



Promoting Accountability of Public Resources

## AUDITOR GENERAL'S REPORT



**ON THE FINANCIAL STATEMENT AUDIT  
OF THE LIBERIA INTELLECTUAL  
PROPERTY OFFICE (LIPO)**

**FOR THE FISCAL YEAR ENDED JUNE 30,  
2021**

**December 2022**

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

**Republic of Liberia**



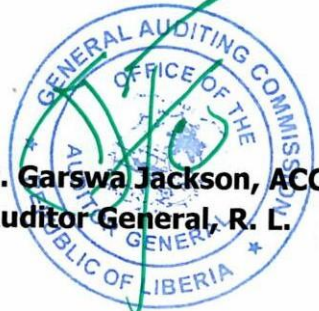
**TRANSMITTAL LETTER**

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

We have undertaken a financial statements audit of the Liberia Intellectual Property Office (LIPO) for the fiscal year July 1, 2020 to June 30, 2021. The audit was conducted in line with Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014.

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

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

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

**Monrovia, Liberia**  
December 2022



## **Table of Contents**

Adverse Opinion.....	4
Basis for Adverse Opinion .....	4
Management's Responsibility .....	5
Auditor's Responsibility .....	5
STATEMENT OF RESPONSIBILITIES .....	6



December 14, 2022

Hon. P. Adelyn Cooper

**Director General**

Liberia Intellectual Property Office (LIPO)

Monrovia, Liberia

Dear Hon. Cooper:

**AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA  
INTELLECTUAL PROPERTY OFFICE (LIPO) FOR THE PERIOD ENDED JUNE 30, 2021**

**Adverse Opinion**

We have audited the financial statements of the Liberia Intellectual Property Office (LIPO) for the period ended June 30, 2021. These financial statements comprise the Statement of Cash Receipts and Payments, Statement of Comparison of Budget and Actual Amounts for the fiscal period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements did not present fairly, in all material respects, the Statement of Receipts and Payments as at June 30, 2021, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

**Basis for Adverse Opinion**

Management did not disclose in the financial statements reconciled bank balance amounting to USD15,109.06 and its underlying documents domiciled at the Liberia Bank for Development and Investment.

Management did not disclose revenues received from the African Regional Intellectual Property Organization amounting to USD93,723.34 which was recorded on the Entity's bank statement from LBDI bank.

Management did not disclose in the financial statements several transactions recorded on the LBDI bank statements amounting to USD84,588.04.

Management made payments amounting to USD6,929.00 and LRD49,940.00 without evidence of supporting documents such as payment vouchers and invoices, etc. to validate the transactions.



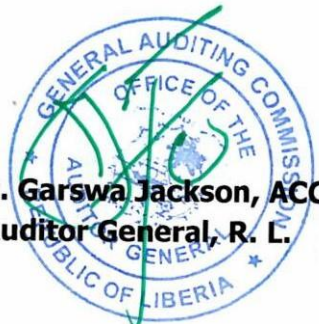
### **Management's Responsibility**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS Cash Basis, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility**

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

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

Monrovia, Liberia  
**December 2022**

## **STATEMENT OF RESPONSIBILITIES**


The Financial Statements as set out on pages 4 to 11 have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public-Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.


In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the LIBERIA INTELLECTUAL PROPERTY OFFICE.

Under the provisions of the same Act, I am required to prepare unaudited Final Account of the Liberia Intellectual Property Office to be submitted to the Minister of Finance and Development Planning, 15 days after end of each quarter to which it relates. However, I have delegated the preparation of the unaudited Final Account to the Comptroller for my transmittal to the Minister, as provided in the attendant Regulations of the Public Financial Management Act of 2009. Accordingly, I am pleased to submit the required Annual Public Account of The Liberia Intellectual Property Office in compliance with the PFM Act and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations as may be required in connection with the financial statements presented therein.

In preparing these Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgment and estimates. To the best of my knowledge and belief, these Financial Statements agree with the books of accounts, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain and their compliance with the provisions of the Public Financial Management (PFM) Act of 2009.

