



Promoting Accountability of Public Resources

ANNUAL REPORT OF THE AUDITOR GENERAL



FOR THE YEAR ENDED
DECEMBER 31, 2016

PERFORMANCE REPORT

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



Promoting Accountability of Public Resources

Office of the Auditor General of the Republic of Liberia

Honorable Speaker and
Members of the Legislature

Dear Honorable Lawmakers:

In accordance with Part II Section 2.1.9 of the 2014 GAC Act, I am pleased to submit to you the 2016 Annual Report of the Office of the Auditor General.

Sincerely,

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

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List of Acronyms

ACCA	Association of Chartered Certified Accountants
AfDB	African Development Bank
AFROSAI	African Organization of Supreme Audit Institution
AFROSAI-E	Organization of English-speaking African Supreme Audit Institutions
AG	Auditor General
BOA	Bureau of Audit
CAT	Certified Accounting Technician
CGMA	Chartered Global Management Accountant
CPA	Certified Public Accountant
CISA	Certified Information System Auditor
EU	European Union
FIA	Foundations in Accountancy
GAC	General Auditing Commission
GOL	Government of Liberia
HR	Human Resources
ICBF	Institutional Capacity Building Framework
IDI	INTOSAI Development Initiative
IFAD	International Fund for Agricultural Development
INTOSAI	International Organization of Supreme Audit Institutions
IPFMRP	Integrated Public Financial Management Reform Project
IPSAS	International Public Sector Accounting Standards
MIC	Management Internal Control
NASSCORP	National Social Security and Welfare Corporation
OAG	Office of the Auditor General
PAC	Public Accounts, Expenditure and Audit Committee
SOE	State-owned Enterprises
SP	Strategic Plan

General Auditing Commission (GAC)
Vision, Mission and Core Values



Promoting Accountability of Public Resources

Vision

To be a professional Supreme Audit Institution (SAI) that promotes trust, accountability, transparency and value for money in the management of public resources.

Mission

GAC is the independent constitutional external Public Sector Auditor of Liberia which supports Legislative oversight over the management of public resources. We serve the people of Liberia by conducting quality and timely financial, compliance and performance audits.

Core Values

Integrity, Transparency, Independence, Professionalism, Diversity.

Acknowledgement

I am pleased to extend my complements and heartfelt thanks to Her Excellency Madam Ellen Johnson Sirleaf, President of the Republic of Liberia, who has laid the foundation for the General Auditing Commission (GAC), Liberia's modern Supreme Audit Institution, as well as other vital integrity institutions. I am especially grateful for her support to the GAC during the past year.

I also wish to extend my thanks and appreciation to the Honorable Speaker and members of the National Legislature, the Joint Chairmen of the Public Accounts, Expenditure and Audit Committee (PAC) of the National Legislature for their support in the form of deliberating the contents of various audit reports that were tabled before these committees during the year 2016. My profound gratitude also goes to the Liberian people for creating an enabling environment to enable me discharge my Constitutional responsibilities.

Further, I wish to express my gratitude to my hardworking Deputies, the Deputy Auditor General for Audit Services, Mr. Winsley S. Nanka, and the Deputy Auditor General for Administration, Mr. Foday G. Kiazolu for their support and hard work during the year just ended. Also, the support of the GAC general staff body cannot be overemphasized because their individual and collective support in the form of their commitment and the discharge of their duties went a long way in ensuring the Mandate of the Commission was executed in an efficient manner. I urge them all to maintain the same team spirit they have demonstrated in all of their past endeavors so as to further enhance the GAC's service delivery to its numerous esteemed stakeholders.

I also wish to express my deepest gratitude to the donors who supported the GAC during another rewarding year. I am especially grateful to the European Union (EU), the Integrated Public Financial Management Reform Project (IPFMRP) under the leadership of the World Bank which manages the Multi Donor Fund, the International Organization of Supreme Audit Institutions Development Initiative (IDI) and other donors and development partners. These partners have contributed immensely by supporting the GAC through capacity development and logistics in an effort to improve the Commission's efficiency in service delivery and contribute to the GOL's effort to modernize the Commission.

I appreciate the support received from the International Organization of Supreme Audit Institutions (INTOSAI) and its regional extension the African Organization of Supreme Audit Institutions (AFROSAI). AFROSAI's sub-body for English Speaking Countries (AFROSAI-E) has been very helpful in contributing to our work especially in the area of capacity building. The Body has also worked to ensure that the Commission remains up-to-date with current development in the profession of auditing.

Finally, I am grateful to all of our auditees who have been working cooperatively with my office during the audits of their individual activities and programs during the past year. They have done a commendable job in helping the GAC conduct its work. It is my hope that this cooperation remains in place as we all strive to build a modern and better Liberia that will benefit us all and our future generations.

Foreword by the Auditor General

Honorable Members of the Legislature:

It is my pleasure to submit to you the Annual Report of the General Auditing Commission (GAC) for the calendar year ended December 31, 2016.

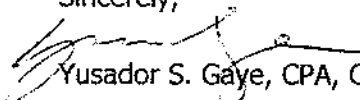
The year 2016 was challenging but the GAC focused on measures that were directed towards creating value for the Commission and its stakeholders. Despite delays/challenges in the implementation of the Commission's Annual Work Plan due to inadequate funding and other challenges, the GAC conducted a number of key audits, the details of which is provided subsequently in this report. The Commission also focused on strengthening its corporate governance system and reinforcing its commitment to being accountable for its actions. To this end, the Commission was audited for the first time since a statutory provision was made in 2005 to ensure that it reported to the Legislature. The audit covered the six consecutive financial years from July 1, 2009 to June 30, 2015. Also, a Peer Review Team from AFROSAI-E conducted a review of the GAC's operational system and audit methodology during the last quarter of 2016. The outcomes of processes demonstrate that the GAC has made significant progress as an institution over the last few years.

Also, during the period under review, the GAC adopted a new organizational structure and its Strategic Plan (SP) for the years in 2016-2020 was finalized and launched. The related first year Operational Plan was the basis for the GAC draft 2016/2017 budget which was submitted to the National Legislature as required under the GAC Act. The new structure will match our resources against both audit and administrative activities and ensure that the Commission maximizes the benefits that can be obtained from these resources. Its overall objective will be to realign our strategic priorities, and ultimately our resources, to matters of utmost importance.

In fulfillment of its Mandate under the Act, the GAC remained an active member in international bodies such as INTOSAI, AFROSAI-E, and other global and regional bodies and committees.

This annual report focuses on our operations as it relates the resources that were made available to carry out our core function – audit. In future years, our reports will be more strategically focused putting the work we do in the context of how it contributes to our vision, mission and goals. My Office continues to see how best to measure our success in achieving our strategic priorities. Much of these goals are embedded in our Strategic Plan (SP) for 2016 - 2020, and reports on the level of achievement of these goals will be reflected in subsequent annual reports. We anticipate greater collaboration in the future with all our stakeholders and I believe that with the continuous support of the Government and our international partners, the GAC will continue to produce quality audit reports and increase its audit coverage in fulfillment of its Mandate.

Sincerely,


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

1.1 Introduction

1.1.1 Brief Historical Background

Prior to 1956, the General Auditing Office (GAO) was established by an Act of the National Legislature as the Bureau of Audits (BOA) to pre-audit requisitions, vouchers and payrolls in connection with the disbursements of public moneys. This act was amended under Chapter 32, Section 740-744 of the Executive Law of Liberia in 1956 to audit all accounts of the Government of Liberia in the manner prescribed by the Revenue and Finance Laws of Liberia.

