



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**ON THE FINANCIAL STATEMENTS AUDIT
OF THE PUBLIC PROCUREMENT AND
CONCESSIONS COMMISSION (PPCC)**

FOR THE PERIOD ENDED JUNE 30, 2021

December 2022

**P. Garswa Jackson Sr. FCCA, CFIP, CFC
Auditor General, R.L.**

Table of Contents

Unqualified Opinion.....	5
Basis for Opinion	5
Management's Responsibility	5
Auditor's Responsibility.....	6
STATEMENT OF RESPONSIBILITIES	7
REPORT OF THE COMPTROLLER.....	8
STATEMENT OF CASH RECEIPTS AND PAYMENTS	10
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND)	16
STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)	19
NOTES OF EXPLANATIONS AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS	22



ACRONYMS USED

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
FCCA	Fellow of Certified Chartered Accountant
AG	Auditor General
CBL	Central Bank of Liberia
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
COSO	Committee of Sponsoring Organizations
CSA	Civil Service Agency
FY	Fiscal Year
GAC	General Auditing Commission
GL	General Ledger
GoL	Government of Liberia
GSA	General Service Agency
INTOSAI	International Organization of Supreme Audit Institution
ISSAI	International Standards of Supreme Audit Institution
IT	Inter-net Technology
LRA	Liberia Revenue Authority
LRD	Liberian Dollars
NCB	National Competitive Bidding
PFM Act	Public Finance Management Act
PPC Act	Public Procurement Concession Act
PPCC	Public Procurement and Concession Committee
RFQ	Request for Quotation
RL	Republic of Liberia
ToR	Term of Reference
USD	United States Dollars



Republic of Liberia



TRANSMITTAL LETTER

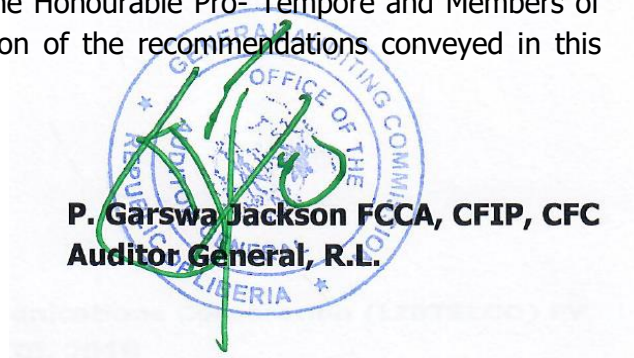
THE HONORABLE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE HONORABLE PRESIDENT PRO- TEMPORE OF THE LIBERIAN SENATE

We have undertaken a Financial Audit of the Public Procurement and Concessions Commission for the Period Ended June 30, 2021. The audit was conducted in line with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

Findings conveyed in this report were formally communicated to the authorities of PPCC for their responses. The reportable issues were submitted through a Management Letter. Where responses were provided, they were evaluated and were incorporated in this report.

Given the significance of the matters raised in this report, we urge the Honourable Speaker and Members of the House of Representatives and the Honourable Pro- Tempore and Members of the Liberia Senate to consider the implementation of the recommendations conveyed in this report with urgency.

**P. Garswa Jackson FCCA, CFIP, CFC
Auditor General, R.L.**



Monrovia, Liberia

September 2023



September 21, 2023

Hon. Bodger Scott Johnson

Chief Executive Officer (CEO)

Public Procurement and Concessions Commission (PPCC)

Executive Mansion Ground, Capitol Hill

Monrovia, Liberia

Dear Hon. Johnson:

**RE: AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE
PUBLIC PROCUREMENT AND CONCESSIONS COMMISSION (PPCC)**

Unqualified Opinion

We have audited the accompanying financial statements of the Public Procurement and Concessions Commission (PPCC) as at June 30, 2021 which comprises the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of other Accounting Policies and Explanatory Notes.

In our opinion, the accompanying financial statements of the Public Procurement and Concessions Commission (PPCC) present fairly, in all material respects, the Statement of Receipts and Payments as at June 30, 2021, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

Basis for Opinion

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Management's Responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS Cash Basis, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless



management either intends to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**P. Garswa Jackson FCCA, CFIP, CFC
Auditor General, R.L.**

Monrovia, Liberia

September 2023



STATEMENT OF RESPONSIBILITIES

The Financial Statements as set out on pages 8 to 18 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 Public Procurement and Concessions Commission.

