



Management Letter

On the Audit of the Ministry of Commerce and Industrial (MoCI)

For the period July 1, 2016 to June 30, 2017



Promoting Accountability of Public Resources

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

Monrovia, Liberia
January 2021

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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
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 Institutions
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 Social Security & Welfare Corporation
NSL	National Standard Laboratory
MFDP	Ministry of Finance and Development Planning
PAN	Personnel Action Notice

Hon. Mawine G. Diggs
Minister
Ministry of Commerce
Ministerial Complex
Congo Town

January 29, 2021

Dear Hon. Diggs:

**RE: Management Letter: Ministry of Commerce and Industry Financial Statements
for the fiscal Period ended June 30, 2017.**

The Financial Statement of the Ministry of Commerce and Industrial (MoCI) for the fiscal period ended June 30, 2017 are subject to audit by the Auditor General (AG) consistent with the Auditor General's mandate as provided for under section 2.1.3 of the GAC Act of 2014.

INTRODUCTION

The audit of the MoCI financial statements for the fiscal period ended June 30, 2017 has been completed and the purpose of this letter is to bring to your attention the findings that were revealed during the conduct of the audit.

SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). As promulgated by the International Organization of Supreme Audit Institutions (INTOSAI) as well as the audit engagement Terms of Reference (TOR). 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.

An audit also includes an examination on a test basis, of evidence supporting in all material respects compliance 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 Management of the Commerce and Industry. Our responsibility is to express our opinion on these financial statements; accordingly, we reviewed in the transactions and procurement procedures, business and control environment of MOCI.

Management Personnel


The Ministry of Commerce and Industrial has the following personnel who handled the administrative and financial affairs of the institution for the period under audit.

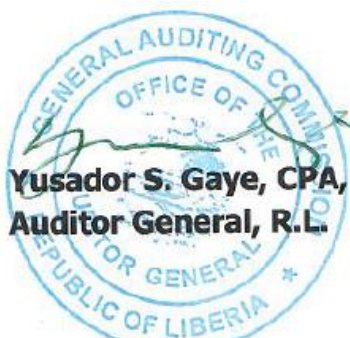
Table 1: Key Personnel

No	Name	Position	Tenure
1.	Alex M. Addy	Minister	2015 to 2017
2.	Stephen T. Marvie	Deputy Minister for Commerce	2015 to 2017
3.	Franyz C. Sawyer	Deputy Minister for Administration	2015 to 2017
4.	Daniel Dean	Assistant Minister/Administration	2015 to 2016
5.	Willis D. Knuckles	Assistant Minister/Administration	2016 to 2017
6.	Prof. Wilson K. Tarpleh	Minister	2018 to 2020
7.	Hon. A.E.Nyema Wisner	Deputy Minister for Commerce	2018 to Present
8.	Hon. Wilfred J. S.Bangura II	Deputy Minister for Administration	2018 to Present
9.	Hon. Alphanso S. Kuiah	Asst. Minister for Administration	2018 to Present
10.	Hon. George B. Wolo	Deputy Minister for Industry	2018 to Present
11.	Mr. Filiman S. Sanyon	Comptroller & Financial Coordinator	2015 to Present
12.	Mr. Gudi JND Neufville Jr.	Comptroller	2019 to Present

APPRECIATION

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the Ministry of Commerce and Industry to our Team during the conduct of the audit.


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



Monrovia, Liberia

January 2021

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Financial Issues

1.1.1 Discrepancy in Financial Reporting

Observation

1.1.1.1 Section 36(1) of the PFM Act of 2009 states that "It is a general responsibility under this Act for all government officials handling public financial transactions to ensure that financial information is reported in a timely, comprehensive, and accurate manner, in the manner prescribed in this Act, under its regulations, and in instructions issued by the Minister".

1.1.1.2 It was observed during the conduct of the audit that the Management of MoCI reported in the financial statements total expenditure of US\$485,252.50; whereas the total actual expenditure reported in the Budget Control Summary Sheet/IFMIS system produced by the Ministry of Finance and Development Planning (MFDP) amounted to US\$418,261.50 thus leaving an unexplained variance of US\$66,991.14. **(See table 1a).**

Table 1a: MoCI Expenditure Exceed MFDP Allocations

Summary of Object Expenditure Of All Bureaus	As Per MoCI Expenditure Report A	As Per MFDP Budget Control Summary Sheet/IFMIS B	Variance C=(A-B)
Basic Salaries -Civil Servant	352,633.00	288,605.36	64,027.00
Foreign Travel-Mean of Travel	28,369.00	27,135.00	1,234.00
Foreign Travel-Incidental Allowance	2,506.00	1,960.00	546.00
Courier	32,583.50	31,760.00	823.50
Fuel and Lubricant-Vehicle	69,161.00	68,801.00	360.00
TOTAL	485,252.50	418,261.36	66,991.14

1.1.1.3 Additionally, the Management of MoCI reported total expenditure of US\$1,544,874.35; whereas the total expenditure reported in the Budget Control Summary Sheet/IFMIS system produced by the MFDP amounted to US\$1,612,694.51 leaving an unexplained variance of (US\$67,820.16). **See table 1b**

Table 1b: MFDP Allocation Exceed MoCI Expenditure

Summary of Object Expenditure Of All Bureaus	As Per MoCI Expenditure Report A	As Per MFDP Budget Control Summary Sheet/IFMIS B	Variance C=(A-B)
Domestic Travel-Mean of Travel	2,307.00	3,345.00	(1,038.00)
Domestic Travel-DSA	7,905.81	8,331.00	(425.19)
General Allowances	727,290.10	727,325.00	(34.90)
Foreign Travel-DSA	22,711.50	28,414.00	(5,702.50)
Repair and Maintenance-Civil	71,416.00	73,381.00	(1,965.00)
Repair and Maintenance-Vehicle	21,889.00	30,320.00	(8,431.00)

Summary of Object Expenditure Of All Bureaus	As Per MoCI Expenditure Report A	As Per MFDP Budget Control Summary Sheet/IFMIS B	Variance C=(A-B)
Cleaning Materials and Services	13,563.00	14,843.00	(1,280.00)
Stationary	29,037.50	36,424.00	(7,386.50)
Printing, Building & Publication Services	8,463.00	13,464.00	(5,001.00)
Employee Identify (ID) Card	3,000.00	3,200.00	(200.00)
Food and Catering Services	25,650.50	25,830.00	(179.50)
Scholarships-Local	1,000.00	1,900.00	(900.00)
Consultancy Services	198,656.00	202,156.00	(3,500.00)
Furniture and Fixture	3,910.00	7,727.00	(3,817.00)
ICT Infrastructure, hardware, Software	10,675.00	14,625.00	(3,950.00)
Trif to Liberia Business Registry	397,399.94	421,409.51	(24,009.57)
TOTAL	1,544,874.35	1,612,694.51	(67,820.16)

Risk

- 1.1.1.4 The accuracy and the fairness cannot be assured.
- 1.1.1.5 Inaccurate financial report could result to poor financial decisions by users of the financial report.

Recommendation

- 1.1.1.6 The Management of the MoCI should provide justification for the unexplained variances.
- 1.1.1.7 The Management of MOCI and the MFDP should reconcile the variances to reflect the actual expenditure.

Management's Response

- 1.1.1.8 *The Ministry of Commerce and Industry (MoCI) may provide justification for the unexplained variances if she reconciles with the Ministry of Finance and Development Planning (MFDP) the information provided by GAC from the Budget Control summary Sheets/ IFMIS System at MFDP. Besides, MoCI can only account for what it received from GOL as budgetary appropriation, allotment and expenditure made during the fiscal year.*

Auditor General's Response

- 1.1.1.9 The Management's assertions do not address the issue raised. The obligations of MOCI Management in handling public financial resources is to ensure that transactions are properly recorded, reported timely, is comprehensive and accurate. IFMIS is the financial software of the Government of Liberia and each entity that receives GoL allotment is required to input expenditures into the system for consolidated purposes.
- 1.1.1.10 The failure MOCI's Management to adjust the financial statements will be evaluated and the impact will be reflected in the opinion for fiscal year ended June 30, 2016.

1.1.1.11 Furthermore, Management is in breached of financial discipline per Regulation A.20 of the PFM Act 2009 and should be held accountable for the irreconcilable differences noted.

1.1.2 Structure of Notes to the Financial Statements

Observation

1.1.2.1 Paragraph 1.5.1 (b) of the IPSAS cash basis of accounting as adopted by the GOL in 2009 requires “the notes to the financial statements of an entity to provide additional information which is not presented on the face of the financial statements but is necessary for a fair presentation of the entity’s cash receipts, cash payments and cash balances. Notes to the financial statements should be presented in a systematic manner.”

It was observed during the conduct of the audit that the MoCI financial statements presented did not follow the requirements of the International Public Sector Accounting Standard under the cash basis of accounting for the disclosure of explanatory notes. There was no evidence that the explanatory notes to the financial statements were prepared systematically in line with the requirements of IPSAS cash basis of accounting **See table 2 below for details.**

Table 2: Notes to the financial statement prepares by MoCI/what the IPSAS Provide

Notes to the financial statement Prepared by MoCI	As Provided for by IPSAS
1.General Information	1.General Information
2.Accounting Policy	2.Cash
3.Authorization Date	3.Borrowings
4.Authorized Allocation/Appropriation	4.Other Receipts
5.Other Receipts	5.Other Payments/Expenditure
6.External Assistance	6.Undrawn borrowing facilities other than undrawn external assistance
7.Payments-Operations (Wage’s salaries and other Employee Benefits)	7.Significant controlled entities
8. Payments-Operations (Supplies and Consumables)	8.Authorization date
9. Grant / Transfer payments	9.Original and final approved budget and comparison of actual and budget amount
10. Purchase of Capital items	10.External assistance
11. External Assistance	
12. Payments Operations (Wage’s salaries and other Employee Benefits and supplies Consumables)	
13.Grant / Transfer payments (Capital development, Donor Financial Project)	
14.Purchase of Capital items (Capital development, Donor Financial Project)	
15.Cash and Cash Equivalentents	
16.Original and Final Approved Budget and Comparison of actual and Budget Amounts	

Risk

- 1.1.2.2 Financial Statements without the signature of an authority is incomplete and cannot not be relied upon.
- 1.1.2.3 Failure by the MoCI Management to comply with of the International Public Sector Accounting Standards Cash basis may not provide the required clarity for decision making.

