AUDITOR GENERAL’S REPORT

ON THE NATIONAL ELECTIONS COMMISSION (NEC) FINANCIAL STATEMENTS

For the Fiscal Period Ended
June 30, 2015

January 2020

Yusador S. Gaye, CPA, CGMA
Auditor General, R. L.
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The Honorable Speaker of the House of Representatives, and the President Pro-Tempore of the House of Senate:

We have undertaken the audit of the National Elections Commission (NEC) financial statements for the financial year ended June 30, 2015. The audit was conducted under the Auditor General's statutory mandate, as provided for under section 2.1.3 of the GAC Act of 2014.

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

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

Monrovia, Liberia
January 2020
STATEMENT OF RESPONSIBILITIES

The Financial statements herewith attached have been prepared in accordance with the provisions of the Public Financial Management Act. 2009 and in compliance with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS).

In accordance with the provision of the Public Financial Management Act, 2009, I am responsible for the control and accounting for funds controlled by the National Elections Commission (NEC).

Under the provisions of the same Act, I am required to cause to be prepared, financial statements which are submitted to the Ministry of Finance, at the end of the financial year to which the financial statements relate. Accordingly, I am pleased to submit the required financial statements in compliance with the Act. I have provided, and will continue to provide all the information and explanations as required in connection with these financial statements.

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 statement, the financial information they contain and their compliance with the Public Finance Management Act, 2009.

Jerome G. Korkoya, Chairman

National Elections Commission

Date September 21, 2015
MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

The National Elections Commission (NEC) is an Autonomous Public Commission established by law according to Article 89 of the January 6, 1986 Constitution of the Republic of Liberia.

The National Elections Commission (NEC), successor to the Elections Commission, was restructured in 2003 when an ACT to amend Sections 2.1 and 2.4 of Chapter 2 of the new elections’ law of 1986 was enacted to increase the membership of the Board of Commissioners from 5 to 7.

Section 9, Chapter 2 of the 1986 Elections Law empowers the Commission to formulate, oversee and enforce all electoral guidelines. As the constituted Electoral Management Body (EMB) of the Republic of Liberia, the National Elections Commission (NEC) is required to discharge its duty in keeping with the values of accountability, credibility, transparency and integrity which forms the basis for the management and conduct of all public elections in a free, fair and universally acceptable manner.

Consequently, the Nationals Elections Commission (NEC) recognizes that for an election to be successful, participants in the process must have confidence that the National Elections Commission (NEC) will carry out its functions in a fair, politically neutral, transparent and professional manner.

The National Elections Commission (NEC) is therefore committed to building and strengthening a stern democratic society in Liberia through the delivery of regular free, fair and credible elections.

The report catalogues the programs and activities executed by the National Elections Commission for the period July 1, 2014 – June 30th, 2015 for Elections and recurrent, 2014/15 budgets. If covers the implementation of planned activities that support the organization and conduct of the Special Senatorial Election and Rivercess District # 2 By-Election. It is also geared towards strengthening the capacity of the NEC for the improvement of the overall electoral system for effective elections management.

In the light of this national endeavor, the NEC undertook several corollary activities to set the stage appropriately for all of the electoral processes indicated. These key undertakings included the acquisition of the needed logistics, conduct of massive civic voter education and the conduct of the Special Senatorial Elections and the Rivercess District #2 By-Election.
These activities were also strongly supported by the International foundation for Electoral System (IFES) and the United Nations Development Program (UNDP) as part of their numerous contributions to the electoral process. Their support covered workshops/seminars, trainings, printing of materials and hiring of local consultants.