In 1972, the Executive Law of Liberia was amended: Chapter 53, Sections 1-11 established the General Auditing Office (GAO). Under this Law, the Auditor General reported directly to the President. However, the January 1986 Constitution of the Republic of Liberia created the GAC as one of three autonomous Commissions, resulting in the GAC replacing the GAO. In June 2005, a statutory provision was made supplementing the creation of the GAC in the 1986 Constitution which requires the GAC to henceforth report to the Legislature. Notwithstanding, this amendment did not enable the GAC to become fully compliant with the 1977 LIMA and the 2007 Mexico declarations. The 2014 GAC Act enables the Commission to be fully compliant with those declarations. However, for compliance to be fully achieved, the Act needs to be implemented in full with all of its provisions observed.

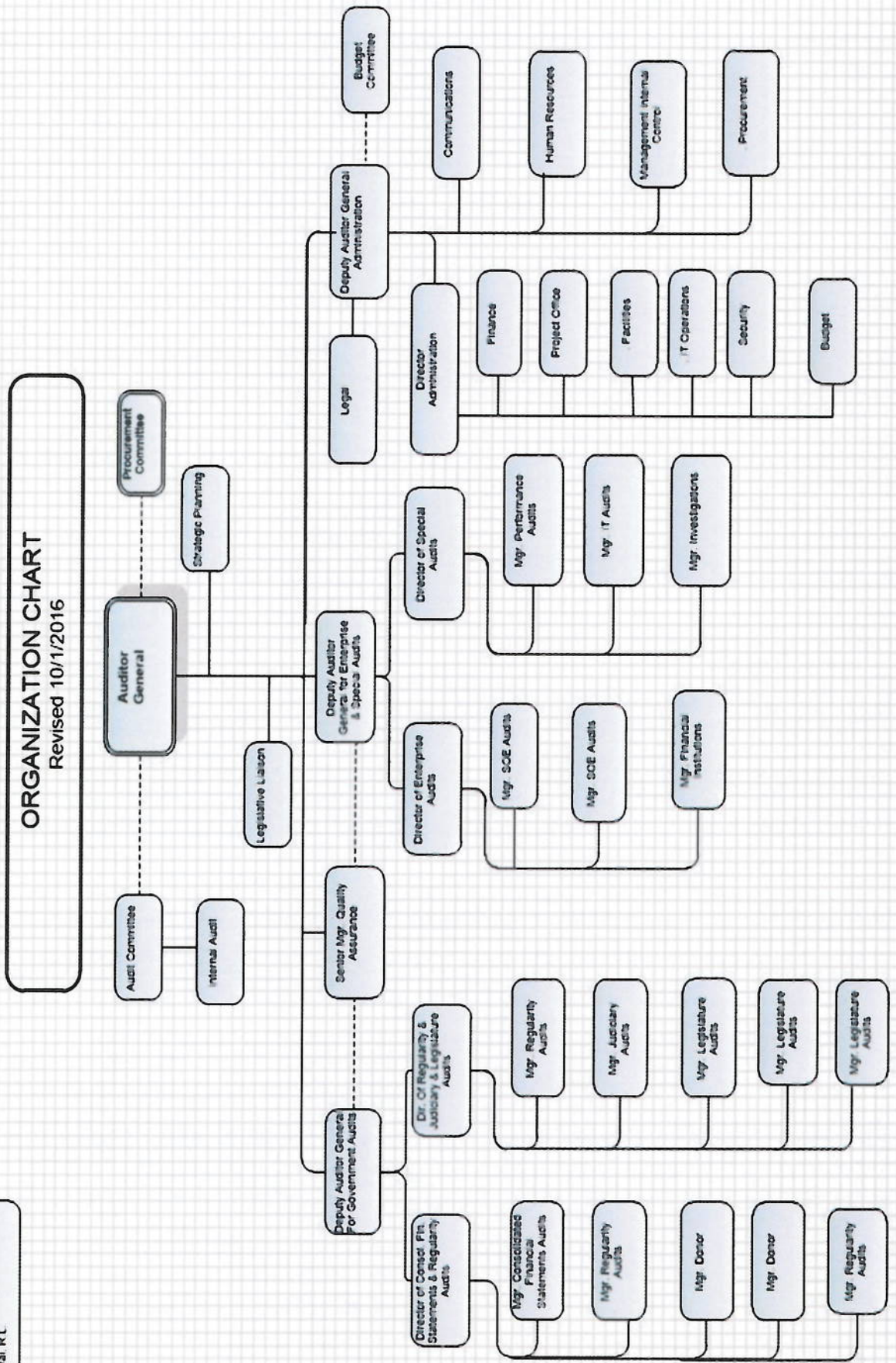


Figure 1: Headquarters of the General Auditing Commission, Ashmun Street, Monrovia, Liberia

1.1.2 Current Structure of the GAC

Atop the GAC, and consistent with its new organizational structure which was launched in 2016, is the Auditor General who is assisted by three deputies. Two of the Deputy Auditors General are responsible for Audit Services while the other handles the Administrative functions of the Institution. The Deputies for Audit Services supervise directors who are responsible for kinds of audits, while the Director of Administration reports to the Deputy Administration.

Director S. Gayer
 Approved: Yussor S. Gaye CPA CGMA
 Auditor General R.L.



The Institution had 349 staff in its employ as of the end of the year 2016, the majority of whom were employed in Audit Services. It is important to note that while a good number of these staff hold both first and second degrees in fields such as accounting, management, public administration, information systems, etc., coupled with advanced audit training certificates, most of them do not have professional certifications. To this end, the GAC launched its Professional Certification Program in 2016. The Program, which is an offshoot of the Commission's Capacity Building Strategy, 2015, is financed by donor partners through the IPFMRP. The European Union (EU) has also made a commitment to support this Program under the upcoming 11th European Development Fund. Under this training program which Management has declared as mandatory, audit staff will be trained and certificated as Chartered Accounts and Certified Information System Auditors (CISA); the Project Management Professional (PMP), Certified Management Accountant (CMA) and other qualifications have been designated for those in Administration.

1.1.3 Staff Placement

During the year under review, the Management of the GAC completed a restructure exercise for its staff in Administration. It can be recalled that a similar exercise was completed for those in Audit Services in August 2015. This has ensured that the Commission now conforms to acceptable international HR practices especially those applicable to SAIs, while maintaining a dedication to the enhancement of staff motivation, growth and professional development.

1.1.4 GAC's Mandate (Functions of the Auditor General) – 2014 Act

The Mandate of GAC is outlined in Part 2, Section 2.1.3 of the 2014 Act. The Act stipulates that:

- (a) The Auditor General shall be the auditor of the public accounts and public funds of the Republic of Liberia. Subject to sub-section (b) below, the Auditor General shall carry out such audits and inquires as he/she considers necessary of public entities and funds owned or controlled by the Government to enable reporting as required by the Act.
- (b) Notwithstanding the generality of sub-section (a) of this section:
 1. The Auditor General shall carry out the annual audit of the Government Consolidated Financial Statements, and
 2. The scope of the audits by the Auditor General for the Judicial Branch of Government shall exclude matters relating to courts decisions and for the Legislative Branch of Government shall exclude matters relating to merits legislation.
- (c) The Auditor General shall have the right to determine which audits are to be carried out, select the type of audits to be carried out, when to carry them out and report the findings.
- (d) In the performance of his/her operational duties as set out in sub-section (c) above, the Auditor General shall not be subject to the direction or control of any

person or authority.

