Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

On the Financial Statements Audit of the Governance Commission (GC)

For the period July 1, 2017 to June 30 2018

December 2023

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

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ACRONYMS USED

Acronyms/Abbreviations/Symbol	Meaning
FCCA	Fellow Chartered Certified Accountants
AFP	Audit Focal Person
AG	Auditor General
CFC	Certified Financial Consultant
CFIP	Certified Financial Investigation Professional
ED	Executive Director
F/S	Financial Statements
GC	Governance Commission
GoL	Government of Liberia
IFMIS	Integrated Financial Management Information System
IFR	Interim Financial Reports
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
No.	Number
N/A	Not Applicable
QPR	Quarterly Progress Report
Qty	Quantity
SOE	Statement of Expenditures
ToR	Term of Reference
USD	United States Dollars

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 Governance Commission (GC) for the fiscal period July 1, 2017 to June 30, 2018. The audit was conducted in line with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

Findings conveyed in this report were formally communicated to the authorities of the Governance Commission (GC) 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 Honourable Speaker and Members of the House of Representatives and the Honourable Pro- Tempore and Members of the Liberia Senate to consider the implementation of the recommendations conveyed in this report with urgency.

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

Monrovia, Liberia
December 2023

May 7, 2025

Hon. Alaric K. Tokpah
Chairman
Governance Commission
9th Street, Sinkor
Monrovia, Liberia

AUDITOR GENERAL'S REPORT ON THE FINANCAL STATEMENT AUDIT OF THE GOVERNANCE COMMISSION (GC) FOR THE PERIOD ENDED JUNE 30, 2018

Adverse Opinion

We have audited the financial statements of the Governance Commission (GC) for the fiscal period July 1, 2017 to June 30, 2018 which comprise the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amount and a summary of accounting policies and other explanatory information.

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 present fairly the financial position of the Governance Commission (GC), as at 30 June 2018, and the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts, summary of accounting policies and other explanatory information for the year then ended in accordance with IPSAS Cash Basis of Accounting as adopted by the Government of Liberia in 2009.

Basis for Adverse Opinion

During our audit of the financial statements of Governance Commission (GC), for the fiscal year ending June 30 2018, we identified several significant issues that have led to our adverse opinion:

- Management did not take responsibility of the financial statements by signing or approving the statements before issuance for audit.

- The notes to the financial statements were not presented in a systematic manner as prescribed by the Standards.

- Explanatory notes relating to the causes of significant variances between the budget and actual amounts were not disclosed in the financial statements.

- The actual amount disbursed to Governance Commission (GC) as recorded in the MFDP Fiscal Outturn Report was US$1,811,935.00 whereas, in the financial statements, Management reported the total amount of US$1,930,302.97 as total amount received. This resulted in a variance of US$118,367.97.

- The actual amount disbursed to Governance Commission (GC) as Compensation for employees recorded in the IFMIS record was US$ US$2,438,173.32 whereas, in the financial statements, Management reported the total amount of US$1,685,737.80 as total amount received. This resulted in a variance of US$752,435.52.

- Transactions amounting to US$5,145 and L$691,164 was expended for various goods and services without the required authorized signatories.

- The bank reconciliation statements for Guaranty Trust Bank (GTB) account No. 203304887210, 203304887212, 203313561211, 203304887110, 203313561110, 203313561210, 203304887112, were not prepared for several months.

- Management withheld the total amount of US$50,216.23 and L$837,783.13 as taxes from staff general allowance without evidence that the amount was subsequently remitted to the LRA.

- Management procured and utilized fuel amounting to US$ 17,450.00 without a distribution log.

The above issues have a pervasive impact on the financial statements, causing material misstatements and raising concerns about the accuracy and reliability of the reported financial position and performance for the period then ended June 30, 2018.

We conducted our audit in accordance with International Standards of Supreme Audit Institutions. 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 Governance Commission in accordance with 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.

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, Sr. FCCA, CFIP, CFC
Auditor General, R.L.

Monrovia, Liberia
December 2023

REPORT OF THE FINANCE MANAGER

1 Introduction

This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the Governance Commission for the Fiscal year ended 30th June 2018 and of its financial position as at that date.

2 The FY2017/18 Approved Budget

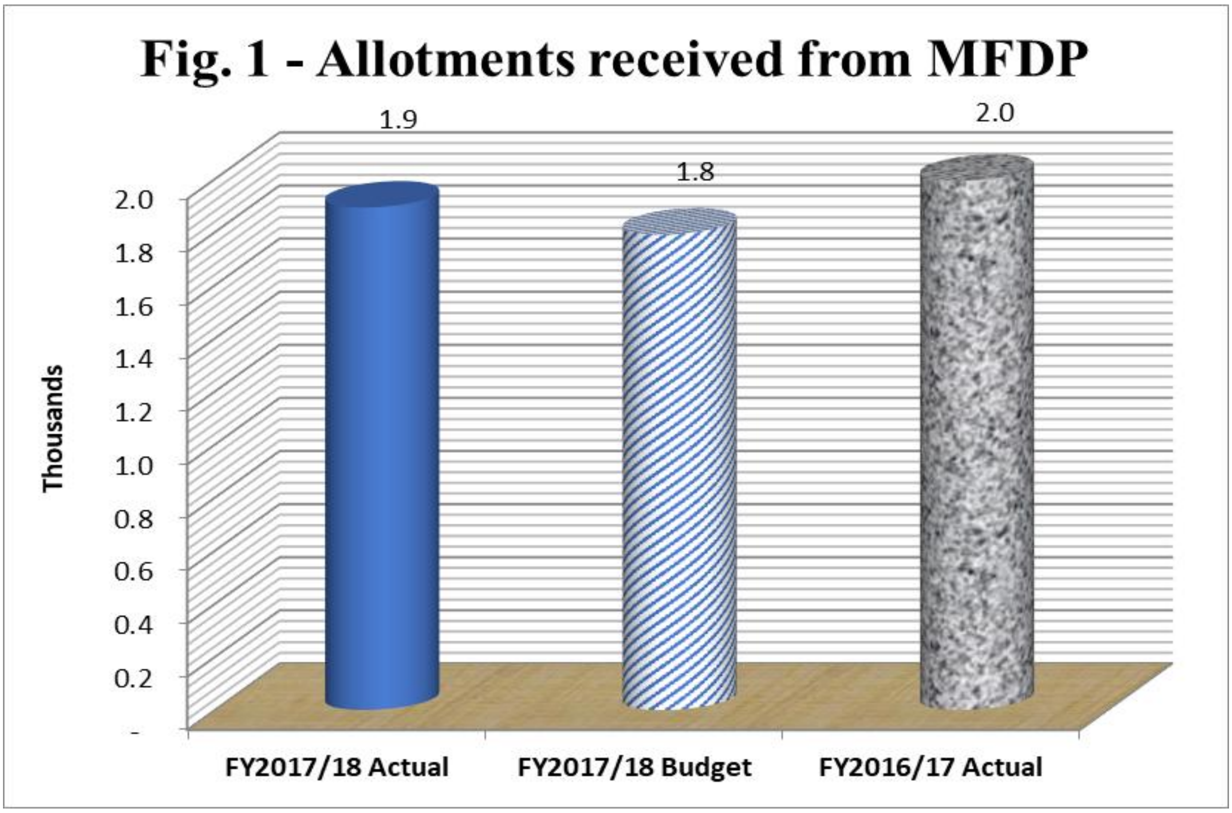
Governance Commission had a draft budget of US$1,921,706.92 and an approved budget of US$1,790,248. This represents an increased in US$131458.92 or 6.8%.