The timely and full implementation of these key electoral activities was absolutely necessary in preparation for both Elections.
Achievements

1. **Successful conduct of the Senatorial Election on Dec. 20, 2014**

*Winning Candidates for the Special Senatorial Elections December 20, 2014*

<table>
<thead>
<tr>
<th>County</th>
<th>Candidates</th>
<th>Votes Obtained</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bomi</td>
<td>Saytumah, Morris Gato (UP)</td>
<td>8,857</td>
<td>47.10%</td>
</tr>
<tr>
<td>Bong</td>
<td>Howard-Taylor Jewel C. (NPP)</td>
<td>13,672</td>
<td>35.20%</td>
</tr>
<tr>
<td>Gbarpolu</td>
<td>Naatehn Sr. Daniel Flomo (ANC)</td>
<td>3,962</td>
<td>34.30%</td>
</tr>
<tr>
<td>Grand Bassa</td>
<td>Kaipay, Jonathan Lambort (LP)</td>
<td>16,296.00</td>
<td>57.40%</td>
</tr>
<tr>
<td>Grand Cape Mount</td>
<td>Sherman, Varney Gbolonambi (UP)</td>
<td>13,651.00</td>
<td>61.70%</td>
</tr>
<tr>
<td>Grand Gedeh</td>
<td>Dennis, A. Marshall (CDC)</td>
<td>6,148.00</td>
<td>35.90%</td>
</tr>
<tr>
<td>Grand Kru</td>
<td>Chie, Albert Tugbe (IND)</td>
<td>5,619.00</td>
<td>45.40%</td>
</tr>
<tr>
<td>Lofa</td>
<td>Zargo, Stephen J. H. (LP)</td>
<td>12,797.00</td>
<td>26.20%</td>
</tr>
<tr>
<td>Margibi</td>
<td>Tornonlah, Jim Womba (PUP)</td>
<td>7,893.00</td>
<td>30.50%</td>
</tr>
<tr>
<td>Maryland</td>
<td>Brown, J. Gbaleh-bo (IND0)</td>
<td>5,192.00</td>
<td>32.70%</td>
</tr>
<tr>
<td>Montserrado</td>
<td>Weah, George Manneh (CDC)</td>
<td>99,226.00</td>
<td>78.00%</td>
</tr>
<tr>
<td>Nimba</td>
<td>Johnson, Prince Yarmie (IND)</td>
<td>37,932.00</td>
<td>66.60%</td>
</tr>
<tr>
<td>Rivercess</td>
<td>Paye, Francis Saturday (NDC)</td>
<td>1,959.00</td>
<td>22.80%</td>
</tr>
<tr>
<td>Rivergee</td>
<td>Wesseh, Conmany B. (UP)</td>
<td>2,672.00</td>
<td>26.10%</td>
</tr>
<tr>
<td>Sinoe</td>
<td>Teahjay, Juojulue Milton (UP)</td>
<td>6,772.00</td>
<td>50.10%</td>
</tr>
</tbody>
</table>
Printing of Final Registration Roll (FRR) – November 1 – 25, 2014

NEC printed FRR for 4,701 polling places, with each containing personal details for eligible voters.

Ballot Papers

A total of 2,640,000 ballot papers were printed for the Special Senatorial Election. The printing was done outside Liberia, with each ballot containing security features to detect/prevent fraud or duplication. Ballot papers arrived in NEC warehouse on November 14, 2014.

Casual Laborers – November to December 2014

NEC hired casual laborers for a little over a month in the HQ Warehouse while casual laborers at magisterial offices worked for a period of one week.

Regional Media Training for Journalist – Nov. 27 – Dec. 4, 2014

More than 220 journalists from national and community radio stations, on-line media institution as well as newspapers were trained on how to report about non-violence and peace in the electoral process as well as drill them in voting, counting and tallying procedures in the electoral process. These trainings were conducted in Zwedru, Gbarnga, Tubmanburg and Buchanan respectively. The key objectives of these series of workshops included clear communication of how the NEC will organize a transparent, credible, free, fair and open Voting, Counting and Tallying Process throughout the Country.

Rental – Trucks, Pick-ups, Canoes and Porters for both deployment and retrieval of training/election kits to magisterial areas – December 2014

NEC rented an assortment of vehicles and other items that were used for mobility during the just ended SSE. 88 trucks, 214 pickups/jeps, 66 canoes and 1100 porters were used to covey materials, polling staff and the security personnel to each of the 1,780 voting precincts.

The Special Senatorial Election – December 20, 2014

The Commission, having coordinated the various resources and programs leading to the conduct of the Special Senatorial Activities, conducted the polls on December 20, 2014. One hundred and thirty-nine (139) candidates from independent and political party sectors participated in the polls.