Under the provisions of the same Act, I am required to prepare unaudited Final Account of the Public Procurement and Concessions Commission to be submitted to the Auditor General of the Republic of Liberia, at the end of the Year to which it relates. However, I have delegated the preparation of the unaudited Final Account to the Comptroller for my transmittal to the Auditor General, as provided in the attendant Regulations of the Public Financial Management Act of 2009. 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.



Atty. Jargoe Roseline Nagbe-Kowo
CHIEF EXECUTIVE OFFICER

Public Procurement and Concessions Commission

September 30, 2019

Date

REPORT OF THE COMPTROLLER

1 Introduction

This Report provides commentary and analysis of the cash receipts and payments, as well as financial performance of the *Public Procurement and Concessions Commission* for the Financial Year ended 30th June 2021.

2 The FY2020/21 Approved Budget

At the onset of the fiscal period FY2020/21, the National Legislature appropriated a total of US\$752,754.00 but it was subdivided into quarters in accordance with the cash and spending plans.

3 Summary

4 Authorised Appropriation/Allocations

The total allotments received from the Ministry of Finance and Development Planning (MFDP) for the Financial Year ended 2020/21 amounted to US\$768,046.48 as compared to total allotment received in the amount of US\$771,105.22 in the previous FY2019/20. Of this amount, compensation of employees was US\$616,886.48 while Goods and Services was US\$151,160.00. The amount of US\$72,038.00 requested for in late 2019/2020 was received in early July 2020. This amount formed part of the cash received for 2020/2021.

Expenditure – Operational Fund

The total amount of US\$767,301.95 was expended in FY 2020/21 as compared to US\$746,317.80 in FY 2019/20 for operating activities.

a. Employee benefits

Compensation of Employees amounted to US\$616,349.68 for the FY 2020/21 whereas FY 2019/20 employee's compensation was US\$523,377.00.

b. Goods and Services

Goods and Services expenditure for the FY2020/21 was US\$150,952.27 whereas the FY2019/20 was US\$222,940.80.

c. Purchase of Capital Items

There was no capital expenditure made during the FY2020/21 and none for previous fiscal year.

d. Outstanding Commitments

There was no outstanding commitment at the end of FY 2020/21.

e. Cash Balances

The cash balance, as indicated on page 16, reflects US\$ 4,347.31 as at 31st August 2020/21. The cash balance includes cash held at banks and on hand in the form of Petty Cash.



5 Conclusion

The Public Procurement & Concessions Commission (PPCC) is committed to transparency and prudent financial management, ensuring that necessary cost savings and expenditure control measures are in place to enhance its cash management.

The Financial Statements for the financial year ended 30th June 2021 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation. In accordance with Part B 26(2) of the PFM Regulation, which states any unpaid balances on commitments will also lapse at the end of the year, unless goods and services have already been delivered, in which case, settlement must be made within 90 days of the end of the fiscal year; the expenditure for July and August 2021 arising from outstanding commitment at the end of June 30, 2021 are captured in this report.


.....
James T. Sengar
Comptroller

SEPTEMBER 30, 2021
.....
Date



STATEMENT OF CASH RECEIPTS AND PAYMENTS

(ALL PUBLIC FUNDS)

FOR THE YEAR ENDED 30th June 2021 (FY2020/21)

RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

FUND/ACCOU NTS DESCRIPTION	NOT ES	FOR THE YEAR ENDED 30TH JUNE 2021			FOR THE YEAR ENDED 30TH JUNE 2020		
		RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY	PAYMENTS BY OTHER GOVERNMENT ENTITIES	PAYMENTS BY EXTERNAL PARTIES	RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY	PAYMENTS BY OTHER GOVERNMENT ENTITIES	PAYMENTS BY EXTERNAL PARTIES
		US \$'000	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
<u>OPERATIONAL FUND</u>							
RECEIPTS							
Authorized Allocation/Appro priation	4	768,046.48	-		736,209.46	-	
Other Receipts	5	-			-		
External Assistance:	6						
Grants from Multilateral Agencies		-		89,966.45	-		346,293.50
Grants from Bilateral & Other Agencies		-			-		



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

Borrowings from Multilateral Agencies	-	-	-	-	-
Borrowings from Bilateral Agencies	-	-	-	-	-
Other Grants and Aid	-	-	-	-	-
Other Borrowings	-	-	-	-	-
Total Receipts - Operational Fund	768,046.48	-	89,966.45	736,209.46	- 346,293.50

