



Management Letter

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

For the Fiscal Year Ended June 30, 2017



Promoting Accountability of Public Resources

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

Monrovia, Liberia
December 2020

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Acronyms

Acronyms/Abbreviations/Symbol	Meaning
AG	Auditor General
BoC	Body of Commissioners
CPA	Certified Public Accountant
CGMA	Chartered Global Management Accountant
DSA	Daily Sustenance Allowance
FAR	Fixed asset Register
GAC	General Auditing Commission
GOL	Government of Liberia
IPSAS	International Public Sector Accounting Standards
ISSIAs	International Standards of Supreme Audit Institutions
LACC	Liberia Anti-Corruption Commission
LD	Liberian Dollars
ML	Management Letter
NCB	National Competitive Bidding
NSSRL	National Security Strategy of the Republic of Liberia
PFM	Public Financial Management
PPCA	Public Procurement & Concession Commission Act
PPCC	Public Procurement & Concession Commission
PV	Payment Voucher
RFQ	Request for quotation
NORAD	Norwegian Agency for Development Cooperation
UN	United Nations
USD	United state Dollars

December 31, 2020

Liberia Anti-Corruption Commission
Congo Town
Monrovia Liberia

Dear Sir:

RE: MANAGEMENT LETTER ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA ANTI-CORRUPTION COMMISSION FOR THE FISCAL PERIOD ENDED 30 JUNE 2017

The Financial statements of Liberia Anti-Corruption Commission are subject to audit by the Auditor-General (AG) consistent with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

INTRODUCTION

The audit of the financial statements of the Liberia Anti-Corruption Commission for the period 2016/2017 has been completed and the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the annual financial statements.

An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;
- Assessment of the accounting principles used and significant estimates made by management; and
- Evaluation of the overall financial statement presentation.

The audit also includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to our attention and are applicable to financial matters.

The matters mentioned in this letter are therefore those that were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Accounting Officer. Our responsibility is to express our opinion on these financial statements.

Key personnel of the Commission

During the period under audit, the following key persons managed the affairs of the commission

Name	Position	Tenure
Cllr. James N. Verdier, Jr.	Chairperson	2013-present
Cllr. J. Augustine Toe	Vice Chairperson	2010-2017
Hon. Charles J.L. Gibson	Commissioner/Administration	2014-Present
M. Osman Kanneh	Commissioner/Enforcement	2010-2017
Sheba Brown	Commissioner/Enforcement	2017-Present
Aba Hamilton-Dolo	Commissioner/Education and Prevention	2014-present
Daniel B. Tipayson	Executive Director	2010-2017
Mohammed E. Fahnbulleh	Executive Director	2017-present
J. Bernard Nagbe	Comptroller	2008-present

Appreciation

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the Liberia Anti-Corruption Commission during the audit. The audit findings, which were identified during the course of the audit, are stated below.



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

Monrovia, Liberia

December 2020

1 DETAILED FINDINGS AND RECOMMENDATIONS

This section highlights findings identified during our audit and our recommendations to strengthen the financial, internal control and governance systems of the Liberia Anti-Corruption Commission and improve the operating efficiency.

1.1. Financial Issues

1.1.1 Payments without adequate supporting documents-GOL Fund

Observation

1.1.1.1 Regulation P.9 (2) of the Public Finance Management (PFM) Act of 2009 states, "Payments except for statutory transfers and debt service shall be supported by invoices bills and other documents in addition to the payment vouchers".

1.1.1.2 Additionally, section 3.3 (xi) of the LACC Financial Hand Book of 2015 clarifies that supporting documents for expenditure contains Approved Requisitions; Bids/Quotations; Procurement Committee Report Inclusive of Bids Analysis; Signed Contract or Purchase Order; Invoices; Delivery Order/Note and Payment Voucher.

1.1.1.3 We observed that several payments in the amount of **US\$36,296.81** for goods/services were not adequately supported by the necessary documents such as delivery notes and/or job completion certificate, Local Purchase Order and cash invoices. In some instances, there were no payment vouchers along with the relevant supporting documents for transactions recorded in the ledger. **See Appendix 1 for details.**

1.1.1.4 Additionally, we observed that several business entities/ suppliers from which management procured goods/services in the amounts of **US\$8,662.01** and **L\$1,806,477.69** did not have valid Business Registration and Business Income Tax certificates/Clearances during the period under audit to authenticate the suppliers' compliance with the revenue/tax law of Liberia. **See Appendix 2 for details.**

Risk

1.1.1.5 In the absence of adequate supporting documents, the validity of the payment cannot be assured. This could lead to misappropriation of the entity's funds.

1.1.1.6 Transactions with unregistered and non-tax compliance vendor could deprive GOL of the much-needed revenue to implement its programs.

Recommendation

1.1.1.7 The Management of LACC should provide all the necessary supporting documents to substantiate the transactions indicated.

1.1.1.8 Going forward, the Management should ensure that payments for goods and services are fully supported by all relevant documents for administrative and audit purposes.

1.1.1.9 Further, management should ensure that its supplier of goods/services holds valid Business Registration and Business Income Tax certificates/Clearances before conducting business with them.

Management's Response

1.1.1.10 *Attached is the following payments you cited had vouchers: US\$5,750.00 L & L Trading Company; US\$4,745.00 Classic Trading Company; US\$5,500.00 L & L Trading Company; US\$3,840.00 L & L Trading Company; US\$4,600.00 L & L Trading Company. US\$2,040.00 RGI Liberia, this payment is an internet subscription charge as was explained in outer years of successive years; US\$2,000.00, please see attached invitation from World Justice Project. That's the invitation from the Donor. Ck No. 0388978 US\$1,578.00 is DSA payment. It is not payment for ticket. Please re-evaluate the payment voucher. US\$1,893 is for DSA payment. It is not payment for ticket. Please re-evaluate the payment voucher. To reinforce your doubts on tickets purchase, please see Ck No.0388981 US\$1,202.00 and ok. No. 0388975 US\$480 were payments for tickets purchased for said travel.*

Auditor General's Position

1.1.1.11 Documents provided by the Management amounted to US\$30,486.81 out of the total amounts of US\$36,296.81 for Appendix 1. Therefore, we have modified our recommendation for Management to account for US\$5,810.00 (36,296.81 - 30,486.81) without supporting documents. However, Management did not address the issue raised regarding Business Registration and Business Income Tax certificates/Clearances for vendors. Therefore, we maintain our recommendation. Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009.

1.1.2 Budget for Special Operation Services

Observation

1.1.2.1 Regulation D.14 (1 and 2) of the Public Finance Management (PFM) Act of 2009 states "(1) Where in the national budget or supplementary appropriations, budgetary classifications are made for expenditures of a confidential nature; the details of such classification shall be presented and agreed with the leadership of the Legislature. (2) After agreeing with Leadership of the Legislature, then the summary, subtotal or total shall be shown in the National Budget or added to another figure in the National Budget or the Supplementary Budget".

1.1.2.2 There was no evidence during the audit that the Management of the LACC obtained the approval of the leadership of the Legislature for fund budgeted as confidential expenditure for use under LACC's special operation services budget line.