  
\_\_\_\_\_  
**P. Adelyn Cooper**  
**Director General**  
Liberia Intellectual Property Office

  
\_\_\_\_\_  
**Date**



**1 Introduction**

This report provides analysis of the cash receipts and payment as well as expenditure performance report of the Liberia Intellectual Property Office (LIPO) for the fiscal year ended 30th June 2021.

**2 The FY2019/2020 Approved Budget**

At the beginning of the fiscal year 2020/2021, the National Legislature approved as original appropriation for the Liberia Intellectual Property Office, a total sum of two hundred six-two thousand, six hundred ninety-one United States Dollars (US\$262,691.00). Of the total appropriation, employees' compensation amounted to two hundred fifty-nine thousand, five hundred twenty-seven United States Dollars (US\$257,527.00), while goods & services accounted for six thousand, five hundred twenty-one United States Dollars (US\$6,521.00).



Auditor General's Report on the Financial Statement Audit of the  
Liberia Intellectual Property Office (LIPO)  
For the Fiscal Year ended June 30, 2021

**Summary**

STATEMENT OF CASH RECEIPTS AND PAYMENTS							
(ALL PUBLIC FUNDS)							
FOR THE FY ENDED 30th June (FY2020/21)							
RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE							
FUND/ACCOUNTS DESCRIPTION	NOTES	FOR THE FISCAL YEAR 30TH JUNE 2021			FOR THE FISCAL YEAR 30TH JUNE 2021		
		RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY	PAYMENTS BY OTHER GOVERNMENT ENTITIES	PAYMENTS BY EXTERNAL PARTIES	RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY	PAYMENTS OTHER GOVERNMENT ENTITIES	BY EXTERNAL PARTIES
		US \$'	US \$'	US \$'	US \$'	US \$'	US \$'
<b>OPERATIONAL FUND</b>							
<b>RECEIPTS</b>							
Authorized Allocation/Appropriation	4	262,691.00	-		262,691.00		
Other Receipts	5		17,107.00			17,107.00	
External Assistance:	6						
Grants From Multilateral Agencies							
Grants From Bilateral & Other Agencies							
Borrowings from Multilateral Agencies							
Borrowings from Bilateral Agencies			-			-	
Other Grants and Aid							
Other Borrowings							
<b>Total Receipts - Operational Fund</b>		<b>262,691.00</b>	<b>17,107.00</b>		<b>262,691.00</b>	<b>17,107.00</b>	
<b>PAYMENTS</b>							
Operations:							
Wages, Salaries and Employee Benefits	7	259,257.00			259,257.00		
Supplies and Consumables	8	3,434.00	-		3,434.00	-	
TRANSFERS:	9						
Grants				-			
Other transfer payments			-		-	-	
Loan Repayment					-		
<b>CAPITAL EXPENDITURES:</b>	10						
Residential Building				-	-		
Non Residential Building					-		
Roads and Bridges					-		
Other Structures				-	-		
ICT Infrastructure							
<b>LOAN &amp; INTEREST REPAYMENTS:</b>							
Loan Repayments							
Interest Payments							
Other Payments		-	17,107.00			17,107.00	
<b>Total Payments - Operational Fund</b>		<b>262,691.00</b>	<b>17,107.00</b>	<b>-</b>	<b>262,691.00</b>	<b>17,107.00</b>	<b>-</b>
<b>Increase/Decrease in Cash</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





4. Authorised Appropriation/Allocations

Annual Authorized Appropriation/Allocations for fiscal year 2020/2021 was of two hundred six-two thousand, six hundred ninety-one United States Dollars (US\$262,691.00).

Other Receipts

Other receipts for the fiscal year 2020/2021 was from administrative fees collected by the entity. The total sum of administrative fees collected by the entity was seventeen thousand, one hundred seven United States Dollars (US\$17,107.00).

5. Expenditure – Operational funds

a. Employee benefits – actual authorized and approved allotment for employees' benefits for the fiscal year 2020/2021 amounted to two hundred sixty thousand, five hundred eleven United States Dollars (US\$260,511.00) which constitute ninety-six percent (99%) of the annual appropriation for the fiscal period.

b. Goods and services - the supplies and consumable for the fiscal year was three thousand, four hundred thirty-four United States Dollars (US\$3,434.00) but was never authorized, and issued for spending. However, supplies and consumables for the entity was procured using administrative fees collected during the fiscal year.