PAYMENTS

Operations:

Wages, Salaries and Employee Benefits	7	616,349.68	-	523,377.00	-
Supplies and Consumables	8	150,952.27	-	89,966.45	- 346,293.50

TRANSFERS: 9

Grants			0.00	-	-
Other transfer payments		-	-	-	-

**CAPITAL
EXPENDITURE 10
S:**

		-	-	-	-
		-	-	-	-



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

Purchase/Construction of Property, plant and Equipment	-	-	-	-	-
Purchase of Financial Instruments	-	-	-	-	-
Total Payments - Operational Fund	767,301.95	-	89,966.45	746,317.80	- 346,293.50
Increase/Decrease in Cash	<u>744.53</u>	=	=	<u>(10,108.34)</u>	= =
Cash at the beginning of the year	4,742.37			9,539.13	
Net change in cash (receipts less payments)	5,486.90	-	-	(569.21)	-
Foreign currency translation difference	<u>(1,139.59)</u>	-	-	<u>(6.70)</u>	-
Cash at the End of the year - Operational Fund	4,347.31	-	-	(575.91)	-
<u>CAPITAL DEVELOPMENT FUNDS</u>	-	-	-	-	-



**(DONOR
FINANCED
PROJECTS)**

RECEIPTS

External Assistance: 11

Grants - -

Loans - -

**Total Receipts
- Capital Development
Funds**

- - - - -

PAYMENTS

Operations: 12

Wages, Salaries and Employee Benefits - -

Supplies and Consumables - -

TRANSFERS: 13

Grants - -

Other transfer payments - -

- - - - -



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

CAPITAL

EXPENDITURE 14

S:

Purchase/Constr
uction of
Property, plant
and Equipment
Purchase of
Financial
Instruments

	-	-	-	-
	-	-	-	-
	-	-	-	-

**Total
Payments -
Capital
Development
Funds**

-	-	-	-	-
-	-	-	-	-

**Increase/Decr
ease in Cash**

=	_____	=	=	_____	=
---	-------	---	---	-------	---

Cash at the
beginning of the
year

Net change in
cash (receipts
less payments)

-	-	-	-	-	-
---	---	---	---	---	---

Foreign currency
translation
difference

-	-	-	-	-	-
---	---	---	---	---	---

**Cash at the
End of the
year - Capital
Development
Funds**

-	-	-	-	-	-
---	---	---	---	---	---



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

Cash at the Beginning of the Year - All Funds	15	-	-	-	-	-	-
		4,742.37	-	-	9,539.13	-	-
Cash at the End of the Year - All Funds	15	-	-	-	-	-	-
		4,347.31	-	-	(575.91)	-	-



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND)

FOR THE YEAR ENDED 30TH June 2021

- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

- Budget Approved on the Cash Basis

	US \$'000	US \$'000	US \$'000	US \$'000	%	US \$'000
CASH INFLOWS						
Authorized Allocation/Appro priation	768,046.48	752,754.00	752,754.00	(15,292.48)	-2.03%	736,209.46
Grants	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Other receipts				-		
Total Cash Receipts	768,046.48	752,754.00	752,754.00	(15,292.48)	-2.03%	736,209.46
CASH OUTFLOWS						



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

Wages, Salaries and Other Employee Benefits	616,349.68	721,253.04	721,253.04	104,903.36	0.15	523,377.00
Goods and Services Consumed	150,952.27	31,500.96	31,500.96	(119,451.31)	(3.79)	222,940.80
Capital Expenditure	-	-	-	-	-	-
Transfers to other Government Units	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
Total Cash Payments	767,301.95	752,754.00	752,754.00	(14,547.95)	-1.93%	746,317.80
NET CASH FLOW - OPERATIONAL FUND	744.53	-	-	-	-	(10,108.34)



Explanation of Percentage Variance

Actual cash received exceeded the final budget by US \$15,292.48 which constitutes 2.03%. This variance is as a result of cash received from MFDP for goods and services which exceeded the budget amount.

Compensation of employees for the Fiscal Year amount to US\$616,349.68. This amount fell short of the compensation budget by US\$104,903.36 or by 14.54%. The balance left in appropriation with the Ministry of Finance and Development Planning. The Commission's Payroll is based on actual staff count.