Risk

- 1.1.2.3 The lack of legislative approval for expenditure classified as could undermine transparency and lead to misappropriation of the entity's fund.

Recommendation

- 1.1.2.4 The Management of LACC should provide material justification for the classification of expenditure as confidential without the review and approval of the leadership of the Legislature.
- 1.1.2.5 Going forward, the Management should ensure that the details of budgetary appropriation classified as confidential is submitted to the leadership of the Legislature for review and approval prior to inclusion in the entity's budget for the fiscal period.

Management's Response

- 1.1.2.6 *The 2016-2017 fiscal year had Fifteen Thousand United States Dollars approved for Special Operations Services. We have enclosed copies for your review and consideration. In Addition to the approved budget for the fiscal year mentioned above, Part XIII: Independence: Cooperation of the LACC Act of August 2008 states "The Commission shall be independent in all its operations. It shall enjoy financial autonomy and operational independence; and shall generally formulate policies and discharge it's functions without regards to political, religious or other social concerns, except to the extent reasonably necessary to further the Commission's general mandate to combat corruption.*

Auditor General's Position

- 1.1.2.7 Management provided no evidence that it met the requirement of PFM Regulation D.14 before the expenditure were made. Therefore, we maintain our finding and recommendation. Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009.

1.1.3 Payment for Special Operation Services

Observation

- 1.1.3.1 Section 3.3 (i-x and xi) of the LACC Financial Hand Book of 2015 provides the step-by-step procedures for the authorization and disbursement of expenditure of the commission. The expenditure should contain supporting documents such as Approved Requisitions; Bids/Quotations; Procurement Committee Report Inclusive of Bids Analysis; Signed Contract or Purchase Order; Invoices; Delivery Order/Note and Payment Voucher.
- 1.1.3.2 Additionally, the National Security Strategy of the Republic of Liberia (NSSRL) lists the LACC as part of public institutions concerned with security matters.

1.1.3.3 In terms of Committee of Sponsoring Organization of the Trade way Commission (COSO) Internal Control Integrated framework, organization should develop policies and the relevant procedures to guide its operations. This will ensure the achievement of established objectives in every area of operation.

1.1.3.4 Our review and analysis of transactions for the LACC Special Operation Services revealed that payments in the amount of **US\$200.00** and **L\$130,000.00** were made for non-security transactions such as media coverage, etc. without the necessary supporting documents such as receipt, travel settlement form, etc. to authenticate the transactions. **See Table 1 below for details.**

1.1.3.5 Additionally, there was no evidence that following the NSSRL, the Management developed policy to regulate its security related transactions to promote accountability and transparency in the use of funds allocated to its Special Operation Services.

Table 1: Non-security transactions without adequate supporting documents; 2016/2017

Date	Description	Payee(Suppliers)	Check/Reference#	Amount		Comment
				US\$	L\$	
16-Feb-017	Special Operations Services- (Cash advance)	Loretta M. Dawolo	0420282	200.00	-	No receipts
20-Aprl-017	Special Operations Services	Frances Fleming	00068183	-	26,000.00	No receipt and other documents
29-June-017	Special Operations Services	Manyu M. Kamarah J r.	111858	-	104,000.00	No RFQ, contract and job completion certificate
Total				200.00	130,000.00	

Risk

1.1.3.6 In the absence of adequate supporting documents, the validity of the payment cannot be assured. This could lead to misappropriation of the entity's fund.

1.1.3.7 The lack of policy to regulate the usage of fund allocated to Special Operation Services could lead to discretionary spending.

Recommendation

1.1.3.8 The Management of LACC should provide all necessary supporting documents to substantiate the transactions indicated.

1.1.3.9 Going forward, the Management should adhere to its procedures on processing transaction for non-security related activities.

- 1.1.3.10 Management should develop policy that regulates its security related transactions to promote accountability and transparency in the use of fund allocated to Special Operation Services.

Management's Response

- 1.1.3.11 *Please be informed that all payments marked Special Operations are security related transactions. Only security related transactions are charged to this budget line. That is why the purposes and utilization is un-disclosed. This occurred rarely and quite uniquely identifiable in the payment file. We acknowledge the requirement for a policy governing Special Operations Services and will ensure a policy is done accordingly.*

Auditor General's Position

- 1.1.3.12 Management did not provide the necessary supporting documents for the issue raised. The PFM Act does not exempt security operations from maintaining adequate supporting documentation for proper accountability and expenditure control. Therefore, we maintain our finding and recommendation. We also acknowledge management's assertion that it will ensure policy for Special Operations Services is done accordingly. We will make a follow up on the implementation of the assertions during subsequent audit. Further, Management is in breach of financial discipline in line with Regulation A. 20 of the PFM Act of 2009.

1.1.4 Adherence to Travel Ordinance

Observation

- 1.1.4.1 The GoL Travel Ordinance of 2013/2014 provides Annexure II (Travel Settlement Form) for both foreign and domestic travels and requires that the form be filled by the traveler and submitted to the Financial Regulations Unit of the Ministry of Finance and Development Planning within twenty-one (21) days upon return from a trip. The necessary supporting documents should be attached.

- 1.1.4.2 We observed that the LACC Management paid daily sustenance allowance (DSA) and incidental allowances in the amount of **US\$5,581.97** and **L\$629,600.00** to staff who travel during the fiscal year without ensuring that the staff filled the Travel Settlement Form and provided the necessary supporting documents such as receipts for incidental allowances expended. **See Appendix 3 for details.**

Risk

- 1.1.4.3 The non-settlement of travel advances undermines the objective of the Travel Ordinance.
- 1.1.4.4 In the absence of receipts, the validity of the incidental expenses cannot be assured. This could lead to misappropriation of the entity's funds.

Recommendation

- 1.1.4.5 The Management of LACC should provide the necessary receipts to substantiate the incidental expenses.
- 1.1.4.6 Going forward, the Management should ensure that staff returning from trip completes the appropriate travel settlement form as requires and attach all the relevant supporting documents for administrative and audit purposes.

Management's Response

- 1.1.4.7 *We take note and will ensure that subsequently all travels will comply with the required and relevant travel ordinance.*

Auditor General's Position

- 1.1.4.8 We acknowledge Management's acceptance of our recommendation. We will make a follow up on the implementation of our recommendation during subsequent audit. However, Management is in bridge of the travel ordinance.