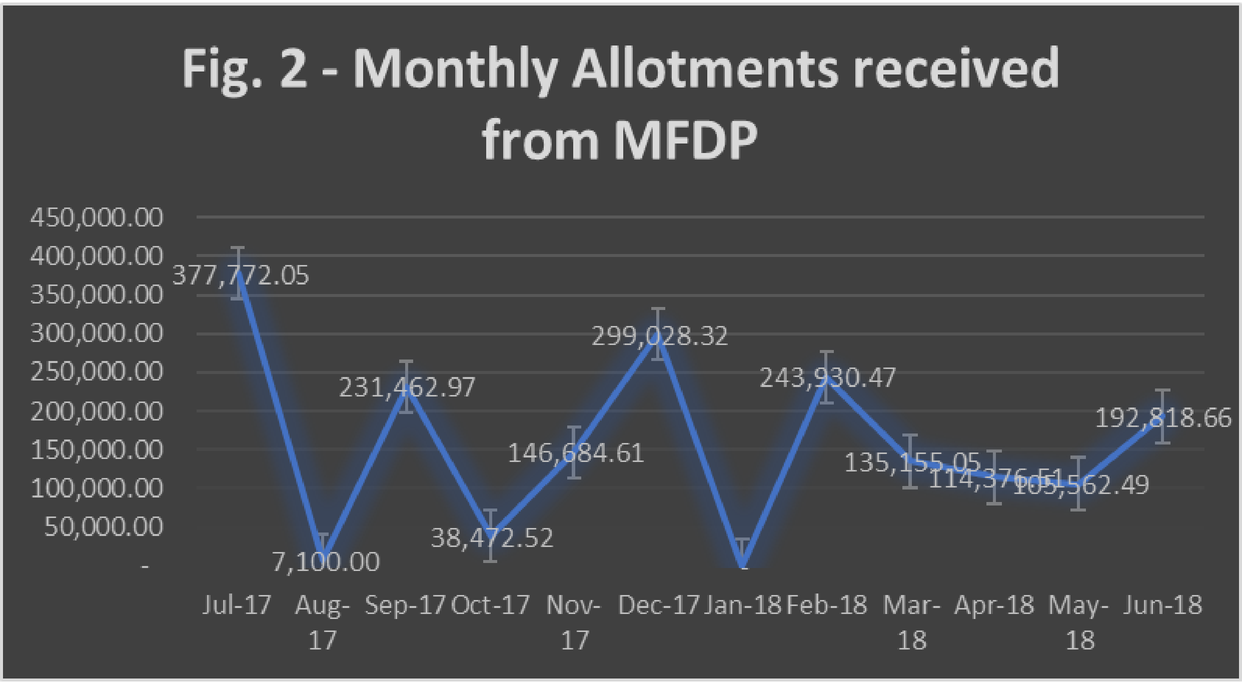
3 Summary

	FY2017/18			Variance			
Description	**Actual**	**Budget**	**Prior Year**	**Budget**		**Prior Year**	
	$ '000s	**$ '000s**	**$ '000s**	**$ '000s**	**%**	**$ '000s**	**%**
<u>Receipts</u>							
Allotments received from MFDP+ Others	1,892.4	1,790.2	1,992.9	102.1	6%	(100.5)	-5%
Total Revenues	**1,892.4**	**1,790.2**	**1,992.9**	**102.1**	**6%**	**(100.5)**	**-5%**
<u>Expenditures</u>							
Compensation of Employees	1,685.7	1,679.1	1,503.8	6.7	0%	182.0	12%
Goods & Services	239.5	111.2	219.5	128.4	115%	20.1	9%
Capital Expenditures	5.0	-	7.6	5.0		(2.5)	
Total Expenditures	**1,930.3**	**1,790.2**	**1,730.8**	**140.1**	**8%**	**199.5**	**12%**
Operating Surplus/(Deficit) - Net Cashflow	**(37.9)**	**-**	**262.0**	**(37.9)**		**(300.0)**	**-114%**
Project Receipts	68.7	-	43.4	68.7		25.2	58%
Project Payments	(82.4)	-	(24.6)	(82.4)		(57.8)	235%
Overall Surplus/(Deficit) - Overall Net Cashflow	**(51.7)**	**-**	**280.9**	**(51.7)**	**0%**	**(332.6)**	**-118%**

4 Revenue Receipts

Revenue receipts include allotments received from Ministry of Finance & Development Planning (MFDP). Total revenue received from MFDP amounted to US$1,892,363.92.





