



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**On the Audit of the Ministry of
Commerce and Industry (MoCI)
Financial Statements**

For the Period Ended June 30, 2017

January 2021

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

Table of Contents

Basis for Adverse Opinion	3
Responsibilities of the Ministry of Commerce and Industry (MoCI) Management for the financial statements	4
Auditor's Responsibilities for the Audit of the Financial Statements	4
MOCI FINANCIAL STATEMENTS 2016 - 2017.....	5

Republic of Liberia

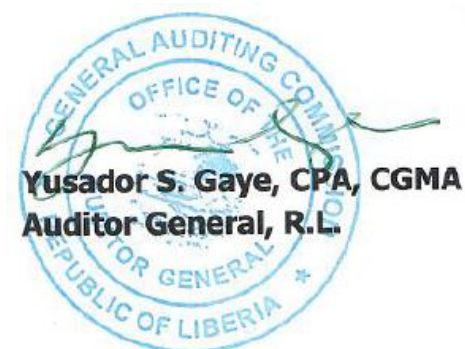


The Honourable Speaker of the House of Representatives and the President Pro-Tempore of the House of Senate:

We have undertaken the audit of the Ministry of Commerce and Industry (MoCI) for the Fiscal Period ended June 30, 2017. The audit was conducted under the Auditor General's statutory mandate, as provided for under section 2.1.3 of the GAC Act of 2014.

Findings conveyed in this report have been formally communicated to the Management of the MoCI. Where responses have been provided by the Management on the audit findings, these have been evaluated and incorporated in this report.

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



Monrovia, Liberia

January 2021

Acronyms/Abbreviations/Symbols

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
AG	Auditor General
BEP	Bid Evaluation Panel
CBL	Central Bank of Liberia
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPA	Certified Public Accountant
CVF	Counterpart Value Fund
LBDI	Liberia Bank for Development and Investment
GAC	General Auditing Commission
CBL	Central Bank of Liberia
GN	GN Bank
GoL	Government of Liberia
GSM	Global System for Mobile
GST	Goods and Services Tax
INTOSAI	International Organization of Supreme Audit
ISSAI	International Standards of Supreme Audit Institutions
L\$	Liberian Dollars
LBR	Liberia Business Registry
M&E	Monitoring and Evaluation
MoCI	Ministry of Commerce & Industry
MOU	Memorandum of Understanding
MSC	Ministerial Steering Committee
MSME	Micro-Small Medium Enterprise
PFM Act	Public Finance Management Act
LIFE	Liberia Innovation fund for Entrepreneurs
PPC Act	Public Procurement Concession Act
PPCC	Public Procurement and Concession Committee
PVs	Payment Vouchers
ToR	Terms of Reference
MIPFP	Monrovia Industrial Park Fencing Project
US\$	United States Dollar
WHT	Withholding Taxes
MIP	Monrovia Industrial Park
LMP	Liberia Market Place
SRF	Special Rice Fund
NASSCORP	National Standard Laboratory
NSL	National Standard Laboratory
MFDP	Ministry of finance and Development Planning
PAN	Personnel Action Notice

RE: Auditor General Report on the Audit of the Ministry of Commerce and Industry (MoCI) Financial Statements Fiscal Period Ended June 30, 2017

We have audited the accompanying financial statements of the Ministry of Commerce and Industry (MoCI) for the Fiscal Period ended June 30, 2017, which comprise the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes.

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 view in all material respects, the financial position of the Ministry of Commerce and Industry (MoCI) for the Fiscal Period ended June 30, 2018, which comprise the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes.

Basis for Adverse Opinion

There was a net negative variance of US\$829.02 in expenditures reported in the financial statements as compared to the accounting information provided in the Integrated Financial Management Information System (IFMIS).

Unexplained variances of US\$2,754.38 and L\$390,242.15 were shown in the beginning cash balances when the general Leger/cashbook is compared to beginning balances in the financial statements.

There were also unexplained variance of US\$ 2,050.25 and L\$640,933.55 when the balances in ending cash were matched with the financial statements.

An amount of US\$80,000.00 was omitted from the Financial Statements for non-residential building expenditure.

Management did not include the Explanatory Notes relating to the causes of significant variances between the budget and actual amounts (i.e. revenues and expenditures) as required by the IPSAS Cash Basis Accounting were not disclosed in the financial statements.

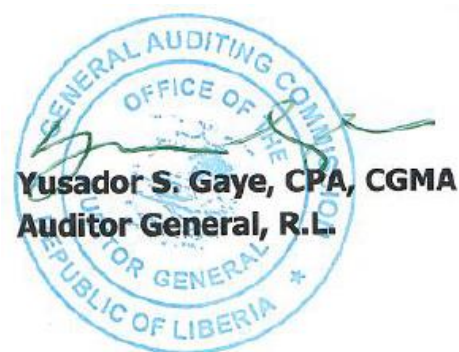
We conducted our audit in accordance with International Standard of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Ministry of Finance & Development Planning 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 Ministry of Commerce and Industry (MoCI) 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) Cash Basis, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for a qualified audit opinion.



