	Final Budget US\$ June 30, 2017	Original Budget US\$ June 30, 2017	Difference: Final Budget And Actual Amount US\$ June 30, 2017	Percentage Variance (%) June 30, 2017	Actual Amount US\$ June 30, 2016
Cash Inflows						
Authorized Allocation/Appropriation	1,821,571	1,832,516	2,136,373	(10,945)	(0.60)	1,800,676
Other Receipts (Presidential Task Force)	-					
Total Receipts	1,821,571	1,832,516	2,136,373	-	(0.60)	1,800,676
Cash Outflows:						
Personnel Expenditures	1,166,171	1,173,700	1,202,398	(7,529)	(0.64)	1,073,428
Goods and Services	655,400	658,816	861,475	(3,416)	(0.52)	638,423
Capital Expenditure	-	-	72,500	-	-	57,236
Total Payments	1,821,571	1,832,516	2,136,373	(10,945)	(1.16)	1,769,087
Net Cash Flows	-	-	-	-	-	31,559

Notes set out on page 18 to 24 form an integral part of the Financial Statements.



STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)
Report and Financial Statement for the Financial Year ended 30th June 2017

	Note		As at 30 June 2017	As at 30 June 2016	Change in Cash Balances
			US\$	US\$	US\$
Cash/Bank Account Details		Currency Held In			
GENERAL FUND					
Bank Accounts					
CBL (Operational Fund)		LRD	10,635	84.86	10,550.14
CBL (Operational Fund)		USD	217	10,417.42	-10,200.42
CBL (Special Operational Fund)		LRD	1,259	20,886.00	-19,627
CBL (Specialized Certificates & supplies)		USD	101.70	101.70	-
CBL (Specialized Certificates & supplies)		LRD	67	68.95	-2
CBL (Special Presidential Task Force)		USD	106	-	106
Total held in Bank Accounts:			12,283.70	31,558.93	(19,275)


 Hon. Samuel A. White, Minister
 Head of Agency


 Arthur L. Gliklay
 Comptroller

Notes set out on page 18 to 24 form an integral part of the Financial Statements.

NOTES OF EXPLANATION AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS

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

1 General Information-Reporting Entity

The financial statements are for Ministry of Transport, a public sector entity of the Government of Liberia. The financial statement encompasses the reporting entity as specified in the relevant legislature (Public Financial Management Act, 2009). Ministry of Transport principal activity is to formulate policies and enforce regulations of all transport related activities so as to ensure the provision of effective and efficient transport services and infrastructure that enhances the quality of life of Liberia.

The Financial Statements presented above reflect the cash Receipts and payments of the Ministry of Transport for the financial year ended 30th June 2017 on the basis of moneys received by, held in or paid out by the Ministry of Transport during the year under review. The Entity control its own operation petty cash funds accounts. Funds and other cash receipts are deposited into its bank accounts, from which cash expenditures are administered upon presentation of appropriate documentations and authorization.

The principal addressed of the reporting entity is:

The Ministry of Transport, Warren & Carey Streets,
Monrovia, Liberia

2 Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government 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 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 financial Regulations to the PFM Act of 2009 states that: "the monetary unit in 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 Liberia Dollar and other foreign currencies are translated into United States Dollar using the exchange rates prevailing at the date of the transactions. Closing monetary balances are translated into the reporting currency using the closing rates. Foreign exchange gains and losses resulting from the settle of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

The year-end (30th June 2017) exchange rate for the Liberian Dollar was LRD100 per US\$1.00

C) Reporting Period

The reporting period for these financial statements is the financial year of Government, which is runs from 1st July 2016 to 30th June 2017.

D) Payments by Third Parties

Ministry of Transport did benefit from goods and services purchased from funds received from WMO to implement workshop for Farmers as a result of donations made by third parties during the period.

E) Receipts

Receipts represent cash received by the Ministry of Transport during the financial year, comprising Authorization Allocations/appropriations. Receipts are recognized as follows:

Authorization Allocations/Appropriations

Authorized Allocation are recognized when they are received and the control of the Ministry of Transport.

F) Expenses

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

G) Property, Plant and Equipment (Physical assets or Fixed assets)

Property, plant and equipment principally comprises of land, buildings, plant, vehicles, equipment, and other capital assets controlled by the Ministry of Transport.

Under the Government's cash basis of accounting, purchases of property, plant and equipment are expense 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 Ministry of Transport. 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 Inventory. Consumables supplies are expensed in the period in which they paid for.

H) Inventory

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

I) Employee benefits

Employee benefit 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 reimbursement duty allowances.

J) Contingencies

Contingency Liability are recorded in the statement of contingency liability (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. Contingency assets are neither recognized but disclosed where probable 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 Sept 15, 2017 by Hon. Samuel A. Wlue, Minister of Transport.