1.1.5 Fuel/Gasoline Management System

Observation

- 1.1.5.1 Regulation P.9 (2) of the Public Finance Management (PFM) Act of 2009 states, "Payments except for statutory transfers and debt service shall be supported by invoices bills and other documents in addition to the payment vouchers".
- 1.1.5.2 Additionally, section 2 of the LACC Transportation Policy provides that:
- Supplies of fuel/gas to utility vehicles shall be allocated based on usage and the drivers shall prepare periodic fuel-consumption report which shall include travel log to track distances and places travelled. This shall form the basis for subsequent supply.
 - Fuel/gas for assigned vehicles shall be allocated based on budget and distribution to staff of those vehicles is based on seniority and duties with the same quantity of supply being given to staff of the same level/position.
 - At the beginning of each fiscal year (July 1), staff will be notified of their annual and monthly fuel/gas supplies budgetary allocations.
- 1.1.5.3 We observed that Management made payments in the amount of **US\$13,914.75** and **L\$ 360,130.00** for fuel/gasoline without evidence of distribution to the end users during the period under audit. There was no fuel/gasoline distribution schedule (log) signed/acknowledged by staff entitled to fuel/gasoline for assigned and utility vehicles to validate the transactions. **See Appendix 4 for details.**
- 1.1.5.4 Additionally, we observed the following weaknesses in the fuel/gasoline management system:
- No evidence that the staff responsible for fuel/gasoline supplied for utility

vehicles prepared and submitted fuel/gasoline consumption reports to serve as a basis for subsequent supply to those vehicles as required by the LACC Transportation Policy

- There was no evidence that management developed fuel/gasoline distribution matrix indicating the quantity of fuel/gasoline allocated to staff entitled to fuel/gasoline for assigned and utility vehicles at the beginning of the fiscal period as required by the LACC Transportation Policy.

Risk

1.1.5.5 The lack of fuel/gasoline distribution schedule undermines accountability and transparency and could lead to misappropriation of the entity's funds.

1.1.5.6 Non-compliance to the policy on fuel/gasoline management could lead to waste and abuse of the supply.

Recommendation

1.1.5.7 The Management of LACC should provide the necessary supporting documents to substantiate the transactions indicated above.

1.1.5.8 Going forward, the Management should ensure that fuel/gasoline for operation is distributed to the end users and the necessary documents retain for administrative and audit purposes. Additionally, the policy on fuel/gasoline management should be fully adhered to.

Management's Response

1.1.5.9 *we are also resubmitting the fuel distribution log we were able to retrieve from the Department that handled fuel when it was transitioned from the Procurement Unit. We have had an unfortunate turnover and passing of two of our Procurement of Officers'. What we have is what we were able to collect from boxes retrieved from their offices.*

Auditor General's Position

1.1.5.10 Management did not provide the supporting documents for the issue raised. Therefore, we maintain our finding and recommendation. Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009.

1.1.6 Variances in the Ledger and Financial Statements Amounts-GOL Funds

Observation

1.1.6.1 Regulation C.8 (2 and 3g) of the PFM Act of 2009 state "(2) A head of agency or spending unit shall have overall responsibility and accountability for the collection and receipt of all revenues or the financial administration of the monies voted by Legislature for, or applied by statute to, the services under the control of his or her ministry or agency. (3g) ensure that all books of accounts under his or her control are correctly posted and kept up-to-date"

1.1.6.2 Additionally, section 7.3.1 of the LACC Financial Hand Book of 2015 explains the processes the comptroller needs to follow to ensure check and balances in financial records before the close of a fiscal period.

1.1.6.3 We observed that the amount of expenditure per the general ledger for GOL fund do not tally to the expenditure reported in the Financial Statements for the fiscal period. Several of the expenditure were recorded in the general ledger as **US\$352,388.17** and reported in the Financial Statements as **US\$419,588.86** thus, leaving a variance of **(US\$ 67,200.69)**. **See Appendix 5 for details.**

1.1.6.4 Further, we observed the following issues during our review of the general ledger for 2016/2017:

- Some payment transactions in the amount of **US\$6,500.00** were not recorded in the general ledger for GOL fund. **See Table 2 below.**
- Personnel cost per the approved payroll and voucher amounting to US\$1,570,522.67 were posted to the general ledger as US\$1,727,046.59 thus, leaving a variance of **(US\$156,523.92)**. **See Appendix 6 for details.**

Table 2: Transactions not recorded in the General Ledger; 2016-2017

Date	Description	Payee	Check/Reference #	Amount (US\$)
11-Jul-16	Special Operations Services	Aaron H. Aboah	211500	2,000.00
11-Jul-16	Special Operations Services	Aaron H. Aboah	211499	4,000.00
31-Mar-17	Special Operations Services-cash advance	George H. Dahn	420300	500.00
Total				6,500.00

Risk

1.1.6.5 Expenditure for the period could be over/under stated thus leading to misstatement of the Financial Statements.

Recommendation

1.1.6.6 The Management of LACC should provide material justification for the variances indicated.

1.1.6.7 Going forward, Management should ensure that its general ledger accurately includes all financial transactions for the period and the amount tally with that of the Financial Statements.

Management's Response

1.1.6.8 *The transactions on table 3 (now 2), were accurately booked, bank reconciliation conducted and it was incorporated into the Financial Statement appertaining to the*



period 2016-2017. I am resubmitting the Ledger and reconciliation for your review and consideration. The financial statement for the period is accurate and all elements required for its completion was utilized. Please test the numbers. They add up accurately. See documents for appendix 7.

Auditor General's Position

- 1.1.6.9 The variance of (US\$156,523.92) regarding the issue of wrong posting to the general ledger has been addressed. However, we maintain our finding and recommendation for the amount of US\$6,500 and the variance of (US\$67,200.69) indicated above. Further, Management is in breach of financial discipline in line with Regulation A. 20 of the PFM Act of 2009.

1.1.7 Difference in Closing Cash Balance

Observation

- 1.1.7.1 Regulation I.16 (1) of the PFM Act of 2009 states "At the close of business of the last working day of each month or financial year, whichever is applicable, the accounts shall be balanced off".
- 1.1.7.2 Additionally, section 7.4.1 (i) of the LACC Financial Hand Book of 2015 explains that before closing the financial year, the Comptroller will make sure that all accounts including bank account, cash and advances are reconciled.
- 1.1.7.3 We observed difference of **US\$9,175.22** between the closing cash balance reported in the Financial Statements and the closing cash balance of the General Ledger for the fiscal period ended June 30, 2017. **See Appendix 7 for details**

Risk

- 1.1.7.4 Differences in closing cash balances could lead to misstatement in the financial statements. The accuracy and completeness of the closing cash balance cannot be assured.

Recommendation

- 1.1.7.5 The Management of LACC should provide material justification for the differences indicated.
- 1.1.7.6 Going forward, Management should ensure that the closing cash balance reported in the financial statements corresponds with that of the general ledger at the end of the fiscal period.

