



Promoting Accountability of Public Resources

## AUDITOR GENERAL'S REPORT

### ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA TELECOMMUNICATIONS AUTHORITY (LTA)

*FOR THE FISCAL PERIOD ENDED  
JUNE 30, 2017*



December 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 Liberia Telecommunications Authority (LTA) financial statements for the financial year ended June 30, 2017. 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 Liberia Telecommunications Authority (LTA). Where responses have been provided by the Management on the audit findings, these have been evaluated and incorporated in this report.

We encourage you to pay particular attention to the following:

- The LTA Management did not adjust its financial statements for the variances of US\$157,392.18 and US\$115,763.35 (opening cash balance and office space and lease) between the financial statements and the general ledger.
- The LTA Management wrote-off two (2) existing telecommunication companies billed in the amount of US\$10,848,000.00 without evidence of approval.
- The LTA Management of LTA could not reconcile an amount of US\$134,269.40 reported in the financial statements as un-reconciled transfer due to the co-mingling of the revenues for the period under audit.
- The variance of US\$ 161,680.04 between the total revenue of the International Inbound Calls Termination Fees per the financial statements and the amount that should have been received by LTA per the sharing agreement was adjusted. The revenue reported by the LTA Management in the financial statements was overstated by the variance.
- There was no evidence of payment vouchers to support expenditure amounting to US\$54,257.00 for the procurement of fuel/gasoline.

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.

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

**Monrovia, Liberia**

December 2020

## **STATEMENT OF RESPONSIBILITY**

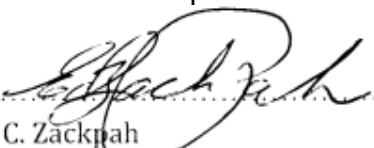
The following Unaudited Financial Statements set out from pages 6 to page 16 have been prepared on the Cash Basis in accordance with International Public Sector Accounting Standards (Cash Basis IPSAS) and in compliance with the Public Financial Management Act, 2009 (PFM Act).

In accordance with the provisions of the Public Financial Management Act, I am responsible for the control and accounting of funds and all other public funds received, held and expended for and on behalf of the Liberia Telecommunications Authority (LTA).

Section 36 of Public Financial Management Act, 2009 requires all officials handling public funds to ensure that the financial information is reported in a timely, comprehensive, and accurate manner as prescribed in the Act under its regulations. Accordingly, I am pleased to submit the required Statement of Receipts and Payments for the fiscal year ended June 30, 2017. I hope the notes to the Financial Statements will further clarify the information in 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 Statements, the financial information they contain, and their compliance with the Public Financial Management Act, 2009.

  
.....  
Edwina C. Zackpah

Chairperson, LTA

*28 Jan 2021*  
.....  
Date

## **MANAGEMENT DISCUSSION AND ANALYSIS ON THE FINANCIAL STATEMENTS**

### **Introduction**

This Section gives a synopsis of significant items, transactions and events presented in the Financial Statements and the factors that influenced them. It introduces the statements and presents an analytical overview of the LTA's financial activities for fiscal year 2016/2017.

### **The Approved Budget**

The original budget for the Liberia Telecommunications Authority in term of revenue and expenditure were US\$16,816,230.56 and US\$14,199,347.25 but the fiscal outturn summed at US\$16,816,230.56 and US\$14,199,347.25 respectively, which we have considered the final budget. However, both revenues and expenditures constitute LTA and GOL's shares concomitantly.

### **Financial Performance**

Liberia Telecommunications Authority received US\$14,274,272.13 as authorized budgetary allocation which includes other cash receipts of US\$19,676.00 and transfer payments to Government of Liberia and Global Voice Group (GVG) excluding cash brought forward from FY15/16. Of the total receipts, wages and salaries and other benefits of Employees constituted 19.79% while 7.17%, 1.38 and 55.99% were allocated to Goods and Services Consumed, Capital Expenses and other transfer payments respectively. The remaining percentage constituted cash carried forward for FY17/18.

Total staff wages and salaries and benefits during the period was US\$3,328,664.29. This amount also included medical benefits, employees' welfare and transportation benefits for personnel of the Authority. In addition, US\$1,205,137.23 was spent to pay for Goods and Services provided including supplies, and other operating expenses. Transfer payments/shares to GOL and GVG amounted to US\$9,416,088.32. Total payments from budgetary allocations for the fiscal period were US\$14,181,479.18 excluding non-cash items.