The total expenditure for goods and services for the FY 2020/21 amounted to US\$150,952.27. The expenditure for goods and services exceeded the budgeted amount by US\$119,451.31 or 379.20% as a result of letters written to the Ministry of Finance and Development Planning for goods and services.



**STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)
AS AT 31st August 2021**

Cash/Bank Account Details	Currency Held In	Notes	As at 31 st August 2021	As at 30th June 2020	Change in Cash Balances
		15	US \$'000	US \$'000	US \$'000
GENERAL FUND	-				
Petty Cash or Imprest			-	-	-
Petty Cash A/c 1					
Total held in petty cash:			-	-	-
Bank Accounts			-	-	-
322103U- PPCC CBL LRD (Operational Account)	Liberian Dollars		1,553.00	-	1,553.00
322103L PPCC Ecobank LRD (Operational A/C)	Liberian Dollars		418.28	(1,022.85)	1,441.13
322107L PPCC Ecobank LRD (Basic Salary A/C)	Liberian Dollars		1,734.77	829.72	905.05
322103L PPCC CBL LRD (Salary Account)	Liberian Dollars		42.66	58.96	(16.30)
Account					
322102U PPCC CBL USD (Salary Account)	United States Dollars		499.71	77.13	422.58
322103 U- PPCC CBL USD (Operational	United States Dollars		185.30	-	185.30



*Auditor General's Report on the Financial Statement Audit
of the Public Procurement and Concessions Commission (PPCC)
For the Period Ended June 30, 2021*

Account)				
322103U				
PPCC				
Ecobank USD	United States			
(Operational	Dollars			
A/C)		181.34	(326.14)	507.48
322106U				
PPCC				
Ecobank USD	United States			
(General	Dollars			
Allowance				
A/C)		(267.75)	(192.73)	(75.02)
Total held				
in Bank				
Accounts:		4,347.31	(575.91)	4,923.22

Total Cash				
and Bank				
Balances at				
the end of				
the period				
(Operation				
al Fund):		4,347.31	(575.91)	4,923.22

CAPITAL
DEVELOPM
ENT FUNDS
(DONOR
FINANCED
PROJECTS)

		21		
Petty Cash				
or Imprest				
Petty Cash		-	-	-
A/c 1				
Petty Cash				
A/c 2				
Total held				
in petty				
cash:		-	-	-

Bank				
Accounts				
Project 1		-	-	-
Bank AC				
Project 2				
Bank AC				
Total held				



in Bank Accounts:	-	-	-
Total Cash and Bank Balances at the end of the period (Donor Financed Projects):	-	-	-
TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS	4,347.31	(575.91)	4,923.22

Explanation of Bank Balances

The Bank balance above of US\$ 4,347.31 consists of adjusted bank balances as at August 31, 2021. The balance in the Eco Bank Basic Salary Account represents Staff Group Insurance.



NOTES OF EXPLANATIONS AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS

The numbered notes that follow relate directly to the content of the Financial Statements above and are numbered accordingly.

1 General Information – Reporting Entity

The financial statements are for the Public Procurement and Concessions Commission, a public sector entity of the Government of Liberia. The financial statements encompass the reporting entity as specified in the *Public Procurement and Concessions Commission Act (PPCA) of 2005, Amended and Restated in 2010*. *The Public Procurement and Concessions Commission has the oversight responsibility for all Public Procurement and Concessions in accordance with the PPCA of 2010. The object of the PPCC, in accordance with the PPCA of 2010, is to ensure the economic and efficient use of public funds in public procurement and to ensure that public procurement and Concession processes are conducted in a fair, transparent and non-discriminatory manner.*

The Financial Statements presented above reflect the Cash Receipts and Payments of the Public Procurement and Concessions Commission for the Financial Year ended 30th June 2018 on the basis of money received by, held in or paid out by the *Public Procurement and Concessions Commission (PPCC)* during the year under review. The Entity controls its own bank accounts. Allotments and other receipts are deposited into its bank accounts, from which cash expenditure is administered upon presentation of appropriate documentation and authorisation. Information to be provided on Donor Funded Projects included in the Financial Statements. The principal address of the PPCC is Executive Mansion Grounds, Capitol Hill, Monrovia, Liberia. Website: www.ppcc.gov.lr, Email: info@ppcc.gov.lr

2 Accounting Policies

These are the specific principles, basis, conventions, rules and practices adopted by the Public Procurement and Concessions Commission (PPCC) of 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): Financial Reporting under the Cash Basis of Accounting. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies adopted have been consistently used throughout.