- (e) The Auditor General and the staff of the General Auditing Commission shall carry out audits, but shall not be involved, or seen to be involved, in any manner, in management responsibilities of the organizations being audited.

1.1.5 Strategic Plan Launch/Implementation

1.1.5.1 GAC's Strategy

In June 2016, the GAC launched its new SP for the years 2016-2020 which succeeded the Commission's Interim Strategic Action Plan of 2014-2015. The launching ceremony was graced by Officials of Government, the Donor Community as well as other esteemed stakeholders. The Interim Plan had been adopted as a transitory instrument for addressing key policy issues and for guiding the GAC in achieving its Mandate as the SP of 2009-2013 had expired on December 31, 2013.

The GAC's overall strategy is to support the Legislature in holding the Government to account, thereby ensuring improvement in public service and accountability of public resources. We conduct our work to ensure that the Commission achieves its strategic goals as effectively and efficiently as possible. This means optimizing the use of resources at our disposal, so that we are able to implement as much of our Mandate as possible. We will also strive to ensure that we effectively engage our many stakeholders and comport ourselves as a venerated organization of experts.

Three fundamental Goals are highlighted in the SP. Meeting these goals means that we can successfully implement our strategy.

1.1.5.2 Strategic Goals: What are we working to achieve?

- **SG 1: Greater impact of GAC's audit recommendations:** This recommendation is rooted in International Standards of Supreme Audit Institutions (ISSAI) 12. Under this goal the GAC plans to increase its audit coverage, arrive at relevant and robust audit recommendations and enhance its interaction with internal and external stakeholders to facilitate greater acceptance and implementation of audit recommendations. The GAC will also strive to implement the ISSAIs in its audit work and increase the types of audits that it conducts.
- **SG 2: Increased trust in the GAC as a credible organization:** with roots in ISSAI 12, the GAC will strive to be credible as a prerequisite to holding others accountable. This means that the GAC will ensure that it has in place good internal controls and financial management system. The Commission will also be audited on an annual basis and will publish annual performance report.
- **SG 3: High Performing GAC:** The GAC will ensure high performance through the use of our funds in a cost-effective manner, thereby getting the best from our people. We will increase our audit coverage and implement the ISSAIs to improve the quality of our audits.

1.1.5.3 Performance Analysis

For the success of the SP 2016 – 2020, the SP's strategic implementation will be based on fiscal year. The Annual Operational Plan (AOP) 2016/2017 implementation is designed around fiscal or budget year to allow the Institution implement projects in the timeline that falls within the Government's budget period. This AOP implementation summarizes the activities of the Commission in fiscal year, running through 2016/2017 – 2020/2021.

Consistent with our Plan, our annual operational plan 2016/2017 activities or programs are divided into three sections which are aligned with our strategic goals, as outlined below:

1. Detailed list of risk-based selected audits for 2016/17, including audit objective and scope. This will ensure that areas of Government support which require the most urgent needs are audited so that this contributes to the impact the Commission hopes its audit recommendations will have.
2. As part of the GAC operational activities for the current fiscal year, audit methodologies have been reinforced and a Professional Certification program has been launched. These are measures which the Commission hopes will contribute to enhancing its performance.

1.1.6 Audit of the Accounts of the General Auditing Commission (GAC)

During the year 2016, the GAC was audited for the first time since a statutory provision was made in 2005 to change its name and ensure that the Commission now reports to the National Legislature. The audit covered six consecutive fiscal years - July 1, 2009 to June 30, 2015. A preliminary report on the findings of the audit was made to the PAC in April 2016 while the final reports were dispatched from Kenya to the PAC later in 2016.

1.2 Audit Services

1.2.1 Audit Engagements

As Liberia's Supreme Audit Institution, our audit reports submitted to the Legislature are received with profound interest in as much as findings and recommendations therein are of an immense national importance.

In 2016, the Auditor General Commissioned 34 (thirty four) audits while 42 (forty two) rolled over from the calendar year 2015, making a total of 76 (seventy six) audits. Of this total, 26 (twenty six) audit reports were issued by the Auditor General. Of the twenty-six (26) audits completed and issued, eleven (11) were requested by donors and as such were issued said reports. Fifteen (15) completed audits were submitted to the Legislature among which was the GOL's Consolidated Fund Audit for 2013/2014 fiscal period.

Table A: List of Audits Completed During the Year

No	Entity	Period	Status	Date Issued
1	Japan-Liberia Paddy & Seed Rice Project	October 1, 2010 – December 31, 2013	Issued	January 26, 2016
2	Financial Statements of the Administrative Operations of the Ministry of Finance	Fiscal Years 2011/2012, 2012/2013 & 2013/2014	Issued	January 28, 2016
3	Financial Statements of the Liberia Maritime Authority (LMA)	Fiscal Years 2006/2007, 2007/2008, 2008/2009, 2009/2010, 2010/2011, & 2011/2012	Issued	January 28, 2016
4	The International Development Association (IDA) Ebola Emergency Response Project (EERP) Implemented by the Government of Liberia through the Project Financial Management (PFMU) Unit in the Ministry of Finance and Development Planning (MFDP)		Issued	February 2, 2016
5	Final Report on the Audit of the International Economic Cooperation and Integration (IECI) Human & Capacity Building Project of the Ministry of Foreign Affairs	June 2014 – October 28, 2015	Issued	February 16, 2016
6	The Liberia Innovation Fund for Entrepreneurs Project (LIFE) of the Ministry of Commerce & Industry	June 2014 – September 2015	Issued	February 19, 2016
7	Grand Cape Mount Community Bridge Project of the Ministry of Internal Affairs	January 2014 – December 2015	Issued	March 23, 2016
8	Community Infrastructure Development Project (CIDP)	May 2013 – January 2016	Issued	March 25, 2016
9	Government of Liberia Consolidated Fund Financial Statements	2013/2014	Issued	March 28, 2016
10	Micro-small Medium Enterprise Project of the Ministry of Commerce and Industry	February 2012 – December 2015	Issued	May 4, 2016
11	Financial Statements of the Ministry of Planning and Economic Affairs	2012/2013 – 2014/2015	Issued	May 4, 2016
12	Sinoe County Independence Day	July 1, 2013 – June 30, 2014	Issued	June 6, 2016
13	Applying Agreed-upon Procedures to the LEITI Reporting Template on the Assessments and Collections of Revenues by the Liberia Revenue Authority (LRA) and Supervising Ministries & Agencies (M&As)	July 1, 2013 – June 30, 2014 & July 1, 2014 – June 30, 2015	Issued	June 28, 2016
14	Roberts International Airport (RIA)	January 1, 2008 – December 31, 2012	Issued	July 19, 2016