Management's Response

- 1.1.7.7 *We refer you to Appendix 7 of your report. The analysis you presented in Appendix 7 is strange and inconsistent with the fundamentals of internal control mechanisms required for Bank Reconciliation. Know that the cash balance per ledger as presented in the*

Table does not stand alone. It has to be reconciled with the bank statement balance to produce the Closing Balance. Table A and B are not related and has no relevance to your assertion. We are forwarding the IPSAS Report, Bank reconciliation statement, Ledgers and Bank Statements for your review and consideration. There is no difference in the closing cash as is purported by your team of auditors. The Public Financial Management Regulations provides an additional period of up to 60 days to submit the Financial Statement. Please see I.11 of the PFM Regulations. Additionally, I.16 sub regulation (7) "closure of all Public accounts shall not debar any claim, proceedings or transactions arising from the closure and any transaction or adjustment arising from closed accounts shall be recorded in the public accounts of the year in which such transaction or adjustment is made". Therefore, balances selected on the Ledger is consistent and in conformity with the PFM regulations. Please see below the analysis of accounts in connection with the records attached (Bank Reconciliations, Bank Statements & Ledgers for the period):

• Bank AC 1-UBA USD Ac		37.27
• Bank Ac 2-UBA LRD Ac	(LD\$ 44,121/111.117)=	397.07
• Bank Ac 3-CBL USD Ac		1.37
• Bank Ac 4-CBL LD Ac		
• Bank Ac 5-ECOBK USD Ac		136.70
• Cash		1,000.00
• Bank Account STOAP		27,849.59
▪ Total Closing Balance		9,422.00

1.1.7.8 *This is the closing Cash Balance as indicative of the various Ledgers and the respective balances. Please see attached the various reconciliation at JUNE 30,2017 with the bank statement and corresponding ledgers. The variance you have reported is unrelated to the records provided to your team during throughout the engagement.*

Auditor General's Position

1.1.7.9 Management did not address the issues raised. There was no evidence that the closing balances reported for the period under audit tie to the ledger. Account balances in the ledger/trial balance at the end of the reporting period should correspond to the closing cash balances of the financial statements. Therefore, we maintain our finding and recommendation. Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009.

1.1.8 Petty Cash Management

Observation

1.1.8.1 Section 6.4.5 of the LACC Financial Hand Book of 2015 explains that Cash in the safe must be counted, and signed against in the safe-cash book at minimum one time per week. The cash is counted by its custodian and one additional person, preferably the Comptroller. All cash transactions have to be reconciled at the end of the month, using the cash counting form.

1.1.8.2 There was no evidence that regular count of petty cash was conducted by independent senior personnel during the period to ensure check and balances in the management of petty cash.

Risk

1.1.8.3 The lack of regular petty cash count provides opportunity for diversion of cash to personal use which could lead to misstatement of the financial statements.

Recommendation

1.1.8.4 Going forward, Management should conduct regular cash count to ensure that cash on hand for the purpose of petty spending tallies with the petty cash record at all times. Senior personnel independent of the receipt and disbursement process of petty cash should assume this responsibility for transparency and accountability.

Management's Response

1.1.8.5 *We take due note and will act on implementing your recommendation for regular Petty Cash count.*

Auditor General's Position

1.1.8.6 We acknowledge Management's acceptance of our recommendation. We will make a follow up on the implementation of our recommendation during subsequent audit.

1.1.9 Deficiencies in the preparation of bank reconciliation statement

Observation

1.1.9.1 Regulation R3 of the PFM Act 2009 provides that "the balance of every bank account as shown in a bank statement shall be reconciled with the corresponding cashbook balance at least once every month; and the reconciliation statement shall be filed or recorded in the cash book or the reference to the date and number thereof."

1.1.9.2 During the examination of Bank Reconciliations, we observed differences in the closing bank balance from the bank statement posted for reconciliation. **See Appendix 8 for details.**

1.1.9.3 Further, we observed the following issues during our review of the bank reconciliation statements:

- No evidence that bank reconciliations were prepared for several months for accounts domicile at the Central Bank of Liberia and Eco bank during the fiscal period under audit. **See Table 3 below.**
- Bank charges were incorrectly reconciled. For instances, bank charges were over stated during the process of reconciliation. **See Appendix 9 for details.**

Table 3: Bank accounts not reconciled for the period 2016/2017

Bank/Account	Months without Reconciliation
Eco-Bank LRD Account	July, 2016
Eco-Bank LRD Account	August, 2016
Eco-Bank USD and LD Accounts	April, 2017
Eco-Bank USD and LD Accounts	May, 2017
Eco-Bank USD and LD Accounts	June, 2017
Central Bank USD and LRD Accounts	July, 2016 to June, 2017

Risk

- 1.1.9.4 Closing cash balance indicated in the financial statements may be misstated due to errors on the bank reconciliation statement.
- 1.1.9.5 Failure to prepare bank reconciliation and properly reconcile the transactions could lead to the untimely detection and correction of errors or omissions.

Recommendation

- 1.1.9.6 The LACC Management should provide material justification for differences in the bank closing cash balances posted for reconciliation. Also, Management should provide material justification for not preparing bank reconciliation and properly reconciling bank charges as indicated.
- 1.1.9.7 going forward, Management should ensure that bank reconciliation statements for all bank accounts are properly prepared on a monthly basis to detect and correct errors and omissions on a timely basis.

Management's Response

- 1.1.9.8 *Reconciliation does not necessarily imply equivalent values on the Bank Statement versus Closing Balance as per the Ledger posted for reconciliation. We have enclosed in our response the records of Bank Reconciliation for various accounts depicting Closing Balances as per the Financial Statement for the period ended 30 June 2017 for the fiscal year 2016-2017. Please review more carefully the reconciliation attached to the response.*
- 1.1.9.9 *Table 4 (now 3): Bank accounts not reconciled for the period 2016/2017 During our meetings while implementing the LACC audit I informed your team that the LACC transitioned its accounts from the CBL in July 2014 to Ecobank Liberia. Later, the accounts were transitioned to UBA for better customer service since we struggled a lot with delays at Ecobank.*
- 1.1.9.10 *We are presenting reconciliation for CBL in 2017 for the STOAP Project Account. This occurred for United States Dollars Transaction and not Liberian Dollars, since the project ran only United States Dollars Bank Account.*

Auditor General's Position

1.1.9.11 The issue that bank reconciliations were not prepared for several months has been addressed based on the documents provided. However, we maintain our finding and recommendation for the issue of incorrectly reconciling bank charges and the issue of maintaining invalid check on the book. Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM Act of 2009.

1.1.10 Inconsistencies in the application of the Financial Reporting Framework

Observation

1.1.10.1 International Public Sector Accounting Standards (IPSAS) financial reporting under the Cash Basis as adopted by the GOL comprises two parts: The mandatory primary financial statements to be presented and the voluntary disclosures.

1.1.10.2 Part 1 paragraph 1.3.4 of the IPSAS Cash Basis standard defines the mandatory primary financial statements required as:

- Statement of Cash Receipts and Payments
- Statement of Comparison of Budget and Actual Amounts
- Accounting Policies and Explanatory Notes

1.1.10.3 Part 2 of the cash basis standard prescribes the voluntary disclosures. This identifies additional accounting policies and disclosures that an entity is encouraged to adopt to enhance its financial accountability and the transparency of its financial statements. These include:

- Going Concern
- Extraordinary Items
- Administered Transactions
- Disclosure of Major Classes of Cash Flows
- Related Party Disclosures
- Disclosure of Assets, Liabilities and Comparison with Budgets
- Assistance Received From Non-Governmental Organizations (NGOs)
- Recipients of External Assistance

1.1.10.4 Paragraph 1.3.5 of Part 1 provides that when an entity elects to disclose information prepared on a different basis from cash basis of accounting defined in this Standard or otherwise required by paragraph 1.3.4 (a & c), such information shall be disclosed in the notes to the financial statements.