(b) Reporting currency and translation of foreign currencies

(i) Functional and presentation (or reporting) currency

The Republic of Liberia operates a dual currency regime comprising the Liberian Dollar (LD) and the United States Dollar (US \$) both of which are legal tenders. The attendant Financial Regulations to the PFM Act of 2009 states that:

“ The monetary unit of Liberia for all government agency accounting and financial reporting shall be the Liberian Dollar. The United States Dollars **may** also be used for financial reporting purposes, but the Liberian Dollar is the base currency.”

Hence, for the purpose of the Financial Statements being submitted, the United States Dollar is used as the reporting currency, which is permitted under the attendant Financial Regulations to the PFM Act of 2009 and adopted by the Government of Liberia as its reporting currency.

(ii) Translation of transactions in foreign currency

Foreign currency transactions and transactions in Liberian Dollar and other foreign currencies are translated into United States Dollar using the exchange rates prevailing at the dates of the transactions. Closing monetary balances are translated into the reporting currency using the closing rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of Cash Receipts and Payment.

The exchange rate for the Financial Year ended August 31, 2021 is 170.96 Liberian Dollar to 1 United States dollars. This rate was used to convert the Bank Balances while the exchange rate for goods and services, which is given by MFDP changes on a monthly basis.

(c) Reporting Period

The reporting period for these financial statements is FY 2020/21, which runs from July 1, 2020 to June 30, 2021 but expenditure for goods and services are include for July and August 2021.

(d) Payments by Third Parties

These include payments made on behalf of the Commission by other entities and that did not go through the accounting system of the Commission. There was a total of US\$89,966.45 made by the African Development Bank (AfDB), World Bank and the United Nations Development Program (UNDP).

(e) Receipts

Receipts represent cash received by the Public Procurement & Concessions Commission (PPCC) during the year, comprising Authorised budgetary allotments, Grants and other receipts. Receipts are recognized as follows:



(i) Authorized Allotments

Authorized Allotments are recognized when they are received and placed under the control of the *Public Procurement and Concessions Commission (PPCC)*.

(ii) Grants

Grants are recognized when received. Similarly, grants/transfers to other entities of Government are recognized when disbursement is made.

(iii) Other Receipts

Other Receipts may comprise fees/charges collected and proceeds from sales of designated services by the *Public Procurement and Concessions Commission*. Where there exist, Sales of services are recognized in the period in which the payment for the service is received and not necessarily when the service is rendered. Also, other Receipts, whether directly collected by the *Public Procurement and Concessions Commission* or collected by another entity on its behalf is recognized whenever received and under its control.

(f) Expenses

In general, all expenses are recognised in the statement of Cash Receipts and Payments when paid for, rather than when they are due.

(g) Property, Plant and Equipment (physical assets or fixed assets)

Property, plant and equipment principally comprise plant, vehicles, equipment, and any other capital assets controlled by the Public Procurement and Concessions Commission.

Under the Government's cash basis of accounting, purchases of property, plant and equipment are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Assets Register at historical cost for all non-current assets of the *Public Procurement and Concessions Commission*. Unrealized gains or losses arising from changes in the values of property, plant and equipment are not recognized in the financial statements. Proceeds from disposal of property, plant and equipment are recognized when collected, as other receipt in the period in which it is received.

(h) Inventories

Consumable supplies are expensed in the period in which they are paid for.

(i) Employee benefits

Employee benefits include Basic Salaries, General allowances for general staff and Honorarium for Commissioners and Complaints, Appeals and review Panel (CARP) members. Employee benefits are recognized when they are paid. No provision is made for accrued leave or reimbursable duty allowances.



(j) Contingencies

Contingent liabilities will be reported as memorandum to the Financial Statements (Where they exist) when the contingency becomes evident. Under the cash accounting method, they are recognized only when the contingent event occurs and payment is made. Contingent assets are not recognized but will be disclosed where possible.

(k) Commitments and Guarantees

Outstanding commitment arising from non-cancellable contractual or statutory obligation as well as Guarantees issued by the Commission will be reported in the Notes to the Financial Statements, where they exist.

