



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, 2017.**

December 2020



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

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Republic of Liberia



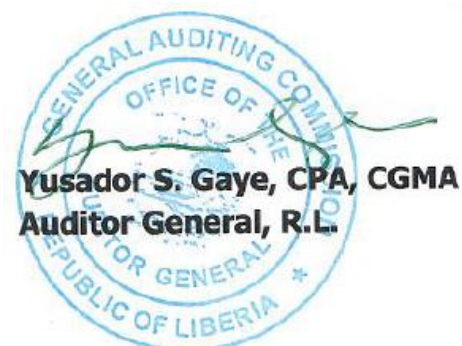
The Honorable Speaker of the House of Representatives, and the President Pro-Tempore of the House of Senate:

We have undertaken the audit of the National Bureau of Concession (NBC) financial statements for the financial year ended June 30, 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 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\$ US\$309,925.73.
- 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.


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

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


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**Director General
National Bureau of Concession**

June 30,2017

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Date : 02/19/21

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 30th June 2017 and of its financial position as at that date.

1 The FY2016/2017 Approved Budget

At the onset of the fiscal period FY2016/2017, the National Legislature appropriated a total of US\$1,554,472.00 (One million, five hundred fifty-four thousand four hundred and seventy-two 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 FY2016/2017 received from the Ministry of Finance & Development Planning was One million, five hundred thirty-seven thousand, seven hundred and twenty-nine United States dollars and twenty-three cents (US\$1,537,729.23) which constitutes ninety-seven per cent (99%) of annual appropriation. The ending balance for FY2015/2016 of USD15,268.77 was also added to this figure to arrive at an accumulated balance of USD1,552,998.00 (One Million, five hundred and fifty-two thousand, nine hundred and ninety-eight United States Dollar).

Expenditure

- a. Employee benefits** – Total employee benefits for the financial year was One million, one-hundred and twenty-five thousand, thirty-two United States dollars and eighty-four cents (US\$1,125,032.84 from the authorized allocation received from MFDP which constitutes seventy-three per cent (73%) of the year's allotment.
- b. Goods and Services** – Total goods and services for the financial year was Four hundred twenty-six thousand, five hundred and forty United States Dollars and twenty cents (US\$426,540.20) inclusive of the beginning balance of FY2015/2016 of USD15,268.77.

*On the National Bureau Concessions (NBC)
Financial Statements of Receipts and Payments
For the Fiscal Year Ended June 30, 2017.*

Conclusion

The Financial Statements for the financial year ended 30th June 2017 should be read in conjunction with the underlying notes.

Kalivah Jorgbor


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Comptroller

June 30, 2018

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Date 

AUDITOR GENERAL'S REPORT ON THE NATIONAL BUREAU CONCESSIONS (NBC) FINANCIAL STATEMENTS OF RECEIPTS AND PAYMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017.

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.

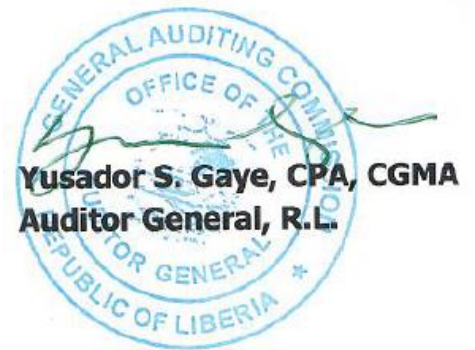
In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion Paragraph of our report, the accompanying financial statements do not present fairly the Statement of Cash Receipts and Payments, the Statement of Comparison of Budget and Actual Amounts and a summary 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.

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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\$ US\$309,925.73.