No	Entity	Period	Status	Date Issued
15	Grand Bassa Administration Funds	July 1, 2012 – June 30, 2013	Issued	August 1, 2016
16	Grand Bassa Administration Funds	July 1, 2013 – June 30, 2014; July 1, 2014 – June 30, 2015	Issued	August 10, 2016
17	Japan Liberia Paddy and Seed Rice Project Phase-II of the Ministry of Agriculture	January 1, 2014 – December 31, 2015	Issued	August 17, 2016
18	The Five (5) Modern Warehouses Construction Project of the Ministry of Agriculture	January 1, 2014 – December 31, 2015	Issued	August 17, 2016
19	Gabriel L. Dennis Foreign Service Institute of the Ministry of Foreign Affairs	July 1, 2012 – June 30, 2015	Issued	October 11, 2016
20	National Investment Commission (NIC)	July 1, 2010 – June 30, 2013	Issued	October 11, 2016
21	Liberia Youth Employment Program (LYEP)	March 1, 2013 – March 1, 2014	Issued	October 11, 2016
22	Liberia Industrial Free Zone Authority (LIFZA)	July 1, 2008 – June 30, 2015	Issued	October 11, 2016
23	Ministry of Post and Telecommunication Phase I Projects (National Postal Address System, Chief Information Office and Postal Expansion Projects)	July 1, 2012 – June 30, 2015	Issued	December 5, 2016
24	Ministry of Justice - Justice and Security Joint Program Peace Building Fund Project (MoJ-JSPPBF)	July 1, 2012 – June 30, 2015	Issued	December 5, 2016
25	Temple of Justice Peace Building Fund Project (ToJ-PBF)	July 1, 2012 – September 30, 2015	Issued	December 5, 2016
26	Renovation of the Executive Mansion by the Ministry of State for Presidential Affairs	July 1, 2016 – December 31, 2015	Issued	December 5, 2016

1.2.2 Budgetary Support

For the fiscal year 2015/2016, the GAC submitted a budget of US\$3,700,000 to conduct seventy nine (79) audits. These audits were selected based on the Commission's Risk Matrix. However, the Ministry of Finance and Development Planning (MFDP) committed only US\$650,000.00 in the National budget of 2015/2016 during its submission to the National Legislature. Due to this funding gap, the Commission could only complete 26 (Twenty Six) audits during the fiscal year under review.

The completion of audits remains cardinal to the operation of the Commission. Financial constraints could impair the winding up of most of the reports that are outstanding. Majority of the audit findings require field trip verifications for their completion but funding for these trips has been inadequate.

1.2.3 Challenges Hampering Audit Execution:

During the period under review, it was observed that in addition to some National challenges, the GAC was faced with a series of challenges which impeded audit engagements and the timely issuance of audit reports. These challenges were in two main categories:

a. Inadequate Infrastructure/Funding

- Lack of sufficient funding for the implementation of the audit plan
- Limited budget support by key stakeholders for the GAC to finance the execution of the SP.
- Huge capacity gaps in professional certification, thus giving rise to capacity gaps in emerging audit-related technologies
- Staff Retention

b. Lack of Adequate Cooperation from Some Auditees

- Delay in the submission of audit documents by auditees
- Poor documentation by auditees
- Delays in response to audit queries
- Failure to implement audit recommendations
- Apparent inability to prepare financial statements using appropriate reporting standards

1.2.4 Oversight Committees of the Legislature (Public Accounts, Expenditure and Audit Committee)

The PAC is recognized as the primary customer of the Office of the Auditor General (OAG). The OAG is charged with the responsibilities of supporting the Committee's role in assessing the integrity, economy, efficiency and effectiveness of public sector management on behalf of the Legislature and the public. As part of its role, the PAC scrutinizes matters raised in the GAC's reports to the Legislature. It then prepares and submits a summary report of its review to the Legislature. The Auditor General then briefs the Committee on her report as well as on any other matters of interest.

In 2016, the GAC attended public hearings to brief the Legislative Assembly and the public on the importance of the implementation of audit recommendations. With reference to the collaborative efforts of the OAG and PAC in promoting accountability, transparency and fiscal probity in the management of public resources, in September 2016 the PAC submitted to the Executive Branch for implementation a comprehensive report on a number of audit reports which had been previously issued by the AG. The AG reports covered 6 (six) institutions of Government over several fiscal year, with some reports going as far back as 2009.

1.2.5 Audit Quality Control and Quality Assurance

Quality assurance activities of Supreme Audit Institutions (SAI) are regarded as important components of good corporate governance. AFROSAI-E has incorporated quality assurance activities in its work plans and is eager to support SAIs in establishing/enhancing quality control systems, procedures and working methods. To this end, SAI Liberia, being a member of AFROSAI-E, responded favorably to the Secretariat's request to conduct a quality assurance assessment of its audit process and operations.

The main objective of the support visit was to assist the SAI of Liberia in assessing its quality control system against the AFROSAI-E Institutional Capacity Building Framework (ICBF) and to ascertain whether the GAC's audits are in compliance with international standards. The Team would also provide relevant recommendations on how the quality of audits could be improved. Finally, upon completion of the support visit and the quality assurance review, a report on the review exercise will be presented to the Auditor General by the Chairman of the AFROSAI-E Governing Board.

1.3 Administration

The Department of Administration is responsible for HR Management, Finance and Accounting, Strategic and Operational Planning, Asset, Facility and Fleet Management (AFFM), Management Internal Control (MIC), Information and Communications Technology and Procurement. Other Units under this Department include Communications, Facility Security, Budget Office, Project Management, Internal Audit, Legal Services and Print and Publication. This Department serves as the pillar for audit support.

1.3.1 Human Resources and Manpower Development

1.3.1.1 Staff

In January 2016, the GAC finalized the realignment of its staff. This exercise which began in 2015, was intended to ensure that there were clear lines of reporting and as well as adequate job description for all staff within the Commission. This, it was hoped, will also ensure that staff became more efficient and effective on their jobs.

As a means of motivating its staff, the Commission launched a new pay grade system alongside the restructuring exercise to promote a degree of parity staff remuneration. The GAC also strategically hired 11 (eleven) new employees during the year under review.

In 2016, the GAC endured the death of 4 (four) of its employees. Also, there were 16 (sixteen) staff resignations during the course of the year under review. Also, in appreciation of their exemplary service to the GAC and dedication to their work, 8 (eight) employees were promoted in 2016. Finally, 2 (two) employees were awarded the GAC's Outstanding Employee Award for the year 2016 when the Commission hosted its annual staff meeting in January 2017.

Policies Approved/Drafted during Calendar Year 2016

1. Study Leave Policy (Approved)
2. Policy and Guidelines for Outsourcing Audits (Drafted)
3. Budget Policy (Drafted)

1.3.1.2 Trainings

During 2016, the Commission conducted a series of trainings for some members of staff, mostly audit service. The idea of capacity-building for the Institution's employees, which was reintroduced in early 2015 and consummated in the GAC's Capacity Building Strategy, 2015 came into fruition, with a series of professional training activities being launched.

In an effort to professionalize its workforce, the Commission vetted and selected some of its audit staff for professional certification in Association of Chartered Certified Accountants (ACCA), Foundation in Accounting (FIA)/Certified Accounting Technicians (CAT), and Certified Information Systems Auditor (CISA). Of the 58 (Fifty Eight) candidates who formed the first batch for ACCA/CAT Program, 34 submitted their full requirements and were entered into the Program in anticipation of writing the exams in December 2016. However, all did not go as plan due to some unexpected setbacks. Plans are however underway so that the exams are written in June 2017. To enhance the pass rate on the exams, the Management of GAC signed a contract with a Consultant in December 2016 to provide tutorial services to these exam candidates. This contract is being financed through the GAC's component under the IPFMRP. On the other hand, in 2016, two Information Technology (IT) auditors successfully passed the CISA exam which was administered in Accra, Ghana.