3 Authorization Date

The financial statements were authorized for issue on 30th June 2021 by Atty. Jargbe Roseline Nagbe-Kowo, Executive Director/Chief Executive Officer (CEO) of the Public Procurement and Concessions Commission (PPCC).

4 Authorised Allocations/Appropriation

The total amount of Authorised Allocations received for the Financial Year ended June 30, 2021 was US\$768,046.48 and (US\$736,209.38 - FY2018/19). The original budget was approved by the National Legislature and signed into law by the President of the Republic of Liberia.

The comparative analysis of Estimated and Actual Receipts for the year ended June 30, 2021 is presented below:

NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE YEAR ENDED 30th June 2021						
	Actual	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance	Actual
	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2019/20
	US \$'000	US \$'000	US \$'000	US \$'000		US \$'000
Employee Compensation	616,886.48	721,253.04	721,253.04	104,366.56	14.47%	523,377.00
Goods and Services	151,160.00	31,500.96	31,500.96	(119,659.04)	-379.86%	222,940.80
Capital Expenditure				-	-	
TOTAL RECEIPTS	768,046.48	752,754.00	752,754.00	(15,292.48)	-2.03%	746,317.80

Explanation of Percentage Variance

Actual cash received exceeded the final budget by US \$15,292.48 which constitutes 2.03%. This variance is as a result of cash received from MFDP for goods and services which exceeded the budget amount.



Compensation of employees for the Fiscal Year amount to US\$616,349.68. This amount fell short of the compensation budget by US\$104,903.36 or by 14.54%. The balance left in appropriation with the Ministry of Finance and Development Planning. The Commission's Payroll is based on actual staff count.

5 Other Receipts

There were no Other Receipts for FY2020/21 as represents receipts from Dividends, Rent, Other Property Income, Administrative Fees & Licences, and Fines, Penalties & Forfeits, as presented in the table below:

6 External Assistance

There was External Assistance received as Grants in the amount of US\$89,966.45 for FY2020/21 from United Nations Development Program, the World Bank and the African Development Bank. There was US\$14,012.92 expenditure made by the United Nations Development Program (UNDP) for county-based workshops; US\$31,400.20 expended by the World Bank for per diem, Covid 19 Test, staff training and course fees paid to the Ghana Institute of Management and Public Administration (GIMPA); and US\$44,553.33 expended by the African Development Bank (AfDB) for DSA for regional hub assessment tour, vehicles rental for the assessment tour and E-GP Business process review.

7 Payments – Operations (Wages, Salaries and other Employee Benefits)

The total amount of Cash Payments made against Compensations of Employees during FY2019/20 was US\$616,349.68 and prior year (US\$693,405.58 - FY2020/21) is classified in the same form as the National Budget. The Comparative Analysis of Estimated and Actual payments made for the financial year FY2020/21 is presented below by **Economic Classifications**:

NOTE 7 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE YEAR ENDED 30th June 2021						
Account Title	Actual FY 2020/21 US \$'000	Final Budget FY 2020/21 US \$'000	Original Budget FY 2020/21 US \$'000	Variance (Actual vs. Revised Estimates) FY 2020/21 US \$'000	% Variance FY 2020/21	Actual FY 2019/20 US \$'000
Comparative Analysis by Economic Classification						
Wages, Salaries and other Employee Benefits						
Wages and Salaries	465,471.82	721,253.04	721,253.04	255,781.22	35.46%	523,377.00
Income Tax Expense	126,220.86	-	-	(126,220.86)	0%	145,417.02
Social Security Contributions	24,657.00	-	-	(24,657.00)	0%	24,563.91
Civil Servants Union Fees	-	-	-	-	0%	47.65
Other Employee Costs	-	-	-	-	-	-
GRAND TOTAL	616,349.68	721,253.04	721,253.04	104,903.36	35.46%	693,405.58



Explanation of Percentage Variance

Compensation of employees for the Fiscal Year amount to US\$616,349.68. This amount fell short of the compensation budget by US\$104,903.36 or by 14.54%. The balance left in appropriation with the Ministry of Finance and Development Planning. The Commission's Payroll is based on actual staff count.