Recommendation

- 1.1.2.4 The Management of MoCI should prepare and sign the Financial Statements and indicate the date of authorization at the end of the fiscal period.
- 1.1.2.5 The Management of MoCI should present their financial statements in compliance with the IPSAS Cash basis for accuracy and transparency.

Management's Response

- 1.1.2.6 *The template used by MoCI to prepare its FY2016/2017 Financial Statements was provided by the Ministry of Finance and Development Planning (MFDP). MoCI however, accepts GAC recommendation and will henceforth act accordingly in consultation with the Ministry of Finance and Development.*

Auditor General's Response

- 1.1.2.7 We acknowledge management's acceptance of our recommendation. We must point out that the template provided is use to record and report all expenses. The GoL of Liberia adopted IPSAS Cash basis in 2009 and at the end of each fiscal year, applicable Ministries, Agencies and Commissions are to use the IPSAS Cash basis format and submit to MFDP for consolidation purposes.
- 1.1.2.8 Management is in breach of financial discipline as per Regulation A.20 of the PFM Act 2009.

1.1.3 Detailed General Ledger

Observation

- 1.1.3.1 Regulation A.3 (1-3) of the PFM Act of 2009 states that, "(1) Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor- General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister. (2) A public officer who fails to keep or produce any records under this regulation is in a breach of financial discipline as defined in Regulation A.20.
- 1.1.3.2 (3) An officer responsible for keeping financial and accounting records in accordance with this regulation shall ensure that the necessary books and forms for the purpose are provided and the non-availability of the books and forms shall not relieve the officer from responsibility.

- 1.1.3.3 It was observed during the conduct of the audit that the MoCI Management did not provide a final trial balance and subsidiary ledgers for the total amount of US\$2,563,652.62 reported as expenditure that is mapped to the financial statement for the period under audit. **See table 16 for details.**

Table 16: Detailed General Ledger

No	Budget line Items	Amount US\$
1.	Compensation of Employees	1,229,923.00
2.	Use of Goods and Services	759,405.00
3.	Consumption of Fixed Capital	119,585.00
4.	Grants	452,620.00
Total		2,563,652.62

Risk

- 1.1.3.4 The accuracy of the amount reported could be in doubt in the absence of segregated expenditures.

Recommendation

- 1.1.3.5 The MoCI Management should provide the breakdown/ledger, trial balance and subsidiary ledger for expenditure reported in the financial statement.

Management's Response

- 1.1.3.6 *MoCI presented budget execution ledgers to GAC auditors during the conduct of the audit that included each of the bureaus in the Ministry in both detail and summary. The columns of the budget execution ledgers included the approved budget, allotment, commitment, expenditure, balance in allotment and balance in appropriation. MoCI believes that the budget execution ledgers as provided would have provided the information needed by GAC for the conduct of the audit. MoCI however accepts GAC recommendation and will henceforth act accordingly in consultation with the Ministry of Finance and Development Planning (MFDP).*

Auditor General's Response

- 1.1.3.7 We acknowledge Management's acceptance of our recommendation; and, we will make a follow-up on implementation of management's assertions during subsequent audit.
- 1.1.3.8 Going forward, Management should provide, the general Ledger, final trial balance along with adjustments that is mapped to the financial statements for effectiveness and efficiency.

1.1.4 Bank Reconciliation

Observation

- 1.1.4.1 Regulation R.6 of the PFM Act 2009 states 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 reference to the date number thereof".

1.1.4.2 During the conduct of the audit, it was observed that the Finance Section at the Ministry of Commerce and Industry did not prepare bank reconciliations for the below listed accounts maintained at the CBL. **See table 18 for details.**

Table 18: Account not reconciled for the period under audit

#	Account Title	Account #	Bank	Currency	Period not Reconciled
1	Liberia Market Place	01602003251	CBL	US\$	June 2017 through September 2017
2	GOL Special Rice Fund	1502020938	CBL	US\$	July 2016 through September 2016 December 2016
3	Monrovia Industrial Park	1602003282	CBL	US\$	July 2016 through December 2016 and January 2017, September
4	Liberia Business Registry	1502022279	CBL	US\$	July 2016 to September 2016
5	Ministry of Commerce and Industry Operational	1502022248	CBL	US\$	July 2016 to September 2016 & August 2017
6	Ministry of Commerce and Industry Operational	1501008421	CBL	L\$	January 2016 to September 2016 & February 2018

Risk

1.1.4.3 Failure to prepared timely bank reconciliation could lead to the non-detection of errors and omissions and the accuracy of cash position in the financial statement cannot be assured.

Recommendation

1.1.4.4 The MoCI Management should ensure that it prepares monthly bank reconciliation of the Ministry's bank accounts.

Management's Response

1.1.4.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

1.1.4.6 We acknowledge Management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.1.5 Variance in Operational Cash Balance

Observation

1.1.5.1 Section 27 of the PFM Act of 2009 states that, "all un-allotted appropriations and uncommitted allotments will lapse at the end of the fiscal year. All balances of appropriations committed but not disbursed prior to the end of the fiscal year, shall be available for the settlement of those obligations within 90 days from the end of the preceding fiscal year. All such balances not disbursed after ninety (90) days following the end of the preceding fiscal year shall be moved to government Consolidated Account. The recording, accounting and reporting of such undisbursed balances shall be set out in

accounting regulations to be issued under this Act and shall be consistent with the provisions of sections 33, 34 and 35 of this Act.

1.1.5.2 Paragraph 1.3.4. of the IPSAS Cash Basis of Accounting as adopted by the Government of Liberia 2009 states "An entity should prepare and present general-purpose financial statements which include the following components:

- A statement of cash receipts and payments which: (i) Recognizes all cash receipts, cash payments and cash balances controlled by the entity; and (ii) Separately identifies payments made by third parties on behalf of the entity in accordance with paragraph 1.3.24 of this Standard;
- Accounting policies and explanatory notes and
- When the entity makes publicly available it's approved budget, a comparison of budget and actual amounts either as a separate addition financial statement or as a budget column in the statement of cash receipts and payments in accordance with paragraph 1.9.8"

1.1.5.3 It was observed during the conduct of the audit that MoCI Management reported in its financial statement as beginning balances for Operation in the amounts US\$627.19 and L\$4,487.00, whilst the reconciled cash balance as per GAC calculation shows the beginning balance for operation as US\$3,381.57 and L\$394,729.15 leaving an unexplained variance of US\$2,754.38 and L\$390,242.15 respectively. **See table 3a for details.**

Table 3a: Variances in operational cash balance

Cash/Bank Account Details <u>OPERATIONAL FUND</u>	MOCI FS as 1 July 2016	Balances as per GAC Calculation 1 July 2016	Variance as cash Balance
US\$			
MOC Operational A/C CBL	627.19	3,381.57	2,754.38
L\$			
MOC Operational A/C CBL	4,487.00	394,729.15	390,242.15

1.1.5.4 Additionally, It was observed during the conduct of the audit that MoCI Management reported in its financial statement as ending balances for Operation in the amounts US\$3.57 and L\$3,487.00, whilst the reconciled cash balance as per GAC calculation shows the ending balance for operational as US\$2,050.25 and L\$640,933.55.

1.1.5.5 Further, there was no evidence that the balances were committed. **See table 3b for details.**

Table 3b: Variances in operational cash balance

Cash/Bank Account Details OPERATIONAL FUND	Financial Statement Amount	Reconciliation Amount	Cash book balance	Reconciled Bank Balance as per GAC Calculation
US\$				
MOC Operational A/C CBL	3.57	1,419.79	1,419.79	2,050.25
L\$				
MOC Operational A/C CBL	3,487.00	640,933.55	661,466.85	640,933.55

Risk

- 1.1.5.6 The accuracy of cash cannot be assured in light of the various variances.
- 1.1.5.7 The lack of re-depositing uncommitted cash balances could lead to fraud.

Recommendation

- 1.1.5.8 Management of MoCI should provide justification for the unexplained variances.
- 1.1.5.9 Management should deposit the uncommitted fund into GOL Consolidated Fund account.

Management's Response

- 1.1.5.10 *Providing Justification for the unexplained variances with respect to the operational cash balance based on MoCI and GAC calculations would require revision of the records. The unexpended cash balance of the operational cash for a current fiscal year is carried forward to the next fiscal year and does not mean in the opinion of MoCI to be withdrawn from the operational fund account and deposited in Government of Liberia consolidated fund account.*
- 1.1.5.11 *According to Part VI of the PFM Act of 2009 Section 34 (1), "the banking arrangements of government will reflect, to the extent possible, the principles of a Treasury Single Account, in which all accounts of central government are essentially managed as one from a cash point of view." Additionally, Section 34 (2) of the same Part VI of the PFM Act of 2009 states "No Central Government bank account, whether in or outside the country, shall be opened without the prior written authorization of the Minister.*

Auditor General's Response

- 1.1.5.12 Management did not adequately address the issue raised. The regulations of the PFM Act of 2009 should be read along with the Act for clarity. We refer Management to Regulations B. 26 and H.4 of the PFM Act of 2009 which clarifies Section 27 with respect to re-depositing uncommitted cash balances at the end of the fiscal year.
- 1.1.5.13 For ease of reference - H.4 Surrender Of End-Of Year Surplus Cash Balances – states that " At the end of each financial year, and after the books of accounts of a government agency have been closed, the accounting officer must surrender to the Comptroller-General any unexpended voted money, for re-depositing into the Consolidated Fund, unless permission has been formally granted by the Minister to use the unexpended moneys in the following financial year, pursuant to the provisions of Regulation B.26".

