



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

ON THE FINANCIAL STATEMENTS AUDIT OF THE MINISTRY OF YOUTH AND SPORTS

For the Fiscal Year Ended June 30, 2018



December 2022

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



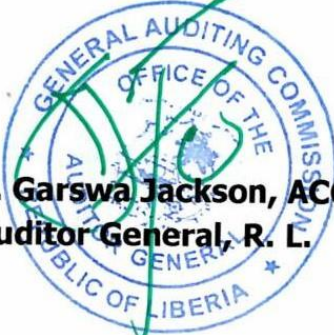
Republic of Liberia

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

We have undertaken the audit of the Ministry of Youth and Sports (MYS) financial statements for the year July 1, 2017 to June 30, 2018. The audit was conducted under the Auditor General's statutory mandate, as provided for under section 2.1.3 of the GAC Act of 2014.

Findings conveyed in this report have been formally communicated to the Management of the Ministry of Youth and Sports (MYS). Where responses have been provided by the Management on the audit findings, these have been evaluated and incorporated in this report.

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


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

Monrovia, Liberia

December 2022

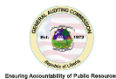
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AUDITOR GENERAL'S REPORT ON THE MINISTRY OF YOUTH AND SPORTS (MYS) FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 30, 2018

Adverse Opinion

We have audited the financial statements of the Ministry of Youth and Sports for the fiscal period ended June 30, 2018 which comprise the Statement of Cash Receipts and Payments, Statement of Comparison of Budget and Actual amount and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not give a true and fair view of the Ministry of Youth and Sports (MYS) for the fiscal period ended June 30, 2018, and of its statement of receipts and payments, Statement of Comparison of Budget and Actual amount and summary of accounting policies and other explanatory notes in accordance with the International Public Sector Accounting Standards (IPSAS) Cash Basis Accounting.

Basis for Adverse 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 Ministry of Youth and Sports (MYS) in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

There were several discrepancies in our analysis of the financial statements and accompanying notes to the financial statements:

- Total authorized allocation/appropriation in the amount of US\$2,744,425 disclosed on the face of the financial statements does not agree with the amount, US\$3,314,195, reported in the notes to the financial statements.
- Note 9 on the face of the financial statements is considered transfers and has an assigned value of US\$616,489; whereas, note 9 in the notes to the financial statements has the description cash and cash equivalent without a dollar value attached to it.
- An amount of US\$260,175 was shown on the face of the financial statements as other transfer payments without an associated disclosure in the notes to the financial statements.

A variance (US\$1,236,176.05) between the allotment from the IFMIS Ledger US\$3,980,601.05 and the amount reported in the financial statements US\$2,744,425.

The total of other receipt balances in the financial statements US\$240,371 did not agree with the general ledger US\$991,884, resulting to an unexplained variance of (US\$751,513).

A variance of US\$51,876 between the donation amount confirmed by UNFPA US\$212,380 and the donation amount recorded in the general ledger US\$160,504.

A variance of (US\$14,593.17) between donor fund received per the financial statements US\$322,902.50 and donor fund received per the cashbook US\$337,495.67.

A variance US\$51,956 between balances of donor financed projects reported in the financial statements US\$112,100 and the bank statement US\$60,144.

The actual goods and services expenditure of US\$721,366 reported in the financial statements did not reconcile with the actual goods and services expenditure of US\$947,446 reported in the general ledger, resulting to an unexplained variance of (US\$226,080).

Cash balances held at banks per the financial statements did not reconcile with the general ledger for the year ended June 30, 2018.

Management disbursed LRD\$23,202,856 and US\$289,434 respectively without evidence of adequate supporting documents such as payment logs, attendance sheet, delivery notes, receipts, invoices etc.

Management made payments for various transactions amounting to US\$106,931 and L\$6,275,277 without supporting documents such as payment vouchers, invoices/receipts, delivery notes, contracts, etc. to substantiate the legitimacy of the transactions.

There was a variance of US\$805,534.27 between the payroll amount reported in the financial statements US\$1,716,165 and the cashbook US\$910,631.