Based on the record of the election tally, an estimated 479,936 or 25.2% of the total registered voters participated. Intensive logistical input attended the Senatorial Election. 5000 polling places kits were procured internationally to provide materials to the 4,701 polling places and 2000 precincts kits for the 1,780 voting precincts across the country. 2.6 million ballot papers were printed for the 2014 Special senatorial Election. 2000 EBOLA virus buckets, thermometers, hand sanitizers, etc. were part of the election materials deployed in the field.
400 electoral supervisors, 24,743 polling staff and 4000 national security officers were available to cover all of the 1780 precincts and the 20 electoral warehouses in the country.

Final announcement of results and declaration of winners were made on December 27, 2014.

**Successful conduct of the Rivercess District # 2 By-Election 2014/2015**

**Final Results Rivercess By-Election**

<table>
<thead>
<tr>
<th>Candidates</th>
<th>Votes Obtained</th>
<th>Percent of Valid Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bartee, Sr. Charles Zarkpah (CDC)</td>
<td>646</td>
<td>10.1%</td>
</tr>
<tr>
<td>Duoe, G. Thomas M (ANC)</td>
<td>543</td>
<td>5.8%</td>
</tr>
<tr>
<td>Greene, Jerry Floh (UP)</td>
<td>99</td>
<td>1.5%</td>
</tr>
<tr>
<td>Mentoe, Hilary Flomo (IND)</td>
<td>808</td>
<td>12.6%</td>
</tr>
<tr>
<td>Paul, Gabriel (NPP)</td>
<td>48</td>
<td>0.7%</td>
</tr>
<tr>
<td>Reeves, Jerome Garmonblo (ULD)</td>
<td>122</td>
<td>1.9%</td>
</tr>
<tr>
<td>Walley, Matthew T. (LP)</td>
<td>1468</td>
<td>22.9%</td>
</tr>
<tr>
<td>Wesseh, Lucky T. K. (NDC)</td>
<td>315</td>
<td>4.9%</td>
</tr>
<tr>
<td>Zah, Kofi Bo (PUP)</td>
<td>790</td>
<td>12.3%</td>
</tr>
<tr>
<td>Zahnwea, Byron Wehgbiah (MPC)</td>
<td>1583</td>
<td>24.6%</td>
</tr>
<tr>
<td><strong>Total Valid Votes</strong></td>
<td><strong>6422</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Turnout represent 42% of the vote cast

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>441</td>
<td>281</td>
<td>722</td>
</tr>
</tbody>
</table>

**Ballot Papers**

A total of 24,200 ballot papers were printed for the Rivercess District # 2 By-Election. The printing was done outside Liberia, with each ballot containing security features to detect/prevent fraud or duplication. Ballot papers arrived in NEC Warehouse on April 13, 2015.

- Development of Civic Voter Education Toolkit – January 2015,
- Development of Civic Voter Education Messages – February 2015
- Production of jingles ad dramas – February 2015, Assessment of Voting Precincts in
Rivercess District # 2 – February 6 – 8, 2015
➢ Procurement for goods, works and services begin – February 10, 2015
➢ Civic Educations, Genders Mobilizers & CSOs recruited, trained and deployed - February 9 – 23, 2015
➢ Civic/Voter’s Education campaign for Replacement of lost Voter’s ID Cards - February 20 – March13, 2015,
➢ Training for replacement of Voter’s ID Cards – March 6 – 7, 2015, Replacement of Voter’s ID Cards – March 9 – 13, 2015
➢ County Tally results database and forms developed – March 9 – 15, 2015,
➢ Launch of Civic Voter Education Campaign – March 20, 2015
➢ Civic Voter Education & Gender Outreach Consultations and General Awareness – March 20 – April 20, 2015

The Rivercess District # 2 By-Election – April 21, 2015
The Commission, having coordinated the various resources and programs leading to the conduct of the Rivercess District # 2 By-Election Activities, conducted the polls on April 21, 2015. Ten (10) candidates from independent and political party sectors participated in the polls.

Based on a record of the election tally, an estimated 6,422 or 42% of the total registered voters participated.