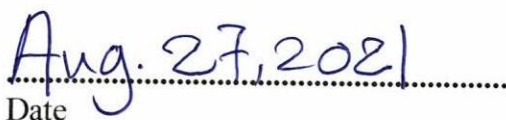
c. Purchase of Capital items – there was no allotment for capital items during the first quarter.

3 Conclusion

The Financial Statements for the fiscal year ended 30th June 2020/2021 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.



.....  
**Musu Gbantala.**  
**Comptroller**

  
Date



<b>STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT (GENERAL FUND)</b>						
FOR THE FY ENDED 30TH JUNE 2020 (FY2020/2021)						
- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE						
- Budget Approved on the Cash Basis						
	For the FY Ended 30th JUNE 2021 (FY2020/2021)					FY2020/21
ACCOUNT TITLE/DESCRIPTION	Actual Amounts	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance	Actual Amounts
	US \$	US \$	US \$	US \$	%	US \$
<b>CASH INFLOWS</b>						
Authorized Allocation/Appropriation	255,326.00	260,511.00	262,691.00	(5,185.00)	-	255,326.00
Grants					-	
Borrowings					-	
Other Receipts	17,107.00	17,107.00				17,107.00
<b>Total Cash Receipts</b>	<b>272,433.00</b>	<b>277,618.00</b>	<b>262,691.00</b>	<b>(5,185.00)</b>	<b>(0.02)</b>	<b>272,433.00</b>
<b>CASH OUTFLOWS</b>						
Wages, Salaries and Other Employee Benefits	255,326.00	260,511.00	262,691.00	(5,185.00)	-	255,326.00
Goods and Services Consumed	-	3,434.00	3,434.00	(3,434.00)		-
Capital Expenditure		-				
Loans Repayments						-
Other Payment(Transfer)	17,107.00	17,107.00	-			17,107.00
Capital Reserve	-			-		-
<b>Total Cash Payments</b>	<b>272,433.00</b>	<b>281,052.00</b>	<b>266,125.00</b>	<b>(8,619.00)</b>		<b>272,433.00</b>
<b>NET CASH FLOW - OPERATIONAL FUND</b>	<b>-</b>	<b>(3,434.00)</b>	<b>(3,434.00)</b>	<b>(3,434.00)</b>	<b>1.00</b>	<b>-</b>



## NOTES OF EXPLANATIONS AND ELABORATION RELATING TO THE FINANCIAL STATEMENTS

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

### 1 General Information – Reporting Entity

The financial statements are for Liberia Intellectual Property Office a public sector entity of the Government of Liberia. The financial statements encompass the reporting entity as specified in the relevant legislation (Public Finance Act 2009). Liberia Intellectual Property Office was established on June 14, 2016 and published in hand bill on July 22, 2016. The Office is responsible to register: Trademark, Patent, industrial design, Geographical indication, and while Copyright is charge with the responsibility to register Traditional Knowledge, Folktale, Lateral, Music, and film production, etc

The Financial Statements presented above reflect the Cash Receipts and Payments of the Liberia Intellectual Property Office for the fiscal year ended June 30th 2021 on the basis of moneys received by, held in or paid out by the Liberia Intellectual Property Office during the fiscal period under review. The Entity does not control its own bank accounts. Appropriations and other cash receipts are controlled by the Ministry of Finance and Development Planning, from where expenditures are approved upon presentation of appropriate documentation and authorisation.

The principal address of the reporting entity is Liberia Intellectual Property Office (LIPO), Capitol Hill, Executive Mansion Ground, Adjacent LISGIS  
Monrovia-LIBERIA

### 2 Accounting Policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Liberia in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of the financial statements therein are set out below.

#### (a) Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Public Financial Management Act, 2009 and comply with the Cash Basis International Public Sector Accounting Standard (IPSAS); Financial Reporting under the Cash Basis of Accounting. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies adopted have been consistently used throughout.

#### (b) Reporting currency and translation of foreign currencies

##### (i) Functional and presentation (or reporting) currency

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



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

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

(ii) Translation of transactions in foreign currency

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

The fiscal year ended (30th June 2021) exchange rate for the Liberian Dollar was 170 LD to US\$1.00

(c) Reporting Period

The reporting period for these financial statements is for the fiscal year ended 30th June 2020.