1.1.10.5 We observed that in addition to the primary mandatory financial statements prescribed by IPSAS Cash Basis, the "Statement of Cash Position" which is not a requirement was presented on the face of the financial statements instead of in the Notes. Statement of Cash Position is accrual in nature and includes balances that take into consideration liabilities which is inconsistent to the IPSAS Cash Basis Reporting.

Risk

- 1.1.10.6 Failure to fully comply with the IPSAS Cash Basis Financial Reporting Framework undermines accountability of public resources and could lead to misunderstanding of the financial statements by users.

Recommendation

- 1.1.10.7 The Management of LACC should fully apply the requirements of the IPSAS Cash Basis Financial Reporting Framework and when Management elects to voluntarily disclose additionally information, said disclosure should be in line with the requirements and objectives of Part 2 of the IPSAS Cash Basis Financial Reporting Framework.

Management's Response

- 1.1.10.8 *Mandatory as implied means "not without those statements" Notwithstanding, no accrual items nor liabilities were recorded on the statement of Cash Position (All Public Funds)". The financial statement is consistent with "Part I paragraph 1.3.4 of the IPSAS Cash Basis standard. We are including the "Statement of Cash Position" for your review in regards to accrual items. There is no accrual nor liabilities reflected.*

Auditor General's Position

- 1.1.10.9 Management did not address the issues raised. All other statements which management deem necessary to add to the financial statements are considered encouraged disclosure and should be presented in the notes to the financial statements. Therefore, we maintain our finding and recommendations. Further, Management is in breach of financial discipline in line with Regulation A. 20 of the PFM Act of 2009.

1.2. Internal Control Related Issues

1.2.1. Payments to Third Party

Observation

- 1.1.10.10 Regulation B. 28 of the PFM Act of 2009 states, "A payment shall be made only to the person or persons named on the payment voucher or to their representatives duly and legally authorized in writing to receive the payment".
- 1.1.10.11 We observed that the LACC Management made several third-party payments amounting to **US\$2,000.00** and **L\$85,825.00** in the names of employees for various goods and services rather than make the payments to the service providers or their authorized representatives. **See Table 4 below.**

Table 4: Payment for goods/services in the names of employees; 2016/2017

Date	Description	Check/ Reference#	Payee		Amount	
			Name of Employee	Position	US\$	L\$
22- June- 017	Repairs & maintenance- equipment,	0111860	Benjamin J.T'eh	ASST Procurement Officer	-	40,825.00

Table 4: Payment for goods/services in the names of employees; 2016/2017

Date	Description	Check/ Reference#	Payee		Amount	
			Name of Employee	Position	US\$	L\$
	mach.					
16- Mar- 017	Entertainment, representation, gifts	00068160	Saybah F.Massah	Executive Secretary	-	25,000.00
05- Jan- 017	Repairs & maintenance- Generator	00068217	Bernice Karlar	ASST Procurement Officer	-	20,000.00
Jun. 29, 2017	Cash Advance for Foreign travel Ticket upgrading	420189	James N. Verdier Jr.	Chair Person	2,000.00	-
Total					2,000.00	85,825.00

Risk

- 1.1.10.12 Payments in the names of employees for procurement of goods and services could be diverted to personal use thus leading to misappropriation of funds.

Recommendation

- 1.1.10.13 The LACC Management should provide material justification for authorizing payments in the names of the employees of LACC instead of the service providers.
- 1.1.10.14 Going forward, all payments for goods and services should be made directly to the service providers/vendors or the authorized legal representative.

Management's Response

- 1.1.10.15 *The Public Financial Management Regulations, "Part Q. Definition of Imprest" For the purposes of these regulations an imprest is a sum of cash advanced to a public officer to effect payments which are inconvenient to make from Public Funds, using the normal payment procedures as laid down in these regulations.*
- 1.1.10.16 *Q.3 Classes of Imprest (1) The imprests are of two classes or categories, namely standing and special imprest.*
- 1.1.10.17 *(2) Standing Imprests are held throughout the financial year by the imprest-holder and replenished or amount spent recouped when necessary by submission of receipts and paid payment vouchers to the head of government agency for approval and replenishment of the amount spent.*
- 1.1.10.18 *(3) Special Imprests are issued to the imprest holder for making a particular payment, or group of payments and the amount given must be fully retired by the date specified in the approval to operate the imprest.*

1.1.10.19 *Note: The payments as highlighted in table 5: Payment for Goods in the Names of Employees 2016/2017, are classified as Special Imprest” These payments were intended for various items for refreshments for meetings of the External Guests (Entertainment Representation & Gifts – LD \$ 25,000), Board Members, Guests and Staff. Two other payments for Repair & Maintenance Machinery and Repair & Maintenance Generator, were advances secured for various different items. They were retired fully. For the Air Ticket, the airline refused to accept a check payment at the time of travel and the flight was already scheduled. The Passenger had no other option but secured the ticket upgrade through cash payment. These payments as nominal as they are in dollar value were retired on dates specified on the advance forms. We have attached samples for your review and consideration in line with Part Q as stated above.*

Auditor General’s Position

1.1.10.20 Management did not provide the necessary document to substantiate the issue raised and the assertion that these payments were made under the imprest system. Therefore, we maintain our finding and recommendation. Further, Management is in breach of financial discipline in line with Regulation A.20 of PFM Act 2009.

1.2.2. Quarterly reports to PPCC

Observation

1.1.10.21 Section 43.9 of the PPCA of 2005 as amended in 2010 requires that “procuring entity shall forward to the Public Procurement & Concessions Commission (PPCC) on a quarterly basis a report for monitoring and evaluation purposes of the contracts awarded during the preceding quarter”.

1.1.10.22 There was no evidence that the LACC Management prepared and submitted to the PPCC, quarterly reports of contracts awarded during the fiscal period to enable the PPCC conduct monitoring and evaluation on the contracts awarded during the period under audit.

Risk

1.1.10.23 The lack of monitoring and evaluation report could lead to inefficiency in the monitoring of contracts by PPCC thus, undermining accountability and transparency.

Recommendation

1.1.10.24 The LACC Management should ensure that quarterly reports for contracts awarded during the fiscal period are prepared and submitted to PPCC as required.

Management’s Response

1.1.10.25 *LACC have had a serious challenge in its Procurement unit. We have experienced repetitive turnover of Officers responsible for Procurement. Unfortunately, we witness not just turnover but also the sad passing of two of our previous Procurement Officers’ after their separation from the Commission. Moreover, we have been challenged with*

moving from one Office Building to the Other due to the absence of our own facility. All of these conditions have impacted negatively our Public Procurement Processes and records. We were able to hire a Procurement Officer in late 2018. The Procurement unit is now fully staff and adequate systems are being setup to respond to all areas of importance.