- 1.1.5.14 We therefore maintain our position that US\$2,050.25 and L\$640,933.55 were uncommitted by the Management of the MoCI at the end of the fiscal year and therefore should have been made available for re-deposit into the Consolidated Fund; therefore, the MOCI management should be held for lack of financial discipline in compliance with Regulation A.20 of the PFM Act of 2009.

1.1.6 Omitted Expenditure

Observation

- 1.1.6.1 Regulation A.3(1) of the PFM of 2009 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor-General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister."
- 1.1.6.2 Additionally, Paragraph 1.53 of Part 1 of the IPSAS cash basis of accounting as adopted by GoL states that "Information is material if its omission or misstatement could influence the decisions of users or assessments made on the basis of the financial statement. Materiality depends on the nature or size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point rather than being a primary qualitative characteristic which information must have if it is to be useful".
- 1.1.6.3 It was observed during the conduct of the audit that the Management of MoCI omitted from the financial Statements an amount of US\$80,000.00 which was reported in the MoCI Execution summary spread representing non-residential building for the period under audit.

Risk

- 1.1.6.4 The accuracy of the financial statement cannot be assured when financial transactions are omitted from the financial statement.

Recommendation

- 1.1.6.5 The Management of the MoCI should provide material justification for not including the US\$80,000.00 for non-residential building in the financial statement.

Management's Response

- 1.1.6.6 *The omission of the US\$80,000 from the Financial Statements may have been due to system problem which was earlier explained to the GAC auditors during the conduct of the audit. The sum total of that particular segment of the Financial Statements included the US\$80,000 in question, but with the US\$80,000 omitted from the numbers that sum up to the total amount. The US\$80,000 for Non – Residential Building is on the execution ledgers and included in the sum total of the Financial Statements. The information is on pages 26 and 27 of the financial statements.*

Auditor General's Response

- 1.1.6.7 The obligation of Non-Residential Building as you mentioned was an omission from the financial Statements. It should be reported as part of the total expenditure on the face of the Statement of cash Receipts and Payments. However, review of the financial statement presented for audit did not reflect said expenditure.
- 1.1.6.8 Therefore, the Management of MOCI should have adjusted the financial statement to reflect the actual expenditure incurred for the 2016/2017 fiscal year. The failure to adjust the financial statements will be evaluated and reflected in the opinion for the fiscal year 2016-17.
- 1.1.6.9 Further, Management is in breach of financial discipline in line with Regulation A.20 of the PFM ACT of 2009.

1.1.7 Comparison of Budget and Actual Amounts

Observation

- 1.1.7.1 Paragraph 5.2.0 of the IPSAS-Cash Basis of Accounting as adopted by GoL states that "subject to the requirements of paragraph 5.3.0, an entity that makes publicly available its approved budget(s) shall present a comparison of the budget amounts for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as additional budget columns in the statement of cash receipts and payments currently presented in accordance with this Standard. The comparison of budget and actual amounts shall present separately for each level of legislative oversight:"
- 1.1.7.2 Further, (1c) Paragraph 5.2.0 of the IPSAS-Cash Basis of Accounting as adopted by GoL states that "By way of note disclosure, an explanation of material differences between the budgets for which the entity is held publicly accountable and actual amounts, unless such explanation is included in other public documents issued in conjunction with the financial statements, and a cross reference to those documents is made in the notes".
- 1.1.7.3 It was observed during the conduct of the audit that explanatory notes relating to the causes of significant variances between the budget and actual amounts as required were not disclosed in the financial statements. We were unable to confirm the reasonableness of variances as a result of the omission.

Risk

- 1.1.7.4 The accuracy and transparency cannot be assured.

Recommendation

- 1.1.7.5 The Management of MoCI should ensure that the financial statements include explanations for significant variances between the budget and actual amounts to assist users better understand the reason for material difference from the approved budget.

Management's Response

- 1.1.7.6 *MoCI accepts GAC recommendation and will henceforth act accordingly.*

Auditor General's Response

- 1.1.7.7 We acknowledge Management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.1.8 External Assistance

Observation

- 1.1.8.1 Paragraph 6.1.8 of the IPSAS-Cash Basis of Accounting as adopted by GoL in 2009 states that "The entity should disclose separately, either on the face of the Statement of Cash Receipts and Payments or in the notes to the financial statements, total external assistance paid by third parties during the period to directly settle obligations of the entity or purchase goods and services on behalf of the entity, showing separately: 1 a) Total payments made by third parties which are part of the economic entity to which the reporting entity belongs; and 1b) Total payments made by third parties which are not part of the economic entity to which the reporting entity belongs."

- 1.1.8.2 It was observed during the conduct of the audit that the Management of MoCI did not disclose separately, either on the face of the financial statement of cash receipts and payments or in the notes to the financial statements, total assistance for the Liberia Innovation fund for Entrepreneurs (LIFE) Project donated by Japanese Community Grants Monetization and Counterpart Value Fund in the amount of L\$42,920,327.59.

Risk

- 1.1.8.3 The accuracy of the financial statements cannot be assured when the values of external assistance from partners are not recorded.

Recommendation

- 1.1.8.4 The MoCI Management should provide material justification for omitting the external assistance by Partners from the financial statements.

Management's Response

- 1.1.8.5 *MoCI notes the issue raised by GAC, but this is a project and report of it will be made appropriately.*

Auditor General's Response

- 1.1.8.6 Managements did not address the issue raised. However, it is the responsibility of management to account for all money received, be it external assistance or GOL funding. Therefore, Management is in breach of Paragraph 6.1.8 of the IPSAS-Cash Basis of Accounting as adopted by GoL in 2009.

- 1.1.8.7 Going forward management should ensure that external assistances are reflected on the face financial statement.

1.1.9 NASSCORP Contribution

Observation

- 1.1.9.1 Chapter 89.16 (a & h) of the Degree establishing the National Social Security & Welfare Corporation (NASSCORP), require that "except as otherwise provided, contributions and the method of payment shall be as follows:"
- 1.1.9.2 The contribution payable under this Degree in respect of an employee shall comprise contribution payable by the employer (herein after referred to as the employee's contribution and shall be paid to the Corporation; (h) The contributions payable in respect of each month shall ordinary fall due on the last day of the month and where an employee is employed for part of the month or is employed under two or more employers during the same month, the contributions shall fall due on such days as may be specified in the Regulations.
- 1.1.9.3 Also, Section 89.18 of the Decree establishing NASSCORP says that "where a principal employer defaults in paying any contribution prescribed by this Decree or subsequent regulations, a sum equal to four (4%) of the amount unpaid shall be added for each month or part of a month after the date on which payment was due, and any amount so added shall be recoverable as a debt owed by the employer to the Republic".
- 1.1.9.4 It was observed during the conduct audit that the Management of MoCI could not provide evidence of the deduction and remittance of NASSCORP contribution totaling US\$85,924.99 for the period under audit. **See Annexure 1 for details.**

Risk

- 1.1.9.5 Not remitting the Employees' contributions timely could deny employees and their families of needed benefits when the employees retire from service.

1.1.9.6 Recommendation

Management should ensure that employee's contributions are timely deducted and remitted to NASSCORP.

Management's Response

- 1.1.9.7 *MoCI accepts GAC recommendation and will act accordingly in the future.*

Auditor General's Response

- 1.1.9.8 We acknowledge Management's acceptance of our recommendation. However, Management should ensure that the amount of US\$85,924.99 deducted from employee's salary that was not remitted should be remitted immediately.
- 1.1.9.9 A copy of the receipt from NASSCORP should be submitted to the GAC 30 days after publication of this report. If not, Management should be held accountable for said amount. Furthermore, Management is in breached of the PFM Regulation A.20.

1.1.10 Unsupported Reimbursement

Observation

- 1.1.10.1 Section 36(1) of the PFM Act of 2009 states that "It is a general responsibility under this Act for all government officials handling public financial transactions to ensure that financial information is reported in a timely, comprehensive, and accurate manner, in the manner prescribed in this Act, under its regulations, and in instructions issued by the Minister".
- 1.1.10.2 It was observed during the conduct of the audit that the Management of the MoCI made reimbursement in the amount of US\$36,000.00 without supporting documents. **See Table 4 below for detail.**

Table 4: Unsupported Reimbursement

Date	Payee	Description	Voucher #	Amount US\$
May 10,2017	Integrated Framework-NIU	Payment as reimbursement to the Enhanced Integrated Framework (EIF) as their Donor advice that the amount expended was not approved.	46063	36,000.00

Risk

- 1.1.10.3 The failure by Management to provide supporting documents undermines the legitimacy of the transactions.

Recommendation

- 1.1.10.4 The Management of the MoCI should provide substantive justification backed by material evidence to validate the authenticity of the transaction.

Management's Response

- 1.1.10.5 *This transaction has supporting documents. See exhibit 1A & 1B.*

Auditor General's Response

- 1.1.10.6 Management did not provide adequate supporting document such as (Receipts, Invoices, bills, expenditure reports and other documents in addition to the payment voucher, to address our finding. Therefore, Management is in breach of Section 36(1) of the PFM Act of 2009.

1.1.11 Third Party Payment

Observation

- 1.1.11.1 Regulation B.28 of the PFM Act of 2009 states that "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."
- 1.1.11.2 It was observed during the conduct of the audit that the Management of MoCI made payments amounting to US\$19,448.97 (Nineteen thousand four hundred forty-eight ninety-

seven cent) and L\$819,075.00 (Eight hundred nineteen thousand seventy-five Liberian dollars) for various goods and services in the names of the employees of MoCI rather than the of vendors or services providers or their authorized representatives. **See annexure 2 for details.**

Risk

- 1.1.11.3 Checks raised in the names of employees or individual for procurement of goods/ services could be diverted to personal use thus leading to misappropriation of funds.

Recommendation

- 1.1.11.4 MoCI Management should provide substantive justification for making payments in the names of MoCI employees rather than the vendors, service providers or their authorized representatives.

