



Promoting Accountability of Public Resources

# AUDITOR GENERAL'S REPORT

**ON THE NATIONAL BUREAU CONCESSIONS  
(NBC) FINANCIAL STATEMENTS OF RECEIPTS  
AND PAYMENTS FOR THE FISCAL YEAR ENDED  
JUNE 30, 2016.**

**December 2020**



**YUSADOR S. GAYE, CPA, CGMA  
AUDITOR GENERAL, R.L.**

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## Republic of Liberia



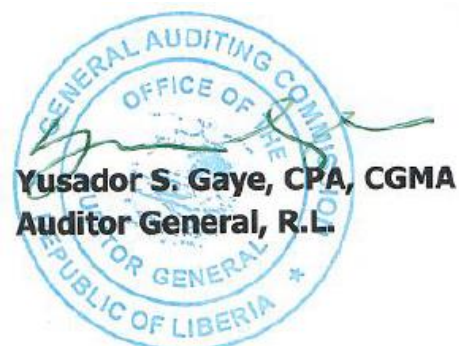
### **The Honorable Speaker of the House of Representatives, and the President Pro-Tempore of the House of Senate:**

We have undertaken the audit of the National Bureau of Concession (NBC) financial statements for the financial year ended June 30, 2016. The audit was conducted under the Auditor General's statutory mandate, as provided for under section 2.1.3 of the GAC Act of 2014.

Findings conveyed in this report have been formally communicated to the Management of the National Bureau of Concession (NBC). Where responses have been provided by the Management on the audit findings, these have been evaluated and incorporated in this report. We encourage you to pay particular attention to the following:

- Cash balance per revised financial statements and general ledger/final trial balance did not still tie. The revised financial statements did not agree to the general ledger/ final trial balance for goods and services by US\$123,898.64.
- The NBC management did not prepare bank reconciliation for the period under audit. The failure to prepare bank reconciliation statements could result in errors and omissions, therefore the accuracy of the cash balance reported in the financial statements cannot be assured.

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**

December 2020

**STATEMENT OF RESPONSIBILITY**

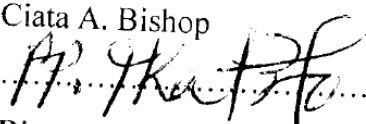
The Financial Statements as set out on pages 6 to 8 have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.

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 National Bureau of Concession.

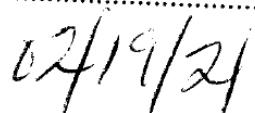
Under the provisions of the same Act, I am required to prepare unaudited Final Account of the National Bureau of Concession to be submitted to the Minister of Finance and Development Planning, forty-five days after the end of the financial year to which it relates. However, I have delegated the preparation 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 Yearly Public Account of the National Bureau of Concession 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.

Ciata A. Bishop  
  
.....  
**Director General**  
**National Bureau of Concession**

June 30,2016

.....  
Date 



## **REPORT OF THE COMPTROLLER**

### Introduction

This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the *National Bureau of Concession* for the financial year ended 30<sup>th</sup> June 2016 and of its financial position as at that date.

### **1 The FY2015/2016 Approved Budget**

At the onset of the fiscal period FY2015/2016, the National Legislature appropriated a total of US\$1,337,799.00 (One million three hundred thirty-seven thousand seven hundred and ninety-nine United States dollars).

**Summary** -The mandate of the National Bureau of Concession is to provide technical assistance in the bid award process of concessions and to monitor and evaluate concessions agreements. The Bureau is also required to provide technical expertise to government entities responsible for granting and regulating the various Concessions.

### **2 Authorised Appropriation/Allocations**

The total authorized allocation for the financial year FY2015/2016 received from the Ministry of Finance & Development Planning was One million three hundred seventy-two thousand one hundred and forty-eight United States dollars (US\$1,292,063.74) which constitutes ninety-seven per cent (97%) of annual appropriation. The ending balance for FY2014/2015 of USD104,746.85 was also added to this figure to arrive at an accumulated balance of USD1,396,810.59 (One Million, three hundred and ninety-six thousand, eight hundred and ten United States Dollar and fifty-nine cents).

