



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**On the Financial Statement Audit of
the Liberia Anti-Corruption
Commission (LACC)**

**For the Year Ended June 30,
2018**

December 2020

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

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The Honourable Speaker of the House of Representatives and the President Pro- Tempore of the House of Senate.

We have undertaken the audit of the Liberia Anti-Corruption Commission (LACC) Financial Statements for the financial year ended June 30, 2018. 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 Anti-Corruption Commission (LACC). 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 raised 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

AUDITOR GENERAL'S REPORT

December 31, 2020

Liberia Anti-Corruption Commission
Congo Town
Monrovia, Liberia

Dear Sir:

RE: REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA ANTI-CORRUPTION COMMISSION (LACC).

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the financial statements do not give a true and fair in all material respects, of the financial position of the Liberia Anti-Corruption Commission (LACC) as at 30 June, 2018 and of its statement of receipts and payments and Statement of Comparison of Budget and Actual amount for the year then ended in accordance with the requirements of the International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting and comply with the Public Finance Management Act of 2009.

Basis for Adverse Opinion

Payments in the amount of US\$7,440.00 and L\$194,668.00 for goods/services recorded in the ledger were not adequately supported by the necessary documents such as delivery notes and/or job completion certificate, Local Purchase Order, cash invoices and payment vouchers.

The amount of expenditure per the general ledger for GOL fund did not tally to the expenditure reported in the Financial Statements for the fiscal period. Several of the expenditures were recorded in the general ledger as US\$1,812,504.99 and reported in the Financial Statements as US\$1,857,191.45 thus, leaving a variance of (US\$44,686.46).

Payment transaction amounting to L\$111,000.00 was not recorded in the ledger during the period.

There was a difference of US\$2,261.26 between the closing cash balance reported in the Financial Statements and the closing cash balance of the General Ledger/ trial balance for the fiscal period.

We conducted our audit in accordance with International Standard of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Liberia Anti-Corruption Commission in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that

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

Responsibilities of the LACC Management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the commission's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the commission or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 the International Standard of Supreme Audit Institutions (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.

Legal and Regulatory Requirements

We are required by Section 2.1.3 of the GAC Act of 2014 and in accordance with the Public Financial Management Act and Regulations of 2009 to audit the accompanying Commission's Financial Statements, which comprises the Statement of receipts and payments, Statement of Comparison of Budget and Actual and a summary of significant accounting policies and explanatory notes for the period ended June 30, 2018.


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

Monrovia, Liberia

December 2020

STATEMENT OF RESPONSIBILITIES

The Financial Statements as set out on pages 3 to 26 have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.


In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the Liberia Anti-Corruption Commission.


Under I-9 of the Public Financial Management Regulations of 2009, this states that: "There shall be prepared by each head of government agency and transmitted to the Auditor-General, the Minister and the Comptroller-General in respect of each quarter commencing from the beginning of the fiscal year, the accounts covering all Public Funds under his/her control".

However, I have delegated the preparation of the unaudited Final Account to the Comptroller for my transmittal to the Minister, as provided in the attendant Regulations of the Public Financial Management Act of 2009. Accordingly, I am pleased to submit the required end of year accounts of the Liberia Anti-Corruption Commission in compliance with the PFM Act and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations as may be required in connection with the financial statements presented therein.

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

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


.....
James Nyepan Verdier, Jr. / Head of Agency
Liberia Anti-Corruption Commission


.....
Date

MANAGEMENT DISCUSSIONS and ANALYSES

This Financial Statement Covers the Fiscal Year, 2017/2018 and its contents are consistent with the provisions of section I.9 Captioned "Quarterly Government Agency or fund accounts" the 2009 Public Financial Management Regulations.

The Commission has adopted a system of sound accounting and financial management policies in conformity with financial regulations of the Government of Liberia and International Public Sector Accounting Standards (Cash Basis IPSAS) to ensure prudent and efficient management of funds. The Commission shall specifically cause to be kept proper books and records of accounts for funds and resources received and expenditure incurred during the fiscal year. This paragraph is covered under section 12.3 of the LACC Act of 2008.

The Commission during the fiscal year 2017/2018 had accumulated a total cash receipt of Two Million Seventy-Seven Thousand Two Hundred Ninety United States Dollars Eighty-Four Cents (2,077,290.84USD) from the Government of Liberia. Besides the funding from the Government of Liberia, the Commission manages a UNDP founded STAOP project. During the fiscal year; the Commission received a total income of One Hundred Sixty-Five Thousand Six Hundred Fifty-Two 97/100 United States dollars (\$165,652.97US) under the project.