Management's Response

- 1.1.11.5 *MoCI invited journalists to attend press conferences, press briefings, tours etc. during FY216/2017 and were provided funds to facilitate their movements to and from the Ministry. The funds were given to the Director of the Information Division for distribution to the journalists.*
- 1.1.11.6 *The Liberia National Bar Association normally holds conferences regularly. Cllr. Philip Y. Gongloe as a staff of MoCI and a member of the Bar requested MoCI to pay his setting fees for that conference. Mary Jackson received payment to purchase materials and pay labour cost for International Women Day Colloquium, while J. Momo P. Sessay Jr. Payments were for miscellaneous expenses in preparation for the annual National MSME Conference. Philomina F. David received payments for staff of the Ministry who provided extra services to the Ministry during the 2017 National MSME Conference.*

Auditor General's Response

- 1.1.11.7 Management's assertion is not backed by substantive justification and/or documentary evidence. We could not confirm that these payments were made to the second party because there was no evidence to support management claim. Therefore, Management is in breached of Regulation B.28 of 2009.

1.1.12 Petroleum Products

Observation

- 1.1.12.1 Section 36 (1) of the PFM Act of 2009 under the caption: Reporting, "It is a general responsibility under this Act for all government officials handling public financial transactions to ensure that financial information is reported in a timely, comprehensive, and accurate manner, in the manner prescribed in this Act, under its regulations, and in instructions issued by the Minister."
- 1.1.12.2 It was observed during the conduct of the audit that there was no evidence 19,609.97 gallons of Petroleum Products valued at US\$57,977.87 procured were signed for by employees of the Ministry **See table 8a for details.**

Table 8a: Petroleum Products Distribution Log

Month of Distribution	Total gallons actual Procurement (A)	Value of Total gallons of product procured (US\$) (B)	Total Gallons Signed for (C)	Unit Price (US \$) signed for (D)	Total Gallons to be accounted for (E=A*D)	Unaccounted petroleum per gallons F=(C-A)
September 2016	927.181	2,763.00	0	2.98	2,762.99	927.181
September 2016	1768.73	5,147.00	6790.00	2.91	5,147.00	5021.27
Nov. & Dec. 2016	5403.33	16,263.93	4432.00	3.01	16,264.02	971.33
Nov. & Dec. 2016	3604.46	11,281.96	0	3.13	11,281.96	3604.46
February 2017	2380.696	7,523.00	7013.46	3.16	7,522.99	4632.304
February 2017	1841.796	5949.00	0	3.23	1841.796	1841.796
March 2017	2959.237	9,262.47	3652.87	3.13	9,262.41	693.633
March 2017	1918	6,041.70	0	3.15	6,041.70	1918
Total					57,977.87	19,609.97

1.1.12.3 Additionally, there was no evidence that 10,626.60 gallons of petroleum products valued at US\$7,940.00 procured for the Liberia Business Registry were signed for by the employees of the LBR **See table 8b for details.**

Table 8b: Petroleum Products Distribution Log

Month of Distribution	Total gallons actual Procurement (A)	Value of Total gallons of product procured (US\$) (B)	Total Gallons Signed for (C)	Unit Price (US \$) signed for (D)	Total Gallons to be accounted for (E=A*D)	Unaccounted petroleum per gallons F=(C-A)
July & August, 2016	1657.718	4,940.00	0	2.98	4,940.00	1657.718
July & August, 2016	1030.928	3,000.00	0	2.91	3,000.00	1030.928
Nov. & Dec. 2016	0	7,939.96	0	0	0	7,939.96
Total					7,940.00	10,626.60

Risk

1.1.12.4 The failure of MoCI Management to provide signatures of employees for fuel and gasoline could lead to doubt that value for money was attained.

Recommendation

1.1.12.5 Management should provide justification for the distribution of fuel and gasoline without signature of employees.

Management's Response

1.1.12.6 *Please see gasoline distribution logs provided as exhibits for FY2015/2016.*

Auditor General's Response

1.1.12.7 The assertion made by the MoCI Management is not backed by documentary evidence. Management did not provide the gasoline distribution logs for FY2015/2016 stated in its response. Therefore, Management is in breach Section 36 (1) of the PFM Act of 2009.

1.1.13 Foreign Travel

Observation

1.1.13.1 Count 31 of the Foreign Travel Ordinance of 2016/17 states that, "Upon return from abroad, officials are required to submit to the Financial Regulations Unit of the Ministry of Finance and Development Planning, a Travel Settlement Form as per Annexure II and copy certificates for workshop, seminars etc. receipts for accommodation and incidental expenses within 14 days from the date of return from tour or before date of next journey, whichever is earlier. In very exceptional cases where the second tour is performed immediately after return from the first tour, the second advance maybe granted with the specific written approval of the official concerned, explaining the reasons thereof."

1.1.13.2 Additionally, count 32 of the Foreign travel ordinance of 2016/17 states that "No future travel advance shall be processed to any official from an institution in which an official from previous trip has not submitted the prescribed Travel Settlement Form and attachments with the expiry of the 14 days deadline in rule 26. The entire travel advance shall be recovered from those who fail to submit the Travel Settlement Form on return from their visit abroad, and those who subsequently leave the service of the Government, from any arrears due to them by the Government."

1.1.13.3 It was observed during the conduct of the audit that the Management of MoCI expended the amount of US\$7,849.00 for foreign travel without evidence of retirement and documentation. **See table 9 for details.**

Table 9: Foreign Travel

No #	Date	Payee	Description	Voucher No.	Amount USD
1	9/14/16	Steve Marvie	Payment as reimbursement of the foreign means of travel to Hon. Steve T. Marvie Deputy Minister MoCI trip Nairobi, Kenya	712	2,277.00

No #	Date	Payee	Description	Voucher No.	Amount USD
			from 27 to 28 of August 2016		
3	12/19/16	Axel M. Addy	Payment as reimbursement to foreign travel DSA in favor of the minister of MoCI Hon. Axel M. Addy who travel to Accra, Ghana to attend a meeting.	758	2,193.00
4	1/12/17	Axel M. Addy	Payment as foreign DSA to facilitate the travel of MoCI minister, Hon. Axel M. Addy who is part of GoL delegation to the US.	769	1,507.00
5	1/24/17	Steve Marvie	Payment as reimbursement of foreign for foreign travel Daily Subsistence Allowance for the travel of the Deputy minister for commerce and Trade services stave Marvie who travelled to the USA as part of GoL delegation.	782	1,872.00
6	9/14/16	Daniel Dean	Payment as Reimbursement of the foreign DSA to Hon. Daniel Dean, Assistant Minister for commerce and Trade who traved to acquired VISA for onward travel to Namibia.	711	1.057.00
Total					7,849.00

Risk

1.1.13.4 Foreign travel allowances not being retired timely could undermine accountability and abuse of public resources.

Recommendation

1.1.13.5 The Management of MoCI should retire the foreign travel allowances.

Management's Response

1.1.13.6 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

1.1.13.7 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit. Furthermore, Management is in breach of Count 31 of the Foreign Travel Ordinance of 2016/17.

1.1.14 Domestic Travel

Observation

1.1.14.1 Count 31 of the Foreign Travel Ordinance of 2016/17 states that, "Upon return from abroad, officials are required to submit to the Financial Regulations Unit of the Ministry of Finance and Development Planning, a Travel Settlement Form as per Annexure II and copy certificates for workshop, seminars etc. receipts for accommodation and incidental expenses within 14 days from the date of return from tour or before date of next journey, whichever is earlier. In very exceptional cases where the second tour is performed

immediately after return from the first tour, the second advance maybe granted with the specific written approval of the official concerned, explaining the reasons thereof.”

1.1.14.2 Additionally, count 32 of the Foreign travel ordnance of 2016/17 states that “No future travel advance shall be processed to any official from an institution in which an official from previous trip has not submitted the prescribed Travel Settlement Form and attachments with the expiry of the 14 days deadline in rule 26. The entire travel advance shall be recovered from those who fail to submit the Travel Settlement Form on return from their visit abroad, and those who subsequently leave the service of the Government, from any arrears due to them by the Government.”

1.1.14.3 It was observed during the conduct of the audit that the Management of MoCI expended the amount of L\$308,000.00 for foreign travel without evidence of a retirement and documentation. **See table 10 for details.**

Table 10: Domestic Travel

#	Date	Payee	Description	Voucher No.	Amount USD
1	7/14/16	Feime D. Parker	Payment as DSA to facilitate the Travel of team from Internal Audit Agency (IAA)/ MoCI to conduct a nationwide audit on the MoCI assets and Personnel Payroll system.	726	48,000.00
2	1/17/17	Philomena David	Payment as Domestic Travel DSA to facilitate the travel of MoCI team in Lofa co. to inspect on ongoing construction work on the women weaving center.	779	18,000.00
3	10/13/16	Joseph S. Blango	Payment as DSA to facilitate the Travel of team from Internal Audit Agency (IAA)/ MoCI to conduct a nationwide audit on the MoCI assets and Personnel Payroll system.	724	64,000.00
4	1/17/17	Abraham Sombai	Payment as Domestic Travel DSA to facilitate the travel of MoCI team in Lofa Co. to inspect on ongoing construction work on the women weaving center.	780	15,000.00
5	1/17/17	Manu Kamara	Payment as Domestic Travel DSA to facilitate the travel of MoCI team in Lofa Co. to inspect on ongoing construction work on the women weaving center.	778	30,000.00
6	1/17/17	Samuel Milton	Payment as Domestic Travel DSA to facilitate the travel of MoCI team in Lofa Co. to inspect on ongoing construction work on the women weaving center.	781	15,000.00
7	10/13/16	Harrison W. Toe	Payment as DSA to facilitate the Travel of team from Internal Audit Agency (IAA)/ MoCI to conduct a nationwide audit on the MoCI assets and Personnel Payroll system.	728	48,000.00
8	4/5/17	Adolpus B. Parker et	Payment as Domestic Travel DSA for staff of the MoCI who traveled to Lofa and Margibi	812	35,000.00

#	Date	Payee	Description	Voucher No.	Amount USD
		all	Counties.		
	1/17/17	James F. Kpaklo	Payment as Domestic Travel DSA of the Audit and Assessment teams of the MoCI to various Counties for physical audit on Government assets.	774	35,000.00
8	Total				308,000.00

Risk

1.1.14.4 Domestic Travel allowances not being retired timely could undermine accountability and abuse of public resources.