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



Monrovia, Liberia
December 2021

**Statements of Cash Receipts and Payments
 For the period ended June 30, 2017**

Accounts	Notes	Controlled by entity 2016/2017	Controlled by entity 2015/2016
Title/Description and Receipts		USD	USD
Actual Receipts	3	<u>1,537,729.23</u>	<u>1,292,063.74</u>
Total Receipts		<u>1,537,729.23</u>	<u>1,292,063.74</u>
 Payments			
Personnel	4	1,125,032.84	1,045,036.21
Goods and services	5	426,540.20	295,773.38
Capital Assets	6		
		<u>1,424.96</u>	<u>56,000.00</u>
Total Payments		<u>1,552,998.00</u>	<u>1,396,809.59</u>
Net Increase/Decrease		(15,268.77)	(104,745.85)
Cash at the beginning of the year		<u>15,268.77</u>	<u>104,746.85</u>
Cash at the end of the year FY16/17		<u>7,856.45</u>	<u>15,268.77</u>

**Statement of Comparison of Budget and Actual Amount
 FOR THE PERIOD ENDED JUNE 30, 2017**

Account Title/Description	Actual USD	Final Budget USD	Original Budget USD	Difference: Final Budget and Actual USD	Percentage Variance (explain variance above 10%)
Cash Inflows					
Actual Allotment Received	<u>1,537,729.23</u>	<u>1,554,472.00</u>	<u>1,554,472.00</u>	<u>16,742.77</u>	0.01
Total Receipts	<u><u>1,537,729.23</u></u>	<u><u>1,554,472.00</u></u>	<u><u>1,554,472.00</u></u>	<u><u>16,742.77</u></u>	
Cash Outflows					
Personnel Expenditures	1,125,032.84	1,125,032.84	1,125,032.84	-	-
Goods and Services	<u>426,540.20</u>	<u>426,540.20</u>	<u>426,540.20</u>	-	-
Capital Expenditure	<u><u>1,424.96</u></u>	<u><u>1,424.96</u></u>	<u><u>1,424.96</u></u>	-	-
Total Expenditure	<u><u>(1,552,998.00)</u></u>	-	-	-	-
Net Cash Flows	<u>(15,268.77)</u>				

Notes to the Financial Statements 2016/2017

1 General Information – Reporting Entity

The principal addressed of the reporting entity is:
National Bureau of Concessions (NBC)
Sinkor, 19th 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 LRD93.00.

(c) Reporting Period

The reporting period for these financial statements is the financial year of the Government, which runs from 1st July 2016 to the 30th June 2017.

(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 USD15,268.77 and cash at the end of the year is USD7,856.45

(f) Authorization Date

The financial statements were authorized for issue on June 30, 2017 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 and cash added from previous year ending balance as well as actual Authorised allocations/appropriations. The total amount of Authorised Allocations received for the financial year was USD1,560,854.45.

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

	FY16/17	FY15/16
General Allowance	929,033.49	929,039.95
Special Allowance	95,999.35	95,999.99
Pension / General Civil Servants	100,000.00	-
Honorarium	-	19,996.74
Total	<u>1,125,032.84</u>	<u>1,055,557.58</u>

5. Use of goods and services for the Period

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

	FY16/17	FY15/16
Domestic Travel	14,911.35	13,624.21
Electricity	10,390.17	2,000.04
Water & Sewage	2,800.00	7,819.96
Telecommunication	8,667.58	7,000.00
Office Lease & Rental	59,999.40	69,996.08
Fuel - Vehicle	38,183.95	4,875.00
Fuel- Generator	40,850.63	2,649.02
Repair & Maintenance - Civil	99,798.97	34,139.99
Repair & Maintenance - Vehicle	17,854.86	-
Repair & Maintenance -Generator	5,556.38	3,999.03
Cleaning Materials & Services	4,340.53	1,913.99
Stationery	26,854.89	27,806.99
Printing & Publication	399.99	-
Employee ID Cards	75.00	499.00
Capacity Building	4,999.85	417.00
Food & Catering Services	7,299.89	3,999.08
Entertainment & Presentation	749.98	-
Operational Expenses	61,303.55	8,889.12
Guard & Services	4,999.69	-

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Financial Statements of Receipts and Payments
For the Fiscal Year Ended June 30, 2017.*

Bank Charges	859.78	399.99
Vehicle Insurance	<u>374.99</u>	<u>999.02</u>
	<u>411,271.43</u>	<u>191,027.52</u>

Additional amount of USD15,268.77 brought from FY15/16 was also used during the period for goods and services bringing the total good and services to USD426,540.20.

6. Capital Expenditure

	FY16/17	FY15/16
Generator	-	21,000.00
Vehicle	-	35,000.00
Furniture & Fixtures	<u>1,424.96</u>	-
Total	<u>1,424.96</u>	<u>56,000.00</u>