The payroll amount in the IFMIS ledger US\$1,672,737 did not reconcile with the payroll amount reported in MYS's financial statements US\$1,716,165 by (US\$43,428) for the period under audit.

Management's Responsibilities

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

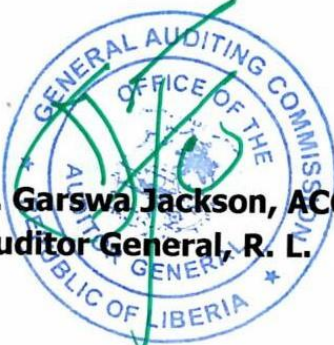
In preparing the financial statements, management is responsible for assessing the institution's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the institution or to cease operations, or has no realistic alternative but to do so.

The Ministry of Youth and Sports (MYS) is responsible for overseeing the financial reporting process.

Auditor's Responsibilities

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, ACCA, CFIP, CFC
Auditor General, R. L.



Monrovia, Liberia
December 2022

SUMMARY.

The Ministry of Youth and Sports (MYS) created by an Act of the National Legislature in 1982, (MYS) has a mandate (that includes), to among other things, direct the affairs of the youth of the nation, and to particularly “enabling them to most effectively discharge their responsibilities as useful citizens of the Republic and to promote, control and direct all programs and activities related to youth and sports.” Drawing from this mandate, the core functions of the Ministry as forth therein are as follows:

- Formulating, implementing, coordinating, reviewing and monitoring youth and sports development policies;
- Facilitating youth participation and promoting empowerment opportunities for young people;
- Coordinating and monitoring youth led initiatives;
- Advocating and promoting youth led initiatives;
- Developing youth resource centers;
- Facilitating leadership, entrepreneurship and life skills training.
- Regulating and facilitating sporting activities
- Facilitating the implementation of the National Youth Policy
- Supervising activities of youth and student organizations

Mission

The Ministry is set on the mission to develop and implement appropriate youth opportunity programs and provide long term innovative options that would address emerging needs of young people in Liberia; as well as creating and sustaining an enabling environment for the promotion of civic competence, leadership and sportsmanship, thus providing them the platforms whereby they realize their fullest potentials.

Situation of Youth Employment and Empowerment

In respect to this mission imperatives, it is important to indicate, pursuant of shared understanding of the situation of the youth of Liberia, in age range of 15-35 years (as defined by both, the Liberia’s National Youth Policy and the African Youth Charter), constitute about 37 percent of the population of Liberia (LISGIS estimate, 2008). This age group constitutes nearly half of the total labor force in Liberia.

Unfortunately however, nearly one-third of those youth in the labor force have either little or no schooling; or thus lacking professional skills. Of the number which is employed, about 76.9 percent are said to be self-employed; and without appropriate market skills, this implies job insecurity. The ‘Work 4Youth’ Report (2013) states that 78.7 percent of Liberia’s working youth fall within the category of underutilized labor.

Apart from being adversely affected by outcomes of the protracted civil war in Liberia, this age group remains disproportionately disempowered by factors not limited to low or virtual lack of access to quality education and training, access to finance and financial inclusion; access to human health, nutrition; lack of learnable recreation, including sports. All of these poverty prone conditions have led to national low morale and youth stress and violence. It should be noted that when labor ready youth are grossly underutilized, it may translate into key barrier to economic transformation of the country and to the contrary, a source of social instability.

1. Summary ended 30th June 2020 reflected an operating surplus (net cash outflow) of the year ended 30th June 2018 **USDS\$588,087.39 equivalent** to a projected surplus. This surplus came from

External and internal generated funds. This is depicted in the analysis provided in the Table below:

Table 1 Revenue & Expenditure – Actual vs. Budget

| MINISTRY OF YOUTH AND SPORTS | | | | | | |
|---|---------------------|---------------------|---------------------|-------------------------------------|---------------------|----------------|
| STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND) | | | | | | |
| REPORT AND FINANCIAL STATEMENTS FOR THE ENDED YEAR 30TH JUNE 2018 (FISCAL YEAR 2017/2018) | | | | | | |
| - RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE | | | | | | |
| - Budget Approved on the Cash Basis | | | | | | |
| For the Year Ended June 30th 2017/2018 | | | | | | |
| ACCOUNT TITLE/DESCRIPTION | Actual Amounts | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual Amounts |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | % | US \$'000 |
| CASH INFLOWS | | | | | | |
| Authorized Allocation/Appropriation | 2,744,424.50 | 2,744,424.50 | 3,343,531.00 | - | - | |
| Grants | 322,902.50 | 322,902.50 | | | | |
| Other receipts | 240,370.44 | 240,370.44 | | | | |
| Total Cash Receipts | 3,307,697.44 | 3,307,697.44 | 3,343,531.00 | - | - | - |
| CASH OUTFLOWS | | | | | | |
| Wages, Salaries and Other Employee Benefits | 1,716,165.00 | 1,716,165.00 | 1,335,806 | - | - | |
| Goods and Services Consumed | 721,366.00 | 721,366.00 | 345,697 | - | - | |
| NON- FINANCIAL ASSETS | | | 500,000 | | | |
| TRANSFER/PROJECT/GRANTS | 616,489.00 | 616,489.00 | 1,162,028 | - | - | |
| Other Payments | 260,175.20 | 260,175 | | | | |
| Total Cash Payments | 3,314,195.20 | 3,314,195.20 | 3,343,531.00 | - | - | - |
| NET CASH FLOW - OPERATIONAL FUND | (6,497.76) | | | | | |

The Increase/Decrease between the actual and budgeted Revenue depict that the total Allotment was **USDS\$3,237,481** of this the actual amount received from the Ministry of Finance Development and Planning was **USDS\$ 2,744,424.50** with the balance of **USD \$493,056.50**

2. Authorised Appropriation/Allocations

First quarter 2017/2018 (July – September) 326,716 USD

Second quarter 2017/2018 (October – December) 791,570 USD

Third quarter 2017/2018 (January – March) 869,195 USD

Fourth quarter 2017/2018 (April – June) 1,250,000 USD

3. Expenditure

The total amount expended for the year ended is **USD \$3,314,195.20** and **USD\$1,716,165** was expended in the year on wages and salaries, **USD \$ 721,366** was spent on goods and services **USD\$616,489** on transfers/Grant and **USD\$260,175.20** on other payments

4. Cash Balances

The cash balances at the end 30th June 2018 as indicated in the Table below reflects a total amount of **USD\$588,087.39** held at bank. The bank balances held from donor project, was **USD\$112,100.17** and total amount of **USD \$475,987.27** representing amount held from fund received from Ministry of Finance Development Planning (MFDP) and fees collected from Vocational centers (MVTC and BDOTC)

5. Outstanding Commitments

The Ministry has a total of **US\$ 13,432** Outstanding Commitment in the quarter ended 2017/2018 this amount constitutes supplied of food and non-food items to the Tumutu Agricultural Training Center in Bong County, as well as compensation due to instructors and casual workers from the Ministry.

6. External Assistance

The Ministry received from our partners total amount **USD\$ 322,902.50** of this amount UNFPA which is supporting Adolescent Sexual Reproductive Health(ASHR) Activities contributed **USD\$125,870.67** UNICEF is also supporting Youth Adolescent through Social Cohesion program contributed **USD\$ 176,982.50** and UNESCO Supported the Training of the TVET Instructors contributed amount of **USD\$ 0.00** while the **Liberia Petroleum Refining Corporation** contributed an amount of **20,049** towards the National county meet.

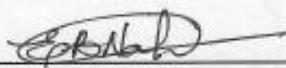
7. Contingent Liabilities and Guarantees

There were no contingent liabilities and guarantees of the Ministry as at the year ended 30th June 2018

8. Conclusion

The *Ministry of Youth and Sport* is committed to transparency and prudent financial management, ensuring necessary cost savings and expenditure control measures are in place to enhance its cash management. Significant challenges are envisaged and great efforts are made in improving compliance with the PFM Act of 2007 and the PPC 2010, deriving value for money and maximum benefits from amounts spent on operations.