## **AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA TELECOMMUNICATIONS AUTHORITY(LTA) FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017.**

### **Adverse Opinion**

We have audited the Financial Statements of the Liberia Telecommunications Authority (LTA), which comprises the Statement of Cash Receipts and Payments for the fiscal year then ended, the Statement of Comparison Budget and Actual and a summary of significant accounting policies and other explanatory notes.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion Paragraph of our report, the accompanying financial statements do not present fairly the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts and a summary of significant accounting policies and other explanatory information for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

### **Basis for Adverse Opinion**

The LTA Management did not adjust its financial statements for the variances of US\$157,392.18 and US\$115,763.35(opening cash balance and office space and lease) between the financial statements and the general ledger.

The LTA Management wrote-off two (2) existing telecommunication companies billed in the amount of US\$10,848,000.00 without evidence of approval.

The LTA Management of LTA could not reconcile an amount of US\$134,269.40 reported in the financial statements as un-reconciled transfer due to the co-mingling of the revenues for the period under audit.

The variance of US\$ 161,680.04 between the total revenue of the International Inbound Calls Termination Fees per the financial statements and the amount that should have been received by LTA per the sharing agreement was adjusted. The revenue reported by the LTA Management in the financial statements was overstated by the variance.

There was no evidence of payment vouchers to support expenditure amounting to US\$54,257.00 for the procurement of fuel/gasoline.

### **Management's Responsibility**



Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor General's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



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

**Monrovia, Liberia**  
December 2020

**LIBERIA TELECOMMUNICATIONS AUTHORITY  
 STATEMENT OF CASH RECEIPTS AND PAYMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Note	2016/2017 Receipts/ (Payments) Controlled by Entity US\$	2015/2016 Receipts/ (Payments) Controlled by Entity US\$
<b>RECEIPTS</b>			
Authorized Allocation/Appropriation	4	14,254,596.13	16,362,446.42
Other Receipts		19,676.00	124,810.80
External Assistance		0.00	0.00
<b>Total Receipts</b>		<u>14,274,272.13</u>	<u>16,847,257.22</u>
<b>PAYMENTS</b>			
Wages, Salaries and Employee Benefits	5	3,328,664.29	3,390,601.49
Use of Goods and Services	6	1,205,137.23	1,533,484.55
Purchase/Construction of Property			
Other Expenditures/Payments	7	9,416,088.32	11,248,045.37
Capital Expenditure	8	<u>231,589.34</u>	<u>36,252.008</u>
<b>Total Payments</b>		<u>14,181,479.18</u>	<u>16,208,380.53</u>
<b>Increase/(Decrease) in Cash</b>		<b>92,792.95</b>	<b>278,876.69</b>
<b>Cash at the beginning of the FY</b>		579,432.42	<b>321,359.97</b>
<b>Increase/(Decrease) in Cash</b>			
<b>Foreign currency translation difference</b>		<b>(3,537.34)</b>	<b>(20,804.24)</b>
<b>Cash at the End of the FY</b>		<u><b>668,688.03</b></u>	<u><b>579,432.42</b></u>



**LIBERIA TELECOMMUNICATIONS AUTHORITY**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**- Budget Approved on the Cash Basis**

ACCOUNT TITLE	Actual Amounts  US \$	Final Budget  US \$	Original Budget  US \$	Difference: Final Budget and Actual  US \$	Percentage Variance (%)  %
<b>CASH INFLOWS</b>					
Authorized allocations/ Appropriations	14,254,596.13	16,816,230.56	16,816,230.56	(2,561,634.43)	84.77%
Other receipts	<u>19,676.00</u>	<u>-</u>	<u>-</u>	<u>19,676.00</u>	0.14%
<b>Total receipts</b>	<b><u>14,274,272.13</u></b>	<b><u>16,816,230.56</u></b>	<b><u>16,816,230.56</u></b>	<b><u>(2,541,958.43)</u></b>	<b>84.90%</b>
<b>CASH OUTFLOWS</b>					
**Wages, Salaries & employee Benefits	3,328,664.29	3,495,970.00	3,495,970.00	(167,305.71)	19.79%
Goods and Services consumed	1,205,137.23	2,535,290.44	2,535,290.44	(1,330,153.21)	7.17%
Capital Expenditures	231,589.34	216,500.00	216,500.00	15,089.34	1.38%
Other Payments	<u>9,416,088.32</u>	<u>7,951,586.81</u>	<u>7,951,586.81</u>	<u>1,464,501.51</u>	55.99%
<b>Total Payments</b>	<b><u>14,181,479.18</u></b>	<b><u>14,199,347.25</u></b>	<b><u>14,199,347.25</u></b>	<b><u>(17,868.07)</u></b>	84.33%
<b>NET CASHFLOWS</b>	<b><u>92,792.95</u></b>	<b><u>2,616,883.31</u></b>	<b><u>2,616,883.31</u></b>	<b><u>(2,524,090.36)</u></b>	<b>0.57%</b>