5 Expenditure

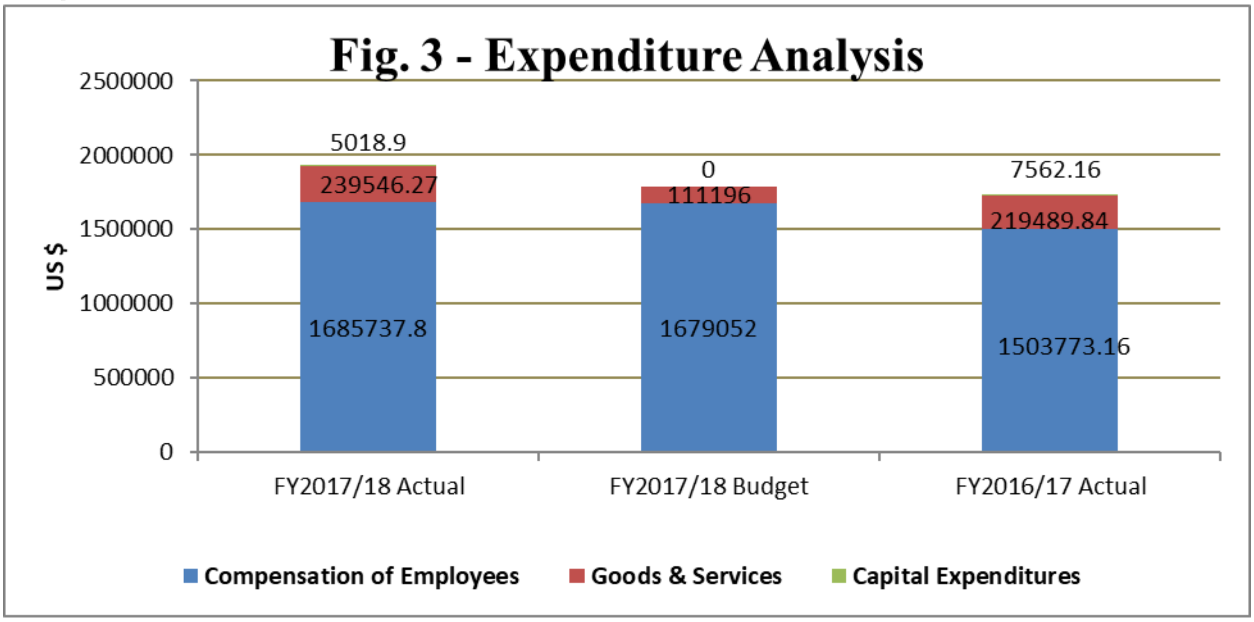


Fig. 3 - Expenditure Analysis

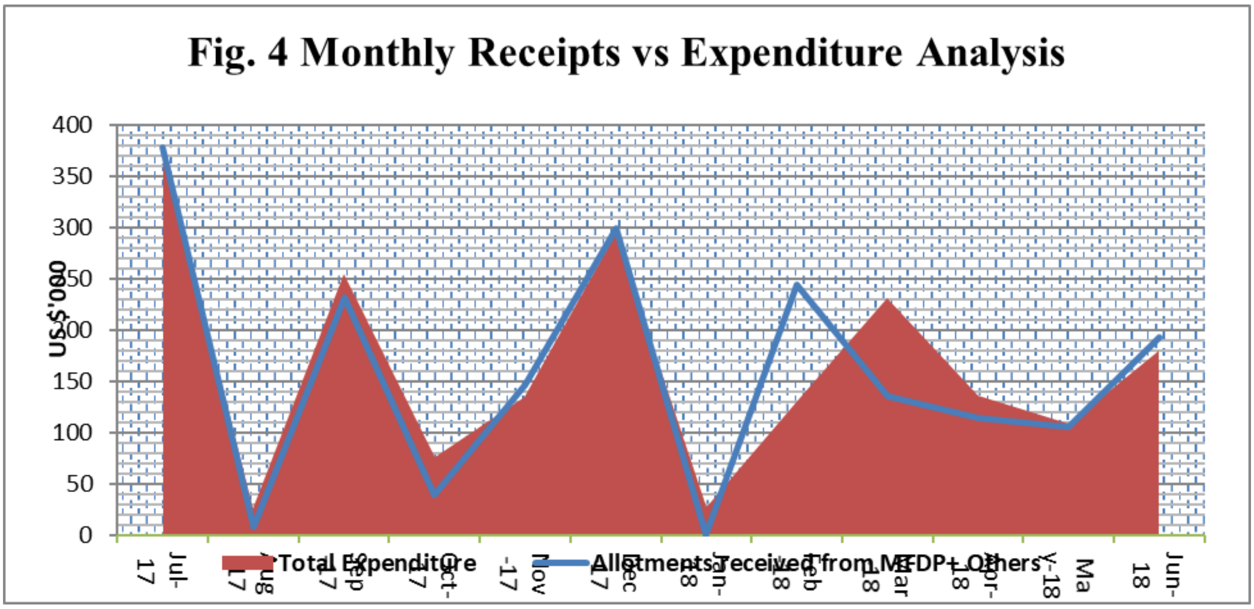


Fig. 4 Monthly Receipts vs Expenditure Analysis

6 Cash flow

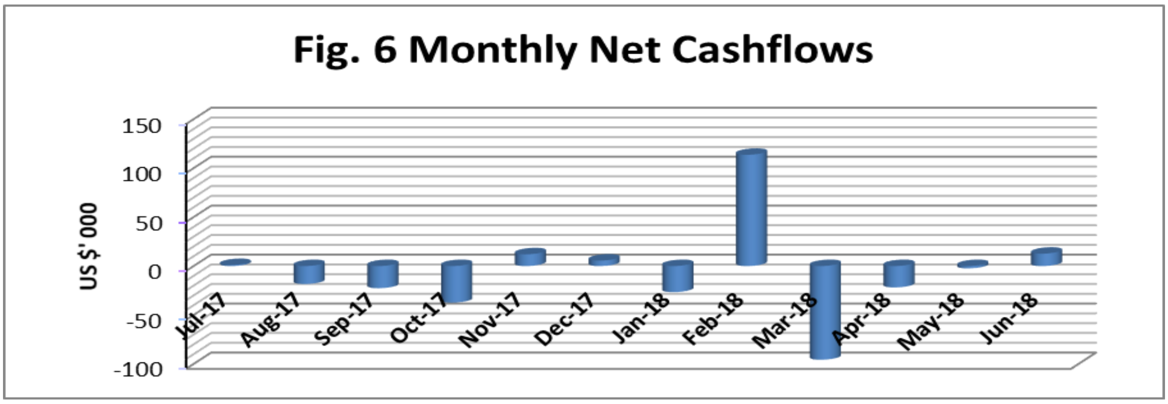


Fig. 6 Monthly Net Cashflows

a. Compensation of Employees

This continues to be the largest use of funds by the Commission which operates as a policy institution. Compensation accounted for UD$1,685,737.8 or 87.3% of the total expenditure.

b. Goods and Services

Goods and services such as security guard service, repair & maintenance and other recurrent expenditure accounted for UD239,546.27 or 12.4% of the total expense.

c. Purchase of Capital Items

Capital expenses for the period under review were US$5,018.90 or 0.3% of the total expense.