(d) Payments by Third Parties

Liberia Intellectual Property Office did not benefit from goods and services purchased on its behalf as a result of cash payments made by third parties during the period either by way of loans or contributions. Payments made by other Government Units (Government Projects) and the Third Parties do not constitute cash receipts or payments by Liberia Intellectual Property Office and did benefit it.

(e) Receipts

Receipts represent cash received by Liberia Intellectual Property Office during the financial year, comprising Authorised 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 Liberia Intellectual Property Office.

(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 are fees/charges collected and proceed from sales of designated services by the Liberia Intellectual Property Office. 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. Other Receipts, whether directly collected by the Liberia Intellectual Property Office or collected by another entity on its behalf is recognized when received and under its control.

(f) Expenses

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

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

Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipment, and any other capital assets controlled by the Liberia Intellectual Property Office 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 Liberia Intellectual Property Office. 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 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, pensions 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 are recorded in the Statement of Contingent Liabilities (on memorandum basis) when the contingency becomes evident and under the cash accounting method they are recognized only when the contingent event occurs and payment is made. Contingent assets are neither recognized but disclosed where probable.

(k) Commitments and Guarantees

Long term Commitments, including operating and capital commitments arising from non-cancellable contractual or statutory obligations as well as Guarantees made, will be reported as Notes to the Financial Statements.

3 Authorization Date



The Financial Statements were authorized for issue on 30th June 2020 by Hon. P. Adelyn Cooper Director General, Liberia Intellectual Property Office

#### 4 Authorised Allocations/Appropriation

At the beginning of the fiscal year 2020/2021, the National Legislature approved original authorized appropriation for the Liberia Intellectual Property Office, a total sum of two hundred sixty-two thousand, six hundred ninety-one United States Dollars (US\$262,691.00). Of the total appropriation, employees' compensation allotted amounted to two hundred sixty thousand, five hundred eleven United States Dollars (US\$260,511.00), while goods & services accounted for three thousand, four hundred thirty-four United States Dollars (US\$3,434.00). However, during the execution of the fiscal budget, an adjustment was made on the original authorized appropriation for employees' compensation, thus reducing the original authorized appropriation for compensation to two hundred fifty-five thousand, three hundred twenty-six United States Dollars (US\$255,326.00) as actual compensation.

#### 4. Other receipts.

The total amounts of other receipts for in administrative fees for FY2020/2021 was seven thousand, one hundred seven United States Dollard (US\$17,107.00, as presented in the table below:

NOTE 5 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL OTHER RECEIPTS FOR THE FY ENDED 30TH JUNE 2020(FY2019/20)						
	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance	Actual
	FY 2019/20	FY 2019/20	FY 2019/20	FY 2019/20	FY 2019/20	FY 2019/20
	US '\$'000	US '\$'000	US '\$'000	US '\$'000		US '\$'000
Donor	-	-	-	-	-	-
Administrative Fees and Licenses				-	-	-
Trademarks registration	17,107.00	17,107.00	-	-	-	17,107.00
Miscellaneous receipts	-			-	-	
<b>TOTAL OTHER RECEIPTS</b>	<b>17,107.00</b>	<b>17,107.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,107.00</b>

Payments –Operations, (Wages, Salaries, and other benefits)

The total amount of actual allotments for compensation of employees received for the fiscal year under review is two hundred fifty-five three hundred twenty-six United States Dollars (US\$255,326.00) and are classified in the same form as the national budget as follow:



<b>NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FISCAL YEAR ENDED 30TH JUNE 2021 (FY2020/21)</b>						
	Actual	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance	Actual
	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21	FY 2020/21
	US \$'000	US \$'000	US \$'000	US \$'000		US \$'000
Employee Compensation	255,326.00	260,511.00	262,691.00	5,185		255,326.00
Goods and Services	-	-	-			-
Capital Expenditure	-					-
Other Payment(administrative fee)	-	-	-	-		-
<b>TOTAL RECEIPTS</b>	<b>255,326.00</b>	<b>260,511</b>	<b>262,691</b>	<b>(5,185)</b>	<b>(0)</b>	<b>255,326.00</b>