Intensive logistical input attended the Rivercess District # 2 By-Election. 50 Polling places kits were prepared and utilized to provide materials to the 42 Polling places and 19 Precincts Kits for the 19 voting precincts across the county. The Polling Place Kit contained, generic materials used for polling places (rulers, pens, calculators, etc). Polling Precincts Kits contained sensitive election materials like the ballot papers and the Final Registration Roll (list of voters), thermometers, hand sanitizers, etc. were part of the election materials deployed in the field.

Final announcement of results and declaration of the winner was made on April 2015.

1. Replacement of lost and Damaged Voters Cards
2. Candidate Nomination
3. Training and Capacity Building for Election Workers

The Commission conducted various capacities building training during the various phases of its program. The main purposes of these operational training have been to improve the responses of both temporary and long-term staff in handling modifications in procedures connected to phases of the election process; and to keep in place a pool of efficient election workers.

For the replacement of lost and Damage Voter’s cards, a total of 198 staff were trained in handling the applications of the rules on voters Registration Cards Replacement. Thirty-Six (36) staff
comprising 18 elections logisticians from magisterial areas nine (9) central of Logisticians seven (7) logistics support personnel were trained in warehouse management and election logistics.

Candidate Nomination Period – July 2 – 24, 2014
Candidate Nomination period ran from 2 – 24 July 2014 with a total of 139 aspirants qualifying to run for the 15 vacant Senatorial seats in the Legislature.

Replacement of Lost and Damaged Cards July 7 11, 2014
Following the end of the Update exercise, the NEC, based on section 3.5 of the Election Law replaced VR Cards only of those who had either lost or damage their VR Cards previously issued by the NEC. The exercise was conducted at the 19 magisterial offices, 73 Districts and additional 7 locations that contained shared districts by magisterial offices totaling 99 locations.

The exercise previously scheduled to take place from 7 to 11 of July 2014 was extended beyond his time. The extension was based on section 3.5 para 2 which states that “In the event of loss or destruction of VR Card and for a minimum fee of 5.00 dollar to be paid in the internal revenue”. Liberians including members of the Legislature took advantage of this Law. This was halted in the first week of October in order for the roll to be made ready for the election.

II. Challenge
The delay by the National Legislature in passing the New Elections Law which includes Financial Autonomy for the National Elections Commission is posing a major problem for the Commission.

BUDGET PERFORMANCE REPORT FISCAL YEAR 2014/2015
The 2014/2015 budget performance report represents an inner assessment of the challenges encountered and efforts made by the National Elections Commission in professionally applying the funds received from the Government of Liberia to meet the overall objectives of the NEC in managing and sustaining democracy in Liberia through the conduct of free, fair and credible elections.

Personnel Expenditure
The National Elections Commission was allotted US$3,900,000.00 in the Fiscal Year 2014/2015 for salary and wages of 296 employees at the Commission and utilized US$3,709,117.92. The differential accounts for vacancies yet to be filled.

GOODS AND SERVICES:

Domestic Travel – Mean of Travel
The National Elections Commission was allotted US$4,387.40 for the Fiscal Year 2014/2015 and US$4,387.40 was expended on Domestic Travels.

Domestic Travel – DSA
The National Elections Commission was allotted US$20,399.82 for the Fiscal Year 2014/2015 and US$20,399.82 was expended on Domestic Travels
Auditor General’s Report of the financial statements
Audit of the National Elections Commission (NEC)
For the fiscal year ended June 30, 2015

Domestic Travel – Incidental
The National Elections Commission was allotted US$2,727.98 for the Fiscal Year 2014/2015 and US$2,727.98 was expended on Domestic Travels – Incidental

Water and Sewage
The National Elections Commission was allotted US$4,276.97 for the Fiscal Year 2014/2015 and expended US$4,276.97 for payment of services provided by the Liberia Water and Sewage Corporation (LWSC).

Telecommunications, Internet, Postage and Courier
The National Elections Commission was allotted US$53,999.74 for the Fiscal Year 2014/2015 and US$53,999.74 was expended for subscription on internet services.

Fuel and Lubricant – Vehicles
The National Elections Commission was allotted US$122,548.75 for the Fiscal Year 2014/2015 and US$122,548.75 was expended for the supply of fuel.