## **NOTES TO THE FINANCIAL STATEMENT**

### **Note 1: General Information**

#### **Objective**

The Liberia Telecommunications Authority (LTA) is the statutory regulatory body established to foster the provision of accessible and affordable ICT based telecommunications services for all Liberians. The LTA was created by the Telecommunications ACT of 2007 (Telecom Act 2007), which repealed in its entirety Act No. 18 of the erstwhile National Transitional Legislative Assembly of Liberia creating an Interim Framework for Telecommunications Regulation in September 2005. The LTA was established to facilitate development of the telecommunications sector in order to promote social and economic development throughout Liberia.

#### **Reporting Entity**

The financial statements are for the LTA. The LTA is a Regulatory Authority and is controlled by the National Government of Liberia.

#### **Function**

The Telecom Act 2007 gives the LTA the mandate to regulate the telecom sector through efficient management and monitoring of spectrum and the enforcement of compliance by licensees of conditions of their licenses. The LTA has the responsibility under the Telecom Act to: advise the Minister on policies for the telecommunications sector, implement the Telecom Act, the regulations and other elements of the legal and regulatory framework for the telecommunications sector, issue individual and class licenses, including licenses for international telecommunications facilities and services and design and implement the processes for issuing such licenses, monitor and enforce compliance by licensees with the conditions of their licenses amongst other functions enshrined in the act.

#### **Structure**

The LTA is governed by a five-person Board of Commissioners. The Commissioners are appointed by the President for four-year tenure. The appointment of any Commissioner may be renewed by the President for another term of four (4) years. No member of the Commission shall serve for more than two (2) terms. The President designates one of the five appointed Commissioners to be Chairperson of the Commission. The appointment of Commissioners is subject to Senate confirmation. All five commissioners have equal rights.

### **Note 2: Statement of Compliance and Basis of preparation**

The financial statements of Liberia Telecommunications Authority have been prepared in accordance with the requirements of the Public Financial Management Act, 2009 and in compliance with International Public Sector Accounting Standard (Cash Basis IPSAS) as adopted by the Government of Liberia.

### **Note 3: Significant Accounting Policies**

The accounting policies are consistent with policies adopted by the entity and Cash Basis IPSAS.

#### **a) Revenue Recognition**

Revenue includes spectrum/regulatory fees, international calls termination fees charged to telecommunications service provider, as well as application and type approval fees. The entity also generates revenue from penalties and fines levied on licenses. The entity

recognizes revenue at the time cash is received on invoices that are raised and sent to service providers and other non-GSM companies.

**b) Expenses Recognition**

The entity recognizes expenses when there is outflow of cash for goods and services rendered.

**c) Property Plant & Equipment**

**d)** All Plant, Property and Equipment are recognized and subsequently measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the items to prepare the items for their intended use.

**e) Operating Lease**

The entity entered into property leases of its offices. Based on an evaluation of terms and conditions of the leasehold agreements, (such as the lease term not constituting a substantial portion of the economic life of the commercial property) that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**f) Foreign Currency Translation**

The functional currencies of the entity are both the United States and the Liberian Dollars. However, the reporting currency is the United States Dollars. Assets and Liabilities denominated in Liberian dollars are translated into United States Dollars. Revenue and expenses denominated in foreign currencies are translated into United States Dollars at foreign currency exchange rates that approximate the rates in effect on the dates when such items are translated.

**g) Critical Accounting Judgment, Estimates and Assumptions**

The preparation of the Financial Statements requires management to make various judgments, estimates and assumptions in applying the entity's accounting policies which have an effect on the reported amounts and disclosure made in the Financial Statements and accompanying notes. These judgments, estimates and assumptions are based on management's historical experience, best knowledge of current events and conditions and other factors that are believe to be reasonable under the circumstances.