The Commission under its division of Education and prevention during the fiscal year 2017/2018 launched a Risk Assessment Exercise across separate Agencies and State-Owned Enterprises of the Government and continued to receive Assets Declaration.

The LACC worked with the Governance Commission, Ministry of Internal Affairs and the UNDP for the implementation of the Liberia Decentralization Support Program. We have organized student Integrity clubs. That is to create a culture of participation of the PTA in building integrity among students.

In view of the foregoing, the Division has been seized with designing and implementing programs to educate the public on the mandate of the Commission, as well as explaining the benefits to be derived from the minimization and eradication of corruption. We are pleased to report that during the period, the Division of Education and Prevention increased its interventions with Private and Public Institutions in the Country mainly in regards to the creation of Public Awareness. This exercise witnessed engagements at schools and other stakeholders involved in the Fight against Corruption.

Media Engagement

Creating corruption prevention awareness through the media is very critical to the success of the fight against corruption. The Commission during the period under review appeared on talk shows conducted on UNMIL Radio with the Commissioner with Oversight for Education and Prevention. The Commissioner also addressed a special edition of the Ministry of Information briefing. She touched on a wide range of issues on Education and Prevention and the overall fight against corruption.

Enforcement

The Enforcement Division is an important arm of the Commission. It is charged with managing the investigative, prosecutorial and legal functions of the Commission.

Key Achievements during the period under review

During the fiscal year, FY 2017/2018, the Division experienced a workload of Forty-Four (44) Cases. In monetary terms, these cases are worth over US \$ 57,000,000.00 (Fifty-Seven Million US Dollars) and LD \$ 966,920 (Nine Hundred Sixty-Six Thousand Nine Hundred Twenty Liberian Dollars)

The Commission is pleased to report that these cases are being investigated. During the fiscal year under review, six staffs of the Investigation and Enforcement division along with the LACC ICT Administrator, Mr. Andrew S. Hoff, were selected by the Commission to participate in a Cyber-crime training in Pretoria, Republic of South Africa. The Six staff members of the Enforcement Division were Mr. Baba M. Borkai, Chief Investigator, Mr. Titus A.A. Goeh, Investigator, Sonja Gibson, Investigator, Ivo Parker, Investigator, Elton Livingstone, Investigator and Rahoff Solomon, Investigator. The training was sponsored by the United Nations Development Programme under the STAOP Project (Strengthening, Transparency, and Accountability with Oversight Participation Project) and facilitated by the TDS Training Consultant based in Swaziland.

The objective of the training was to provide participants with both the theoretical and practical skills in organizing and conducting cyber-crime investigations as well as advancing in financial crime investigations.

In addition, a Digital Forensic First Responder Training was held from September 26-29, 2017 and July 19 to 29, 2018 at the USAID/LPAC Office in Mamba Point, Monrovia. The training was attended by all staff of the Investigation and Enforcement Division. The training was sponsored and facilitated by the USAID/LPAC Project.

Challenges of the Division of Enforcement

The Commission experienced some challenges, which could hinder the work of the Commission in the months or possibly the years ahead. To date, challenges reported by the Commission in last year Budget Performance report remain unaddressed. The Liberia Anti-Corruption Commission has inadequate prosecutors to take on the volume of cases flooding the desks of our investigation team. The Commission will need at least (10) ten in-house prosecutors and Nine investigators to facilitate the investigation and prosecution of corruption cases. Of late, there has been an upsurge in Corruption cases coming to the Commission. The Current number of Prosecutors - three and Sixteen Investigators in total based at the Commission is already overwhelmed by the cases. The recruitment of additional Prosecutors and Investigators will further increase the Commission's Capacity in carrying out its Legal mandate.

We can also report that there is an absence of critical complimentary legal instruments to enhance the work of the LACC. The Commission needs other critical legal instruments such as the corrupt offences Act and the Illicit Enrichment Act to enhance its work and strengthen the Commission's

Enforcement Powers. Liberia is at a critical stage and it is therefore important to make use of all the relevant legal instruments to fight corruption head on.