8 Payments – Operations (Supplies and Consumables)

The total amount of Cash Payments made against Goods and Services during FY2020/21 of US\$150,952.27 while prior Year was (US222, 940.80- FY2019/20) are classified in the same form as the National Budget. The Comparative Analysis of Estimated and Actual payments made for the financial year FY2020/21 is presented below by **Economic Classifications**

NOTE 8 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE YEAR ENDED 31ST AUGUST 2021						
Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance	Actual
	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2019/20
	US \$'000	US \$'000	US \$'000	US \$'000		US \$'000
Comparative Analysis by Economic Classification						
Supplies and Consumables						
Telecommunications, Internet	1,302.40	-	-	(1,302.40)	0.00%	513.45
Fuel & Lubricants-Vehicles	17,577.27	6,008.00	6,008.00	(11,569.27)	-192.56%	6,787.34
Fuel & Lubricants-generators	10,620.82	2,000.00	2,000.00	(8,620.82)	-431.04%	5,267.46
Repairs and Maintenance-Vehicles	6,549.27	2,500.00	2,500.00	(4,049.27)	-161.97%	4,570.21
Repairs & Maint, Machinery, equipmrt, etc.	4,474.48	1,000.00	1,000.00	(3,474.48)	-347.45%	8,876.45
Repairs & Maintenance-Generator	-	-	-	-	0.00%	1,002.88
Cleaning materials & Services	1,038.72	1,000.00	1,000.00	(38.72)	-3.87%	1,495.64
Stationery	5,673.26	3,000.00	3,000.00	(2,673.26)	-89.11%	1,686.56
Newspapers, Books and Periodical	410.24	900.00	900.00	489.76	54.42%	697.90
Other office materials and consumable	691.62	1,841.96	1,841.96	1,150.34	62.45%	278.14
Workshops, Conferences & Seminar	37,331.26	-	-	(37,331.26)	0.00%	2,100.00
Entertainment, representation & gifts	17,670.88	2,000.00	2,000.00	(15,670.88)	-783.54%	4,018.64
Bank Charges	3,593.30	1,000.00	1,000.00	(2,593.30)	-259.33%	4,666.10
Furniture and Fixture	-	-	-	-	0.00%	882.00
Water & Sewage	969.16	1,000.00	1,000.00	30.84	3.08%	185.61
Repairs & Maint, civil	1,701.85	700.00	700.00	(1,001.85)	-143.12%	420.98
Printing binding & publication	3,884.31	1,500.00	1,500.00	(2,384.31)	-158.95%	2,942.45
Foreign Travel-means of travel	-	-	-	-	0.00%	-
Foreign travel incidental	-	-	-	-	0.00%	280.00
Foreign travel Daily Allowance	-	-	-	-	0.00%	534.00
Domestic travel-Daily allowance	4,960.93	259.00	259.00	(4,701.93)	-1815.42%	1,249.94
Domestic travel-Means of travel	-	-	-	-	0.00%	746.39
Operational expenses	10,018.84	-	-	(10,018.84)	0.00%	-
Bank error	-	-	-	-	0.00%	-
Repair & Maintenance/ Computer Hardware	-	-	-	-	0.00%	-
Vehicles Insurance	-	-	-	-	0.00%	-
ICT Infrastructure, Hardware, Networks & facilities	-	-	-	-	0.00%	98.79
Computer Supplies, Parts and Cabling	1,102.62	1,500.00	1,500.00	397.38	26.49%	100.00
Machinery and other Equipment	18,127.54	-	-	(18,127.54)	0.00%	671.30
Scratch Cards	2,585.87	1,500.00	1,500.00	(1,085.87)	-72.39%	2,839.99
Other Utilities	450.00	1,792.00	1,792.00	1,342.00	74.89%	-
Internet Provider Services	217.63	2,000.00	2,000.00	1,782.37	89.12%	-
Income Tax Expense	-	-	-	-	0.00%	145,417.02
Social Security Contribution	-	-	-	-	0.00%	24,563.91
Civil Servants Union Fees	-	-	-	-	0.00%	47.65
GRAND TOTAL	150,952.27	31,500.96	31,500.96	(119,451.31)	(41.48)	222,940.80



Explanation of Percentage Variance

The total expenditure for goods and services for the FY 2020/21 amounted to US\$150,952.27. The expenditure for goods and services, which is for July 2020-August 31, 2021 exceeded the budgeted amount by US\$119,451.31 as a result of letters written to the Ministry of Finance and Development Planning for goods and services. The expenditure for July and August 2021 are captured in this report.