The Financial Statements for the financial year ended 30th June 2018 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.



Edna B. Nah
COMPTROLLER
MINISTRY OF YOUTH AND SPORTS


Date: May 5, 2021

| MINISTRY OF YOUTH AND SPORTS | | | | | | |
|---|---------------------|---------------------|---------------------|-------------------------------------|---------------------|----------------|
| STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (OPERATIONAL FUND) | | | | | | |
| REPORT AND FINANCIAL STATEMENTS FOR THE ENDED YEAR 30TH JUNE 2018 (FISCAL YEAR 2017/2018) | | | | | | |
| - RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE | | | | | | |
| - Budget Approved on the Cash Basis | | | | | | |
| For the Year Ended June 30th 2017/2018 | | | | | | |
| ACCOUNT TITLE/DESCRIPTION | Actual Amounts | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual Amounts |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | % | US \$'000 |
| CASH INFLOWS | | | | | | |
| Authorized Allocation/Appropriation | 2,744,424.50 | 2,744,424.50 | 3,343,531.00 | - | - | |
| Grants | 322,902.50 | 322,902.50 | | | - | |
| Other receipts | 240,370.44 | 240,370.44 | | | - | |
| Total Cash Receipts | 3,307,697.44 | 3,307,697.44 | 3,343,531.00 | - | - | - |
| CASH OUTFLOWS | | | | | | |
| Wages, Salaries and Other Employee Benefits | 1,716,165.00 | 1,716,165.00 | 1,335,806 | - | - | |
| Goods and Services Consumed | 721,366.00 | 721,366.00 | 345,697 | - | - | |
| NON- FINANCIAL ASSETS | | | 500,000 | | - | - |
| TRANSFER/PROJECT/GRANTS | 616,489.00 | 616,489.00 | 1,162,028 | - | - | |
| Other Payments | 260,175.20 | 260,175 | | | - | |
| Total Cash Payments | 3,314,195.20 | 3,314,195.20 | 3,343,531.00 | - | - | - |
| NET CASH FLOW - OPERATIONAL FUND | (6,497.76) | | | | | |


Auditor General's Report On The
Financial Statements of the Ministry of Youth and Sports
For the Period July 1, 2017 to June 30, 2018

| MINISTRY OF YOUTH AND SPORTS | | | | | | | |
|---|------|--|---|---------------------------------|--|---|---------------------------------|
| REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018 | | | | | | | |
| FUND/ACCOUNTS DESCRIPTION | UNIT | FOR THE FINANCIAL YEAR ENDED 30th June 2017/2018 | | | FOR THE FINANCIAL YEAR ENDED 30th June 2017/2018 | | |
| | | 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 |
| OPERATIONAL FUND | | | | | | | |
| RECEIPTS | | | | | | | |
| Authorized Allocation/Appropriation | 4 | 988,555.00 | 1,760,889.50 | | | | |
| Other Receipts | 5 | 249,370.48 | | | | | |
| External Assistance: | 6 | 322,902.50 | | | | | |
| Grants From Multilateral Agencies | | | | | | | |
| Grants From Bilateral & Other Agencies | | | | | | | |
| Borrowings from Multilateral Agencies | | | | | | | |
| Borrowings from Bilateral Agencies | | | | | | | |
| Other Grants and Aid | | | | | | | |
| Other Borrowings | | | | | | | |
| Total Receipts - Operational Fund | | 1,546,827.98 | 1,760,889.50 | | | | |
| PAYMENTS | | | | | | | |
| Operations: | | | | | | | |
| Wages, Salaries and Employee Benefits | 7 | 613,865.00 | 1,042,216.00 | | | | |
| Supplies and Consumables | 8 | 471,824.55 | 248,543.45 | | | | |
| TRANSFERS: | | | | | | | |
| Grants | 9 | 147,371.00 | 489,118.05 | | | | |
| Other transfer payments | | 280,175.15 | | | | | |
| CAPITAL EXPENDITURES: | | | | | | | |
| 10 | | | | | | | |
| Purchase/Construction of Property, plant and Equipment | | | | | | | |
| Purchase of Financial Instruments | | | | | | | |
| LOAN & INTEREST REPAYMENTS: | | | | | | | |
| Loan Repayments | | | | | | | |
| Interest Payments | | | | | | | |
| Other Payments | | | | | | | |
| Total Payments - Operational Fund | | 1,953,325.70 | 1,760,889.50 | | | | |
| Increase/Decrease in Cash | | (6,497.72) | | | | | |
| Cash at the beginning of the quarter | | 594,585.15 | | | | | |
| Net change in cash (receipts less payments) | | | | | | | |
| Foreign currency translation difference | | | | | | | |
| Cash at the End of the quarter - Operational Fund | | 588,087.43 | | | | | |
| CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS) | | | | | | | |
| 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 | | | | | | | |
| CAPITAL EXPENDITURES: | | | | | | | |
| 14 | | | | | | | |
| Purchase/Construction of Property, plant and Equipment | | | | | | | |
| Purchase of Financial Instruments | | | | | | | |
| LOAN & INTEREST REPAYMENTS: | | | | | | | |
| Loan Repayments | | | | | | | |
| Interest Payments | | | | | | | |
| Other Payments | | | | | | | |
| Total Payments - Capital Development Funds | | | | | | | |
| Increase/Decrease in Cash | | | | | | | |
| Cash at the beginning of the year | | | | | | | |
| Net change in cash (receipts less payments) | | | | | | | |
| Foreign currency translation difference | | | | | | | |
| Cash at the End of the year - Capital Development Funds | | | | | | | |
| Cash at the Beginning of the year - All Funds | 15 | 594,585.15 | | | | | |
| Cash at the End of the year - All Funds | 15 | 588,087.43 | | | | | |