**h) Budget information**

The entity annual budget is prepared on cash basis that is all planned costs and income are presented in a single statement to determine the needs of the LTA. This budget figure is approved by the Government of Liberia for the fiscal period.

**Note 4: Cash Receipts**

This note gives full disclosure of cash receipts sources for the fiscal period 2016/2017. Cash receipts were deposited in a Transitory Account at United Bank of Africa, Liberia and shared at a ratio 55:45 for all Regulatory fees excluding International Inbounds Calls Termination fee for FY2016/2017. International Inbound Calls Termination Fee was as well deposited and shared at a ratio 60:30:10 and 55:27.45:17.55; GVG, GOL and LTA respectively. However, there were some revenue that were directly deposited into LTA's operational Liberian Dollars Account at Central Bank of Liberia as was budgeted as arrears for FY2015/2016. Other receipts constitute cash receipts from Cellcom Liberia, refund from travels and reversal of stale-dated checks for prior period.

Un-reconciled transfers relate to unclassified revenue type either due to wrong classification or non-classification during posting to UBA Transitory Account, i.e, for regulatory fees which source of revenue type cannot easily be matched against a specific invoice in our QuickBooks system. As such, it creates either excess or understatement of a revenue type as seen in the revenue distribution schedule below.

<b>Gross Cash Receipts and Distribution</b>				
<b>Revenue Distribution Schedule: Annual Report (July 1, 2016 through June 30, 2017)</b>				
<b>Account</b>	<b>Gross Revenue US\$</b>	<b>LTA 2017 US\$</b>	<b>GOL 2017 US\$</b>	<b>GVG 2017 US\$</b>
1400-License-UBA	891,821.78	401,319.80	490,501.98	-
1400-License-CBL	1,188,517.13	534,832.71	653,684.42	-
1401-Spectrum-UBA	3,501,015.29	1,575,456.88	1,925,558.41	-
Spectrum-CBL	2,264,603.14	1,019,071.41	1,245,531.73	-
1402-Regulatory	17,599.09	7,919.59	9,679.50	-
1405-Application-UBA	55,166.00	24,824.70	30,341.30	-
Application Fee-CBL	75,000.00	33,750.00	41,250.00	-
1406-Numbering	127,446.15	57,350.77	70,095.38	-
1407-Type Approval-UBA	17,248.46	7,761.81	9,486.65	-
1408-Int'l Calls Termination Fee-UBA	5,981,909.69	1,211,336.71	1,480,522.65	3,290,050.33
Un-reconciled Transfers from UBA Transitory A/c #2	134,269.40	(35,116.57)	402,003.76	(232,617.79)
Others	19,676.00	19,676.00	-	-
<b>Total Gross Revenue</b>	<b><u>14,274,272.13</u></b>	<b><u>4,858,183.81</u></b>	<b><u>6,358,655.78</u></b>	<b><u>3,057,432.54</u></b>

#### **Note 4: Receipts**

This note gives full disclosure of cash receipts sources of LTA's share of authorized receipts for the fiscal period 2015/2016.

<b>Payments</b>	<b>2016/2017 US\$</b>	<b>2015/2016 US\$</b>
<b>Revenue Type</b>		
Regulatory Fees	3,595,951.16	3,910,688.73
Application Fee	58,574.70	6,082.59
Type Approval Fee	7,761.81	9,913.42
International Gateway Monitoring System	1,176,220.14	1,131,118.54
Refunds/Others	19,676.00	124,810.80
<b>TOTAL</b>	<b><u>4,858,183.81</u></b>	<b><u>5,384,196.50</u></b>

**Note 5: Wages, Salaries & Employees' Benefits**

Component of wages, salaries & employee benefits include salaries, transportations, medical benefits, severance and employees' year-end bonuses for the reporting period.