Fuel and Lubricant – Generator
The National Elections Commission was allotted US$41,812.81 for the Fiscal Year 2014/2015 and the amount of US$41,812.81 was expended for the supply of fuel.

Repairs and Maintenances – Vehicles
The National Elections Commission was allotted US$30,124.91 for the fiscal Year 2014/2015 and the amount of US$30,124.91 was expended for vehicles repairs and maintenance.

Repairs and Maintenance – Generators
The National Elections Commission was allotted US$12,299.95 for the Fiscal Year 2014/2015 and the amount of US$12,299.95 was expended.

Cleaning Materials and Services
The National Elections Commission was allotted US$8,999.95 for the Fiscal Year 2014/2015 and the amount of US$8,999.95 was expended.

Stationery
The National Elections Commission was allotted US$33,749.72 for the Fiscal Year 2014/2015 and the amount of US$33,749.72 was expended.

Printing Binding and Publications Services
The National Elections Commission was allotted US$8,099.93 for the Fiscal Year 2014/2015 and the amount of US$8,099.93 was expended.

Computer Supplies and IT Services
The National Elections Commission was allotted US$6,479.95 for the Fiscal Year 2014/2015 and the amount of US$6,479.95 was expended.
Capacity Building
The National Elections Commission was allotted US$35,000.00 for Fiscal Year 2014/2015 and the amount of US$35,000.00 was expended.

Entertainment, Representation and Gift
The National Elections Commission was allotted US$5,399.95 for the Fiscal Year 2014/2015 and the amount of US$5,399.95 was expended.

Bank Charges
The National Elections Commission was allotted US$4,436.98 for the Fiscal Year 2014/2015 and the amount of US$4,436.98 was expended to service our accounts at various commercial banks.

Other Compensations
The National Elections Commission was allotted US$4,999.28 for the Fiscal Year 2014/2015 and the amount of US$4,999.28 was expended to service our accounts at various commercial banks.

Personnel Insurance
The National Elections Commission was allotted US$59,012.14 for the Fiscal Year 2014/2015 and the amount of US$59,012.14 was expended to service our accounts at various commercial banks.

Vehicle Insurance
The National Elections Commission was allotted US$33,749.63 for the Fiscal Year 2014/2015 and the amount of US$33,749.63 was expended.

Elections and Civic Education
The National Elections Commission was allotted US$8,904,024.51 for the Fiscal Year 2014/2015 while the amount of US$8,904,024.51 was expended for elections related activities.

The activities were designed to reinforce the NEC’s civic education campaign which focused mainly on voter education and voter information. The campaign addressed broader contextual issues concerning the Senatorial and the Rivercess District #2 By-Elections that were conducted on December 20, 2014 and April 21, 2015 respectively, which included democratic processes, election ethics and citizens’ rights and obligations. Eligible voters were provided key information relevant to the electoral process such as polling locations and the requirements for voting on Election Day. All civic educators and civil society organization received public outreach materials for use in their activities. Also, portion of this funding went toward the number one priority of the Commission, Education for Voters and the public in general before and during the elections. During the period under review, the Commission conducted massive civil and voter education to facilitate the holding of the Senatorial and the Rivercess District #2 By-Elections. Some of the fund in this appropriation was also used to provide Daily Substance Allowance to election field officers, rental of vehicles to deliver and retrieve elections materials to and from magisterial warehouses and to transport elections staff throughout the country, repairs and maintenance of vehicles, and additional fuel for operation.
Auditor General's Report of the financial statements
Audit of the National Elections Commission (NEC)
For the fiscal year ended June 30, 2015

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CHAIRMAN,
NATIONAL ELECTIONS COMMISSION (NEC)

Date ........................................

September 21, 2015

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PATRICK SARVEY
COMPTROLLER,
NATIONAL ELECTIONS COMMISSION (NEC)
AUDITOR GENERAL’S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE NATIONAL ELECTIONS COMMISSION (NEC) FOR THE FISCAL PERIOD ENDED JUNE 30, 2015.