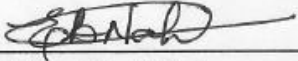
| STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS) | | | | | |
|---|------------------|-------|------------------------------------|--|--------------------------------------|
| AS AT 30th JUNE 2017/2018 | | | | | |
| Cash/Bank Account Details | Currency Held In | Notes | AS AT JUNNE 2017/2018 US \$'000 | As at 30th JUNE 2017/2018 US \$'000 | Change in Cash Balances US \$'000 |
| OPERATIONAL FUND | | | | | |
| Petty Cash A/c 1 | LRD | | | | - |
| Total held in petty cash: | | | - | - | - |
| Bank Accounts | | | | | |
| CENTRAL BANK | LRD | - | 308,363.85 | | |
| CENTRAL BANK | USD | - | 94,272.23 | | |
| MVTC | USD | - | 22,502.83 | | |
| MVTC | LRD | - | 18,427.45 | | |
| BDOTC | LRD | - | 32,420.91 | | |
| Total held in Bank Accounts: | | - | 475,987.27 | | |
| Total Cash and Bank Balances at the end of the period (Operational Fund): | | | 475,987.27 | | |
| CAPITAL DEVELOPMENT FUNDS (DONOR FINANCED PROJECTS) | | | | | |
| Bank Accounts | | | | | |
| MYS-UNFPA- UBA | USD | - | 51,901.92 | | |
| MYS-UNICEF ECOBANK | USD | | 60,198.20 | | |
| Total held in Bank Accounts: | | - | 112,100.12 | | |
| Total Cash and Bank Balances at the end of the period (Donor Financed Projects): | | | 112,100.12 | | |
| TOTAL CASH AND BANK BALANCES - ALL PUBLIC FUNDS | | | 588,087.39 | | |
| LRD Conversion Rate @ Financial Statement Reporting Date | | | 191.83 | | |



Hon. D. Zeogar Wilson
MINISTER
MINISTRY OF YOUTH & SPORTS



Date: 5/5/2021



Edna B. Nah
COMPTROLLER
MINISTRY OF YOUTH AND SPORTS

Date: May 5, 2021

NOTES OF EXPLANATIONS AND ELABORATION TO RELATING TO THE FINANCIAL STATEMENTS

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 for the *Ministry of Youth and Sport* of the Government of the Republic of Liberia. The financial statements encompass the reporting entity as specified in the Act that created the Ministry. The *Ministry of Youth and Sport* has the oversight responsibility has a mandate that includes direction of the affairs of youth of the nation, enabling them to most effectively discharge their responsibilities as useful citizens and aggregates to the development of the Republic and promote, control and direct all programs and activities relating to youth and Sports development.