Below are the details of other trainings conducted during the year under review:

No	Description	Date (2016)	Local/Foreign	Venue	Number of GAC Staff Who Attended
1.	International Fund for Agricultural Development (IFAD)	February 15-26	Foreign	Dar es Salaam	3
2.	Performance Audit Refresher Training	February 16-26	Local	GAC Conference Room	12
3.	AFROSAI-E IT Audit Self-assessment Workshop	March 7- 11	Local	GAC Conference Room	18
4.	State-owned Enterprises Reinforcement Training on INTOSAI Audit Standards and Code of Ethics	March 21-29; April 1-4	Local	GAC Conference Room	60
5.	Performance Audit 1 st Module Workshop	June 13 – 17	Foreign	Pretoria, South Africa	2
6.	Financial Audit Refresher Training	June 20-21	Local	GAC Conference Room	41

No	Description	Date (2016)	Local/Foreign	Venue	Number of GAC Staff Who Attended
7.	Compliance Audit Refresher Training	June 22-23	Local	GAC Conference Room	41
8.	Reinforcing Global Fight Against Fraud	June 29 – July 1	Local	Conference Room of Liberia Chamber of Commerce (Chapter 198)	39
9.	Audit Refresher Workshop	August 5-9	Local	GAC Conference Room	41
10.	Performance Audit 2 nd Module Workshop	October 3 – 14	Foreign	Pretoria, South Africa	2
11.	AFROSAI-E Technical Update Meeting	November 1 – 4	Foreign	Durban, South Africa	2

The GAC also organized and coordinated refresher training in Financial and Compliance Audits for four audit teams. 185 (One hundred eighty-five) auditors from the four teams benefited from the training, while in July 2016, a 3 (three) day workshop under the theme, "Re-Enforcing Global Fight against Fraud" was organized, With 39 (thirty nine) staff of the Audit Service benefiting.

The GAC will continue to facilitate a number of capacity-development activities during the upcoming year, including internal and external training for auditors. Preparations are underway to adopt AFROSAI-E audit manuals for Regularity, Compliance and Performance audits. There is also a search for an audit management software to help the Commission manage the planning and scheduling of its audit activities.

Training Plans for 2017 include:

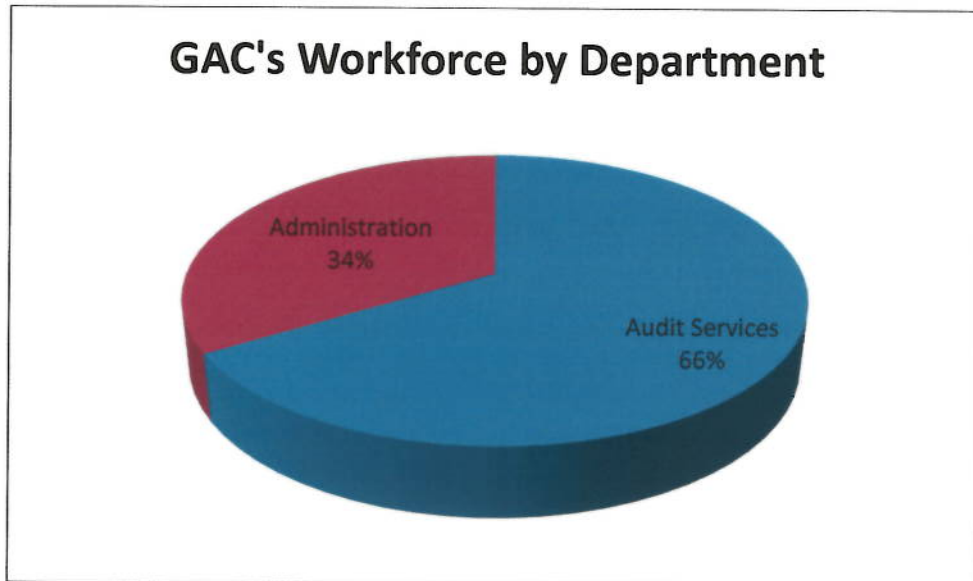
- I. Continuous training for ACCA and CAT
- II. Staff Re-orientation
- III. Commencement of Trainer of Trainers (ToT) Program
- IV. Professional Certification for Administrative Staff

1.3.2 GAC's Operational Capacity

GAC had a total staff of 349 at the end of the calendar year 2016. Staff turnover within the OAG decreased from 47 in 2015 to 21 in 2016. Below is a breakdown of the GAC's total staff at the end of the calendar year:

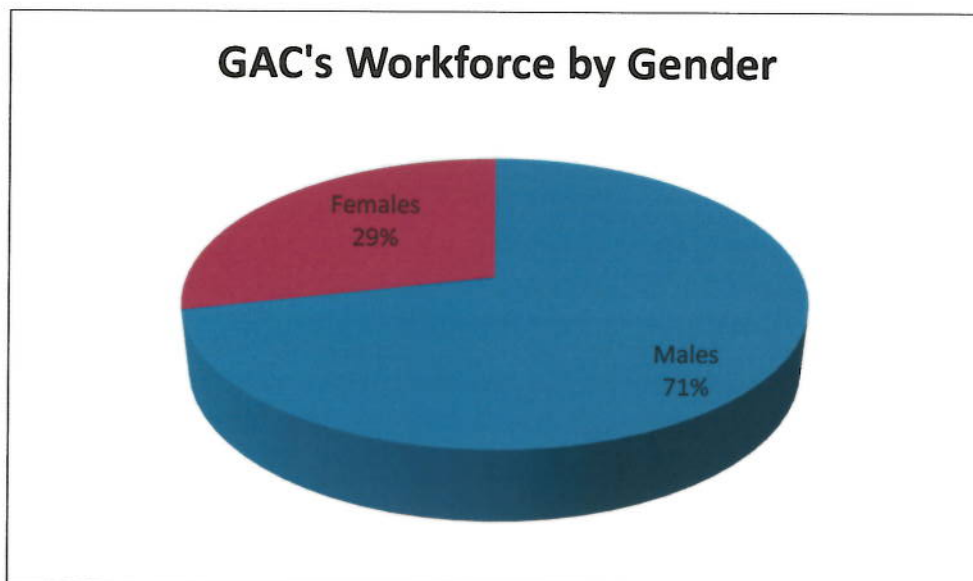
1.3.3 Composition of Staff by Function

Of the total of 349 employees at the end of the calendar year, 231 were in Audit Services, while 118 were in Administration. This is a reflection of the GAC's focus on maintaining more staff in its core area of function.



1.3.4 Composition of Staff by Gender

Out of the total 349 employees, 249 were males, while 100 are females. This demonstrates the GAC's commitment to diversity in the form of women empowerment.



Composition of Staff by Turnover

The following turnover occurred during the year 2016:

Resignations	-	16
Deaths	-	4
Retirement	-	1
Total	-	<u>21</u>

1.3.5 Affiliation with Professional Organizations

As required under Section 2.1.8 (g) of the Audit Act of 2014, the GAC fully interacted with professional bodies during the annual year 2016.

One organization with which the GAC had numerous interactions was INTOSAI and its regional body AFROSAI-E. From 9th to 13th May 2016, the Auditor General, along with two Audit staff attended the Body's 13th Governing Board Meeting in Abuja, Nigeria; the AG later participated in the AFROSAI-E Annual Technical Update meeting in South Africa from 1st to 4th November 2016. The AG also attended the XXII International Congress of Supreme Audit Institutions (INCOSAI) in Abu Dhabi, the United Arab Emirates from 5th to 11th December 2016.