### **Expenditure**

- a. Employee benefits** – Total employee benefits for the financial year was One million forty-five thousand and thirty-six United States dollars and twenty-one cents (US\$1,045,036.21) from the authorized allocation received from MFDP which constitutes eighty-one per cent (81%) of the year's allotment.
- b. Goods and Services** – Total goods and services for the financial year was One hundred ninety-one thousand, twenty-six United States Dollars and fifty-three cents (US\$191,026.53) and it was increased by the balance brought forward from FY14/15 in the amount of USD104,746.85. Therefore, total goods and service for the period was US\$295,773.38.

**Conclusion**

The Financial Statements for the financial year ended 30<sup>th</sup> June 2016 should be read in conjunction with the underlying notes.

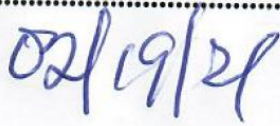
Kalivah Jorgbor



.....  
**Comptroller**

**June 30, 2018**

.....  
Date



## **AUDITOR GENERAL'S REPORT ON THE NATIONAL BUREAU CONCESSIONS (NBC) FINANCIAL STATEMENTS OF RECEIPTS AND PAYMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016.**

### **Management's Responsibility for the Financial Statements**

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

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

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

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

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

### **Adverse Opinion**

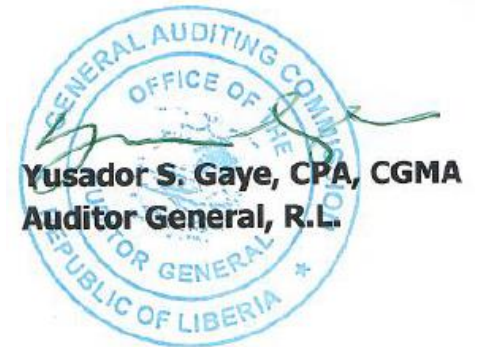
We have audited the Financial Statements of the National Bureau of Concession (NBC), which comprises the Statement of Cash Receipts and Payments for the fiscal year then ended, the Statement of Comparison Budget and Actual and a summary of significant accounting policies and other explanatory notes.

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

**Basis for Adverse Opinion**

Cash balance per revised financial statements and general ledger/final trial balance did not still tie. The revised financial statements did not agree to the general ledger/ final trial balance for goods and services by US\$123,898.64.

The NBC management did not prepare bank reconciliation for the period under audit.



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

**Monrovia, Liberia**

December 2020



**Statements of Cash Receipts and Payments  
 For the period ended June 30, 2016**

Accounts	Notes	CONTROLLED BY ENTITY 2015/2016	CONTROLLED BY ENTITY 2014/2015
Title/Description and Receipts		US\$	USD
Actual Receipts	3	<u>1,292,063.74</u>	<u>1,289,012.84</u>
<b>Total Receipts</b>		<u>1,292,063.74</u>	<u>1,289,012.84</u>
 <b>Payments</b>			
Personnel	4	1,045,036.21	1,182,056.58
Goods and services	5	295,773.38	106,956.27
Capital Assets	6		-
		<u>56,000.00</u>	
<b>Total Payments</b>		<b><u>1,396,809.59</u></b>	<b><u>1,289,012.85</u></b>
<b>Net Increase/Decrease</b>		(104,745.85)	(0.01)
<b>Cash at the beginning of the year</b>		<u>104,746.85</u>	-
<b>Cash at the end of the year FY15/16</b>		<b><u>15,268.77</u></b>	<b><u>104,746.85</u></b>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT  
 FOR THE PERIOD ENDED JUNE 30, 2016**

Account Title/Description	Actual USD	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance (explain variance above 10%)
	USD	USD	USD	USD	
<b>Cash Inflows</b>					
Actual Allotment Received	1,292,063.74	1,337,799.00	1,337,799.00	45,735.26	3.41%
<b>Total Receipts</b>	<b><u>1,292,063.74</u></b>	<b><u>1,337,799.00</u></b>	<b><u>1,337,799.00</u></b>	<b><u>45,735.26</u></b>	<b>3.41%</b>
<b>Cash Outflows</b>					
Personnel Expenditures	1,045,036.21	1,045,036.21	1,045,036.21	-	-
Goods and Services	295,773.38	295,773.38	295,773.38	-	-
Capital Expenditure	56,000.00	56,000.00	56,000.00	-	-
<b>Total Expenditure</b>	<b><u>1,396,809.59</u></b>	<b><u>1,396,809.59</u></b>	<b><u>1,396,809.59</u></b>	-	-
<b>Net Cash Flow</b>	<b><u>(104,745.85)</u></b>	-	-		