4 Authorized Allocations/Appropriation

The total amount of Authorized Allocations received for FY2016/27 US\$1,821,571 (US\$1,832,516-FY 15/16) represents 85% of the original appropriation (US\$2,136,373) and 99% of the annual allotment (US\$1,832,516).

The comparative analysis of estimated and actual receipts for the financial year 2016/2017 is presented below:

Note 4: Comparative analysis of estimated and actual authorized allocations received for the financial year ended 30th June 2017.

			June 30, 2017			June 30, 2016
Description	Actual	Final Budget	Original Budget	Difference: Final Budget And Actual Amount	Percentage (%) Variance	Actual
Wages, salary & employees benefits	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2015/2016 US\$
Employee Compensation	1,166,171	1,173,700	1,202,398	(7,529)	(0.64)	1,073,428
Goods & Services	655,400	658,816	861,475	(3,416)	(0.52)	669,982
Capital Expenditure	-	-	72,500	-	-	57,236.00
Total	1,821,571	1,832,516		(10,945)	(1.16)	1,800,646

5. Payments: Operations (Wages, Salaries and other Employees Benefits)

The total amount of cash payment made against compensation of employees during the fiscal year 2016/2017 of US\$1,166,171(US\$1,073,428) for the fiscal year 2015/2016 is classified in the same form as the National Budget. The comparative analysis of estimated and actual payments made for the fiscal year 2016/2017 is presented below by Economic Classification:

Note 7: Comparative analysis of estimated and actual payments made during the financial year ended 30th June 2017.

Employees Compensation				June 30, 2017			June 30, 2016
Description	Notes	Actual	Final Budget	Original Budget	Difference: Final Budget And Actual Amount	Percentage (%) Variance	Actual
Wages, salary & employees benefits	5	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2015/2016 US\$
Employee Compensation		1,166,171	1,173,700	1,202,398	(7,529)	(0.64)	1,073,428
Total		1,166,171	1,173,700	1,202,398	(7,529)	(0.64)	1,073,428

6. Payments (supplies and consumables)

The total amount of cash payments made against goods and services during FY 2016/2017 of US\$655,397 (US\$669,982 FY 2015/2016) are classified in the same form as the National Budget. The comparative analysis of estimated and actual payments made for the financial year FY 2016/2017 is presented below by economic classifications.



NOTE 8: The comparative analysis of estimated and actual payments made for the fiscal year ended June 30, 2017:

Goods & Services			June 30, 2017			June 30, 2016
Description	Actual	Final Budget	Original Budget	Variance Actual VS. Final Budget	Percentage (%) Variance	Actual
Goods & Services	2016/2017 US\$	2016/20 17 US\$	2016/2017 US\$	2016/2017 US\$	2016/2017 US\$	2015/2016 US\$
Travel Expenses	16,303	16,677	26,000	374.00	2	11,422
Utilities	55,665	55,859	101,820	194.00	-	30,005
Rent	2,943	5,000	13,000	2,057.00	41	70,500
Fuel and Lubricants	72,678	73,492	100,012	814.00	1	71,426
Repair and Maintenance	51,588	51,751	90,000	163.00	-	68,520
Office Materials, consumable and Services	44,521	44,667	69,150	146.00	-	77,239
Consultancy Service	123,220	123,333	123,333	113.00	-	119,357
Other General Exp.	288,482	288,037	417,046	-355	-	221,513
Total	655,400	658,816	933,975	-3,416	(0.44)	669,982

Note 10. The comparative analysis of estimated and actual payments made for the fiscal year ended June 30, 2017:

Capital Expenditure				June 30, 2017			June 30, 2016
Description	Notes	Actual	Final Budget	Original Budget	Differenc e: Actual Vs. Revised Estimates	Percenta ge (%) Variance	Actual
Capital Expenditure	7	2016/ 2017 US\$	2016/2017	2016/2017	2016/201 7	2016/201 7	2016/201 7 US\$
Transport Equip.		-	-	60,000	-	-	29,900
Machinery & Equipment		-	-	-	-	-	12,900
				-			2,140
				12,500			12,296
Total				72,500	-	-	57,236

Donor Funded Project:

- A. Four years US\$6.7 Million National Early Warning Project funded by GFF through the United Nations Development Program (UNDP)

See progress report under meteorology on page 5-6

Total (6.7 million)

Year	Total Project Budget (Expenditure)	Balance (USD)
2014	247,455	6,450,531
2015	341,163	6,107,353
2016	1,073,260	5,032,077
2017	43,590	4,986,470

Appendix-1 Outstanding commitment as at June 30, 2017

Economic Classification	Currency USD	Total amount outstanding US\$	Three (3) months	Aged Analysis Six (6) months US\$	Prior year US\$
Office materials, consumable & Services		123,362	-	7,000	116,362
Total		123,362	-	7,000	116,362

Note: Figure includes commitment denominated in USD

The Ministry was sued by Africa Motors for its indebtedness in the amount of US\$13,299 for repair and maintenance services of its vehicles.