There is a lack of a Fast-track Court to deal exclusively with Corruption Cases. Our already small and over-burdened court system has no special court assigned to cases of Corruption. This has had a retrogressive approach to prosecutions and non-speedy trial. Especially, with the enormous demand from the public to see corruption cases being adjudicated in a manner more speedy than the current court processes. Cases from the LACC are treated as normal cases and are not given special preferences for an already loaded court docket. The establishment of a Fast Track/Specialized court will help the Commission move fast to prosecute and bring corrupt individuals and institutions to book expeditiously.

REPORT OF THE COMPTROLLER

1 Introduction

This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the Liberia Anti-Corruption Commission for the fiscal year ended 30th June, 2018 and of its financial position as at that date.

2 The FY2017/18 Approved Budget

At the onset of the fiscal year, FY2017/18, the National Legislature appropriated a total of \$2,379,049.00 USD. During the period under review, no supplemental budget was approved.

3 Summary

		FY 2017/18			Variance		
Description	Actual	Budget	Prior Year	Budget		Prior Year	
							%
Receipts							
Allotments received from MFDP+Others	2,077,290.84	2,379,049.00	2,567,498.00	(301,758)	(301,758)	490,207.16	0.19
Total Revenues	2,077,290.84	2,379,049.00	2,567,498.00	(301,758.16)	(301,758.16)	490,207.16	0.19
Expenditures							
Compensation of Employees	1,668,941.57	1,669,008.20	1,727,046.57	66.63	0.00	58,105.00	0.03
Goods & Services	410,246.78	408,282.65	687,015.86	(1,964.13)	(0.48)	276,769.08	0.40
Capital Expenditures			33,335.0				
Total Expenditures	2,079,188.35	2,077,290.84	2,447,397.45	(1,897.50)	(0.47)	334,874.08	0.44
Operating Surplus/(Deficit(-Net Cashflow	(1,897.50)						
Project Receipts	165,652.97	165,652.97	171,490.00	-	-	5,837.03	-
Project Payments	193,497.56	193,497.56	171,490.00	-	-	(22,007.56)	(0.13)
Project Surplus/(Deficit(-Net Cashflow	(27,844.59)	(27,844.59)	-				
Overall Surplus/Deficit-Over Net Cashflow	(29,742.09)	(27,844.59)	-	-	-	-	-

4 Authorised Appropriation/Allocations

Authorised allocations are recognized when they are received and under the control of the Liberia Anti-Corruption Commission. For the period under review the Commission's received allocation of Two Million Seventy-Seven Thousand Two Hundred Ninety United States Dollars Eighty-Four Cents (2,077,290.84USD).

5 Other Receipts

a. External Assistance

b. Grant from Multilateral Agencies

This involves funding from UNDP for support to the Strengthen Transparency, Accountability, Oversight and Participation (STAOP). See schedule below:

Descriptions	Amount US\$
Honorarium	76,152.97
Goods & Services including Capital Expenditure	89,500.00
Total	165,652.97

b. Expenditure – Operational Fund

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

a. Employee benefit

This amount represents payment to employees of the Liberia Anti-Corruption Commission inclusive of donor funding as remuneration for the period under review. See schedule below:

Descriptions	Amount US \$
Honorarium (GOL)	1,668,941.57
Honorarium (UNDP)	118,549.89
Total	1,787,491.46

a. Goods and Services inclusive of donor funding

c. Goods and Services have to do with recurrent expenses. They include such items as Office Stationery, Printing and Publications, Foreign Travels, Water and Sewage, Fuel and Lubricants for Vehicles, Fuel for Electricity Generation etc. See schedule below and detail expenditure breakdown in appendix 1

Descriptions	Amount US \$
Goods and Services (GOL)	410,246.78
Goods and Services (UNDP)	74,947.67
Total	485,194.45

a. Purchase of Capital Items

Descriptions	Amount US\$
Fixtures and Furniture (GOL)	0.00
Machinery & Equipment (GOL)	0.00
Transport Equipment (GOL)	0.00
Subtotal	0.00
Fixtures and Furniture (UNDP)	0.00
ICT Infrastructure & Hardware (UNDP)	0.00
Subtotal	0.00
Total	0.00

b. Project Flows

c. Outstanding Commitments

d. Cash Balances

This amount represents balance brought forward from the Fiscal Year ended 30th June 2017 in the amount of US\$ 29,422 Cash at the End of June 30, 2017.

The ending cash balance for the reporting period, June 30, 2018 is 1,116.08USD see schedule of breakdown on page 10.

b. 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.