7 Outstanding Commitments and Borrowings

The Governance Commission outstanding commitment as of June 30th, 2018 was US$ 31,326.11. see appendix 5 for detail breakdown.

8 Accumulated Surplus or Deficit/Net Worth

The Governance Commission has a deficit of US$37,939.05 for the period under reviewed and currency translation loss US$17,315.77 which decreased the GC's reserve to US$34,766. This reserve is held in various bank accounts in USD and in LRD. The details are available in the Statement of Cash Position.

9 Contingent Liabilities

The Governance Commission had no contingent liabilities as of June 30th, 2018.

10 Conclusion

The Financial Statements for the financial year ended 30th June 2018. should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.

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Kollie A. Dorko

FINANCE MANAGER

August 15, 2018

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Date

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th June 20180

Governance Commission							
STATEMENT OF CASH RECEIPTS AND PAYMENTS (ALL PUBLIC FUNDS)							
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018 (FY2017/18)							
- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE							
FUND/ACCOUNTS DESCRIPTION	**NOTES**	**FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018**			**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**		
		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 $'000	**US $'000**	**US $'000**	**US $'000**	**US $'000**	**US $'000**
<u>GENERAL FUND</u>							
RECEIPTS							
Authorized Allocation/Appropriation	**4**	1,892	0	0	1,993	0	0
Other Receipts	**5**	0	0	0	0	0	
Total Receipts - General Fund		**1,892**	**0**	**0**	**1,993**	**0**	**0**
PAYMENTS							
Operations:	**6**						
Compensaton of Employees	**6a**	1,686	0	0	1,504	0	0
Consumption of Goods and Services	**6b**	240	0	0	219	0	0

Governance Commission

STATEMENT OF CASH RECEIPTS AND PAYMENTS (ALL PUBLIC FUNDS)

FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018 (FY2017/18)

- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

FUND/ACCOUNTS DESCRIPTION	NOTES	FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018			FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017		
		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
Capital Expenditure	**6c**	5	0	0	8	0	0
Total Payments - General Fund		**1,930**	**0**	**0**	**1,731**	**0**	**0**
Net Cash Flow - Increase/(Decrease) in Cash - General Fund		**(38)**	**0**	**0**	**262**	**0**	**0**
Cash at the beginning of the year	**8**	89	0	0	(173)	0	0
Foreign currency translation difference		(17)	0	0	0	0	0
Cash at the End of the year - General Fund	**8**	33	0	0	89	0	0
CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS)							

Governance Commission							
STATEMENT OF CASH RECEIPTS AND PAYMENTS (ALL PUBLIC FUNDS)							
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018 (FY2017/18)							
- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE							
FUND/ACCOUNTS DESCRIPTION	**NOTES**	**FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018**			**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**		
		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**
RECEIPTS							
External Assistance:	**7**						
Grants From Multilateral Agencies		69	0	71	43	0	85
Grants From Bilateral & Other Agencies		0	0	0	0	0	0
Total Receipts - Capital Development Funds		**69**	**0**	**71**	**43**	**0**	**85**
PAYMENTS							
Operations:	**6**						
Wages, Salaries and Employee Benefits	**6a**	0	0	0	0	0	85
Consumption of Goods and Services	**6b**	82	0	71	25	0	0
Capital Expenditure	**6c**	0	0	0	0	0	0

Governance Commission							
STATEMENT OF CASH RECEIPTS AND PAYMENTS (ALL PUBLIC FUNDS)							
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018 (FY2017/18)							
- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE							
FUND/ACCOUNTS DESCRIPTION	**NOTES**	**FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018**			**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**		
		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**
Total Payments - Capital Development Funds		**82**	**0**	**71**	**25**	**0**	**85**
Net Cash Flow - Increase/(Decrease) in Cash - Donor Projects		**(14)**	**0**	**0**	**19**	**0**	**0**
Cash at the beginning of the year		19	0	0	(0)	0	0
Foreign currency translation difference		(4)	0	0	0	0	0
Cash at the end of the year - donor funds	**8**	1	0	0	19	0	0
Net Cash Flow - Increase/(Decrease) in Cash - All Funds		**(52)**	**0**	**0**	**281**	**0**	**0**

Governance Commission

STATEMENT OF CASH RECEIPTS AND PAYMENTS (ALL PUBLIC FUNDS)

FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018 (FY2017/18)

- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

FUND/ACCOUNTS DESCRIPTION	NOTES	FOR THE FINANCIAL YEAR ENDED 30th JUNE 2018			FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017		
		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
Cash at the Beginning of the year - All Funds	**8**	**107**	**0**	**0**	**(174)**	**0**	**0**
Cash at the End of the year - All Funds	**8**	35	0	0	107	0	0

GOVERNANCE COMMISSION
STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)
AS AT 30 June 2018

Cash/Bank Account Details	Currency Held In	Notes	As at 30th June 2018 US $	As at 30 June 2017 US $	Change in Cash Balances US $
GENERAL FUND	-	8			
Bank Accounts			-	-	-
GT Bank operational funds account (USD)	USD		15,143	9,156	5,987
GT Bank operational funds account (LRD)	LRD		8,612	34,769	(26,157)
GT Bank · NPF project (USD)	USD		1,074	5,458	(4,385)
GT Bank · NPF project (LRD)	LRD		7,907	17,274	(9,367)
GT Bank . Liberia Rising (USD)	USD		143	7,508	
GT Bank . Liberia Rising (LRD)	LRD		425	14,393	
Total held in Bank Accounts:			**33,303**	**88,558**	**(55,255)**
Total Cash and Bank Balances at the end of the period (General Fund):			33,303	88,558	(55,255)
CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS)		8			
Bank Accounts					
NPF (UNMIL)	USD		1,463	18,746	(17,283)
LHP project funded by UNESCO - GT Bank	USD		0	0	0
Constitution Review Committee (CRC) Central Bank of Liberia	USD		0	0	0
Total held in Bank Accounts:			**1,463**	**18,746**	**(17,283)**
Total Cash and Bank Balances at the end of the period (Donor Financed Projects):			1,463	18,746	(17,283)
TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS			34,766	107,304	(72,583)

The Accounting Policies and Notes set out on pages 63 to 70 form an integral part of the financial statements.