<b>Payments</b>	<b>2016/2017</b>	<b>2015/2016</b>
<b>Wages, Salaries &amp; Employees' Benefits:</b>	<b>US\$</b>	<b>US\$</b>
Salaries Expenses	3,011,940.68	2,817,768.44
Employer NASSCROP	102,996.32	103,983.03
Employees' Medical Benefit	96,072.00	87,037.50
Employees Benefits/Transportation	117,655.29	150,550.02
Employees' Holiday Pay	0.00	231,267.50
<b>TOTAL</b>	<b><u>3,328,664.29</u></b>	<b><u>3,390,601.49</u></b>

**Note 6: Supplies & Consumables**

<b>Supplies &amp; Consumables</b>	<b>2016/2017</b>	<b>2015/2016</b>
	<b>US\$</b>	<b>US\$</b>
Travels & Subsistence	49,551.78	181,061.34
Meetings/Public Hearings	66,147.25	14,233.36
Public/Consumers Affairs	37,346.19	31,591.17
Professional Services	194,257.13	147,488.00
Repairs & Maintenance	84,557.43	86,943.33
Stationery/Supplies	19,440.47	19,221.11
Registration & Licenses	18,850.31	1,639.18
Fuel/Lubricants	194,397.43	57,412.78
Professional Subscription/Due	988.97	1,616.00
HR Development/Training	6,511.42	180,095.73
Communications	91,413.05	63,897.97
Utilities (Electricity/Water/Sewer)	60,779.79	71,627.22
Year End Gifts & Employee Award	1,000.00	2,400.00
Office Space Lease/Rental	156,000.00	385,000.00
Scratch Cards & Gasoline	27,659.45	211,781.28
Physical Assets Insurance	-	26,614.83
Corporate Social Responsibility	171,037.09	47,575.10
Inter-Department-Field Ops/Miscs.	4,459.27	3,283.27
<b>Total</b>	<b><u>1,205,137.23</u></b>	<b><u>1,533,481.67</u></b>

**Note 7: Transfers/Other Payments**

BC	Other Transfer Payments	2016/2017 US\$	2015/2016 US\$
8-000	International Due Payment	0.00	145,294.65
Transfer	GOL	6,358,655.78	7,323,941.58
Transfer	GVG/Connex	3,057,432.54	1,221,093.15
Transfer	Escrow Fund Account	0.00	2,557,715.99
Total		<b><u>9,416,088.32</u></b>	<b><u>11,248,045.37</u></b>

**Note 8: Capital Expenditures**

Capital Expenditures	2016/2017 US\$	2015/2016 US\$
Motor Vehicles	174,793.12	0.00
Furniture & Fixture	28,799.08	13,820.00
Office Equipment	<u>27,997.14</u>	<u>22,432.00</u>
Total	<b><u>231,589.34</u></b>	<b><u>36,252.00</u></b>

**Note 8: Depreciation Schedule**

Description	Motor Vehicles	Fixtures & Furniture	Office Equipment	Generators	Communications Equipment	Total
<b>Depreciation Rate</b>	<b>33.00%</b>	<b>16.67%</b>	<b>33.33%</b>	<b>33.33%</b>	<b>33.33%</b>	
Carrying amount at July 1, 2016	<b>233,845.07</b>	<b>68,233.72</b>	<b>76,515.63</b>	<b>25,856.93</b>	<b>64,300.89</b>	<b>468,752.24</b>
Purchases during the period	174,793.12	3,910.00	-	-	-	178,703.12
<b>Total value</b>	<b>408,638.19</b>	<b>72,143.72</b>	<b>76,515.63</b>	<b>25,856.93</b>	<b>64,300.89</b>	<b>647,455.36</b>
Depreciation charged for 3 months (July - Sept, 2016)	33,712.65	3,006.59	6,375.67	2,154.53	5,357.87	50,607.31
Net Carrying Amount as at 9/30/2016	374,925.54	69,137.13	70,139.97	23,702.40	58,943.01	596,848.05
Purchases during the period	-	-	-	-	-	-
<b>Total value</b>	<b>374,925.54</b>	<b>69,137.13</b>	<b>70,139.97</b>	<b>23,702.40</b>	<b>58,943.01</b>	<b>596,848.05</b>
Depreciation charged for 3 months (October-December 31, 2016)	30,931.36	2,881.29	5,844.41	1,975.00	4,911.43	46,543.49
Net Carrying Amount as at December 31, 2016	343,994.18	66,255.84	64,295.55	21,727.40	54,031.59	550,304.56
Purchases during the period	-	-	-	-	-	-
<b>Total value</b>	<b>343,994.18</b>	<b>66,255.84</b>	<b>64,295.55</b>	<b>21,727.40</b>	<b>54,031.59</b>	<b>550,304.56</b>
Depreciation charged for 3 months (October-December 31, 2016)	30,931.36	2,881.29	5,844.41	1,975.00	4,911.43	46,543.49
Net Carrying Amount as at March 31, 2017	315,614.66	63,494.63	58,938.13	19,916.96	49,529.41	507,493.79
Purchases during the period	174,793.12	28,799.08	-	27,997.14	-	231,589.34
<b>Total value</b>	<b>490,407.78</b>	<b>92,293.71</b>	<b>58,938.13</b>	<b>47,914.10</b>	<b>49,529.41</b>	<b>739,083.13</b>