.....
J. BERNARD NAGBE
Comptroller
30 JUNE 2018
.....
Date

STATEMENT OF CASH RECEIPTS AND PAYMENTS
 (ALL PUBLIC FUNDS)
FOR THE FISCAL 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 30TH 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 \$	US \$	US \$	US \$	US \$	US \$
OPERATIONAL FUND							
RECEIPTS							
Authorized Allocation/Appropriation	4	2,077,290.84			2,455,446.31		
Other Receipts	5	-	-				
External Assistance:							
Grants From Multilateral Agencies	6						
Grants From Bilateral & Other Agencies		-					
Borrowings from Multilateral Agencies		-					
Borrowings from Bilateral Agencies		-					
Other Grants and Aid		-		-			
Other Borrowings		-					
Total Receipts - Operational Fund		2,077,290.84	-	-	2,455,446.31	-	-
PAYMENTS							
Operations:							
Wages, Salaries and Employee Benefits	7	1,668,941.57			1,727,046.57		
Supplies and Consumables	8	410,246.78			687,015.86		
TRANSFERS:							
Grants	9						
Other transfer payments		-					
CAPITAL EXPENDITURES:							
Purchase/Construction of Property, plant and Equipment	10	-			33,335.02		
Purchase of Financial Instruments		-					
Total Payments - Operational Fund		2,079,188.35	-	-	2,447,397.45	-	-
Increase/Decrease in Cash		(1,897.50)	-	-	8,048.86	-	-
Cash at the beginning of the Quarter		1,572.41			1,914.34		
Net change in cash (receipts less payments)				-		-	-
Foreign currency translation difference		1,436.17	-		(8,390.79)		
Cash at the End of the quarter - Operational Fund		1,111.08		-	1,572.41	-	-
CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS)							
RECEIPTS							
External Assistance:							
Grants	11	165,652.97			171,490.00		
Loans					-		
Total Receipts - Capital Development Funds		165,652.97	-	-	171,490.00	-	-
PAYMENTS							
Operations:							
Wages, Salaries and Employee Benefits	12	118,549.89			37,195.70		
Supplies and Consumables		74,947.67			77,909.01		
TRANSFERS:							
Grants	13	-					
Other transfer payments							
CAPITAL EXPENDITURES:							
Purchase/Construction of Property, plant and Equipment	14	-			32,700.00		
Purchase of Financial Instruments		-					
Total Payments - Capital Development Funds		193,497.56	-	-	147,804.71	-	-
Increase/Decrease in Cash		(27,844.59)	-	-	23,685.29	-	-
Cash at the beginning of the Quarter		27,849.59			8950.11		
Net change in cash (receipts less payments)				-		-	-
Foreign currency translation difference							
Cash at the End of the Quarter - Capital Development Funds		5.00	-	-	27,849.59	-	-
Cash at the Beginning of the Quarter - All Funds	15	29,422.00	-	-	10,864.45	-	-
Cash at the End of the Quarter - All Funds	15	1,116.08	-	-	29,422.00	-	-



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND)						
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2018(FY 2017/2018)						
<i>- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE</i>						
<i>- Budget Approved on the Cash Basis</i>						
	For the Financial Year Ended 30TH JUNE 2018 (FY2017/18)					FY2016/17
ACCOUNT TITLE/DESCRIPTION	Actual Amounts	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance	Actual Amounts
	US \$	US \$	US \$	US \$	%	US \$
CASH INFLOWS						
Authorized Allocation/Appropriation	2,077,290.84	2,379,049.00	2,379,049.00	(301,758.16)	(0.13)	2,455,446.31
Grants			-	-	-	
Borrowings	-	-	-	-	-	-
Other receipts				-	-	
Total Cash Receipts	2,077,290.84	2,379,049.00	2,379,049.00	(301,758.16)	(0.13)	2,455,446.31
CASH OUTFLOWS						
Wages, Salaries and Other Employee Benefits	1,668,941.57	1,738,007	1,738,007.00	69,065.43	0.04	1,727,046.57
Goods and Services Consumed	410,246.78	641,042.00	641,042.00	230,795.22	0.36	687,015.86
Capital Expenditure	-	-	-	-	-	33,335.02
Transfers to other Government Units		-	-	-	-	-
Other Payments	-	-	-	-	-	-
Total Cash Payments	2,079,188.35	2,379,049.00	2,379,049.00	(299,860.65)	(0.13)	2,447,397.45
NET CASH FLOW - OPERATIONAL FUND	(1,897.50)	-	-	(1,897.50)	-	8,048.86

STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)

AS AT 30TH JUNE 2018

		Notes	As at 30TH JUNE 2018	As at 30th JUNE 2017	Change in Cash Balances
Cash/Bank Account Details	Currency Held In		US \$	US \$	US \$
OPERATIONAL FUND					
Petty Cash or Imprest					
Petty Cash A/c 1			308.00	1,000.00	
Petty Cash A/c 2					
Total held in petty cash:	-		308.00	1,000.00	-
Bank Accounts					
Bank AC 1-UBA USD A.c			87.45	37.27	
Bank AC 2-UBA LD A.C			688.34	397.07	
Bank AC 3-CBL USD A.C			1.37	1.37	
Bank AC 4-CBL LD A.C					
Bank AC 5-ECOBK USD A.C			17.98	136.70	
Bank AC 6-ECOBK LD A.C			7.94		
Total held in Bank Accounts:	-		803.08	572.41	-
Total Cash and Bank Balances at the end of the period (Operational Fund):			1,111.08	1,572.41	-
CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS)					
Petty Cash or Imprest					
Petty Cash A/c 1					
Petty Cash A/c 2					
Total held in petty cash:			-	-	-
Bank Accounts					
Project 1 Bank AC(STAOP)			5.00	27,849.59	
Project 2 Bank AC					
Total held in Bank Accounts:			5.00	27,849.59	-
Total Cash and Bank Balances at the end of the period (Donor Financed Projects):			5.00	27,849.59	-
TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS			1,116.08	29,422.00	-

The Accounting Policies and Notes set out on pages 10 to 12 form an integral part of the financial statements.

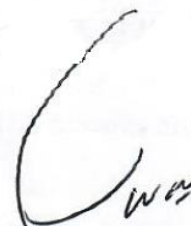


James N. Verdier, Jr.

Head of Agency

30 June 2018

Date



J. Bernard Nagbe

Comptroller

30 June 2018

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 *Liberia Anti-Corruption 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*). *Liberia Anti-Corruption Commission* principal activity is to *implement appropriate measures and undertake programs geared toward investigating, prosecuting and preventing acts of corruption, including educating the public about the ills of corruption and the benefits of its eradication.*

The Financial Statements presented above reflect the Cash Receipts and Payments of the Liberia Anti-Corruption Commission for the fiscal year ended 30th June, 2018 on the basis of moneys received by, held in or paid out by the *Liberia Anti-Corruption Commission* during the period under review. The LACC 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 Commission also manages the Strengthening Transparency Accountability, Oversight and Participation Project (STAOP) funded by the United Nations Development Programme (UNDP).

The principal address of the reporting entity is:

Liberia Anti-Corruption Commission
Congo Town
Monrovia, Liberia

2 Accounting Policies

These are the specific principles, basis, 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

The reporting currency is the United States dollars and the exchange rate is 137.99 LD to 1 USD.

(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 Tender. 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 fiscal year ended (30th June 2018) exchange rate for the Liberian Dollar was 137.99LD to 1 US \$.

(b) Reporting Period

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

(c) Payments by Third Parties

The 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 *the 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.
– (N/A)

(d) Receipts

Receipts represent cash received by *LIBERIA ANTI-CORRUPTION COMMISSION* during the financial quarter, 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 Liberia Anti-Corruption Commission. For the fiscal year ended, we received Two Million Seventy Seven Thousand Two Hundred Ninety United States Dollars Eighty Four Cents (2,077,290.84USD).

(ii) Grants

Grants are recognized when received. Similarly, grants/transfers to other entities of Government are recognized when disbursement is made. During the period under review, the commission received the sum of One Hundred Sixty-Five Thousand Six Hundred Fifty-Two United States Dollars Ninety-Seven Cents (165,652.97USD) from the UNDP/STAOP Project.

(iii) Other Receipts

Other Receipts are fees/charges collected and proceed from sales of designated services by the *Liberia Anti-Corruption 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 *Commission* or collected by another entity on its behalf is recognized when received and under its control.

(e) Expenses

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

(f) 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 *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 *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.

(g) Inventories

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

(h) 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.

(i) 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.