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Kollie A. Dorko

Comptroller

August 15, 2018

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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 the Governance Commission, an autonomous public commission of the Government of the Republic of Liberia. The financial statements encompass the reporting entity as specified in the Governance Commission Act of 2007. In accordance with section 3.1 of the Governance Commission Act of 2007, the general mandate or purpose of the commission is to:

1. Promote good governance by advising, designing, and formulating appropriate policies and institutional arrangements and frameworks required for achieving good governance; and
2. Promote integrity at all levels of society and within every public and private institution.

The Financial Statements presented above reflect the Cash Receipts and Payments of the Governance Commission for the financial year ended 30th June 2018 on the basis of moneys received by, held in or paid out by the Governance Commission during the year 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 authorization.

The principal address of the reporting entity is Governance Commission, 9th Street-Sinkor, Monrovia, Liberia. Website: www.governancecommissionlr.org

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 recognized in the statement of financial performance.

The year-end (30th June 2018) exchange rate for the Liberian Dollar was 137.99 LD per 1US$.

c) Reporting Period

The reporting period for these financial statements is the financial year of the Government, which runs from 1st July 2017 to the 30th June 2018.

d) Payments by Third Parties

Governance Commission did not benefit from goods and services purchased on its behalf as a result of cash payments made by third parties during the period. The payments made by Third Parties do not constitute cash receipts or payments by Governance Commission 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.

Summary Analysis of Payments by External Parties (By Donor)

Description	**Fiscal Year 2017-2018** **Actual**	**Fiscal Year 2016-2017** **Actual**	**Diff. in Actuals**
	US $	**US $**	**US $**
UNDP	70,965	83,480	(12,515)
AfDB	-	280,003	(280,003)
Total Payment (External Parties)	**70,965**	**363,483**	**(292,518)**

Summary Analysis of Payments by External Parties (By Expenditure Type)

Description	**Fiscal Year 2017-2018** **Actual**	**Fiscal Year 2016-2017** **Actual**	**Diff.in Actuals**
	US $	**US $**	**US $**
Education and Training Related	-	17,744	(17,744)
Consultancy	70,965	160,647	(89,682)
Workshops	-	172,767	(172,767)
Other Expenses	-	12,325	(12,325)
Total Payment (External Parties)	**70,965**	**363,483**	**(292,518)**

e) Receipts

Receipts represent cash received by *Governance Commission* during the financial period, comprising Authorized 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 *Governance Commission*.

(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 proceeds from sales of designated services by the *Governance Commission*. 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 *Governance Commission* or collected by another entity on its behalf is recognized when received and under its control.

f) Expenses
In general, all expenses are recognized 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 Governance Commission.

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 Governance Commission. 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 15th August, 2018 by Elizabeth Dorkin, Commissioner/Office-In-Charge of the Governance Commission.

4 Authorized Allocations/Appropriation

The total amount of Authorised Allocations received for FY2017/2018 (July to June) was US $1,892,363.92 and US$1,992,872.68 for FY 2016/2017 (July to June) as represented in Table below. The final Approved Budget for the fiscal year is US$1,921,706.92.

Summary of Authorized Allocations/Appropriations
for Fiscal Year 2017-2018
Amounts in US Dollars

	Fiscal Year 2017-2018					Fiscal Year 2016-2017	
Description	**Actual**	**Final Budget**	**Original Budget**	**Difference: Final Budget and Actual**	**Percentage Variance %**	**Actual**	**Difference in Actuals**
01 01 Administration & Management	**1,858,889**	**1,790,248**	**1,921,707**	**69,376**	**4%**	**1,793,873**	**(453,459)**
Employee Compensation	1,713,005.41	1,679,052	1,679,048	34,688	2%	1,421,259	(226,730)
Goods & Services	145,883.90	111,196	231,659	34,688	0%	348,166	(202,282)
			11,000		0%		
Capital Expenditure	-	-		-		24,448	(24,448)
GOL Counterpart Fund/AfDB	**-**	-	-	-		**99,000**	
Liberia Rising	2,216	-	-			**100,000**	
National Political Forum	31,259			-			
Total	**1,892,364**	**1,790,248**	**1,921,707**	**-**		**1,992,873**	

The comparative analysis of Estimated and Actual Receipts for the FY2017/2018 is presented in the Statement of Comparison of Budget and Actual Amounts for the General Fund.

5 Other Receipts

The Governance Commission has no other receipts US$31,258.99 under the National Political Forum and US$2,215.62 during the period. The Governance Commission does not collect any fees, taxes etc.

6 Payments - Operations

The total amount of Cash Payments made during the period (July 2017- June 2018) was US $1,93,302.97 and US $1,730,825.16 (July 2016- June 2017) comprising various types of cash payments (classified in the same form as the National Budget) made by the Governance Commission during the period.

a) Employee Compensation – Wages, Salaries and Other Employee Benefits, inclusive of donor funding

This amount represents payment to employees of the Governance Commission as remuneration for the period under review. See Table below:

Note 6a. Summary Analysis of Employees Compensation (All Funds)
for Fiscal Year 2017-2018
Amounts in US Dollars

	Fiscal Year 2017-2018					Fiscal Year 2016-2017	
Description	**Actual**	**Final Budget**	**Original Budget**	**Difference: Final Budget and Actual**	**Percentage Variance %**	**Actual**	**Difference in Actuals**
01 01 Administration & Management							
	US $	US $	US $	US $	%	US $	US $
National Vision							
211104 · Honorarium	-	0	0	-	0		
Employee Compensation							
211110 · General allowances	1,396,928	1,319,052	1,319,048	77,876	6%	1,174,090	222,838
211116 · Special allowance	288,809	360,000	360,000	(71,191)	-20%	329,683	(40,874)
Total General Fund	**1,685,738**	**1,679,052**	**1,679,048**	**6,686**	**0%**	**1,503,773**	**181,965**
Donor Funds							
Professionals - OSIWA	-	-	-	-	-	-	-
Total All Funds	**1,685,738**	**1,679,052**	**1,679,048**	**6,686**	**0%**	**1,503,773**	**181,965**

b) Goods and Services inclusive of donor funding

Amounts spent on Goods and Services are recurrent expenses, which include items such as Office Stationery, Printing and Publications, Foreign Travels, Water and Sewage, Fuel and Lubricants for Vehicles, Fuel for Electricity Generation. Expenditure analysis of goods and services are provided in the Table below:

Note 6b. Summary Analysis of Goods and Services (All Funds)
for Fiscal Year 2017-2018
Amounts in US Dollars

	Fiscal Year 2017-2018					**Fiscal Year 2016-2017**	
Description	**Actual**	**Final Budget**	**Original Budget**	**Difference: Final Budget and Actual**	**Percentage Variance %**	**Actual**	**Difference in Actuals**
	US $	**US $**	**US $**	**US $**	**%**	**US $**	**US $**
General Fund							
Administration and Management(GOL)	179,278	111,196	231,659	68,082	61%	167,898	11,379
Liberian History Project(GOL)	-	-	-	-		263	
National Symbol Review Project(GOL)	-	-	-	-		-	-
GOL Counterpart Fund/AfDB	138	-	-	138		15,318	(15,180)
National Political Forum	42,708						
National Vision	17,422	-	-	17,422		36,010	(18,588)
Total General Fund	**239,546**	**111,196**	**231,659**	**85,642**	**77%**	**219,490**	**11,379**
Donor Funds							
UNDP							
Liberia Decentralization Support Program	4,725					8,715	(3,990)
Constitution Review Committee	43,190					-	43,190
Sub Total - UNDP Projects	**47,915**	-	-	-		**8,715**	**39,200**
National Political Forum	**34,490**						
UNESCO(Liberian History Project)	-					-	39,200
AfDB	-					-	39,200
02 OSIWA						15,887	
National Integrity Forum (Liberia Chamber of Commerce)	-					-	78,400

Donor Funded Projects	**82,405**	**-**	**-**	**-**	**-**	**24,602**	**196,000**
Total All Funds	**321,951**	**111,196**	**231,659**	**85,642**	**77%**	**244,092**	**207,379**

Further details of expenditure breakdown ***by Economic Classification*** are provided in Appendices 1 (*General Fund*) and 2 (*Donor Funds*):

c) Capital Expenditure inclusive of donor funding

Capital Expenditure represents amounts spent on vehicles, computers, machinery and office equipment. The Table below represents total amounts spent using general fund and donor funds. **See table below:**

Appendix 6c. Summary Analysis of Capital Expenditure (All Funds)
for Fiscal Year 2017-2018
Amounts in US Dollars

	Fiscal Year 2017-2018					**Fiscal Year 2016-2017**	
Description	**Actual**	**Final Budget**	**Original Budget**	**Difference: Final Budget and Actual**	**Percentage Variance %**	**Actual**	**Difference in Actuals**
General Fund							
01 01 Administration & Management							
Capital Expenditure							
Administration and Management(GOL)	**$ 5,019**	$ -	$ 11,000	$ 5,019	-	$ 7,562	$ (2,543)
Liberian History Project(GOL)		-		-		-	-
National Symbol Review Project(GOL)		-		-		-	-
Sub Total (General Fund)	**$ 5,019**	**$ -**	**$ 11,000**	**$ 5,019**	**-**	**$ 7,562**	**$ (2,543)**
Donor Funds							
Liberia Decentralization Support Program	-	-	-	-		$ -	$ -
French Embassy	-	-	-	-		-	-
Donor Funded Projects	**-**	**-**	**-**	**-**	**-**	**$ -**	**$ -**
Total All Funds	**$5,019**	**$ -**	**$11,000**	**$5,019**	**-**	**$7,562**	**$(2,543)**

Further details of expenditure breakdown by Economic Classification are provided in Appendices 3.

7 External Assistance

Grant from Bi-lateral Agency (Current)

There was no grant from bi-lateral agency

b. Grant from Multilateral Agencies

The table below shows grants received from multilateral agencies. For the 2017/2018 FY, Governance Commission received US$ 17,516 from UNDP for the national Political Forum and US$43,190 for the cabinet retreat held in Buchannan and US$8,815(withholding taxes on payments made to consultant on the Liberia Decentralization Support Program) and US$34,633 for the National political forum was received in the same period of FY 2016/2017.

Funds Received from Multi and Bi lateral Agencies (Donor Funds)

	Fiscal Year 2017-2018					Fiscal Year 2016-2017		
Expenditure Code	**02 LDSP/UNDP**	**Cabinet Retreat/UNDP**	**National Political Forum UNMIL**	**02 AfDB FSF pillar III Support**	**Total**	**UNDP (LDSP &CRC)**	**National Political Forum UNMIL**	**Total**
	US $			**US $**	**US $**	**US $**	**US $**	**US $**
Multilateral Agencies								
221701 · Consultancy Services	**7,975.00**				**7,975.00**			
222102 · Workshops, conferences & seminr	-	43,190	17,516	-	**60,706.10**	8,815	34,633	43,448
Sub Total (Multi-Lateral Agencies)	**-**			**-**	**68,681.10**	**8,815**	**34,633**	**43,448**
Bi Lateral Agencies								
222102 · Workshops, conferences & seminr	-			-	**0.00**	-	-	-
					0.00			
Sub Total (Bi lateral Agencies)	**-**		**-**	**-**	**0.00**	**-**	**-**	**-**
					0.00			
Grand Total	**-**		**-**	**-**	**68,681.10**	**8,815**	**34,633**	**43,448**

8 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 and investments in short-term money market instruments. The details of the bank accounts and amounts held by the Governance Commission at the end of the period are detailed in the Statement of Cash Position above.

9 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 1st July 2017 to 30th June 2018) as for the financial statements. This original budget of US$1,921,706.92 approved by the National Legislature still remains as the final budget for the reporting period.