Monrovia, Liberia

January 2021

MOCI FINANCIAL STATEMENTS 2016 - 2017

**STATEMENT OF CASH RECEIPTS AND PAYMENTS
(ALL PUBLIC FUNDS)**

FOR THE FINANCIAL YEAR ENDED 30th JUNE 2017 (FY2015/16)-

RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

FUND/ACCOUNTS DESCRIPTION	NOTES	FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017			FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016		
		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
		OPERATIONAL FUND					
RECEIPTS							
Authorized Allocation/Appropriation	4	66,949.00	2,495,081.00		2,494,955.00		
Other Receipts	5						
External Assistance:	6						
Grants From Multilateral Agencies							
Grants From Bilateral & Other Agencies							
Borrowings from Multilateral Agencies							
Borrowings from Bilateral Agencies							
Other Grants and Aid							
Other Borrowings							
Total Receipts - Operational Fund		66,949.00	2,495,081.00		2,294,955.00		

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017



PAYMENTS									
Operations:									
Wages, Salaries and Employee Benefits	7		1,229,923.00			1,058,516.00			
Supplies and Consumables	8	68,572.62	692,921.00			841,042.00			
TRANSFERS:	9								
Grants			452,620.00			448,297.00			
Other transfer payments									
CAPITAL EXPENDITURES:	10								
Purchase/Construction of Property, plant and Equipment			119,545.00			147,100.00			
Purchase of Financial Instruments									
LOAN & INTEREST REPAYMENTS:									
Loan Repayments									
Interest Payments									
Other Payments									
Total Payments - Operational Fund		68,572.62	2,495,080.00			2,494,955.00			
Increase/Decrease in Cash		(1,623.62)							

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017

Purchase/Construction of Property, plant and Equipment	-	-	-	-	-	-	-	-	-
Purchase of Financial Instruments	-	-	-	-	-	-	-	-	-
LOAN & INTEREST REPAYMENTS:									
Loan Repayments	-	-	-	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-	-	-	-
Total Payments - Capital Development Funds	-	-	-	-	-	-	-	-	-
Increase/Decrease in Cash									
Cash at the beginning of the year	-	-	-	-	-	-	-	-	-
Net change in cash (receipts less payments)	-	-	-	-	-	-	-	-	-
Foreign currency translation difference	-	-	-	-	-	-	-	-	-
Cash at the End of the year - Capital Development Funds	-	-	-	-	-	-	-	-	-
Cash at the Beginning of the year - All Funds	15	5,110.19	-	-	-	-	5,110.19	-	-
Cash at the End of the year - All Funds	15	3,490.57	-	-	-	5,110.19	-	-	-

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND)
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

- Budget Approved on the Cash Basis

ACCOUNT TITLE/DESCRIPTION	For the Financial Year Ended 30 June 2017 (FY2016/17)				FY2015/16
	Actual Amounts	Final Budget	Original Budget	Difference: Final Budget and Actual	
	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
CASH INFLOWS					
Authorized Allocation/Appropriation	2,562,030.00	2,955,240.00	2,973,937.00	(411,907)	2,664,439.00
Grants	-	-	-	-	-
Borrowings	-	-	-	-	-
Other receipts	-	-	-	-	-
Total Cash Receipts	2,562,030.00	2,955,240.00	2,973,937.00	(411,907)	2,664,439.00
CASH OUTFLOWS					
Wages, Salaries and Other Employee Benefits	1,229,923.00	1,229,956.00	1,229,956.00	(33.00)	1,229,964.00
Goods and Services Consumed	759,405.00	991,898.00	1,008,925.00	(249,520)	686,975.00
Capital Expenditure	119,585.00	230,625.00	197,939.00	(78,354)	97,500.00
Transfers to other Government Units	452,620.00	502,755.00	537,111.00	(84,491)	450,000.00

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017

Other Payments					
Total Cash Payments	2,563,652.62	2,955,240.00	2,973,937.00	(0.14)	2,604,439.00
NET CASH FLOW - OPERATIONAL FUND	(1,623.62)		(1623.62)		

STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)

AS AT 30 JUNE 2016 *the*

Cash/Bank Account Details	Notes	As at 30 June 2017	As at 30 June 2016	Change in Cash Balances
OPERATIONAL FUND				
Petty Cash or Imprest				
Petty Cash A/c 1				
Petty Cash A/c 2				
Total held in petty cash:				
Bank Accounts				
MOC Operational A/C CBL	US	3.57	627.19	(623.62)
MOC Operational A/C CBL	LD	3,487	4,487	(1,000)
Total held in Bank Accounts:		3,490.57	5,110.19	(1,623.62)

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017

Total Cash and Bank Balances at the end of the period (Operational Fund):			3,490.57	5,110.19	(1,623.62)
<u>CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS)</u>		21			
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					
Project 2 Bank AC					
Total held in Bank Accounts:			-	-	-
Total Cash and Bank Balances at the end of the period (Donor Financed Projects):			2		

MINISTRY OF COMMERCE & INDUSTRY, GOVERNMENT OF LIBERIA
 Report and Financial Statements for the Financial Year ended 30th June 2017

TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS		3,490.57	5,110.19	(1,623.62)
---	--	----------	----------	------------

The Accounting Policies and Notes set out on pages 17 to 31 form an integral part of the financial statements.

Axel M. Addy

Head of Agency

Willie K. K. K.

.....
Date

Filiman S. Sanyon

Comptroller

Filiman S. Sanyon

30.06.2017

Date