The Financial Statements presented above reflect the Cash Receipts and Payments of the Ministry of Youth and Sport for the financial Quarter ended 30th June 2020 on the basis of moneys received by, held in or paid out by the *Ministry of Youth and Sport* during the period under review. The Entity controls its own bank accounts. Appropriations and other cash receipts are deposited into it's the Central Bank account, from which cash expenditures are administered upon presentation of appropriate documentation and authorisation.

Information is provided on Donor Funded Projects in Note 8 below, wherein payments are done by External Parties upon submission of requests by the Ministry.

2 Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the *Ministry of Youth and Sport* 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 of America 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 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 Payments.

For the third Quarter ended 30th June 2020 exchange rate for the Liberian Dollar was 198.30 LD per US \$.

(c) Reporting Period

The reporting period for these financial statements is the financial year of the Government, which runs from 1st July 2017 to the 30th June 2018

(d) Payments by Third Parties

The *Ministry of Youth and Sports* also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of grants and other contributions.

These include payments made by Other Government Units (under established Government Projects) and by External Third Parties, and do not constitute cash receipts or payments by the *Ministry of Youth and Sports* but do benefit it. They are disclosed in the *Payments by Third Parties* columns in the Statement of Cash Receipts and Payments.

(e) Receipts

Receipts represent cash received by the *Ministry of Youth and Sports* during the financial year, comprising Authorized allocations/appropriations, Grants and other receipts. Receipts are recognized as follows:

(i) Authorized Allocations/Appropriations

Authorized Allocations are recognized when they are received and under the control of the *Ministry of Youth and Sports*.

(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 by the *Ministry of Youth and Sports*. Where they 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 *Ministry of Youth and Sports* 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 *Ministry of Youth and Sports*.

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 *Ministry of Youth and Sports*. 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 salaries, wages, allowances and other related-employment costs. 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 probable.

(k) Commitments and Guarantees

Outstanding Commitments arising from non-cancellable contractual or statutory obligations as well as Guarantees issued by the Commission will be reported in the Notes to the Financial statements. *Where they exist.*

4. Authorised Appropriation/Allocation Received

NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FINANCIAL YEAR ENDED 30th June 2017/2018

| | Actual | Final Budget | Original Budget | Difference: Final Budget and Actual | Percentage Variance | Actual |
|-------------------------------|---------------------|---------------------|---------------------|-------------------------------------|---------------------|--------------|
| | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | 0 |
| Employee Compensation | 1,716,165.00 | 1,716,165.00 | 1,335,806 | - | - | |
| Goods and Services | 721,366.00 | 721,366.00 | 345,697 | - | - | |
| other payment | 260,175.20 | | | | | |
| Grants/Transfers/Contribution | 616,489.00 | 120,000.00 | 1,162,028 | | | |
| NON - FINANCIAL ASSETS | | | 500,000 | | | |
| TOTAL RECEIPTS | 3,314,195.20 | 2,557,531.00 | 3,348,531.00 | - | | |

Payments by Other Government Units and Third Parties are included as memorandum items to the Financial Statements for the financial period ended 30th September 2019, separate columns in the *Statement of Cash Receipts and Payments*. External Assistance was received from UNFPA, UNICEF and from UNESCO during the reporting period to rehabilitate and run various youth centers (External Party outside of the Government).

5. RECEIPTS

Other receipts are contributions and internally generated funds received from two vocational centers under the control of the ministry.