(j) 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 28TH OF September, 2018 by CLLR. James N. Verdier, Jr. Executive Chairperson/Head of the Liberia Anti-Corruption Commission.

4 Authorised Allocations/Appropriation

The total amount of Authorized Allocations received for the fiscal year ended 30th June, 2018 is Two Million Seventy-Seven Thousand Two Hundred Ninety United States Dollars Eighty-Four Cents (2,077,290.84USD).

The comparative analysis of Estimated and Actual Receipts for the financial year FY2016/17 is presented below:

NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FISCAL YEAR ENDED 30TH JUNE 2018						
	Actual	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance	Actual
	FY 2017/18	FY 2017/18	FY 2017/18	FY 2016/17	FY 2016/17	FY 2016/17
	US \$	US \$	US \$	US \$		US \$
Employee Compensation	1,669,008.20	1,738,007.00	1,738,008.00	(68,998.80)	(0.04)	1,738,007.31
Goods and Services	408,282.65	641,042.00	464,100.00	(232,759.35)	(0.36)	681,440.00
Capital Expenditure				-	-	35,999.00
TOTAL RECEIPTS	2,077,290.84	2,379,049.00	2,202,108	(301,758.16)	(0.13)	2,455,446.31

5 Other Receipts

6 External Assistance

The total amount of External Assistance received as Grants for the Fiscal Year ended, 30th June 2018 was US \$ 165,652.97

Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance	Actual
	FY 2017/18	FY 2017/18	FY 2016/17	FY 2016/17	FY 2016/17	FY 2016/17
	US \$	US \$	US \$	US \$		US \$
Comparative Analysis by Economic Classification						
Grants - Foreign Governments (Current)				-	-	
Grants - Foreign Governments (Capital)				-	-	
Grants – International Organisations (UNDP)	165,652.97	165,652.97		-	-	171,490.00
Grants – International Organisations (Capital)				-	-	
Multi-laterals Loans				-	-	
Bi-lateral Loans				-	-	
Other Loans				-	-	
GRAND TOTAL	165,652.97	165,652.97	-	-	-	171,490.00

7 Payments – Operations (Wages, Salaries and other Employee Benefits)

The total amount of Cash Payments made against Compensations of Employees during the Fiscal year ended 30th June, 2018 is US \$ 1,668,941.57 USD (US One Million Six Hundred Sixty Eight Thousand Nine Hundred Forty One United States Dollars 57/100. FY2017/18 classified in the same form as the National Budget. The Comparative Analysis of Estimated and Actual payments made for the financial quarter of FY2016/17 is presented below by **Economic Classifications**.

NOTE 7 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30 TH JUNE 2018						
Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance	Actual
	FY 2017/18	FY 2017/18	FY 2017/18	FY 2016/17	FY 2016/17	FY 2016/17
	US \$	US \$	US \$	US \$		US \$
Comparative Analysis by Economic Classification						
Wages, Salaries and other Employee Benefits						
Wages and Salaries	1,668,941.57	1,738,007.00	1,738,008.00	69,065.43	0.04	1,727,046.57
Social Contributions				-	-	
Other Employee Costs				-	-	
GRAND TOTAL	1,668,941.57	1,738,007.00	1,738,008.00	(69,065.43)	(0.04)	1,727,046.57

8 Payments – Operations (Supplies and Consumables)

The total amount of Cash Payments made against Goods and Services during fiscal year ended 30th June, 2018 is US \$ Four Hundred Ten Thousand Two Hundred Forty Six United States Dollars Seventy Eight Cents (US \$410,246.78) - FY2017/18 are classified in the same form as the National Budget. The Comparative Analysis of Estimated and Actual payments made for the financial quarter FY2016/17 is presented below by **Economic Classifications**:

NOTE 8 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH JUNE 2018						
Account Title	Actual FY 2017/18 US \$	Final Budget FY 2017/18 US \$	Original Budget FY 2016/17 US \$	Variance (Actual vs. Revised Estimates) FY 2016/17 US \$	% Variance FY 2016/17	Actual FY 2016/17 US \$
Comparative Analysis by Economic Classification						
Supplies and Consumables						
Travel Expenses	19,524.98	17,250.00			-	28,262.38
Utilities	35,464.41	85,929.00			-	98,011.92
Rent	149,900.00	150,000.00			-	150,000.00
Fuel and Lubricants	55,079.06	73,402.00			-	220,883.97
Repairs and Maintenance	63,985.24	96,400.00			-	76,811.67
Office Materials, Consumables & Services	28,625.25	62,501.00			-	33,744.99
Consultancy services/Audit/Studies					-	
Specialized Materials and Services	6,730.00	30,000.00			-	13,713.93
Education and Training Related	840.00	9,500.00			-	
Other General Expenses & Arrears	50,097.84	116,060.00			-	65,587.00
GRAND TOTAL	410,246.78	641,042.00	-	(230,795.22)	(0.36)	687,015.86