Qualified Opinion
We have audited the financial statements of the National Elections Commission (NEC) for the period ended June 30, 2015. These financial statements comprise the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual amounts for the fiscal period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion Section of our report, the accompanying financial statements present fairly, in all material respects, the Statement of Receipts and Payments as at June 30, 2015, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

Basis for Qualified Opinion
The Management of the National Elections Commission (NEC) did not disclose external assistance in the financial statements of NEC during the periods under audit, although management acknowledged receiving various forms of support from donor partners. We are unable to establish the actual cost of conducting elections and other operations leading to elections.

The Management of NEC did not present comparative financial information for fiscal period ended June 30, 2014.

Auditor Responsibility
We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained was not sufficient and appropriate, which set a basis for our audit opinion.
Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these 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.

Monrovia, Liberia
January 2020
## NATIONAL ELECTIONS COMMISSION (GAC)

### STATEMENT OF CASH RECEIPTS AND PAYMENTS

**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**FY 14/15**

<table>
<thead>
<tr>
<th>Note</th>
<th>Receipts/ (Payments) Controlled by Entity</th>
<th>Payments by Other Government Entities</th>
<th>Payments by External Third Parties</th>
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<tbody>
<tr>
<td></td>
<td>US$</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td><strong>RECEIPTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Allocation/Appropriation 1</td>
<td>13,105,675.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Receipts</td>
<td>13,105,675.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>PAYMENTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages, Salaries and Employee Benefits 2</td>
<td>3,709,118.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Use of Goods and Services 3</td>
<td>9,396,557.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Payments</td>
<td>13,105,675.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increase/Decrease in Cash</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at the beginning of the FY</td>
<td>312,248.81</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increase/(Decrease) in Cash</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at the End of the FY</td>
<td>312,248.81</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*The notes on page 16 to 21 are integral parts of these reports*
# NATIONAL ELECTIONS COMMISSION

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### - Budget Approved on the Cash Basis

<table>
<thead>
<tr>
<th>ACCOUNT TITLE/DESCRIPTION</th>
<th>(A) US $000</th>
<th>(B) US $000</th>
<th>(C) US $000</th>
<th>(D) = (B-A) US $000</th>
<th>(E) = (D/B) %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH INFLOWS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Allocation/Appropriation</td>
<td>13,106</td>
<td>14,008</td>
<td>14,008</td>
<td>902</td>
<td>6%</td>
</tr>
<tr>
<td>Grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Receipts</td>
<td>13,106</td>
<td>14,008</td>
<td>14,008</td>
<td>902</td>
<td>6%</td>
</tr>
<tr>
<td><strong>CASH OUTFLOWS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages, Salaries and Employee Benefits</td>
<td>3,709</td>
<td>3,900</td>
<td>3,900</td>
<td>191</td>
<td>5%</td>
</tr>
<tr>
<td>Goods and Services Consumed (See Note 4)</td>
<td>9,397</td>
<td>10,108</td>
<td>10,108</td>
<td>711</td>
<td>7%</td>
</tr>
<tr>
<td>Purchase/Construction of Property, Plant, &amp; Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Payments</td>
<td>13,106</td>
<td>14,008</td>
<td>14,008</td>
<td>902</td>
<td>6%</td>
</tr>
<tr>
<td><strong>NET CASH FLOWS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Actual amounts encompass both cash and third-party settlements.*

The notes on page 16 to 21 are integral parts of these reports
Notes to the Financial Statements and Accounting Policies
The numbered notes that follow relate directly to the content of the Financial Statements above and are numbered accordingly.

I. General Information – Reporting Entity
The financial statements are for National Elections Commission, 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). The National Elections Commission was created by Article 89 of the 1986 Constitution to contribute to peaceful, stable, democratic and prosperous nation through effective delivery of free, fair, and credible elections at all levels of governance.