Auditor General's Position

- 1.1.10.26 We acknowledge Management's assertions. However, we maintain our finding and recommendation. Further, Management is in breach of Section 43.9 of the PPCC Act of 2005 as amended in 2010

1.2.3. Body of Commissioners (BoC) Resolution

Observation

- 1.1.10.27 Part VII of the LACC Act of 2008 provides that the entity shall be governed by a Body of five (5) Commissioners and they shall be responsible for the formulation of policies and the implementation of all activities and programs of the Commission. The Commissioners shall meet as frequently as necessary for the effective discharge of the mandate of the Commission, but not less than once a month.

- 1.1.10.28 A review of the Body of Commissioners (BoC) meeting minutes revealed the following weaknesses:

- The BoC passed resolutions during the period under audit, but there was no evidence that some of the resolution/decisions were implemented;
- Some of the resolutions did not contain timeframe of implementation;
- There was no evidence that the BoC ensured the fully implemented of its resolutions by the responsible department/unit/personnel. **See Appendix 10 for details.**

Risk

- 1.1.10.29 Failure to implement the BoC's resolution could lead to the non-achievement of the entity's objectives.

Recommendation

- 1.1.10.30 The LACC Management should provide material justification for not implementing decisions reached by the BoC.

- 1.1.10.31 Going forward, the BoC should ensure that decisions reached are fully implemented within the established timeframe to improve operations within the entity.

Management's Response

- 1.1.10.32 *We take note of your recommendation and will act accordingly.*

Auditor General's Position

- 1.1.10.33 We acknowledge Management's acceptance of our recommendation. We will make a follow up on the implementation of our recommendation during subsequent audit.

APPENDIX



Appendix 1: Transactions Without Adequate Supporting Documents; 2016/2017 - Adjustment After Management Letter

Date	Description	Payee	Check/Reference#	Amount (US\$)	Comment
2 Mar-017	Honorarium	Classic Trading Company	DT	3,700.00	No payment voucher and other documents
06-June-017	Entertainment, Representation & gifts	Salomie Dixon	0420171	110.00	No receipt, LPO, delivery note, etc.
Jun. 29, 2017	Cash Advance for Foreign travel Ticket upgrading	James N. Verdier Jr.	420189	2,000.00	No invitation from donor and receipt for ticket purchased
Total				5,810.00	

Appendix 2: Suppliers with expired/no Business Registration and Tax Clearances; 2016/2017

No.	Date	Description per Source	Payee	Check #	Amount		Comment
					US\$	L\$	
1	22-Dec-016	Stationery	D & G Enterprise	00068294	-	211,680.00	Vendor with expired tax clearance and business registration
2	27-Dec-016	Stationery	D & G Enterprise	0365933	1,440.00	-	Vendor with expired tax clearance and business registration
3	19-May-017	Stationery	Mattar Trading	00068074	-	104,000.00	Vendor with no tax clearance and expired business registration
4	30-Dec-016	Advertising & public relations	Pro-Design	00068204	-	70,560.00	Vendor with expired tax clearance and business registration
5	16-May-017	Advertising & public relations	Liberia Media Marktg.	00068060	-	72,800.00	Vendor with no tax clearance and expired business registration
6	19-May-017	Repairs & maintenance-vehicles	GBK Motors	00068078	-	273,728.00	Vendor with expired tax clearance and business registration
7	19-May-017	Telecommunications, internet, postage	Recomm Group	00068077	-	530,400.00	Vendor with expired tax clearance and business registration
8	16-Mar-017	Telecommunications, internet, postage	RGI Liberia	0420203	2,040.00	-	Vendor with no tax clearance and business registration

Appendix 1: Transactions Without Adequate Supporting Documents; 2016/2017 - Adjustment After Management Letter

Date	Description	Payee	Check/Reference#	Amount (US\$)	Comment
2 Mar-017	Honorarium	Classic Trading Company	DT	3,700.00	No payment voucher and other documents
06-June-017	Entertainment, Representation & gifts	Salomie Dixon	0420171	110.00	No receipt, LPO, delivery note, etc.
Jun. 29, 2017	Cash Advance for Foreign travel Ticket upgrading	James N. Verdier Jr.	420189	2,000.00	No invitation from donor and receipt for ticket purchased
Total				5,810.00	

Appendix 2: Suppliers with expired/no Business Registration and Tax Clearances; 2016/2017

No.	Date	Description per Source	Payee	Check #	Amount		Comment
					US\$	L\$	
9	06-June-017	GUARD & SECURITY SERVICES	Protectco Security Co.	0420168	2,700.00	-	Vendor with no tax clearance and business registration
10	Oct.12, 2016	GUARD & SECURITY SERVICES	Protectco Security Co.	0388955	1,350.00	-	Vendor with no business registration
11	22-Dec-016	Repairs & maintenance-vehicles	Auto Elegance	0365926	591.20	-	Vendor with no tax clearance and business registration
12	28-Dec-016	Repairs & maintenance-vehicles	CICA Motors	0365935	540.81	-	Vendor with expired tax clearance and business registration
13	19-May-017	Repairs & maintenance-vehicles	Mutual Benefits	00068071	-	239,720.00	Vendor with no tax clearance and business registration
14	19-May-017	Repairs & maintenance-vehicles	Africa Motors Inc.	00068075	-	104,000.00	Vendor with no tax clearance and business registration
15	19-May-017	Repairs & maintenance-vehicles	Africa Motors Inc.	00068080	-	138,320.00	Vendor with no tax clearance and business registration

Appendix 1: Transactions Without Adequate Supporting Documents; 2016/2017 - Adjustment After Management Letter

Date	Description	Payee	Check/Reference#	Amount (US\$)	Comment
2 Mar-017	Honorarium	Classic Trading Company	DT	3,700.00	No payment voucher and other documents
06-June-017	Entertainment, Representation & gifts	Salomie Dixon	0420171	110.00	No receipt, LPO, delivery note, etc.
Jun. 29, 2017	Cash Advance for Foreign travel Ticket upgrading	James N. Verdier Jr.	420189	2,000.00	No invitation from donor and receipt for ticket purchased
Total				5,810.00	

Appendix 2: Suppliers with expired/no Business Registration and Tax Clearances; 2016/2017

No.	Date	Description per Source	Payee	Check #	Amount		Comment
					US\$	L\$	
16	04-April-017	Repairs & maintenance-vehicles	Africa Motors	00068288	-	61,269.69	Vendor with no tax clearance and business registration
Total					8,662.01	1,806,477.69	

Appendix 3: Daily sustenance allowance and incidental expenses; 2016/2017

Date	Description	Payee	Check/Reference#	Amount		Comment
				US\$	L\$	
07-Oct-016	Foreign travel -DSA- incidental	Appleton Artis	0388957	280.00	-	receipt & settlement form
07-Oct-016	Foreign travel -DSA- incidental	Augustine Mehn	0388958	280.00	-	receipt & settlement form
07-Oct-016	Foreign travel -DSA- incidental	Margaret Nigba	0388959	280.00	-	receipt & settlement form
08-Nov-016	Foreign travel -DSA- incidental	James N. Verdier Jr.	0388989	280.00	-	receipt & settlement form