Recommendation

1.1.14.5 The Management of MoCI should retire the Domestic Travel allowances.

Management's Response

1.1.14.6 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

1.1.14.7 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit. Furthermore, Management is in breach of Count 31 of the Foreign Travel Ordinance of 2016/17.

1.1.15 Withholding Taxes

Observation

1.1.15.1 Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 stipulates that "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withheld is subject to section 52 penalty for late payment and failure to pay"

1.1.15.2 It was observed during the conduct audit that the Management of MoCI could not provide evidence of the deduction and remittance of total amounts of US\$8,555.66 and L\$352,390.02 to the Liberia Revenue Authority as withholding taxes from MoCI Consultants. **See table 11a for details.**

Table 11a: Withheld service Taxes

No	Date	Description	Payee	Amt. US\$	2%
1	Jan. 26, 2017	Thirty percent (30%) advance payment to TSC Engineering & Construction consultant, Inc.	TSC Engineering & Construction Consultant, Inc.	88,500.00	1,770.00
2		Payment representing 40% to	TSC Engineering &	118,000.00	2,360.00

No	Date	Description	Payee	Amt. US\$	2%
	Apr. 4, 2017	TSC Engineering & Construction Consultant, Inc.	Construction Consultant, Inc.		
3	Jun. 20, 2018	Payment representing Final payment for the Fencing of the 200 acres perimeter of the Monrovia Industrial Park	TSC Engineering & Construction Consultant, Inc.	88,495.00	1,769.90
	Total:			294,995.00	5,899.90

Table 11b: Withheld taxes not remitted

PROJECT FOR THE LIBERIA MARKETING ASSOCIATION 2% PAYMENT							
No	DATE	PAYEE	DESCRIPTION	CHECK #	2% LRD	PMT. /CBL	Equivalent US\$
1	Sept. 20, 2016	Ever Green Group of Companies.	Representing thirty (30) % advance payment for construction.	2953	61,740.10	94.00	656.81
2	Oct. 24, 2016	Ever Green Group of Companies.	Second payment of (40) % to Ever Green Companies.	2955	82,320.14	94.00	874.74
3	Dec. 12, 2016	Ever Green Group of Companies.	(40) fourteen % payment of the Ever-Green Group Companies.	2964	41,160.06	94.00	823.20
4	Jun.20, 2017	Ever Green Group of Companies.	Payment for the expansion of the Liberia market.	2963	28,295.09	94.00	301.01
			Total		213,515.39	-	2,655.76

Table 11c: Withholding Goods and Services Taxes (GST) from Vendor

Date	Gross US\$	Gross L\$	Exchange rate 2%	Income Tax withheld but not Remitted
April 13, 2017	P & R Contractor Inc.	8,768,397.40	95	175,367.95
July 10, 2017	P & R Contractor Inc.	4,338,049.24	94	86,760.98
August 7, 2017	P & R Contractor Inc.	2,192,125.00	95	43,842.50
Total				L\$305,971.43

Table 11d: Withholding Goods and Services Taxes (GST) from Vendor

Date	Payee	Gross L\$	Exchange rate 2%	Income Tax withheld but not Remitted
April 28, 2017	A & E Corporation	789,152.62	95	15,783.05
July 10, 2017	A & E Corporation	1,011,212.30	95	20,224.24

Date	Payee	Gross L\$	Exchange rate 2%	Income Tax withheld but not Remitted
August 7, 2017	A & E Corporation	520,565.42	94	10,411.30
Total				L\$46,418.59

Risk

1.1.15.3 Management failure to remit withholding taxes could deny Government of the needed Tax Revenue.

Recommendation

1.1.15.4 The Management should ensure that the require withholding taxes along with the associated penalties for late payment are remitted to the Liberia Revenue Authority.

Management's Response

1.1.15.5 *MoCI management was never asked to provide evidence of tax deduction and payment to the Liberia Revenue Authority during the conduct of the audit. The following taxes have been paid, Liberia Ever Green Group of Companies: L\$61,740.10, L\$28,295.09; A & E: L\$10,411.31; P & R L\$175,767.95 and TSC: US\$1,775 and US\$2,365. See exhibits 3A, 3B, 3C, 3D, 3E & 3F. MoCI will take appropriate action if other taxes are not paid following a review of the records.*

Auditor General's Response

1.1.15.6 Management did not address the issue adequately. Management has provided official deposit slips for Ever Green Group of Companies only which amounting to L\$90,035.19 (L\$352,390.02-90,035.19) leaving the variances of L\$ 262,354.83 and US\$ 8,555.66 which are unaccountable.

1.1.15.7 Therefore, Management is in breach of Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 and should ensure that the unaccountable differences are remitted and proof submitted to the GAC 30days after publication of the report.

1.1.16 Petty cash Management

Observation

1.1.16.1 Regulation B 33 (4) of the PFM Act of 2009 states that "In terms of this regulation, the maximum amount that may be held as petty cash in any one calendar month is the equivalent of United States Dollars Two Hundred".

1.1.16.2 It was observed during the conduct of the audit that the Management of MoCI expended the total of L\$268,140.00 as Petty Cash replenishment for seven (7) months and report without evidence of petty cash replenishment reports for September, November, December of 2016 and March, April, May and June 2017. Furthermore, the amount expended exceeded the petty cash ceiling as per the PFM Act and there was no evidence of a petty cash policy. **See table 12 for details**

Table 12: Petty Cash expenditure

Date	Payee	Description	Voucher #	Amt. L\$	US\$ Equivalent at 98	Variance
5-Jul-16	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request.	5905	38,065.00	19,600.00	18,465.00
2-Aug-16	Miriell S. Gray	Payment as replenishment to petty cash as petty cash request.	5920	37,520.00	19,600.00	17,920.00
1-Sep-16	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request.	5931	38,580.00	19,600.00	18,980.00
16-Sep-16	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request	5944	38,670.00	0	38,670.00
7-Oct-16	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request.	1888	39,030.00	19,600.00	19,430.00
Nov. 2016	N/A	N/A	N/A		N/A	
Dec. 2016	N/A	N/A	N/A		N/A	
12-Jan-17	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request.	6015	37,035.00	19,600.00	17,435.00
6-Feb-17	Frederick C. Yagbah	Payment as replenishment to petty cash as petty cash request.	2723	39,240.00	19,600.00	19,640.00
Total				268,140.00	117,600.00	150,540.00

Risk

1.1.16.3 Lack of control and policy for petty cash could lead to funds been diverted to personal use.

Recommendation

1.1.16.4 Management should develop a policy on petty cash for the purpose of guidance in the utilization of petty cash.

Management's Response

1.1.16.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

1.1.16.6 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.1.17 Petty cash replenishment without Documentation

Observation

1.1.17.1 Regulation A.15 (1) of the PFM Act of 2009 states that "The head of government agency must exercise all reasonable care to prevent and detect unauthorized, irregular, fruitless and wasteful expenditure, and must for this purpose implement clearly defined business processes, identify risk associated with these processes and institute effective internal control to mitigate these risks".

1.1.17.2 It was observed during the conduct of the audit that the Management of the MoCI made petty cash replenishment without evidence of receipts and invoices in a total amount of L\$218,805.00. **See table 13 for details.**

Total 13: Petty cash replenishment without Documentation

Date A	Payee B	Description C	Voucher # D	Voucher Amount L\$ E	Amt. accounted for F	Variance unaccounted for G
Jul. 5, 2016	Frederick C. Yagbah	Payment as petty cash replenishment	5905	38,065	8,195	29,870
Aug. 2, 2016	Frederick C. Yagbah	Payment as petty cash replenishment	5920	37,500	6,130	31,370
Sept. 1, 2016	Frederick C. Yagbah	Payment as petty cash replenishment	5931	39,030	11,900	27,130
Sept. 16, 2016	Frederick C. Yagbah	Payment as petty cash replenishment	5944	36,380	NA	36,380
Oct. 5, 2016	Frederick C. Yagbah	Payment as petty cash replenishment	1888	41,620	9,410	32,210
Jan. 12, 2017	Frederick C. Yagbah	Payment as petty cash replenishment	6015	37,035	7,290	29,745
Feb. 2, 2017	Frederick C. Yagbah	Payment as petty cash replenishment	2723	39,240	7,140	32,100
Total				268,870.00	50,065.00	218,805.00

Risk

1.1.17.3 Expending petty cash without documentation could lead to the misappropriation of petty cash funds.

Recommendation

1.1.17.4 The Management of MoCI should provide the documentation for the petty cash fund expended.

Management's Response

1.1.17.5 The highest single amount paid from petty cash at a time is US\$30.00 or its equivalent in Liberian Dollars at the prevailing exchange rate. Moreover, most of the petty cash was used to purchase water for the sanitation of the Ministry's four-story building including ground floor bathrooms. The water was bought from Liberians selling water in the streets of Monrovia due to challenges faced in finding vendors as required by the Public Procurement and Concession Commission Act to provide services in this area.

Auditor General's Response

1.1.17.6 The assertions made by the MoCI Management are not backed by any documentary evidence. It is the responsibility of management to put in place control to account for money received and expended. Therefore, Management is in breached of Regulation A. 15 (1) of the PFM Act of 2009.

1.1.18 Unsupported Bank Withdrawals

Observation

1.1.18.1 Regulation A.3 of the PFM Act of 2009 states that "Any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister. (2) A public officer who fails to keep or produce any records under this regulation is in a breach of financial discipline as defined in Regulation A.20."