The GAC also interacted with other professional organizations outside INTOSAI. For example, the AG attended the African Development Bank's (AfDB) Board meeting in Lusaka, Zambia from 23rd to 27th May 2016.

1.3.6 Acquisition of Assets

1.3.6.1 Computers for Auditors

At the GAC, it has been a practice that laptops are rotated amongst auditors because we have not been able to give each auditor an assigned laptop due to the limited amount available. Knowing the effect this has on its annual audit program, the Management of GAC procured 26(twenty six) laptops to increase the number in its pool for auditors so as to help reduce the pressing need for these essential working tools. The twenty-six units of laptops were acquired at a total cost of US\$25,662.00.

Additionally, the GAC received from the General Services Agency, as part of a Chinese Government donation to the GOL, 15 (Fifteen) laptops and 10 (Ten) desktops; the Commission also received 10 (Ten) desk printers as part of this donation.



Figure 2: Laptops Acquired through GOL

1.3.7 Financial Highlights Under the Integrated Public Financial Management Reform Project (IPFMRP)

1.3.7.1 Computers for Auditors

During the calendar year under review, the GAC, realizing its need for additional computers to support its audit program, sought support through the IPFMRP to augment Government's efforts. In June 2016, 87 (eighty seven) laptops were procured through the GAC's component under the Project at a total cost of US\$117,450.00 (One Hundred Seventeen Thousand Four Hundred Fifty United States Dollars). These laptops have reduced the challenges Management experiences when it comes to providing computers for auditors to ensure the timely completion of audit assignments.



Figure 3: Laptops Secured through the IPFMRP

1.3.7.2 Generator for Audit Operations

The GAC relies on the Liberia Electricity Corporation (LEC) to provide its main source of power. There had however been instances where the GAC had experienced challenges in the past in carrying out its operations due to LEC power outages. This was because the Commission's backup generator which was purchased by the European Union (EU) some ten years ago was now fully depreciated and could not be relied upon to provide back-up electricity. Considering the financial challenge Government sometimes faces when it comes to meeting all of the capital asset needs for its various institutions, the GAC turned to the Project so that this situation could be resolved. In November 2016, the GAC, through the Project's Procurement Unit, completed the purchase of a 275 KVA diesel generator set at a total cost of US\$64,250.00 (Sixty Four Thousand Two Hundred Fifty United States Dollars). This unit has greatly increased the level of output of the Commission as it now ensures the reduction of downtime which had previously been a major issue.



Figure 4: Generator Acquired through the IPFMRP

1.3.8 Financial Management and Budget Performance

1.3.8.1 Budget Submission

For the first time since the passage into law of the GAC Act of 2014, the Commission submitted its budget for fiscal year 2016/2017 to the National Legislature in accordance with Section 3.4 of the Act. The total budget to conduct 104 audits and support the operations of the Commission was US\$14,889,045.00. Of the amount requested, the GAC received through the MFDP a final budget of US\$5,479,735.

1.3.8.2 Financial Statements

The GAC operates on a fiscal year basis. To fully present fair picture of its financial results, the financial statements that follow hereafter are presented on a fiscal year basis (July 1, 2015 – June 30, 2016) and do not represent the calendar year 2016.



Promoting Accountability of Public Resources

General Auditing Commission (GAC)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2016



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

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STATEMENT OF RESPONSIBILITIES OF THE HEAD OF MINISTRY OR AGENCY

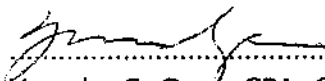
The following Unaudited Financial Statements set out from pages 6 to page 16 have been prepared on the Cash Basis in accordance with International Public Sector Accounting Standards (Cash Basis IPSAS) and in compliance with the Public Financial Management Act, 2009 (PFM Act).

In accordance with the provisions of the Public Financial Management Act, I am responsible for the control and accounting of funds and all other public funds received, held and expended for and on behalf of the General Auditing Commission (GAC).

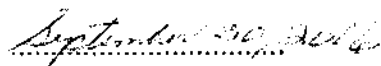
Section 3.6 (a) and (c) of the GAC Act of 2014 requires that the financial statements of the GAC be completed within three (3) months of the end of the fiscal year and its audited statements submitted by the independent auditors to the Legislature within an additional two (2) months. Accordingly, I am pleased to submit the required Statement of Receipts and Payments for the fiscal year ended June 30, 2016. I hope the notes to the Financial Statements will further clarify the information in these Financial Statements.

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 Public Financial Management Act, 2009.



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



Date

MANAGEMENT DISCUSSION AND ANALYSIS ON THE FINANCIAL STATEMENTS

Introduction

This Section gives a synopsis of significant items, transactions and events presented in the Financial Statements and the factors that influenced them. It introduces the statements and presents an analytical overview of the GAC's financial activities for fiscal year 2015/2016.

The Approved Budget

The original budget for the General Auditing Commission was US\$5,947,643 but the fiscal outturn summed at US\$5,792,896, which we have considered the final budget. Likewise, the original budget for the IPFMRP (grants) was US\$881,814 and the outturn from third party payment was 528,984.

The Commission incurred a 21.38% over expenditure in goods and services. This happened because cash brought forward from previous period was expended in the reporting period to settle obligations.

Financial Performance

The General Auditing Commission received US\$5,740,382 as budgetary allocation for FY15/16. Of this amount, Compensation of Employees constituted 78% and the remaining 22% was allocated to Goods and Services Consumed. Other receipts which totaled US\$22,957 include a receipt of US\$7,320 from MOH SW HSSP Pre-Pilot Project and US\$9,424 from LACEEP as audit fees. There were also miscellaneous collections for US\$6,213 that covered refunds, and bid document purchases and made up the total of Other Receipts. Additionally, the Commission received an amount of US\$7,093 from the European Union that was intended and used to cover trainings for State-Owned-Enterprise (SOE) and Information Technology (IT) audits. Hence, the total cash receipt that was controlled by the Commission through its bank account during the fiscal period is US\$5,770,432.

Total staff compensation during the period was US\$4,474,359. This amount also included retirement benefit for personnel that the Commission laid off during the fiscal year. In addition, US\$1,401,015 was spent to pay for Goods and Services provided, with 41.6% being spent on audit activities, 15% on Fuel and Lubricants, and the remaining on other budgetary lines. Other payments included bank charges, pass-through expenditure and exchange losses and gains on operational transactions that amounted to US\$22,831. Total payments from budgetary allocations for the fiscal period was US\$5,898,205.

The Integrated Public Financial Management Reform Project (IPFMRP) also made third party payments on behalf of the GAC during the period under review. These payments covered the cost of hiring consultants, purchase of laptops, audit staff training, and other operational costs. The total payment advice made available to the Commission sums up to US\$528,984.

The INTOSAI Development Initiative (IDI) also made payments on behalf of the GAC. The payments included travel allowances and air tickets fare for staff who attended international Fund for Agricultural Development (IFAD) workshop for the use of country's SAI in performing its audits that ended in signing of MOU, other payment covered strategic planning session, and a young

Concerns and Strategic Focus

The GAC completed twenty-one (21) audits and commissioned an additional twenty-one (21) during the reporting period, as audit is our core activity. Management did not complete the additional twenty-one (21) audits during the fiscal year due to challenges such as lack of readiness from the auditees and other related factors. Moreover, staff capacity is a challenge, as the Commission currently does not have the number of staff capable of carry out all of the audits it envisions at the beginning of the fiscal year. The current decision is to lobby with donor partners to train more staff. Currently, more than One Hundred (100) staff are being enrolled into the Association of Chartered Certified Accountants (ACCA) program while another nine (9) have been placed into the Certified Information Systems Auditor (CISA) certification program. These trainings are being sponsored by the IPFMRP.