Appendix 3: Daily sustenance allowance and incidental expenses; 2016/2017

Date	Description	Payee	Check/Reference#	Amount		Comment
				US\$	L\$	
08-Nov-016	Foreign travel -DSA- incidental	George H.Dahn	0388990	280.00	-	receipt & settlement form
30-Nov-016	Foreign travel -DSA- incidental	James N.Verdier Jr.	0388998	280.00	-	receipt & settlement form
16-May-017	Foreign travel -DSA	James N.Verdier Jr.	0420154	1,893.00	-	settlement form
12-June-017	Foreign travel -DSA- incidental	Mohammed E.Fahnbulleh	0420174	280.00	-	receipt & settlement form
16-June-017	Domestic travel Incidental	Abraham B.Sheriff	0111867	-	3,000.00	receipt & settlement form
26-Feb-017	Domestic travel Incidental	Abraham Sheriff	00068241	-	10,000.00	receipt & settlement form
15-Feb-017	Domestic travel-DSA	Loretta M.Dawolo	0420280	1,728.97	-	settlement form
23-Nov-016	Domestic travel	Foday Jaleiba	00068268	-	15,000.00	settlement form
12-Oct-016	Domestic travel-for trip to G.Bassa	Joe Flomo	00074380	-	10,000.00	settlement form
12-Oct-016	Domestic travel-for trip to G.Bassa	Ijaz Mason	00074381	-	12,000.00	settlement form
12-Oct-016	Domestic travel-for trip to G.Bassa	Daniel Woart	00074382	-	17,800.00	settlement form
05-Oct-016	Domestic travel-for trip to Gbarnga	Abraham Sheriff	00074384	-	17,800.00	settlement form
05-Oct-016	Domestic travel-for trip to Gbarnga	Abel Guah	00074385	-	12,000.00	settlement form
05-Oct-016	Domestic travel-for trip to Gbarnga	Pewee Johnson	00074386	-	10,000.00	settlement form
26-Oct-016	Domestic travel-dsa	James K.Kingsley	00074395	-	20,000.00	settlement form
15-Feb-017	Domestic travel-dsa	George H.Dahn	00068233	-	40,000.00	settlement form
15-Feb-017	Domestic travel-dsa	Baba M.Borkai	00068239	-	30,000.00	settlement form



Appendix 3: Daily sustenance allowance and incidental expenses; 2016/2017

Date	Description	Payee	Check/Reference#	Amount		Comment
				US\$	L\$	
15-Feb-017	Domestic travel-dsa	Pewee Johnson	00068235	-	25,000.00	settlement form
15-Feb-017	Domestic travel-dsa	Appleton Artis	00068236	-	30,000.00	settlement form
15-Feb-017	Domestic travel-dsa	Abraham Sheriff	00068237	-	30,000.00	settlement form
15-Feb-017	Domestic travel	Abel Guah	00068238	-	30,000.00	settlement form
27-Aprl-017	Domestic Travel	Musa Kromah	00068196	-	10,000.00	settlement form
27-Aprl-017	Domestic Travel	O'Grady Johnson	00068197	-	10,000.00	settlement form
27-Aprl-017	Domestic travel-dsa	Dakina O. Gorden	00068200	-	10,000.00	settlement form
27-Aprl-017	Domestic travel-dsa	Tarnue C.M Jaryan	00068051	-	10,000.00	settlement form
27-Aprl-017	Domestic travel-dsa	Amos Joseph	00068053	-	10,000.00	settlement form
27-Aprl-017	Domestic travel-dsa	Nicholas Nyanplu	00068052	-	10,000.00	settlement form
31-May-017	Domestic travel-dsa	G.Wiefueh A. Sayeh	00068096	-	24,000.00	settlement form
31-May-017	Domestic travel-dsa	Bangalee Donzo	00068097	-	15,000.00	settlement form
31-May-017	Domestic travel-dsa	Margaret Nigba	00068099	-	24,000.00	settlement form
16-June-017	Domestic travel-DSA	Abraham B.Sheriff	0111863	-	18,000.00	settlement form
16-June-017	Domestic travel-DSA	Abel Guah	0111864	-	18,000.00	settlement form
16-June-017	Domestic travel-DSA	Joe Flomo	0111865	-	15,000.00	settlement form
23-June-017	Domestic travel-DSA	Pewee Johnson	0111876	-	15,000.00	settlement form
23-June-017	Domestic travel-DSA	Trocon R.Moore	0111878	-	24,000.00	settlement form
23-June-017	Domestic travel-DSA	Pewee Johnson	0111879	-	20,000.00	settlement form
23-June-017	Domestic travel-DSA	Sonja Gibson	0111881	-	24,000.00	settlement form
23-June-017	Domestic travel-DSA	Augustine Mehn	0111888	-	18,000.00	settlement form
30-June-017	Domestic Travel dsa	Cornelius S'eh	0111896	-	20,000.00	settlement form
23-June-017	Domestic travel-DSA	Pewee Johnson	0111995	-	10,000.00	settlement form
23-June-017	Domestic travel-DSA	Sonja Gibson	0111997	-	12,000.00	settlement form
Total				5,581.97	629,600.00	



Appendix 4: Fuel/gasoline procured without evidence of distribution to end-users

Date	Description	Payee	Check/Reference#	Amount	
				US\$	L\$
02-Dec-016	Fuel & lubricants-vehicles	Total Liberia	301116	3,000.00	-
25-Aug-016	Fuel & lubricants-vehicles	Total Liberia	388913	9,501.75	-
12-Oct-016	Fuel & lubricants-vehicles	Total Liberia	1110162	-	318,270.00
7-Dec-16	Fuel & lubricants-vehicles	Total Liberia	712161	313.00	-
01-March-017	Fuel & lubricants-vehicle	Total Liberia	103171	-	41,860.00
5-Oct-16	Fuel & lubricants-vehicles	Total Liberia	510161	1,100.00	-
Total				13,914.75	360,130.00

Appendix 5: Difference between General Ledger and Financial Statements amounts

Line item	Expenditure per General Ledger	Expenditure per Financial Statements	Variances
Electricity	1,280.29	18,448.29	(17,168.00)
Telecommunication, Internet, Poster and court	64,222.34	78,419.34	(14,197.00)
Office Buildings Rental and Lease	128,732.00	150,000.00	(21,268.00)
Repairs and Maintenance-Vehicles	60,656.47	65,007.17	(4,350.70)
Repairs and Maintenance-generator	3,844.50	3,999.50	(155.00)
Repairs and Maintenance-machinery, equipment	6,828.00	7,805.00	(977.00)
Stationery	16,160.22	17,713.50	(1,553.28)
Other office Materials and consumables	11,404.59	16,031.49	(4,626.90)
Entertainment and Representation	6,860.35	6,945.35	(85.00)
Advertising and public relation	17,089.31	17,269.31	(180.00)
Workshop, Conference, Seminar, etc	-	300.00	(300.00)
Special operation	16,213.93	13,713.93	2,500.00
Foreign travel daily subsistence allowance	12,126.40	14,626.00	(2,499.60)
Domestic Travel-DSA	6,969.77	9,309.98	(2,340.21)
Total	352,388.17	419,588.86	(67,200.69)