1.1.18.2 It was observed during the period under audit that Management did not record in the cash book the total bank withdrawals amounting to L\$565,532.01 extracted from the CBL **See table 14 for details.**

Table 14: Unsupported bank withdrawals

Date	Reference	Description	Cheque #	Amount L\$
8/22/2016	00IMSCD16235BOV	Miscellaneous Comm. on CK BK IFO LIFE FUND	8119	11,200.00
9/26/2016	001CHWL16270E06N	Cash withdrawal MC#3748 IFO GRA/Ministry of Commerce/LIFE FUND		131,925.96
11/11/2016	002BCSA16316D0K5	Bankers Cheque Issue	002BCSA16316D0K5	61,740.10
11/11/2016	002BCSA16316D0K5	Commission on Bankers Cheque Miscellaneous Comm on Mc#0005189 Issue IFO GRA	002BCSA16316D0K5	800.00
3/24/2017	001BSCA17083B53B	Bankers Cheque Miscellaneous Comm.	001BSCA17083B53B	148,090.70

Date	Reference	Description	Cheque #	Amount L\$
		. on		
4/25/2017	002BCSA17115D3RU	Bankers Cheque Miscellaneous Comm. on	002BCSA17115D3RU	175,767.95
6/14/2017	002BSCA17165D4U3	Bankers Cheque Issue	002BSCA17165D4U3	36,007.30
TOTAL				565,532.01

Risk

1.1.18.3 The accuracy and regularity of expenditure cannot be assured with the omission of bank related charges.

Recommendation

1.1.18.4 Management should provide the supporting documents for the bank withdrawals.

Management's Response

1.1.18.5 *These bank withdrawals are supported. L\$11,200 and L\$800 are bank charges, while L\$131,925.96, L\$61,740.10, 148,090.70, L\$175,767.95 and L\$36,007.30 are taxes Deducted from vendors under the LIFE FUND PROJECT account. Payments were made from the Liberia Bank for Development and Investment and not the Central Bank of Liberia as stated by GAC. The taxes paid are recorded in the LIFE FUND Project account cash book that was requested by and given to the GAC auditors. See exhibit 3 F, 3B, 3A & 3G.*

Auditor General's Response

1.1.18.6 The assertions made by the MoCI Management are not backed by adequate documentary evidence to justify the bank withdrawals of L\$148,090.70 and L\$131,925.96 respectively.

1.1.18.7 Therefore, Management is in breach of Regulation A.3 of the PFM Act of 2009.

1.1.19 Payments to individuals without evidence of employment

Observation

1.1.19.1 Chapter 3 Section 3.5 of the MoCI Human Resource Manual of 2013 states "Once the applicant accepts the offer, the last step in the hiring process is for the person's names to be entered on the MoCI payroll, which is maintained by the Ministry of Finance. The HR Division is responsible for this step. The Ministry of Finance needs to see the CSA approved salary level to do this."

1.1.19.2 It was observed during the conduct of the audit that there was no evidence that fourteen (14) names maintained on the MOCI payroll with an annual salary of L\$1,821,120.00 were employees of MoCI. **See Table 15 for details.**

Table 15: Payments to individuals without evidence of employment

Date	REF:	Name	Position	Sex	Salary Per month	Salary Per Annum
August 2016	33-02-241-0001	Pearla Togba	File Clerk	M	10,400.00	124,800.00
August 2016	33-02-599-0003	Musa Zoduah	File Clerk	F	10,800.00	129,600.00
August 2016	33-02-599-0015	Albert Gaye	Office Assistant	M	10,000.00	120,000.00
August 2016	33-02-599-0003	Musu Zoduah	File Clerk	F	10,800.00	129,600.00
August 2016	33-02-599-0015	Albert Gaye	Office Assistance	M	10,000.00	120,000.00
August 2016	33-02-599-0031	Jerry Bartee	Office Assistant	M	10,000.00	120,000.00
August 2016	33-02-599-1414	Flex Pongay	Inspector	M	10,160.00	121,920.00
August 2016	33-03-299-0012	Hawa Sarway	Class III Inspector	F	11,200.00	134,400.00
August 2016	33-03-241-0012	Alhaja Sherief	Asst. Conersone	M	13,200.00	158,400.00
August 2016	33-03-511-0012	Samuel Sargbeh	Standard Officer	M	11,200.00	134,400.00
August 2016	33-03-599-0052	Lormuna Massaquoi	Class III Inspector	F	11,200.00	134,400.00
August 2016	33-03-599-0058	Sensee Jabateh	Standard Officer	M	10,000.00	120,000.00
August 2016	33-03-599-0069	Boye Kamara	Inspector	M	10,000.00	120,000.00
August 2016	33-03-599-0085	Massah Kromah	Assistant Inspector	F	12,800.00	153,600.00
Total					151,760.00	1,821,120.00

Risk

1.1.19.3 Maintaining individuals on the payroll who are not in the employed of the MoCI could lead to payment ghost employees, fraud, waste and abuse of Government recourses.

Recommendation

1.1.19.4 The Management of MoCI should provide justification for payment to individuals who were not in the employ of the entity.

Management's Response

1.1.19.5 *The names mentioned herein are all civil servants employees of the Ministry of Commerce and Industry for the period under audit.*

Auditor General's Response

1.1.19.6 The assertions made by the MoCI Management are not backed by adequate documentary evidence. The MoCI Management should provide the PAN, and the required HR documentation in compliance with MoCI's HR policy. We will submit the names to Civil Service Commission and the Liberian Anti-Corruption for follow-up.

1.1.19.7 Going forward management should ensure that only bonafide employee(s) are paid salary.

1.1.20 Policy on General Allowance

Observations

1.1.20.1 The Committee of Sponsoring Organizations of the Tread way Commission (COSO) Internal control framework on control activities stipulates that "institutions deploy control activities through policies that establish what is expected and procedures that put policies into action". Policies and procedures are established and implemented to help ensure that risk responses are effectively carried out within an entity."

1.1.20.2 It was observed during the conduct of the audit that the MoCI Management made several payments in the total amount of US\$16,775.00 for general allowance during the period under audit without evidence of an approved policy and procedures to guide the payments process. **See Annexures 3 for details.**

Risk

1.1.20.3 The lack of policy and procedures to regulate the payment of General Allowance to staff could lead to discretionary payments and payments to undeserving staff.

Recommendation

1.1.20.4 The MoCI Management should ensure that policies and procedures are put in place to guide the payment of General Allowance.

Management's Response

1.1.20.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

1.1.20.6 We acknowledge management's acceptance of our recommendation. We will make a follow up on the implementation of the recommendation in subsequent audit.

1.2 Administrative Issues

1.2.1 No Financial Policy Manual.

Observation

1.2.1.1 Regulation A.5 of the PFM Act of 2009 states that, "(1) A head of government Agency shall with the approval of the Minister issue an accounting manual to suit the operations and regulate the financial matters of the Government agency, indicating: A. the duty to be

performed by specified officers, B. the accounts to be kept and returns to be submitted, and C. such other instructions as may be required for the proper conduct of the financial matters of the Government Agency. (2) The accounting manual shall contain relevant procedures for the keeping of accounts, and all administrative issues relating to the keeping and preparation of government accounts”.

- 1.2.1.2 It was observed during the conduct of the audit that there was no evidence of a financial management policy and procedure manual developed by the MOCI to guide the day-to-day accounting transaction of the Ministry.

Risk

- 1.2.1.3 Operating without a Financial Policy Manual could lead to inconsistency in data entry, creates room for errors, and arbitrary financial reporting.

Recommendations

- 1.2.1.4 The MOCI Management should develop financial policy and procedure manual to guide the ministry accounting staffs in recording financial transactions, and increase efficiency in operations.

Management’s Response

- 1.2.1.5 *MoCI has a draft Financial Policy Manual that has been delayed due to interruptions, but will be completed soon.*

Auditor General’s Response

- 1.2.1.6 The assertions made by the MoCI Management are not backed by adequate documentary evidence. We will however make a follow up on the implementation of the recommendation in subsequent audit.

1.2.2 Fixed Assets

Observation

- 1.2.2.1 Regulation V.1 and (2a) of the PFM Acts of 2009 states that “The Head of Government Agency must take full responsibility of assets assigned to him by the General Services Agency and ensure that proper control systems exist for assets and that: (2a) preventive mechanisms are in place to eliminate theft, losses, wastage and misuse.”
- 1.2.2.2 During the audit the Management of MoCI provided a fixed Asset Register (FAR) that lacks basic information such as asset code number, data of purchase, cost, assignees and condition. **See table 19 for details**

Table 19: Poor Maintenance of MoCI Fixed Assets

No	Description	Type	Internal Code	Serial #	User Title	Date
1	Board	White	N/A	N/A	Economic Advisor	N/A
2	Spray can	Jerry can	N/A	N/A	Adm.	N/A
		P N S			Coord. Micro	

No	Description	Type	Internal Code	Serial #	User Title	Date
3	Clock, wall	Peace	N/A	N/A	organism	N/A
4	X-Bass Radio	AMS UA	N/A	N/A	Comptroller	N/A
5	Television set	Sharp	N/A	N/A	Dep. Registrar	N/A
6	CPU/UPS	APC	N/A	3S164X05154	N/A	N/A
7	Printer	HP-P1102	NSL/ADM/21	N/A	Quality Manager	N/A
8	Printer copier	Canon	N/A	84997	IAD	N/A
9	Air conditioner	Haier 24000BTU	NSL/ADM/19/006	N/A	Customer services officer	N/A
10	ICE Box	Daewoo	N/A	N/A	Tech. Manager	N/A
11	Refrigerator	N/A	N/A	N/A	Procurement Director	N/A
12	Shreder	Ceboer	N/A	N/A	Registrar General	N/A
13	Type writer, Electric	Brother	N/A	J4K997469	Minister	N/A
14	Desk phone	ZTE	N/A	323692252390	Minister	N/A
15	Desk	N/A	NSL/Adm./40/005	-	Lab. Manager	N/A

Risk

- 1.2.2.3 In the absence of vital information on the location and description of assets, Management could find it difficult to put in place preventive mechanisms to prevent theft, losses, wastage and misuse.