Another challenge is the compensation package for staff. Management tends to boost its drive to retain staff plan as many staff have left the Commission over the years to seek job opportunities with better salary packages. This reduction in the number of technical staff adversely affects the output capacity of the Commission. Management has proposed an amount to step up the compensation package for staff but has no assurance whether this proposal will be approved in the National budget for Fiscal Year (FY) 2016/2017. Notwithstanding, Management is making relentless efforts to collaborate with other donor partners to help with these challenges.



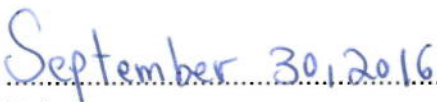
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Yusador S. Gaye, CPA, CGMA
Auditor General, R.L



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Date



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Cooper Magbollah
Comptroller



.....
Date

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

**GENERAL AUDITING COMMISSION
STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Note	FY 15/16		FY 14/15	
	Receipts/ (Payments) Controlled by Entity	Payments by Other Government Entities	Receipts/ (Payments) Controlled by Entity	Payments by Other Government Entities
	US\$	US\$	US\$	US\$
RECEIPTS				
3	5,740,382	-	6,305,945	-
5	22,957	-	76,575	-
4	7,093	554,523	-	391,709
Total Receipts	5,770,432		6,382,520	391,709
PAYMENTS				
6	4,474,359	-	4,904,319	-
7	1,401,015	-	1,032,772	23,181
8		204,531	-	295,309
9	22,831		15,827	96,400
Total Payments	5,898,205		5,952,918	391,709

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

Increase/(Decrease) in Cash	<u>(127,773)</u>			<u>429,602</u>
Cash at the beginning of the FY	438,548			13,216
Increase/(Decrease) in Cash	(127,773)			429,602
Foreign currency translation difference	(9,773)			(4,270)
Cash at the End of the FY	<u>2</u>	<u>301,002</u>		<u>438,548</u>

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

**GENERAL AUDITING COMMISSION
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

- Budget Approved on the Cash Basis

ACCOUNT TITLE/DESCRIPTION	Actual Amount	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance
	US \$	US \$	US \$	US \$	%
CASH INFLOWS					
Authorized Allocation/Appropriation	5,740,382	5,792,896	5,947,643	52,514	0.90%
Grants	561,616	528,984	881,814	-32,632	-6.16%
Other receipts	22,957	-	-	-22,957	-
Total Receipts	6,324,955	6,321,880	6,829,457	-3,075	
CASH OUTFLOWS					
Wages, Salaries and Employee Benefits	4,474,359	4,674,840	4,674,840	200,481	4.28%
Goods and Services Consumed	1,751,007	1,442,509	1,869,617	-308,498	-21.38%
Purchase/Construction of Property, Plant , & Equipment	204,531	204,531	285,000	-	-
Other Payments	22,831	-	-	-22,831	-
Total Payments	6,452,728	6,321,880	6,829,457	-130,848	
NET CASH FLOWS	-127,773	-	-	127,773	

* Actual amounts encompass both cash and third party settlements.

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

**GENERAL AUDITING COMMISSION
STATEMENT OF CASH POSITION
AS AT JUNE 30, 2016**

	Currency Held In	Notes	As At June 30, 2016	As At June 30, 2015	Change in Cash Balances
<u>Cash / Bank Account Details</u>					
Bank Accounts		2			
Guaranty Trust Bank (206600000210) –Operations A/C	USD		124,704	246,334	-121,630
Guaranty Trust Bank (206600000110) –Operations A/C	LRD		102,720	131,653	-28,933
Guaranty Trust Bank (206600000211) –Payroll A/C	USD		74,548	57,385	17,163
Guaranty Trust Bank (206600000111) –Payroll A/C	LRD		-23	-	-23
EcoBank (0011134701659502) –Operations A/C	USD		-	1,077	-1,077
EcoBank (001-1134701659-501) –Payroll A/C	USD		-	-174	174
LBDI (002USD21320422701)	USD		-	-462	462
UBA Prepaid Card #1	USD		96	437	-341
UBA Prepaid Card #2	USD		388	-	388
Total Cash in Banks			302,433	436,250	-133,817
Cash Held By Others For Reimbursement/Refund/Repayment					
Cash Held In Staff Advances	USD		2,297	2,298	-1

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

	Currency Held In	Notes	As At June 30, 2016	As At June 30, 2015	Change in Cash Balances
Cash Held In By IPFMRP (For Refund)	USD		1,700	-	1,700
Excess Of Refund On Other Payments By IPFMRP	USD		-5,429	-	-5,429
Total Cash Held By Others			-1,432	2,298	-3,730
Total Cash And Bank Balances			301,002	438,548	-137,546

* All Liberian Dollar amounts are converted at the spot rate.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

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 accounting policies adopted have been consistently used throughout.

Reporting Entity

The financial statements are for the GAC. The Commission is an autonomous agency and is controlled by the National Government of Liberia.

The GAC's principal activity is to conduct audits of all accounts of the Government of Liberia. It controls its own bank accounts with appropriations and other cash receipts being deposited into these accounts as they are received from the Ministry of Finance and Development Planning (MFDP).

Payments by Other Government Entities

The GAC benefits from payments made on its behalf by its controlling entity (Government of Liberia) and other government entities.

Payments by External Third Parties

There are also payments made to the GAC by external third parties (entities external to the economic entity) for goods and services. These payments do not constitute cash receipts or payments of the Commission, but do benefit the Commission. They are disclosed in payments by external third parties column in the Statement of Cash Receipts and Payments and in other financial statements.

Reporting Currency and Translation of Foreign Currencies

a. Functional and Presentation Currency

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

b. Translation of Transactions in Foreign Currency

1. Foreign currency transactions are translated into United States Dollar using the exchange rates circulated by the Central bank of Liberia (CBL). Closing monetary balances are translated into the reporting currency using the closing rate. The closing rates for the reporting period is 1USD to 91LD. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end are disclosed on the face of the financial statements for reconciliation purpose.

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

2. Cash at the End of the year

This amount comprises cash available in banks, cash held in salary advances, and cash disbursed to others to be reimbursed.

	FY	FY
	15/16	14/15
	US\$	US\$
Cash Available in Banks	302,433	436,250
Cash Held in Salary Advances	2,297	2,298
Reimbursables	(3,728)	-
Total	301,002	438,548

Below is a summary list of amount from ending cash balance not available for use to settle operational obligations.

Unpaid Wages to be Remitted	28,147
Staff Social Security Withheld	10,654
Vendor Taxes to be remitted	1,697
Total	40,498

3. Authorized Allocations

The total amount of Authorized Allocations received for FY2015/16 is presented below comparatively:

	FY	FY
	15/16	14/15
	US\$	US\$
Compensation of Employees	4,483,360	4,912,680
Goods and Services	1,257,022	1,288,103
Total	5,740,382	6,305,945

4. External Assistance

The IPFMRP, European Union, and IDI Contributions to SAI Liberia's expenditures are jointly considered external assistance to the GAC.

The GAC received funds through the 10th European Development Fund to facilitate trainings for auditors. There were also payments made by the IPFMRP to facilitate training, pay consultants, and purchase laptops for auditors.