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

Payments by Other Government Units and Third Parties is included in the Financial Statements for the financial period ended 30th June 2018**.**

SUPPLEMENTARY DISCLOSUERS

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											Fiscal Year 2016-2017						
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**National History Project**	**02 NSRP**	**GOL Counterpart Fund /AfDB**	**National Political Forum**	**National Vision**	**Total Actual**	**Original**	**Final Budget**	**Difference: Final Budget and Actual**	**01 01 Admin & Mgmt Pmts by GC**	**GOL Counterpart Fund/ AfDB**	**National History Project**	**National Political Forum**	**02 NSRP**	**National Vision**	**Total Actual**
	US $	**US $**	**US $**				**US $**	**US $**	**US $**	**US $**	**US $**		**US $**		**US $**		**US $**
GOODS AND SERVICES																	
200000U · Unspicified Expenses GOL Projec				138			138	$ -				$ 15,318.36					15,318.36
221201 · Electricity							-	-	-	-							-
221203 · Telecommunications, internet,	17,330				1,239		18,569	30,000	7,000	(11,569)	30,659						30,659.10
221303 · Office rental or lease	36,147						36,147	50,000	50,000	13,853							-
221401 · Fuel &	25,203						25,203	34,200	17,450	(7,753)	29,797						29,796.87

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											**Fiscal Year 2016-2017**						
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**National History Project**	**02 NSRP**	**GOL Counterpart Fund /AfDB**	**National Political Forum**	**National Vision**	**Total Actual**	**Original**	**Final Budget**	**Difference: Final Budget and Actual**	**01 01 Admin & Mgmt Pmts by GC**	**GOL Counterpart Fund/ AfDB**	**National History Project**	**National Political Forum**	**02 NSRP**	**National Vision**	**Total Actual**
	US $	**US $**	**US $**				**US $**	**US $**	**US $**	**US $**	**US $**		**US $**		**US $**		**US $**
lubricants - vehicles																	
221402 · Fuel & lubricants - generators	1,895						1,895	5,000	2,250	355	6,711						6,710.92
221501 · Repairs & maintenance, civil	401					294	695	5,000		(695)	6,247						6,246.69
221502 · Repairs & maintenance, vehicles	7,067						7,067	9,600	885	(6,182)	6,903						6,903.00
221503 · Repair & maintenance-Generators	4,789						4,789	6,000		(4,789)	2,367						2,366.86
221504 · Repairs & maint,	87					1,568	1,655	6,000		(1,655)	6,825						6,824.54

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											**Fiscal Year 2016-2017**						
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**National History Project**	**02 NSRP**	**GOL Counterpart Fund /AfDB**	**National Political Forum**	**National Vision**	**Total Actual**	**Original**	**Final Budget**	**Difference: Final Budget and Actual**	**01 01 Admin & Mgmt Pmts by GC**	**GOL Counterpart Fund/ AfDB**	**National History Project**	**National Political Forum**	**02 NSRP**	**National Vision**	**Total Actual**
	US $	**US $**	**US $**				**US $**	**US $**	**US $**	**US $**	**US $**		**US $**		**US $**		**US $**
machinery, equ																	
221505 · Repairs & Maintenance-ICT	3,157						3,157	5,000			1,731						1,731.40
221601 · Cleaning Materials and services	1,411						1,411	2,500	2,000	589	1,521						1,521.34
221602 · Stationery	4,877						4,877	3,000	6,000	1,123	5,257						5,256.74
221603 · Printing, binding & publication							-			-							-
221605 · Computer Supplies & ICT Service	5,026						5,026	7,500		(5,026)	8,238						8,237.52

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											Fiscal Year 2016-2017						
Expenditure Code	01 01 Admin & Mgmt Pmts by GC	National History Project	02 NSRP	GOL Counterpart Fund /AfDB	National Political Forum	National Vision	Total Actual	Original	Final Budget	Difference: Final Budget and Actual	01 01 Admin & Mgmt Pmts by GC	GOL Counterpart Fund/ AfDB	National History Project	National Political Forum	02 NSRP	National Vision	Total Actual
	US $	US $	US $				US $	US $	US $	US $	US $		US $		US $		US $
221701 · Consultancy Services	-						-			-							-
221903 · Staff training - local	-						-	5,000			3,290						3,290.00
221904 · Staff Training – Foreign	-						-	7,500		-	822						822.00
221908 · Scholarship-Foreign	19,117						19,117			(19,117)	4,126						4,126.00
222102 · Workshops, conferences & seminar	4,588						4,588	6,000	1,000	(3,588)	5,342		21				5,362.33
222105 · Entertainment represent & gifts	41						41	2,700	531	490	2,300						2,299.77

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											**Fiscal Year 2016-2017**						
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**National History Project**	**02 NSRP**	**GOL Counterpart Fund /AfDB**	**National Political Forum**	**National Vision**	**Total Actual**	**Original**	**Final Budget**	**Difference: Final Budget and Actual**	**01 01 Admin & Mgmt Pmts by GC**	**GOL Counterpart Fund/ AfDB**	**National History Project**	**National Political Forum**	**02 NSRP**	**National Vision**	**Total Actual**
	US $	**US $**	**US $**				**US $**	**US $**	**US $**	**US $**	**US $**		**US $**		**US $**		**US $**
222108 · Advertising & public relations	1,450						1,450	5,000		(1,450)	2,936						2,936.00
222109 · Operational Expenses	8,671				41,090	15,158	64,919	6,159		(64,919)	4,958		20	25,902		35,416	66,296.91
222113 · Guard & Security Services	20,808						20,808	21,000	21,000	192	20,860						20,860.39
222116 · Bank Charges and other Bank Rel	1,407				380	402	2,188	1,200	240	(1,948)	2,002		222			594	2,817.82
223101 · Personnel Insurance	99						99	12,500	2,840	2,742	13,719						13,718.87
223106 · Vehicle insurance	276						276	800		(276)	1,289						1,288.70

Appendix 1 - Detailed Analysis of Goods and Services Expenditure (General Fund)																	
Fiscal Year 2017-2018											Fiscal Year 2016-2017						
Expenditure Code	01 01 Admin & Mgmt Pmts by GC	National History Project	02 NSRP	GOL Counterpart Fund /AfDB	National Political Forum	National Vision	Total Actual	Original	Final Budget	Difference: Final Budget and Actual	01 01 Admin & Mgmt Pmts by GC	GOL Counterpart Fund/ AfDB	National History Project	National Political Forum	02 NSRP	National Vision	Total Actual
	US $	US $	US $				US $	US $	US $	US $	US $		US $		US $		US $
224115 · Local & Other Arrears	15,431						15,431			(15,431)	373						373.41
Total Goods & Services	**179,278**	**-**	**-**	**138**	**42,708**	**17,422**	**239,546**	**231,659**	**111,196**	**(109,624)**	**167,898**	**15,318**	**263**		**-**	**36,010**	**245,766**