NOTE 10 - COMPARATIVE ANALYSIS OF CAPITAL EXPENDITURE PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH JUNE 2018

Account Title	Actual FY 2017/18 US \$	Final Budget FY 2017/18 US \$	Original Budget FY 2017/18 US \$	Variance (Actual vs. Revised Estimates) FY 2016/17 US \$	% Variance FY 2016/17	Actual FY 2016/17 US \$
Comparative Analysis by Economic Classification						
CAPITAL EXPENDITURES:						
Non-residential buildings				-	-	
Residential Buildings				-	-	
Roads and Bridges				-	-	
Other Structures				-	-	
Machinery, Furniture and Equipment				-	-	
Transport Equipment			-	-	-	
Machinery and other Equipment				-	-	
Security Equipment				-	-	
Furniture and Fixtures				-	-	3,336.02
Machinery & Equipment				-	-	29,999.00
ICT infrastr., Hardware, Networks & Facilities				-	-	
Strategic Stocks & Other fixed assets				-	-	
GRAND TOTAL	-	-	-	-	-	33,335.02

11 External Assistance

a) Grant from Multilateral Agencies

During the fiscal year, the Commission received funding from UNDP. See schedule below:

NOTE 11 - COMPARATIVE ANALYSIS OF EXTERNAL ASSISTANCE RECEIVED DURING THE FISCAL YEAR ENDED 30TH JUNE 2018 (CAPITAL DEVELOPMENT FUNDS, DONOR FINANCED PROJECTS)

Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance	Actual
	FY 2017/18	FY 2017/18	FY 2017/18	FY 2016/17	FY 2016/17	FY 2016/17
	US \$	US \$	US \$	US \$		US \$
Comparative Analysis by Economic Classification						
Grants - Foreign Governments (Current)				-	-	
Grants - Foreign Governments (Capital)				-	-	
Grants – International Organisations (Current)UND	165,652.97	165,652.97	165,652.97	-	-	171,490.00
Grants – International Organisations (Capital)				-	-	
Multi-laterals Loans				-	-	
Bi-lateral Loans				-	-	
Other Loans				-	-	
GRAND TOTAL	165,652.97	165,652.97	165,652.97	-	-	171,490.00

13 Payments – Operations (Wages, Salaries & other Employee Benefits and Supplies & Consumables)

The total amount of Cash Payments made under operational activities (Capital Development, Donor Financed Projects) during the fiscal year ended 30th June 2018 amount to US \$ One Hundred Ninety-Three Thousand Four Hundred Ninety-Seven Fifty-Six Cents (US \$193,497.56 - FY2017/18) The Comparative Analysis of Estimated and Actual payments made for the financial year FY2016/17 is presented below by **Economic Classifications**

NOTE 12 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH JUNE 2018 (CAPITAL DEVELOPMENT (FUNDS, DONOR FINANCED PROJECTS))						
Account Title	Actual FY 2017/18 US \$	Final Budget FY 2017/18 US \$	Original Budget FY 2017/18 US \$	Variance (Actual vs. Revised Estimates) FY 2017/18 US \$	% Variance FY 2016/17	Actual FY 2016/17 US \$
Comparative Analysis by Economic Classification						
Wages, Salaries and other Employee Benefits						
Wages and Salaries	118,549.89			(118,549.89)	-	37,195.70
Social Contributions				-	-	
Other Employee Costs				-	-	
Total Compensation	118,549.89	-	-	(118,549.89)	-	37,195.70
Supplies and Consumables						
Travel Expenses				-	-	
Utilities				-	-	2,953.00
Rent				-	-	
Fuel and Lubricants	5,834.00			(5,834.00)	-	7,271.46
Repairs and Maintenance	5,930.00			(5,930.00)	-	
Office Materials, Consumables & Services	6,259.27			(6,259.27)	-	36,416.75
Consultancy services/Audit/Studies	56,924.40			(56,924.40)	-	
Specialized Materials and Services				-	-	
Education and Training Related				-	-	29,767.80
Other General Expenses & Arrears				-	-	1,500.00
Total Goods and Services	74,947.67	-	-	(74,947.67)	-	77,909.01
GRAND TOTAL	193,497.56	-	-	(193,497.56)	-	115,104.71

15 Cash and Cash Equivalents

Cash and Cash Equivalents comprise Cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments. Cash included in the statement of cash receipts and payments comprise the following amounts: See Annexure 1.