Recommendation

- 1.2.2.4 The MoCI Management should update all fixed assets under the control of the Ministry to indicate asset code, date of purchase, cost, assignee, condition etc.

Management's Response

- 1.2.2.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.2.2.6 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.2.3 Attendance Report

Observation

- 1.2.3.1 Section 5.1.1 of the Civil Service Standing Order requires that "Civil Servants are normally required to work 5 days per week. Normal working hours are from 8: 00 AM to 4: 00 PM subject to the approval of supervisors. A period of one hour is allowed for lunch. No employee is permitted to leave his place of work without the knowledge of his supervisor."

- 1.2.3.2 Additionally, Paragraph 2 of 5.1.4 of the HR Manual of the MoCI states that "Due to transportation constraints affecting the MoCI in its central Monrovia position, staff may opt to work from 9AM TO 5PM each day subject to their supervisor agreement. Staff may not arrive any later than 9.00 AM in normal circumstances. Staff arriving at 9.00 AM will not leave before 5.00 PM, including one hour for lunch. In addition to reporting attendance to the CSA, the HR Division will also submit a monthly attendance report to the Senior Management Team in the Ministry through the Assistant Minister for Administration."
- 1.2.3.3 It was observed during the conduct of the audit that there was no evidence that the MoCI Management submitted attendance log or report indicating that over four hundred (400) employees have worked eight (8) hours daily.

Risk

- 1.2.3.4 The non-maintenance of adequate record and monitoring/supervision for staff's Daily attendance could lead to labor thief and compensation being paid to none deserving employees.

Recommendation

- 1.2.3.5 The MoCI Management should maintain adequate records and supervision of daily staff's attendance.

Management's Response

- 1.2.3.6 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.2.3.7 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.3 CONTROL ISSUES

1.3.1 ABSENCE OF COMMUNICATION TO EVALUATION PANEL

Observation

- 1.3.1.1 Regulation 11 (1b) of the PPC Act of 2005 as Amended and Restated in 2010 states that " a person who accepts to serve on the Bid Evaluation Panel shall give a written undertaking indicating that no conflict of interest exists or would arise in the performance of his/her responsibilities as a member of the Panel."
- 1.3.1.2 It was observed during the conduct of the audit that there was no evidence that members of the Evaluation Panel were given a written communication to indicate that no conflict of interest existed in the performance of their duties.

Risk

- 1.3.1.3 In the absence of a written communication, Bid Evaluation Panel members may be susceptible to conflict of interest.

Recommendation

- 1.3.1.4 Management should ensure that individual appointed to the bid evaluation panel provide a written undertaking to protect the Ministry against conflict of interest.

Management's Response

- 1.3.1.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.3.1.6 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.3.2 Lack Audit Committee

Observation

- 1.3.2.1 Regulation K.10 of the PFM Act of 2009 states "a head of government agency or government organization shall in consultation with the internal audit governance board establish and maintain an audit committee for the government agency or organization for which he/she is responsible".
- 1.3.2.2 Additionally, Regulation K. 11 (1a) of the PFM Act of 2009 requires that "the Audit Committee of Government Agencies or Organization shall review internal controls, including the scope of internal audit, internal audit Plans, internal audit findings, and recommend to the head of government agency the appropriate action to be taken".
- 1.3.2.3 It was observed during the conduct of the audit that there was no evidence of an establishment of an audit Committee at the MoCI to review internal controls and ensure they are working efficiently and effectively.

Risk

- 1.3.2.4 The failure of MoCI Management to establish a functioning Audit Committee may prevent Management from taking timely corrective action on deficiencies identify in internal controls.

Recommendation

- 1.3.2.5 The MoCI Management should establish a functioning Audit Committee as part of the Governance structures to enable Management to evaluate that internal controls and ensure that they are operating effectively and efficiently.

Management's Response

- 1.3.2.6 *MoCI accepts GAC recommendation and will henceforth act accordingly.*

Auditor General's Response

- 1.3.2.7 We acknowledge management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.3.3 No Quarterly Reports by the Procurement Committee

Observation

- 1.3.3.1 Section 27 (g) of the PPC Act of 2005 and Amended and Restated in 2010 states "the Procurement Committee shall provide quarterly reports of the procurement activities of the procuring entity to the Public Procurement & Concession Commission."
- 1.3.3.2 It was observed during the conduct of the audit that the Management of the MOCI did not submit quarterly Procurement reports to the Public Procurement Concession Commission (PPCC) on activities of procurement as mandated by the above procurement law.

Risk

- 1.3.3.3 Management not producing quarterly reports to the PPCC could undermine adherence to the PPC Act and could lead to purchases outside PPC law.

Recommendation

- 1.3.3.4 Management should make sure that the Procurement Committee produce quarterly reports on all procurement activities for the MoCI as require by law.

Management's Response

- 1.3.3.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.3.3.6 We acknowledge Management's acceptance of our recommendation. However, we will make a follow up on the implementation of the recommendation in subsequent audit.

1.3.4 Budget Committee

Observation

- 1.3.4.1 Regulation D.16.1 of the PFM Act of 2009 states that "Every head of government agency shall establish a Budget Committee which shall be responsible for budget formulation, implementation, monitoring and evaluation made up of (a) the head of government agency, who will be the chairperson; and (b) Head of budget management center or cost centers."
- 1.3.4.2 During the audit we observed that the MoCI Management provided no evidence of an established budget committee as required by the PFM Regulation of 2009

Risk

- 1.3.4.3 In the absence of an established budget committee, Management may experience delay in the Ministry's budget formulation, implementation, and Monitoring.

Recommendation

- 1.3.4.4 The MoCI Management should establish a budget committee to be responsible for budget formulation, implementation and the monitoring of the institution's activities. This would enable management to be in compliance with section D. 16.1 (a and b), of the PFM Regulations of 2009.

Management's Response

- 1.3.4.5 *MoCI has a Budget Committee charged with the responsibility for budget formulation, implementation, monitoring and evaluation; it is chaired by the Minister and Co-Chaired by the Deputy Minister for Administration. Other members include all Deputy and Assistant Ministers, all Directors and the Comptroller as Secretary.*

Auditor General's Response

- 1.3.4.6 The assertions made by the MoCI Management are not backed by adequate documentary evidence for subsequence review by the audit team.
- 1.3.4.7 Therefore, going forward Management should ensure the budget is functioning and is backed by minutes.

1.3.5 IT Control Environment

Observation

- 1.3.5.1 According to the requirements of COBIT PO1, "management should develop an IT strategic plan which is required to manage and direct all IT resource in line with the business strategy and priorities. The strategic plan improves key stakeholders' understanding of IT opportunities and limitations, assesses current performance, identifies capacity and human resource requirements, and clarifies the level of investment required. The business strategy and priorities are to be reflected in portfolios and executed by the IT tactical plan(S), which specific concise objectives, action plans and tasks that are understood and accepted by both business and IT."
- 1.3.5.2 It was observed during the conduct of the audit that there was no evidence the Management of MoCI developed an IT Strategic Plan for use to manage and direct all IT resources in line with the business strategy and priorities.

Risk

- 1.3.5.3 The non-development of an effective IT Strategic Plan could result in IT goals not contributing to department's strategic objectives and related costs and risks.

Recommendation

- 1.3.5.4 The Management of MoCI should develop an IT security that define roles, responsibility and provide guidance toward fulfilment of the organizational objectives.

Management's Response

- 1.3.5.5 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.3.5.6 We acknowledge management's acceptance of our recommendation. We will make a follow-up on the implementation of the audit recommendation in subsequent audit. However, Management is in breach of the requirements of COBIT PO1.

1.3.6 IT Steering Committee

Observation

- 1.3.6.1 According to COBIT 5 framework on IT Governance, "IT organizations or organizations with IT infrastructure should have IT Steering Committees with a formal charter designating the participation of each member on the committee granting responsibility and authority in a concept similar to that of an audit chapter.
- 1.3.6.2 The Information Technology Steering Committee could connect end-users and Information System Department. It is the main communication channel allowing end-users and Information System Department to exchange information relative to users' needs, priorities, and satisfaction levels."
- 1.3.6.3 It was observed during the conduct of the audit that there was no evidence the MOCI had an IT steering committee.

Risk

- 1.3.6.4 Lack of IT Steering Committee could result in users not being connected to IT decisions making of the entity and this may lead to lack of IT awareness.
- 1.3.6.5 There may also be lack of business continuity process and that if users are not aware of IT functions, the entity may not achieve its objectives.

Recommendation

- 1.3.6.6 The Management of the Ministry of Commerce and Industry should ensure that an IT Steering Committee is establish to provide direction for aligning IT functions with current business Objectives.

Management's Response

- 1.3.6.7 *MoCI accepts GAC recommendation and will henceforth act accordingly*

Auditor General's Response

- 1.3.6.8 We acknowledge management's acceptance of our recommendation. We will make a follow-up on the implementation of the audit recommendation in subsequent audit. However, Management is in breach of financial discipline in line with COBIT 5 framework on IT Governance.