The primary duties of NEC include administering and enforcing all laws related to the conduct of elections throughout the Republic of Liberia. Besides, NEC also proposes to the National Legislature for enactment, suspension of, and amendment to, and repeal of, any provision of the Elections Law. The Commission further provides accreditation to and registers all political parties and independent candidates who meet the minimum requirements set by the Commission.

a) NEC’s Vision
An independent electoral authority with the integrity and capacity for managing free, fair, credible and transparent elections in Liberia.

b) NEC’s Mission
To contribute to the building and strengthening of a democratic society in Liberia through the conduct of free, fair, credible and transparent elections.

c) Board of Commissioners
Presently, the Board of Commissioners of NEC consists of a configuration of men and women of trust and principle appointed by the President of Liberia, with the advice, consent and confirmation of the Liberian Senate. They are seven members in all, with a Chairman, Co-Chairman and five other Commissioners.

The Financial Statements presented above reflect the Cash Receipts and Payments of the National Elections Commission for the financial year ended 30th June 2016 on the basis of moneys received by, held in or paid out by the National Elections 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.
II. 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.

d) 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.

e) Reporting currency and translation of foreign currencies

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.

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 period-ends (30th June 2016) exchange rate for the Liberian Dollar was 91 LD per US $1.00.
f) Reporting Period
The reporting period from 1st July, 2015 to 30th June, 2016.

g) Payments by Third Parties
National Elections Commission 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 Elections 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.

h) Receipts
Receipts represent cash received by National Elections Commission during the financial year, 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 National Elections Commission.

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

k) Other Receipts
Other Receipts are fees/charges collected and proceed from sales of designated services by the National Elections 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 National Elections Commission or collected by another entity on its behalf is recognized when received and under its control.

l) Expenses
In general, all expenses are recognized in the statement of Cash Receipts and Payments when paid for.

m) 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 Elections 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 National Elections 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.
n) **Inventories**  
Consumable supplies are expensed in the period in which they are paid for.

o) **Employee benefits**  
Employee benefits include Honorarium, and other related-employment costs. Employee benefits are recognized when they are paid. No provision is made for accrued leave or reimbursable duty allowances.

p) **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.

q) **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.
1. **Authorized Allocations**
   The total amount of Authorized Allocations received for FY2014/15 is presented below comparatively:

<table>
<thead>
<tr>
<th>FY 14/15</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee’s Honorarium</td>
<td>3,709,118.00</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>9,396,557.00</td>
</tr>
<tr>
<td>Total</td>
<td>13,105,675.00</td>
</tr>
</tbody>
</table>

**Other Receipts**

2. **Wages, Salaries and Employee Benefits**
   This amount represents payment to employees of the NEC as remuneration, during the fiscal year under review.

<table>
<thead>
<tr>
<th>FY 14/15</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee’s Honorarium</td>
<td>3,709,118.00</td>
</tr>
</tbody>
</table>

3. **Use of Goods and Services**
   In general, all expenses are recognized in the statement of Cash Receipts and Payments when payments are made. Below are the amounts disbursed in goods and services and broken down according to economic classification:

<table>
<thead>
<tr>
<th>FY 15/16</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Expense</td>
<td>27,515.00</td>
</tr>
<tr>
<td>Utilities</td>
<td>58,277.00</td>
</tr>
<tr>
<td>Rents</td>
<td>-</td>
</tr>
<tr>
<td>Fuel &amp; Lubricants</td>
<td>164,362.00</td>
</tr>
<tr>
<td>Repair &amp; Maintenance</td>
<td>42,425.00</td>
</tr>
<tr>
<td>Consultancy Services/Audit/Studies</td>
<td>35,000.00</td>
</tr>
<tr>
<td>Office Materials, Consumables &amp; Services</td>
<td>57,330.00</td>
</tr>
<tr>
<td>Specialized Materials &amp; Services/Elections</td>
<td>-</td>
</tr>
<tr>
<td>Educations &amp; Training Related</td>
<td>-</td>
</tr>
<tr>
<td>Other General Expenses &amp; Arrears</td>
<td>8,918,886.00</td>
</tr>
<tr>
<td>Insurance/Licenses &amp; Charges</td>
<td>92,762.00</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>9,396,557.00</td>
</tr>
</tbody>
</table>
4. **Cash at the End of the year**
   This amount comprises cash available in banks, cash held in salary advances & cash-in-transit.

<table>
<thead>
<tr>
<th>FY14/15</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Available in Bank</td>
<td>312,248.81</td>
</tr>
</tbody>
</table>