Payment – Operations (Supplies and Consumables)

The total authorized appropriation of goods and services during the fiscal year ended 2020/2021 was seventeen thousand, one hundred seven United States Dollars (US\$17,107.00). There was no approved allotment issued for goods and services. However, fees collected from trademarks registration as administrative fees was used to run the day-to-day operation for the office for fiscal year ended 2020/2021 as shown below:



<b>NOTE 8 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE DURING THE FISCAL YEAR ENDED 30TH June 2021 (FY2020/21)</b>						
<b>Account Title</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Original Budget</b>	<b>Variance (Actual vs. Revised Estimates)</b>	<b>% Variance</b>	<b>Actual</b>
	<b>FY 2020/21</b>	<b>FY 2020/21</b>	<b>FY 2020/21</b>	<b>FY 2020/21</b>	<b>FY 2020/21</b>	<b>FY 2020/21</b>
	<b>US \$'</b>	<b>US \$'</b>	<b>US \$'</b>	<b>US \$'</b>		<b>US \$'</b>
<b>Comparative Analysis by Economic Classification</b>						
<b>Supplies and Consumables</b>		3,434.00	-	3,434.00		-
<b>Other expenses/Administrative fees</b>						
Cleaning Materials	2,165.00					2,165.00
ICT Equipment	3,560.00	-				3,560.00
Operation espenses	4,520.00	-				4,520.00
Internet and communication	1,779.00	-				1,779.00
Fuel and Lubricant	2,785.00					2,785.00
Stationery and supplies	2,298.00					2,298.00
<b>GRAND TOTAL</b>	<b>17,107.00</b>	<b>3,434.00</b>	<b>-</b>	<b>3,434.00</b>		<b>17,107.00</b>

This expenditure report has been prepared in accordance with the provisions of the Amended and Restatement of the Public Financial Management Act, 2009 and in compliance with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS).

In accordance with the provisions of the Amended and Restatement Public Financial Management Act, 2009, the administration is responsible for the control of and accounting for funds controlled by the Liberia Intellectual Property Office, LIPO.

Accordingly, we are pleased to submit, as required by law, this expenditure report in compliance with section 3.6 of the Public Financial Management Manual of 2013. We have provided, and will continue to provide all the information and explanations as may be required in connection with this expenditure report.

#### Basis of Preparation

The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies applied will be consistently applied throughout the preparation process.

#### Accounting Policies

The accounting policies are the specific principles, bases, conventions, rules and practices adopted by the government of the Republic of Liberia in preparing and presenting financial reports. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied and will be applied to all years, unless otherwise stated.

To the best of our understanding and confidence, the expenditure report agrees with the books of accounts, which have been properly kept by the Liberia Intellectual Property Office.