Appendix 6: Variance between voucher and Ledger amounts; 2016/2017

Month/Date A	Description B	Amount per voucher C	Amount per ledger D	Variance E=(C-D)
		Total Payroll Cost (US\$)	Total Payroll Cost (US\$)	
July, 2016	Payroll cost for the month of July	131,050.00	106,640.18	24,409.82
August, 2016	Payroll cost for the month of August	132,422.23	135,974.83	(3,552.60)
September, 2016	Payroll cost for the month of September	133,437.87	151,313.21	(17,875.34)
October, 2016	Payroll cost for the month of October	132,994.81	123,134.75	9,860.06
November, 2016	Payroll cost for the month of November	133,345.00	129,285.74	4,059.26
December, 2016	Payroll cost for the month of December	133,345.00	165,948.44	(32,603.44)
January, 2017	Payroll cost for the month of January	133,845.00	141,798.93	(7,953.93)
February, 2017	Payroll cost for the month of February	130,079.09	107,657.52	22,421.57
March, 2017	Payroll cost for the month of March	130,262.55	150,291.78	(20,029.23)
April, 2017	Payroll cost for the month of April	126,720.00	187,923.52	(61,203.52)
May, 2017	Payroll cost for the month of may	126,250.03	143,241.80	(16,991.77)
June, 2017	Payroll cost for the month of June	126,771.09	183,835.89	(57,064.80)
Total		1,570,522.67	1,727,046.59	(156,523.92)

Appendix 7: Closing cash balances per Financial Statements and ledger; 2016/2017

A. Cash balance per General Ledger as at June 30, 2017						
Bank/Cash	Account#	Cash Balances		L\$ conversion Rate	Converted amount in US\$	Total Cash (US\$)
		L\$	US\$			
ECOBANK- USD Account	0011134701660203	-	-	-	-	-
UBA- USD Account	53010030002684	-	(37,748.78)	-	-	(37,748.78)
UBA- LD Account	53010030002675	(1,149,824.21)	-	111.12	(10,347.59)	(10,347.59)
CBL USD Account	220630009700	-	-	-	-	-
CBL (STAOP Project A/C)	220630002813	-	27,849.59	-	-	27,849.59
Total-A						(20,246.78)

B. Cash balance per Financial Statement as at June 30, 2017		
Bank/Cash	Account#	Amount in US\$
ECOBANK- USD Account	0011134701660203	136.70
UBA- USD Account	53010030002684	37.27
UBA- LD Account	53010030002675	397.07
CBL USD Account	220630009700	1.37
STAOP Project- CBL-USD Account	220630002813	27,849.59
Petty Cash (UBA- USD Account)	53010030002684	1,000.00
Total-B		29,422.00
Total-C (A-B)		9,175.22

Appendix 8: Difference in bank closing Balance incorrectly posted for Reconciliation; 2016/2017

Description	Account No.	Month	Closing Balance per Bank Statement	Closing Balance posted for reconciliation	Variance
A. United States Dollar Accounts					
UBA- USD Account	53010030002684	November, 2016	142,815.89	27,521.76	115,294.13
UBA- USD Account	53010030002684	January, 2017	32,457.82	52,183.39	(19,725.57)
UBA- USD Account	53010030002684	June, 2017	13,239.02	78,508.40	(65,269.38)
B. Liberian Dollar Accounts					
UBA- LD Account	53010030002675	November, 2016	3,919,950.69	922,188.60	2,997,762.09
UBA- LD Account	53010030002675	January, 2017	859,692.49	1,530,882.58	(671,190.09)
UBA- LD Account	53010030002675	June, 2017	1,952,243.87	3,842,634.99	(1,890,391.12)

Appendix 9: Bank charges incorrectly reconciled; 2016/2017

Month	Account #	Description	Amount per Bank statement		Amount per Reconciliation statement		Variance	
			US\$	L\$	US\$	L\$	US\$	L\$
July, 2016	UBA USD-Account 5301003000 2684	Bank service charge for July, 2016	108.02	-	28.80	-	79.22	-
July, 2016	UBA-LRD-5301003000 2675	Bank service charge for July, 2016	-	5,360.85	-	1,088.00	-	4,272.85
December, 2016	UBA USD-Account 5301003000 2684	Bank service charge for December, 2016	319.90	-	339.90	-	(20.00)	-
January, 2017	UBA USD-Account 5301003000 2684	Bank service charge for January, 2017	32.10	-	8.25	-	23.85	-
January, 2017	UBA-LRD-5301003000 2675	Bank service charge for January, 2017	-	1,295.00	-	575.00	-	720.00
February, 2017	UBA USD-Account 5301003000 2684	Bank service charge for February, 2017	43.80	-	47.56	-	(3.76)	-
February, 2017	UBA-LRD-5301003000 2675	Bank service charge for February, 2017	-	1,864.47	-	2,584.70	-	(720.23)
March, 2017	UBA-LRD-5301003000 2675	Bank service charge for	-	3,021.00	-	-	-	3,021.00

Appendix 9: Bank charges incorrectly reconciled; 2016/2017

Month	Account #	Description	Amount per Bank statement		Amount per Reconciliation statement		Variance	
			US\$	L\$	US\$	L\$	US\$	L\$
		March, 2017						
May, 2017	UBA-LRD-53010030002675	Bank service charge for May, 2017	-	6,874.00	-	7,474.00	-	(600.00)
June, 2017	UBA USD-Account 53010030002684	Bank service charge for June, 2017	77.60	-	-	-	77.60	-
June, 2017	UBA-LRD-53010030002675	Bank service charge for June, 2017	-	7,431.80	-	3,967.80	-	3,464.00
July, 2016	ECO USD Account-11134701660203	Bank service charge for July, 2016	30.00	-	60.00	-	(30.00)	-
September, 2016	ECO USD Account-11134701660203	Bank service charge for September, 2016	30.00	-	571.00	-	(541.00)	-
October, 2016	ECO LRD Account-10134701660201	Bank service charge for October, 2016	-	2,535.00	-	2,599.94	-	(64.94)
December, 2016	ECO USD Account-11134701660203	Bank service charge for December, 2016	33.00		30.00		3.00	-

Appendix 10: Body of Commissioners (BoC) Resolution

Board decision (resolution)	Date of decision (resolution)	Timeframe for implementation	Responsible Unit/ Personnel	Comment/conclusion
Preparation and submission of creditors' listing of the Commission	19-Apr-16	No timeframe indicated	Finance and Procurement Sections	No evidence that creditors' listing was prepared and submitted to the BoC
Comprehensive report indicating how savings realized from the LACC recent austerity measures was spent/used	19-Jul-16	No timeframe indicated	Comptroller	No evidence that the comprehensive report of savings realized from the LACC austerity measures was prepared and submitted to the BoC
The BoC endorsed a recommendation for a comprehensive Public Relation Strategy to be produced for the Commission	21-Dec-16	2017	Public Relation Officer	No evidence that the Communication Strategy for the Commission was prepared and submitted to the BoC