9 Grant/Transfer payments

The total amount of Grant transfers made during FY2020/21 of US \$x million (US \$x million - FY2019/20) are classified in the same form as the National Budget. The Comparative Analysis of Estimated and Actual transfer made for the financial year FY2020/21 is presented below by ***Economic Classifications***.

10 Purchase of Capital Items

There was no Capital Expenditure made during the FY2020/21.

11 External Assistance

a) Grant from Bi-lateral Agency

There was no external assistance.

b) Grant from Multilateral Agencies

There was no external assistance received for Capital Development Fund- Donor Financed Projects for the Fiscal Year 2020/21.

12 Payments – Operations (Wages, Salaries & other Employee Benefits and Supplies & Consumables)

The total amount of Cash Payments made under operational activities (Capital Development, Donor Financed Projects) during FY2020/21 amount to US \$x million (US \$x million - FY2019/20). The Comparative Analysis of Estimated and Actual payments made for the financial year FY2020/21 is presented below by ***Economic Classifications***

13 Grant/Transfer payments (Capital Development, Donor Financed Projects)

The total amount of Grant transfers made during FY2020/21 of US \$x million (US \$x million - FY2019/20). The Comparative Analysis of Estimated and Actual transfer made for the quarter ended FY2020/21 is presented below by ***Economic Classifications***.

14 Purchase of Capital Items (Capital Development, Donor Financed Projects)

Capital Expenditure of US x million was expended during FY2020/21 on a new vehicle and IT hardware (US x million– FY2019/20) against a target of US x million

15 Cash and Cash Equivalents

Cash and Cash Equivalents comprise Cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money



market instruments. Cash included in the statement of cash receipts and payments comprise the following amounts:

16 Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 July 2020 to 30 June 2021) as for the financial statements – as explained in Notes above. The original budget was approved by the National Legislature on **(October 20, 2020)**. There was no supplemental appropriation for year ended 30th June 2021.

The original budget objectives and policies, and subsequent revisions are explained more fully in the Report of the Comptroller issued in conjunction with the financial statements.

17 External Assistance - Payment by Other Government Units and Third Parties

Payments by Other Government Units and Third Parties is included below as memorandum item to the Financial Statements for the financial year ended 30th June 2021.



SUPPLEMENTARY DISCLOSURES

Exchange Loss

Foreign currency translation difference reported as exchange loss for the year ended August 31, 2021 was due to the difference of rates at which PPCC received the funds and the date of disbursement.



Prior Year (July 1, 2019-June 30, 2020) Adjustment

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND)

FOR THE YEAR ENDED 30TH June 2020

- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE

- Budget Approved on the Cash Basis

ACCOUNT TITLE/DESCRIPTION	Actual Amounts US \$'000	Final Budget US \$'000	For the Quarter Ended 30th June 2020 (FY2019/20)		Difference: Final Budget and Actual US \$'000	Percentage Variance %	FY2018/19
			Original Budget US \$'000				Actual Amounts US \$'000
CASH INFLOWS							
Authorized Allocation/Appropriation	736,209.38	796,767.00	796,767.00		60,557.62	7.60%	840,341.36
Grants	-	-	-		-		46,067.79
Borrowings	-	-	-		-		-
Other receipts							
Total Cash Receipts	736,209.38	796,767.00	796,767.00		60,557.62	7.60%	886,409.15
CASH OUTFLOWS							
Wages, Salaries and Other Employee Benefits	523,377.00	755,825.00	755,825.00		232,448.00	30.75%	806,084.36
Goods and Services Consumed	222,940.80	40,942.00	40,942.00		(181,998.80)	-444.53%	84,743.66
Capital	-				-	0.00%	



Expenditure							-
Transfers to other Government Units	-	-	-	-	0.00%		-
Other Payments	-	-	-	-	0.00%		-
Total Cash Payments	746,317.80	796,767.00	796,767.00	50,449.20	6.33%		890,828.02

NET CASH FLOW - OPERATIONAL FUND	(10,108.42)	-	-	-	-		(4,418.87)
---	-------------	---	---	---	---	--	------------

This adjustment is made for error recognized from last Fiscal Year's Report in the Statement of Comparison Budget versus Actual amount.

APPENDIX 2 - DETAILS OF FIXED ASSETS PURCHASED DURING THE PERIOD 1ST JULY 2020 - 30TH June 2021

Date	Fixed Asset Type	Qty	Description	Amount US \$
1				
2				
3				
4				
GRAND TOTAL				
			-	-