Management Discussion and Analysis on the expenditure performance report

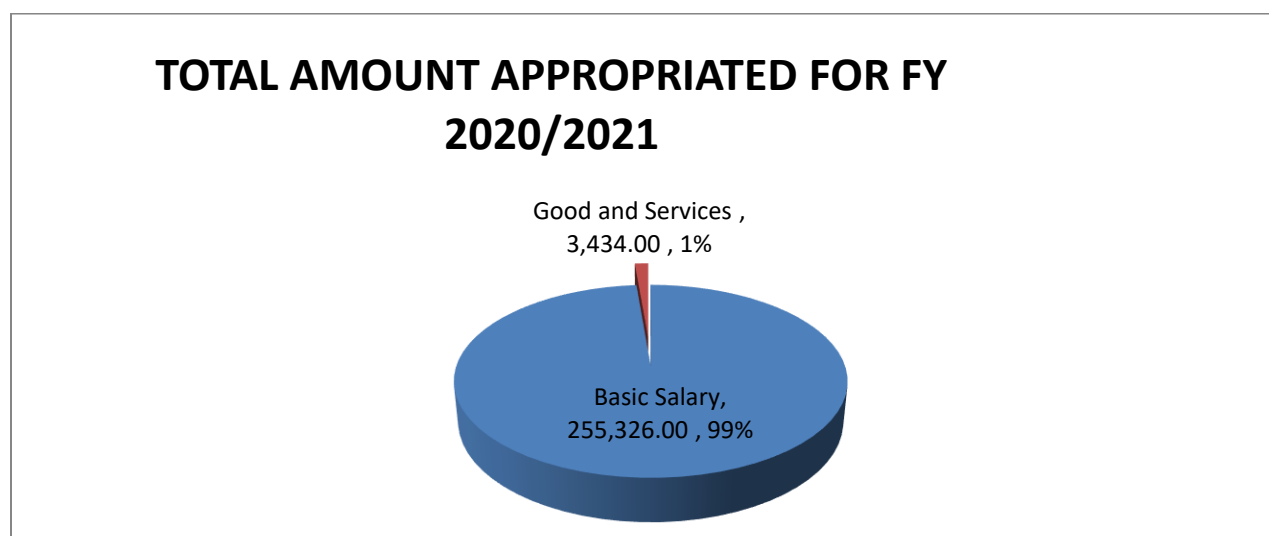




At the beginning of the fiscal year 2020/2021, the National Legislature approved original authorized appropriation for the Liberia Intellectual Property Office, a total sum of two hundred sixty-two thousand, six hundred ninety-one United States Dollars (US\$262,691.00). Of the total appropriation, employees' compensation allotted amounted to two hundred sixty thousand, five hundred eleven United States Dollars (US\$260,511.00), while goods & services accounted for three thousand, four hundred thirty-four United States Dollars (US\$3,434.00). However, during the execution of the fiscal budget, an adjustment was made on the original authorized appropriation for employees' compensation, thus reducing the original authorized appropriation for compensation to two hundred fifty-five thousand, three hundred twenty-six United States Dollars (US\$255,326.00) as actual compensation.

Graphical analysis of the total amount appropriated in for FY 2020/2021 shows that of the total authorized appropriations for Employee's compensation accounted for 99%, while goods & services account for 1%.