The IDI Project SAI Liberia supported the GAC participation at a leadership symposium in Shimla, India, and financed cooperative meetings for the SAI in Oslo, Norway for agriculture audit and strategic plan development among other activities. The IDI expenditure/support included air tickets and allowances provided for the travels.

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

	FY 15/16	FY 14/15
	US\$	US\$
EU (BDO)	7,093	-
IPFMRP (Pool Fund)	528,984	391,709
IDI Project (to SAI Liberia)	25,539	-
Total	561,616	391,709

Below is a detail of Undrawn External Assistance.

	Budgeted	Actual	Balance
Multilateral Agency (IPFMRP)	3,235,000	2,829,848	439,451
Bilateral Agency	-	-	
Total	3,235,000	2,795,549	
Total Undrawn External Assistance			439,451

5. Other Receipts

The Commission received fees from clients as reimbursement for audit costs; it also received fees from the sale of bid documents to vendors. These amounts are received and controlled by the Commission through its bank account.

	FY 15/16	FY 14/15
	US\$	US\$
Bid Document Purchased by Vendors	3,969	3,825
Audit Fees	16,744	71,988
Refunds	2,215	600
Miscellaneous Receipts	29	162
Total	22,957	76,575

6. Wages, Salaries and Employee Benefits

This amount represents payment to employees of the General Auditing Commission as remuneration. The below schedule shows monthly salaries for all GAC Staff during the fiscal year.

	FY 15/16	FY 14/15
	US\$	US\$
July	363,574	768,314
August	361,276	389,499
September	362,131	373,655
October	377,816	393,179
November	369,991	349,896
December	382,602	376,110
January	376,505	375,350
February	372,177	376,960
March	376,025	384,433
April	378,112	373,587

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

May	376,212	372,967
June	377,938	370,369
Total	4,474,359	4,904,319

7. Use of Goods and Services

In general, all expenses are recognized in the statement of Cash Receipts and Payments when payments are made. Below are the amounts disbursed in goods and services and broken down according to economic classification:

	FY 15/16 US\$	FY 14/15 US\$
Foreign Travel - Means of Travel	76,365	58,778
Water & Sewage	11,098	11,416
Telephone, Fax, Internet, P&C	69,789	52,936
Fuel & Lubricants – Vehicles & Generators	210,800	105,054
Repair & Maintenance-Vehicles	56,163	34,192
Repair & Maintenance-Machinery, Equipment , & Furniture	39,967	19,553
Stationery	35,779	30,397
Printing, Binding & Publication Service	76,480	9,700
News Papers, Books & Periodicals	3,992	4,552
Other Office Materials & Consumables	14,236	22,357
Audit Expense/Fees	583,535	615,802
Entertainment, Representations & GI	34,545	23,717
Subscription (Members Fees & Dues)	9,894	10,668
Legal Dues & Compensations	1,995	3,030
Personnel Insurance	126,444	-
Vehicle Insurance	49,933	30,620
Total	1,401,015	1,032,772

The Commission also benefited from the donor projects from which goods and services were procured and advice was remitted to the GAC at the end of the fiscal period. Please see comparative amount stated below:

	FY 15/16 US\$	FY 14/15 US\$
IPFMRP	324,453	295,309
IDI Project (to SAI Liberia)	25,539	-
Total	349,992	295,309

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

8. Purchase/Construction of Property, Plant, and Equipment

The GAC maintains at historical costs a memorandum record in its Fixed Asset Registry for all of its non-current assets.

The Commission also benefited from fixed assets purchased under the IPFMRP. Schedule is provided below:

	FY 15/16	FY 14/15
	US\$	US\$
Capital Expenditure	204,531	96,400
Total	204,531	96,400

9. Other Expenditure/ Payments

The GAC incurred bank service charges, exchange losses/gains from operational transactions and pass-through cash flow paid in by Mutual Benefit Assurance for injured staff that are not enshrined in its operational budget. These outflows are summarized as other payments.

	FY 15/16	FY 14/15
	US\$	US\$
Bank Charges	4,384	3,189
Exchange Losses/gains	12,814	12,638
Pass-Through Cash Flows	5,633	-
Total	22,831	15,827

10. Statement of Comparison of Budget and Actual Amounts

The budget figures include the GAC's controlled amounts and third party settlements. Due to the usual carryover of cash to settle obligations from previous period, payments for goods and services consumed exceeded budget by 21.38%.

11. Liabilities

At the close of the fiscal year, the GAC's total liability position was US\$2,110,147. Of this amount, US\$1,911,569 represents the Commission's accrued total contribution (4.75%) to the National Social Security and Welfare Corporation (NASSCORP), while US\$198,578 represents payroll liabilities and commitments to vendors for goods and services provided. The Commission has placed in its 2016/2017 fiscal year budget the 4.75% contribution liability to NASSCORP which has been accruing over the years.

12. Settlement by Third Party

There were previous settlements of the Commission's electricity bills by MFDP. In September 2015, the Ministry communicated with the Liberia Electricity Corporation that all entities receiving direct subsidies in their fiscal budget for operations should personally settle their bill. Due to this change, the Commission has not had any settlement from the Government of Liberia on its behalf.

Financial Statements
For The Fiscal Year Ended June 30, 2016

13. Authorization Date

Madam Yusador S. Gaye, CPA, CGMA, head of the GAC and Auditor General of the Republic of Liberia, authorized the financial statements for the reporting period for publication on 23 September 2016.

*Financial Statements
For The Fiscal Year Ended June 30, 2016*

APPENDIX

APPENDIX 1 - OUTSTANDING COMMITMENTS AS AT 30TH JUNE 2016						
No	Economic Classification	Curren cy	Total Amount Outstandin g	Aged Analysis		
				0-3 Months	3-6 Months	Prior Year
			US \$	US \$	US \$	US \$
1	Fuel and Lubricants Generators	LRD	13,712.16	-	13,712.16	
2	Printing, Binding and Publications	US \$	3,880.00	1,800.00	2,080.00	
3	Telephone, fax and postage	US \$	17,155	6,325.00	10,830.00	
4	Repair Maintenance Vehicles	US \$	6,032.00	2,065.00	3,967.00	
5	Newspaper Books and periodicals	US \$	821.33	821.33	-	
6	Fuel and Lubricants Vehicles	LRD	22,885.00	22,885.00	-	
7	Water and Sewage	US \$	5,787.5	3,325.00	2,462.50	
8	Audit	US \$	190,230.51	153,789.00	36,441.51	
GRAND TOTAL			260,503.50	191,010.33	69,493.17	

NOTE: LRD currency figures are presented in USD at spot rate

APPENDIX 2 - DETAILS OF FIXED ASSET PAYMENTS DURING THE PERIOD 1ST JULY 2015 - 30TH JUNE 2016				
Date	Fixed Asset Type	Qty	Description	Amount
				US \$
1	Furniture & Fixture		Assorted Office Furniture	13,050
2	Furniture & Fixture		Assorted Office Furniture	9,200
3	Furniture & Fixture		Assorted Office Furniture	1,691.20
4	ICT Equipment	42	Supply and Installation of Cameras	58,059.75
5	ICT Equipment		Access Control System	16,640
6	ICT Equipment		Server Backup Battery	44,640
7	ICT Equipment		Biometric ID Card Machine	28,250
8	Transport Equipment	1	Mini Nissan Bus	33,000
GRAND TOTAL				204,531.35