ANNEXURES

Annexures 1: MoCI NASSCORP Contributions 2016/17

Month	Payroll	Gross L\$	Rate	Gross US\$	NASSCORP Deduction @ 3%	NASSCORP Employees Contribution @ 4%	Total
Jul. - 15	Basic salary	2,646,025.00	87.19	30,347.80	910.43	1,213.91	2,124.34
	Gen. Allowance			46,340.00	1390.2	1,853.60	1,992.80
	Professional			0.00	201.15	268.20	469.35
Aug. - 15	Basic Salary	2,646,025.00	88.73	29,821.08	894.63	1,192.84	2,087.47
	Gen. Allowance			40,388.00	1,211.64	1,615.52	2,827.16
	Professional			24,500.00	735.00	980.00	1,715.00
Sept. - 15	Basic Salary	2,654,133.00	88.38	30,030.92	900.92	1,201.24	2,102.16
	Gen. Allowance			40,528.00	1,215.84	1,621.12	2,836.96
	Professional			12,250.00	367.50	490.00	857.50
Oct. - 15	Basic Salary	2,654,133.00	88.56	29,969.88	899.1	1,198.10	2,097.20
	Gen. Allowance			40,668.00	1,220.04	1,626.72	2,846.76
	Professional			0.00	1,125.00	1,500.00	2,625.00
Nov. - 15	Basic Salary	2,619,015.00	88.00	29,761.53	892.85	1,190.46	2,083.31
	Gen. Allowance			50,148.00	1,504.44	2,005.92	3,510.36
	Professional			25,000.00	750.00	1,000.00	1,750.00
Dec. - 15	Basic Salary	2,618,076.00	89.00	29,416.58	882.50	1,176.66	2,059.16
	Gen. Allowance			81,655.00	2,449.65	3,266.20	5,715.85
	Professional			34,950.00	1,048.50	1,398.00	2,443.50
Jan. - 16	Basic Salary	2,618,076.00	90.00	29,089.73	872.69	1,163.59	2,036.28
	Gen.			67,128.00	2,013.84	2,685.12	

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Month	Payroll	Gross L\$	Rate	Gross US\$	NASSCORP Deduction @ 3%	NASSCORP Employees Contribution @ 4%	Total
	Allowance						4,698.96
	Professional			12,250.00	367.50	490.00	857.50
Feb. - 16	Basic Salary	2,618,076.00	91.00	28,770.00	863.10	1,150.80	2,013.90
	Gen. Allowance			58,128.00	1,743.84	2,325.12	4,068.96
	Professional			12,500.00	375.00	500.00	875.00
Mar. - 16	Basic Salary	2,543,632.00	91.00	27,952.00	838.56	1,118.08	1,956.64
	Gen. Allowance			58,128.00	1,743.84	2,325.12	4,068.96
	Professional			12,500.00	375.00	500.00	4,943.96
Apr. - 16	Basic Salary	2,543,632.00	91.92	27,672.24	830.18	1,106.89	1,937.07
	Gen. Allowance			49,328.00	1,479.84	1,973.12	3,452.96
	Professional			12,500.00	375.00	500.00	875.00
16-May	Basic Salary	2,543,632.00	91.92	27,672.24	830.17	1,106.89	1,937.06
	Gen. Allowance			59,260.00	1,777.80	2,370.40	4,148.20
	Professional			28,757.04	862.71	1,150.28	2,012.99
Jun. - 16	Basic Salary	2,403,779.00	93.42	25,730.88	771.93	1,029.24	1,801.17
	Gen. Allowance			18,000.00	540.00	720.00	1,260.00
	Professional			11,950.00	358.50	478.00	836.50
Total		31,108,234.00		1,143,090.92	35,618.89	47,491.14	85,924.99

Annexures 2: Third Party Payment

No.	Date	Payee	Description	Check #	Amount (L\$)	Amount (US\$)
5	Sept 1-16	Mitchell Jones	Payment to facilitate press briefing for the Ministry of Commerce and Industry at the Information Ministry scheduled for Thursday September 1,2016	00213424		150.00
6	Sept 13-16	Mitchell Jones	Payment to facilitate the appearance of Hon. Axel M. Addy, Minister of the Ministry of Commerce and Industry on a talk show scheduled for Wednesday, September 14,2016 on UNMIL Radio and Thursday, September 15,2016 on ELBC Radio	00213418		300.00
7	Jan 11-17		Payment as LBDI Sponsorship Contribution to the 2016 National MSME Conference and Trade Fair			10,000.00
8	Jan 11-17	Mitchell Jones	Payment for two media individuals for providing publications on the on opening of the Liberia Market Place	00208144		200.00
9	Feb 3-17	Mitchell Jones	Payment as Minister Addy press conference which highlighted his achievements of MoCI hosted by Front Page Africa	002208123		500.00
10	Feb 22-17	Mitchell Jones	Payment to facilitate the publication of Minister Addy Town Hall meeting on both radio stations (Radio Gbarnga and Radio Ganta) in Bong and Nimba Counties	00208102		400.00
11	Mar 29-17	Mitchell Jones	Payment for seven (7) days public service announcement on the relocation of the Liberia Market Place to the top floor of the Nancy B. Doe Jorkpen Town Market on 8th strret Sinkers	00213400		150.00

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No.	Date	Payee	Description	Check #	Amount (L\$)	Amount (US\$)
12	May 10-17	Mitchell Jones	Payment to facilitate Hon. Axel M. Add, Minister, Ministry of Commerce and Industry talk show scheduled for May 12,2017	00213370		300.00
13	May 19-17	Mitchell Jones	Payment to facilitate the Ministry of Commerce and Industry media activities	00213361		300.00
14	April 3-17	Al-Varney Roger	Payment for Media coverage in Bong County	00149939	10,400.00	
15	April 18-17	Abu Kumara	Payment for Media coverage in Bong County	00149933	10,400.00	
16	April 18-17	Alvin Worse	Payment for Media coverage	00149936	10,400.00	
17	Jan. 23-17	Philip Gonglike Y.	(LNBA)Convention Fees, Ganja, Nimbi	00149965	15,375.00	
18	March3-17	Mary Jackson G.	Payment for the purchase Material and Labor for international Women Day Colloquium	00149950	772,500.00	
18	Oct. 10,2016	P. Memo Essay Jr.	Payment for miscellaneous expenditures to be incurred for the hosting of the SBA 2016	2315601		1,500.00
19	Nov 8-16	P.Momo Essay, Jr	Payment as miscellaneous expenditure to be incurred for the hosting of the SBA 2016 MSME Conference from November 15-18,2016	2315609		1,500.00
20	Nov 21-16	P.Momo Essay, Jr	N/A	02315613		1,121.00
21	Nov 28-17	P.Momo Essay, Jr	Payment for the purchase of LEC Token to provide electricity for the National MSME Conference and Trade Fair scheduled for November 25-December 2, 2017.	2316628		300.00
22	Nov 28-17	P.Momo Essay, Jr	Payment as contingency expense for the 2017 MSME Conference and Trade Fair	2316637		487.97

No.	Date	Payee	Description	Check #	Amount (L\$)	Amount (US\$)
23	Dec 15-17	Philomina F. David	Payment as Honorarium to ten (10) staff of MoCI who served on the hospitality team during the 2017 SBA/MSME National Conference and Trade Fair	2316645		600.00
24	Dec 15-17	Philomina F. David	Payment to compensate staff of the MoCI who worked during the holiday November 29,2017 in preparation of the SBA 2017 National MSME Conference and Trade Fair	2316646		440.00
25	Dec 1-17	Mitchell Jones	Payment to facilitate media coverage of the MSME three days conference	2316644		1,200.00
TOTAL					819,075.00	19,448.97

Annexure 3: Policy on General Allowance

No	Last	First	Position	Amount USD	A/C Number
1	Kromah	Massa G.	Administrative Assistant	500.00	00.102-03140-01
2	Yelegar	David F.	Administrative Assistant	225.00	00.102-03082-01
3	Ngaima	Famata	Administrative Assistant	275.00	00.102-013361-02
4	Teah	Emmanuel	Administrative Assistant	275.00	00.102-018674-02
5	Boway	Harry	Administrative Assistant	225.00	00.211-018676-02
6	Tugbeh	Michael K.	Computer Operator	100.00	00.102-03306-01
7	Matthews	Tony, Baccus	Computer Operator	150.00	00.102-03484-01
8	Sanyon	Seeyie	Computer Operator	200.00	00.102-017535-02
9	Sandimanie	Momo M.	Coordinator	700.00	00.102-03072-01
10	Wreh	Benedict W.	Coordinator	150.00	00.102-03392-01
11	Gbeakeh	Domason	Coordinator/ WTO	150.00	00.102-03240-01
12	Jones	Mitchel	Director	800.00	00.102-03100-01
13	Anthony	Prince A.	Director	800.00	00.102-03133-01
14	Jacobs	Samuel	Director	1,500.00	00.102-018592-01
15	Belleh	Edward	Director	1,500.00	00.102-018337-02
16	Jippy	Alice	Inspector	100.00	00.102-03383-01
17	Slocum	Jimmy	Inspector	100.00	00.102-03354-01
18	Kumeh	Williams	Inspector	80.00	00.102-03341-01
19	Ben	Rufus	Inspector	85.00	00.102-03150-01
20	Dean	Fred	Inspector	35.00	00.102-03664-01
21	Alexander	Shiakeh	Policy Analyst	1,050.00	00.102-03267-01
22	Sanvee	Calvin	Policy Analyst	600.00	00.102-023351-01
23	Lamie	Mark	Policy Analyst	400.00	00.102-018549-02
24	Kakar	Refus T.	Research Officer	150.00	00.102-03319-01
25	Fully	Augustine	Research Officer	100.00	00.102-03319-01
26	Matthews	Evelyn	Secretary	500.00	00.102-03303-01
27	Sawyer	Moses V.	Secretary	150.00	00.102-03464-01

*Management Letter On the
Ministry of Commerce and Industry (MoCI)
For the period July 1, 2016 to June 30, 2017*

No	Last	First	Position	Amount USD	A/C Number
28	Diallo	Velicious	Secretary	150.00	00.102-03075-01
29	Worjloh	Mildren	Secretary	125.00	00.102-03036-01
30	Slim	Oretha	Secretary	125.00	00.102-03093-01
31	Grupee	hopecialia	Secretary	100.00	00.102-017953-02
32	Targbe	Rebecca M.	Secretary	100.00	00.102-43059-01
33	Gray	Meriel S.	Secretary	200.00	00.102-03114-01
34	Sanyon	Filiman S.	Comptroller	2,300.00	00.102-03117-01
35	Scott	Anna A.	Special Assistance/ Minister	2,500.00	00.102-011280-02
36	Gballah	Joseph	Standard Officer	100.00	00.102-03242-01
37	Bulter	Abraham A. B.	Standard Officer	50.00	00.102-03346-01
38	Kollie	Oretha	Standard Officer	90.00	00.102-03252-01
39	Bropleh	Edna	Standard Officer	35.00	00.102-03277-01
	Total			16,775.00	