Appendix 2 - Detailed Analysis of Goods and Services Expenditure (Donor Funds)

Appendix 2 - Detailed Analysis of Goods and Services Expenditure (Donor Funds)														
Fiscal Year 2017-2018								Fiscal Year 2016-2017						
Expenditure Code	02 LDSP/ UNDP	National Political Forum UNMIL	Cabinet Retreat/UNDP	02 UNESCO Liberia history Project	02 AfDB FSF Pillar III Support	PSRP	Total	02 LDSP/UNDP	UNDP - Constitution Review Committee	National Political Forum UNMIL	02 UNESCO Liberia history Project	02 AfDB FSF pillar III Support	PSRP	Total
2111														
221101 Foreign Travel-							-							-

Appendix 2 - Detailed Analysis of Goods and Services Expenditure (Donor Funds)														
Fiscal Year 2017-2018								Fiscal Year 2016-2017						
Expenditure Code	**02 LDSP/ UNDP**	**National Political Forum UNMIL**	**Cabinet Retreat/U NDP**	**02 UNESCO Liberia history Project**	**02 AfDB FSF Pillar III Support**	**PS RP**	**Total**	**02 LDSP/UN DP**	**UNDP - Constitu tion Review Committ ee**	**Nation al Politic al Forum UNMIL**	**02 UNESCO Liberia history Project**	**02 AfDB FSF pillar III Support**	**PSRP**	**Total**
Means of Travel														
221102 Foreign Travel-Daily Allowance							-	-						-
221203 · Telecommunic ations, internet,							-							-
221603 · Printing, binding & publication							-							-
221701 · Consultancy Services	4,725						4,725	8,715		-		-	-	8,715
222102 · Workshops, conferences & seminr		9,356	43,190				52,546	-		15,887	-	-	-	15,887
222108 · Advertising & public relations							-				-			-

Appendix 2 - Detailed Analysis of Goods and Services Expenditure (Donor Funds)														
Fiscal Year 2017-2018								**Fiscal Year 2016-2017**						
Expenditure Code	**02 LDSP/ UNDP**	**National Political Forum UNMIL**	**Cabinet Retreat/U NDP**	**02 UNESCO Liberia history Project**	**02 AfDB FSF Pillar III Support**	**PS RP**	**Total**	**02 LDSP/UN DP**	**UNDP - Constitu tion Review Committ ee**	**Nation al Politic al Forum UNMIL**	**02 UNESCO Liberia history Project**	**02 AfDB FSF pillar III Support**	**PSRP**	**Total**
222109 · Operational Expenses		24,972					24,972	-						-
222110 · Subscriptions												-		-
222116 · Bank Charges and other Bank Rel		162					162			-		-		-
Total	**4,725**	**34,490**	**43,190**	**-**	**-**	**-**	**82,405**	**8,715**	**-**	**15,887**	**-**	**-**	**-**	**24,602**

Appendix 3 - Detailed Analysis of Capital Expenditure

Appendix 3 - Detailed Analysis of Capital Expenditure (General Funds)										
Fiscal Year 2017-2018							**Fiscal Year 2016-2017**			
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**02 NSRP**	**National History Project**	**Total Actual**	**Original**	**Final Budget**	**01 01 Admin & Mgmt Pmts by GC**	**02 NSRP**	**National History Project**	**Total Actual**
232201 · Transport	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -

Appendix 3 - Detailed Analysis of Capital Expenditure (General Funds)										
Fiscal Year 2017-2018							Fiscal Year 2016-2017			
Expenditure Code	**01 01 Admin & Mgmt Pmts by GC**	**02 NSRP**	**National History Project**	**Total Actual**	**Original**	**Final Budget**	**01 01 Admin & Mgmt Pmts by GC**	**02 NSRP**	**National History Project**	**Total Actual**
Equipment										
232211 · Machinery & other Equipment	432	-	-	432	3,000	-	1,635	-	-	1,635
232221 · Furniture and Fixtures		-	-	-	3,000	-		-	-	-
232301 · ICT infrastructure , hardware	4,587	-	-	4,587	5,000	-	5,927	-	-	5,927
Total	**$ 5,019**	**$ -**	**$ -**	**$ 5,019**	**$11,000**	**$ -**	**$ 7,562**	**$ -**	**$ -**	**$ 7,562**

Appendix 4 Detailed Analysis on personnel

Description	Actual	Final	Original	Variance	%Variance	Actual	Variance in Actuals
	2017- 2018					2016- 2017	
Administration & Management							
National Vision	US $	US $	US $	US $	%	US $	US $
211104 · Honorarium	-	0	0				
Employee Compensation							
211110 · General allowances	1,396,928	1,319,052	1,319,048	77,876	6%	1,174,090	222,838
211116 · Special allowance	288,809	360,000	360,000	(71,191)	-20%	329,683	(40,874)
Total General Fund	1,685,738	1,679,052	1,679,048	6,686	0	1,503,773	181,965
Donor Funds							
OSIWA							
211126 · Professionals	0	0	0	0	0%	-	-
Total General Fund & Donor Fund	**1,685,738**	**1,679,052**	**1,679,048**	**0**	**0**	**1,503,773**	**181,965**

Appendix 4 - Outstanding Commitment as of Mar. 31, 2017

Commitment Type	3 Months USD
Outstanding Commitments	
Aminata & Sons Inc	1,276.50
Aminata & Sons Inc	11,063.00
African Book & Stationery Store	1,440.00
Saksouk Shopping Center	52.90
Saksouk Shopping Center	368.00
Water and Sewer Corporation	934.71
Techno It	110.00
Techno It	1,500.00
Techno It	470.00
Techno It	560.00
Auto Link	285.00
Auto Link	1,030.00
Boost Technology Solutions Inc.	1,100.00
Dennis Yollah Business Center	775.00
Techno It	800.00
Technical coolin	1,230.00
Dennis Yollah Business Center	331.00
Libtelco	8,000.00
Grand Total Outstanding Commitments in US $	**31,326.11**