## **NOTES TO THE FINANCIAL STATEMENTS 2015/2016**

### **1 General Information – Reporting Entity**

The principal addressed of the reporting entity is:  
National Bureau of Concessions (NBC)  
Sinkor, 19<sup>th</sup> Street  
Monrovia, Liberia

### **2 Accounting Policies**

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Liberia in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of the financial statements therein are set out below.

#### **(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).

#### **(b) Reporting currency and translation of foreign currencies**

##### **(i) Functional and Presentation Currency**

The functional currencies are the Liberian Dollar and the United States Dollar and the reporting currency is the United States Dollar. Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates.

##### **(ii) Translation of Transactions in Foreign Currency**

Foreign currency transactions are translated into United States Dollar using the exchange rates circulated by the Central Bank of Liberia (CBL). The Exchange rate for the period under audit is 1USD equals LRD85.46.

#### **(c) Reporting Period**

The reporting period for these financial statements is the financial year of the Government, which runs from 1st July 2015 to the 30th June 2016.

#### **(d) Liabilities**

There was no issue of liabilities during the period under review.

#### **(e) Cash and bank**

Cash at the beginning of the period was USD104,746.85 and cash at the end of the year in bank was USD15,268.77.

**(f) Authorization Date**

The financial statements were authorized for issue on June 30, 2016 by Ciata A. Bishop of the National Bureau of Concession.

**3. Receipts/ Authorized Allocations/Appropriations**

Receipts represent cash received by NBC during the financial year in the amount of USD1, 292,063.74.

**4. Compensation of employees**

The amount for employee compensation was constant as allotted and it was fully paid for the period under review. The amount for all employees for the period.

**Wages, Salaries & Employee Benefits**

	<b>FY15/16</b>	<b>FY14/15</b>
General Allowance	929,039.95	959,557.58
Special Allowance	95,999.99	96,000.00
Honorarium	<u>19,996.74</u>	<u>-</u>
<b>Total</b>	<b><u>1,045,036.68</u></b>	<b><u>1,055,557.58</u></b>

**5. Use of goods and services for the Period**

Goods and services were used in accordance with the economic classifications.

	<b>FY15/16</b>	<b>FY14/15</b>
Domestic Travel	13,624.21	46,058.14
Electricity	2,000.04	
Water & Sewage	7,819.96	
Telecommunication & Internet	7,000.00	10,315.91
Office Building and Rental	69,996.08	-
Fuel & Lubricant - Generator	2,649.02	15,665.78
Fuel & Lubricant - Vehicle	4,875.00	13,343.37
Repair & Maintenance - Vehicle	34,139.99	-
Repair & Maintenance – Generator	3,999.03	3,699.11
Cleaning Material & Services	1,913.99	898.27
Stationary	27,806.99	11,408.88
Printing, Binding & Publication	-	2,249.46
Employee ID Cards	499.00	749.82
Workshop, Conferences & Symposium	-	1,499.64
Capacity Building	417.00	-
Food and Catering	3,999.08	-
Entertainment & Representation	-	574.86
Operational Expense	8,889.12	126,512.14
Bank Charges	399.99	480.88
Vehicle Insurance	<u>999.02</u>	<u>-</u>
<b>Total</b>	<b><u>191,026.53</u></b>	<b><u>187,398.12</u></b>

Additional amount of USD104,746.85 brought from FY16/17 was used during the period for goods and services bringing the total good and services to USD295,773.38.

## **6. Capital Expenditure**

	<b>2015/2016</b>	<b>2014/2015</b>
Generator	21,000.00	-
Vehicle	<u>35,000.00</u>	=
<b>Total</b>	<b><u>56,000.00</u></b>	=