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

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 July 2017 to 30TH June 2018) as for the financial statements – as explained in Note X above. The original budget was approved by the National Legislature in September 2017. There was no supplemental appropriation for fiscal year ended 30th June 2018. The original budget objectives and policies, and subsequent revisions are explained more fully in the Report of the Comptroller issued in conjunction with the financial statements.

SUPPLEMENTARY DISCLOSURES

*Auditor General's Report on the Financial Statement
Audit of the Liberia Anti-Corruption Commission
For the Year Ended June 30, 2018*

ANNEXURE I					
		GOL	UNDP		Total
Honorarium	211104	1,668,941.57	118,549.89		1,787,491.45
Foreign Travel - Means of travel	221101	5,135.00			5,135.00
Foreign Travel - Daily Subsistence Allowance	221102	7,595.00			7,595.00
Domestic Travel - Daily Subsistence Allowance	221105	6,794.98			6,794.98
Carriage, Haulage, Freight and Transport Hire	221107	0.00			0.00
Electricity	221201	245.00			245.00
Water & sewage	221202	0.00			0.00
Telecommunications, Internet, Postage and Courier	221203	35,219.41			35,219.41
Office Buildings Rental and Lease	221303	149,900.00			149,900.00
Fuel and Lubricants - Vehicles	221401	46,354.42	5,834.00		52,188.42
Fuel and Lubricants – Generators	221402	8,724.64			8,724.64
Repairs and Maintenance – Civil	221501	2,035.00			2,035.00
Repairs and Maintenance – Vehicles	221502	54,186.24	5,930.00		60,116.24
Repairs and Maintenance – Generators	221503	2,615.00			2,615.00
Repairs & Maintenance – Machinery, Equipment & Furniture	221504	3,464.00			3,464.00
Repairs and Maintenance – ICT Equipment	221505	1,685.00			1,685.00
Stationery	221602	11,805.20			11,805.20
Printing, Binding and Publications Services	221603	162.00			162.00
Computer Supplies and IT Services	221605				0.00
Other Office Materials and Consumables	221606	16,658.05	6,259.27		22,917.32
Intelligence Services	221808	4,265.00			4,265.00
Feasibility studies	221704				0.00
Special operations and services	221812	2,465.00			2,465.00
Capacity Building	221909				0.00
Entertainment Representation	222105	6,001.15			6,001.15
Advertising and Public Relation	222108	2,139.76			2,139.76
Operational Expenses	222109				0.00
Guard and Security Services	222113	40,500.00			40,500.00
Bank Charges	222116	1,456.94			1,456.94
Workshops, Conferences, seminars, etc	222102	840.00			840.00
Consultancy	221701		56,632.32		56,632.32
Machinery and Equipment	232211				0.00
Furniture & fixtures	232221				0.00
ICT Infrastructure, and Hardware	232301				0.00
Cash Returned to UNDP			292.08		292.08
GRAND TOTAL		2,079,188.35	193,497.56	0.00	2,272,685.91

APPENDIX 1 - OUTSTANDING COMMITMENTS AS AT 30TH JUNE 2018						
No.	Economic Classification	Currency	Total Amount	Aged Analysis		
			Outstanding	3 Months	6 Months	Prior Year
			US \$	US \$	US \$	US \$
1	Fuel and Lubricants Generators	LRD				
2	Office Materials, Consumables & Services	LRD				
3	Repairs & Maintenance-Vehicles	US \$	6,906			2016
4	Vehicle Insurance	US \$	3,120			2016
5	Stationery	US \$	14,309			2014
6	Telecommunication, Internet & Postage	US \$	40,970			2016
7	Electricity	US \$	34,267			2016 2017
8	Advertising & Public Relations	US \$	12,975			2017
GRAND TOTAL			112,547	-	-	
NOTE: USD figure includes commitment denominated in LRD						