**Figure 1.1 Total authorized and issued allotments FY2020**



**Source: GOL Allotment for July 2020- June 2021**

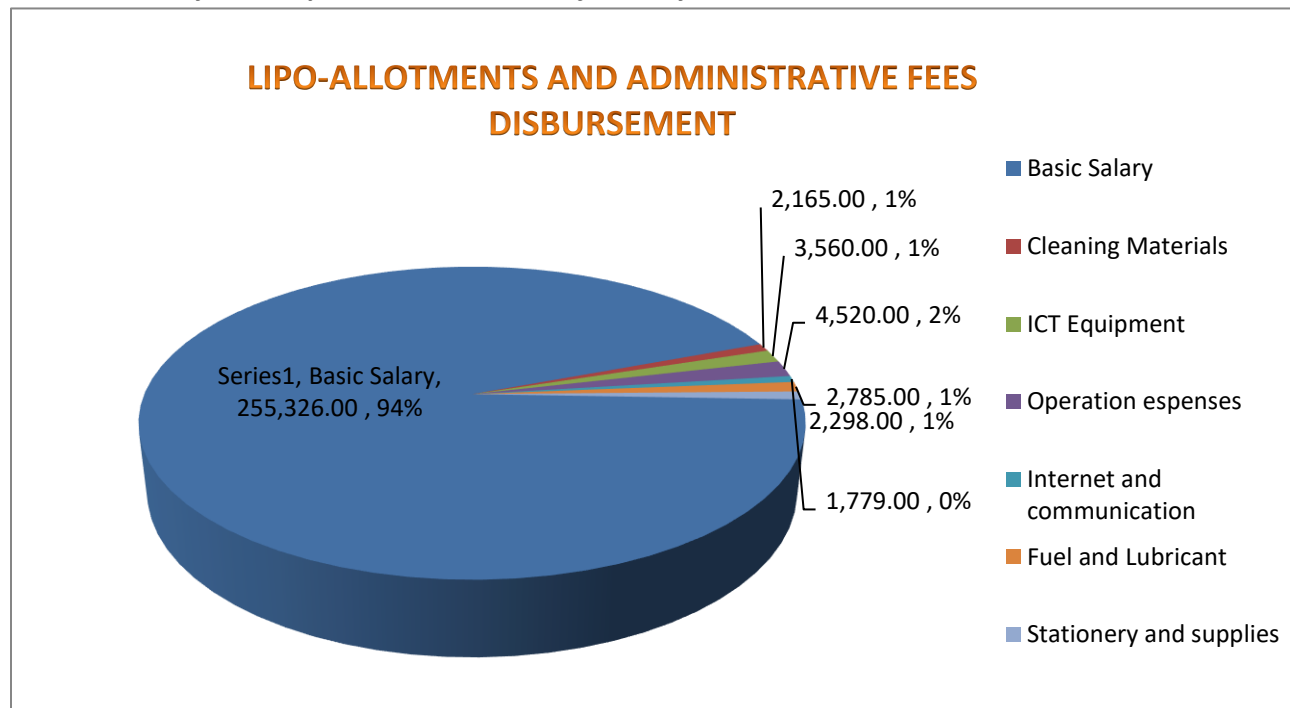
#### LIPO Disbursement

The actual annual allotments authorized and issued by the Ministry of Finance and Development Planning, MFDP, through approved payroll amounted to two hundred fifty-five thousand, three hundred twenty-six United States Dollars (US\$255,326.00) which represents employees' compensation. During the fiscal year there was no allotment issued for goods & services. However, goods and services were procured during the fiscal year using administrative fees collected by LIPO as mandated by the Act establishing the entity. The total amount collected and spent on goods and services/supplies and consumables was seventeen thousand, one hundred seven United States Dollars (US\$17,107.00.00). Therefore, the total amount received in allotments and administrative fees, and spent by MFDP and the entity (LIPO) was two hundred seventy-two thousand, four hundred thirty-three United States Dollars (US\$272,433.00)

The chart below illustrates the disbursements of annual allotments received in employees' compensation and administrative fees collected by Liberia Intellectual Property Office in expenditure categories.



Source: GOL Payroll and procurement Voucher from July 2020-June 2021



Balance in appropriation



During the execution of the authorized appropriation, allotments authorized and issued were disbursed and the balance in appropriation for goods and services at the end of the fiscal year 2020/21 was three thousand, four hundred thirty-four United States Dollars (US\$3,434.00)

Allotment from July 2020 – June 20221

The Liberia Intellectual Property Office been cognizant of its statutory responsibility for properly accounting for all public funds it received, instituted fiscal discipline by improving financial controls to ensure that all public money spend on goods, services, and works by the entity derive actual value for money.

<b>LIPO RECURRENT EXPENDITURE BUDGET EXECUTION METRIX FOR FISCAL YEAR 2020/2021 (JULY 2020-JUNE 2021)</b>							
<b>ECONOMIC CLASSIFICATION</b>		<b>JULY 2019 -JUNE 2020</b>					
		Total approved allotments FY 2020/2021	Q4: April - June approved Allotment	Q3: Jan. - March Authorized Allotment	Q2: Oct. - Dec. Authorized Allotment	Q1: July. - Sept. Authorized Allotment	Final Appropriation for FY 2020/2021
Budget Line Items							
<b>21 Compensation of Employees</b>							
211101	Basic Salary	255,326.00	63,831.50	63,831.50	63,831.50	63,831.50	255,326.00
	Sub-Total	255,326.00	63,831.50	63,831.50	63,831.50	63,831.50	255,326.00
<b>22 Use of Goods and Services/Other expenses</b>							
221203	Internet and communication	1,779.00	444.75	444.75	444.75	444.75	1,779.00
221602	Stationery and supplies	2,298.00	574.50	550.00	324.00	849.00	2,297.50
232301	ICT Equipment	3,560.00	-	-	3,560.00	-	3,560.00
221402	Fuel and Lubricant	2,785.00	696.25	650.00	590.00	849.00	2,785.25
221601	Cleaning Materials	2,165.00	541.25	540.00	546.00	538.00	2,165.25
222109	Operation espenses	4,520.00	1,130.00	1,230.00	1,250.00	910.00	4,520.00
	Sub-Total	17,107.00	3,386.75	3,414.75	6,714.75	3,590.75	17,107.00
<b>Grand Total</b>		<b>272,433.00</b>	<b>67,218.25</b>	<b>67,246.25</b>	<b>70,546.25</b>	<b>67,422.25</b>	<b>272,433.00</b>