NOTE 5 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL OTHER RECEIPTS FOR THE YEAR END ED 30th June 2017/2018

| | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|-----------------------------|-------------------|--------------|-----------------|---|--------------|--------------|
| | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| MVTC FEES | 151,825.26 | | - | | | |
| BDOTC | 30,281.93 | | - | | | |
| LOTTERY | 5,250.00 | | | | | |
| Intra-Government Tournament | 21,675.61 | | | | | |
| SKD HALL RENTAL | 31,337.64 | | - | | | |
| TOTAL OTHER RECEIPTS | 240,370.44 | - | - | | | |

6. External Assistance- Payment by other Government Units and Third Parties

| NOTE 6: COMPARATIVE ANALYSIS EXTERNAL GRANTS | | | | | | |
|--|--------------|--------------|-----------------|---|--------------|-------------------|
| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Other Grants and Aid | | | | | | |
| UNESCO | | | | - | - | 20,050.00 |
| UNFPA | | | - | | | 125,870.67 |
| UNICEF | | | - | | | 176,981.83 |
| GRAND TOTAL | | | | | | 322,902.50 |

7. Expenditures/Payments

The total amount of Cash Payments made during the quarter ending 30th June 2020 comprises various types of cash payments (classified in the same form as the National Budget) made by the *Ministry of Youth and Sport* during the period.

- Employee Compensation** – Wages, Salaries and Other Employee Benefits .These represents payment to employees of the *Ministry of Youth and Sport* as remuneration for the quarter under review.
- Goods and Services Expenditure:** - include such items as Stationery, Communications, Water and Sewage, Fuel and Lubricants for Vehicles, Fuel for Generators, etc.
- Grants/Subsidies** – represents payment to Federations and associations
- Capital expenditure** –purchases of other capital assets and donated by donors.

| NOTE 7 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE year ENDED 30th June 2017/2018 | | | | | | |
|---|---------------------|---------------------|-----------------|---|--------------|--------------|
| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
| | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 | FY 2017/2018 |
| | US \$'000 | US \$'000 | US \$'000 | US \$'000 | | US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Wages, Salaries and other Employee Benefits | | | | | | |
| Wages and Salaries | 690,282.15 | 690,282.15 | | - | - | |
| General&Special allowance | 190,833.90 | 190,833.90 | | | | |
| Honorarium | 3,089.00 | 3,089.00 | | | | |
| Professional | 174,270.00 | 174,270.00 | | | | |
| Other Employee Costs | 597,690.35 | 597,690.35 | | | | |
| Non-Professional Cost | 60,000.00 | 19,997.12 | | | | |
| GRAND TOTAL | 1,716,165.00 | 1,676,162.12 | | | | |

8. Supplies and Consumables

| Account Title | Actual | Final Budget | Original Budget | Variance (Actual vs. Revised Estimates) | % Variance | Actual |
|--|---------------------------|---------------------------|---------------------------|--|--------------|---------------------------|
| | FY 2017/2018 US \$'000 | FY 2017/2018 US \$'000 | FY 2017/2018 US \$'000 | FY 2017/2018 US \$'000 | FY 2017/2018 | FY 2017/2018 US \$'000 |
| Comparative Analysis by Economic Classification | | | | | | |
| Supplies and Consumables | | | | | | |
| Travel Expenses | 20,885.00 | | | | | |
| Utilities | | | | | | |
| Stationaries | 36,545.00 | | | | - | |
| Cleaning Materials and service | 28,910.00 | | | | | |
| Rent | - | - | | - | | |
| Fuel and Lubricants | 63,315.00 | | | | - | |
| Repairs and Maintenance-civil | 33,178.00 | | | | - | |
| Consultancy services/Audit/Studies | | | | | | |
| Education and Household Materials | 8,333 | | | | | |
| Security Guard services | 24,500 | | | - | | |
| Operational Expense | 505,700.00 | | | - | - | |
| GRAND TOTAL | 721,366.00 | - | - | - | - | - |

9. Cash and Cash Equivalents

Cash and Cash Equivalents comprise Cash on hand, demand deposits and cash equivalents held with banks. The details of the bank accounts and amounts held by the *Ministry of Youth and Sport* at the end of the period are detailed in the *Statement of Cash Position* above.

SUPPLEMENTARY DISCLOSURE

Appendix 1 – Donated

| Date | Economic Classification | Qty | Description | Amount ¹ |
|------|-------------------------|-----|-------------|---------------------|
| | | | | US \$ |
| | | | | |