Depreciation charged for 3 months (April-June 30, 2017)	40,458.64	7,614.23	4,862.40	3,952.91	4,086.18	60,974.36
<b>Net Carrying Amount as at June 30, 2017</b>	<b>449,949.14</b>	<b>84,679.48</b>	<b>54,075.73</b>	<b>43,961.19</b>	<b>45,443.23</b>	<b>678,108.77</b>

**Liberia Telecommunications Authority**  
**Account Receivables Schedule for FY2016/2017**

Account	Gross Receivables US\$	LTA 2016 US\$	GOL 2016 US\$	GVG 2016 US\$
1400-License	2,047,113.54	921,201.09	1,125,912.45	-
1401-Spectrum	4,843,195.56	2,179,438.00	2,663,757.56	-
1402-Regulatory	115,848.67	52,131.90	63,716.77	-
1405-Application	584,250.62	262,912.78	321,337.84	-
1406-Numbering	855,337.18	384,901.73	470,435.45	-
1407-Type Approval	(3,932.18)	(1,769.48)	(2,162.70)	-
1408-Int'l Calls				
Termination Fee	6,470,004.19	1,310,175.85	1,601,326.04	3,558,502.30
Other Fees/Fines	13,554,699.22	6,099,614.65	7,455,084.57	-
Other Revenue	<u>(1,309,492.53)</u>	<u>(589,271.64)</u>	<u>(720,220.89)</u>	-
<b>Total Gross Revenue</b>	<b><u>27,157,024.27</u></b>	<b><u>10,619,334.88</u></b>	<b><u>12,979,187.08</u></b>	<b><u>3,558,502.30</u></b>

**Note 9: Gross Accounts Receivable**

**Distribution of Gross Accounts Receivable**

Gross Account receivables constitute regulatory fees, other fees, application fees and inbound/outbound fees that are due LTA/GOL as at June 30, 2017 (FY 2016/2017). Receivables of License/Numbering/Regulatory/Spectrum fees totalled US\$ 6,552,002.42. Other fees which represent fines or other regulatory charges constitute US\$ 13,554,699.22. Novafone Inc owed US\$ 12,644,600.00 as a result of fine levied since 2014. The others relate to Non-GSM operators. The huge amount of receivables associated with inbound calls Termination fee is as a result of persistent unreconciled payments from Lonestar-MTN and LTA's billings for Inbound Calls Termination Fees as far back as 2012. Lonestar -MTN has always contested our billings, thus relying on Bics International declaration as its source of contention. The persistent differences have accumulated to US\$ 5,560,759.77 and the remaining relates to Atlantic Wireless, LIBTELCO and Orange Liberia. Receivables for application fee are US\$584,250.62. There are several entities who applied for licenses and were subsequently billed since 2008 but have not settled said obligation. The LTA still carries on its books of account these receivables as well. Notwithstanding, Type Approval Clients made excess payments against billed amounts in anticipation to cover up for Bank charges but said amounts have accumulated thus resulting to said credit balance; also, cash receipts for either of the receivable types have been posted to the controlling receivable account thus resulting in a huge receivable difference of (US\$1,309,492.52).

**Note 10: Employees Loan/Advances**

The employees' loan/advances constitute advances received by individual employees to settle urgent pressing issue that may serve as impediment in the discharge of their respective duties to be deducted over the periods approved by the Board of Commissioners. Total outstanding from Employees loan/advance as at June 30, 2017 is US\$228,299.98.

**Note 11: Accounts Payable**

<b>Description</b>	<b>2015/2016</b>	<b>2014/2015</b>
	<b>US\$</b>	<b>US\$</b>
LIBTELCO	96,690.71	84,713.46
Internect	15,978.42	0.00
Others-Payable	<u>13,328.27</u>	<u>29,306.69</u>
<b>Total</b>	<b><u>125,997.40</u></b>	<b><u>114,020.15</u></b>