



# **GENERAL AUDITING COMMISSION (GAC)**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2019**



Promoting Accountability of Public Resources

## General Auditing Commission (GAC)

### FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE  
30, 2019



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

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## STATEMENT OF RESPONSIBILITIES OF THE AUDITOR GENERAL, RL


The following Financial Statements set out from page 13 to 22 have been prepared on the Cash Basis in accordance with International Public Sector Accounting Standards (IPSAS) and in compliance with the Public Finance Management Act, 2009 (PFM Act).

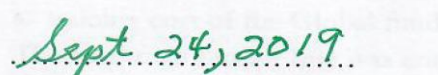
In accordance with the provisions of the Public Finance Management Act, I am responsible for the control and accounting of funds, and all other public funds received, held and expended for and on behalf of the General Auditing Commission (GAC).

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, 2019. 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 Finance 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 the fiscal year 2018/2019.

### The Approved Budget

The Approved budget for the General Auditing Commission was US\$5,456,672, of which US\$4,418,437 was allocated

The Commission incurred a 58% over expenditure on goods and services. This happened because cash brought forward from the previous period was expended in the reporting period to settle obligations.

### Financial Performance

The GAC received US\$4,418,437 as budgetary allocation for FY18/19. Of this amount, Compensation of Employees constituted 90% and the remaining 10% was allocated to Goods and Services Consumed. Other receipts which totaled US\$342,838 include a receipt of US\$48,000 from the Ministry of Health (HSSP ERRP & SLHSP), US\$3,891 from National Oil Company of Liberia, US\$10,000 from Liberia Maritime Authority, US\$8,914 from the Ministry of Agriculture –STCRSP/J Rice Project, US\$60,000 from NASSCORP, US\$40,000 from the National Port Authority, US\$12,000 from Rural and Renewable Energy Agency, US\$82,297 from USAID, US\$4,000 from the Liberia College of Physician and Surgeons, US\$6,000 from the Liberia Electricity Corporation, US\$9,525 from the National Election Commission, US\$11,379 from the Ministry of Lands, Mines & Energy-LACEEP Project, US\$19,000 from the Roberts International Airport, US\$15,972 from the PFMU-(MSME & IPMFRP) projects and US\$5,000 from the Liberia Social Safety Nets Projects. These amounts constitute reimbursements of audit cost. The Commission also received US\$4,988 from AIDSPAN as training cost of the Global fund grants for coordination and US\$1,872 as a miscellaneous refund. The total cash receipt that was controlled by the Commission through its bank accounts during the fiscal period is **US\$4,761,275**.

Total staff compensation during the period was US\$3,955,935. In addition, US\$1,319,006 which constitutes 25% of the total expenditure as paid for Goods and Services. The Commission also spent US\$41,053 on capital expenditure under the 11<sup>th</sup> EDF support to the GAC. Other payments, which amounted to US\$2,315, included bank charges, pass-through expenditure and exchange losses and gains on operational transactions. A total payment from budgetary allocations for the fiscal period was **US\$5,318,309**.

During the period under review, the IPFMRP-AFDB component was placed on hold as a result of the GAC audit report of the Project. As a result of the Project been placed on hold, on payment was made under this Project on our behalf. However, the European Union’s (EU) 11<sup>th</sup> EDF Project support to the GAC made provision for capacity building (staff professional development in programs such as the Association of Chartered Certified Accountants (ACCA), the Chartered Institute of Management Accountants (CIMA) and other programs); other forms of institutional support were also provided under this arrangement.

### Concerns and Strategic Focus

For the period under review, the GAC completed thirty-six (36) audits. This amount represents both government and donor projects audit.


Since the passage of the GAC Act of 2014, we have been submitting our budgets directly to the Legislature as enshrined in the Act. We have not received budgetary support to enable us bring to current all Ministries, Agencies and Commissions (MACs). Additionally, when a marginal amount is even added on by the Legislators, allotments are not given to implement or carry out audits. The overall national constraints have greatly affected the GAC

### Training and capacity building

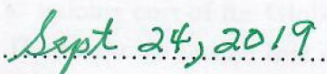
The Commission as part of its capacity-building plan, has enrolled auditors and support staff into various certification programs such as the Association of Chartered Certified Accounts (ACCA), CAT, Chartered Institute of Management Accounts (CIMA), Certified Internal Auditor (CIA), Certified Information System Auditor (CISA), Human Resources Management for Internal Based HR Leaders (SPHRI/PHRI), Project, Project Management Professional (PMP), Corporate IT and Liberia Institute of Public Administration (LIPA) Programs. After these capacity building exercises, the GAC will now have most of its staff certificated which will add value to the audit process.

A total of 113 staff are enrolled into the Association of Chartered Certified Accountants, 103 staff are enrolled in the CAT program, 4 staff are enrolled in the CIMA program, 6 staff enrolled in the CIA program, 9 staff enrolled in the CISA/CRICS, and other trainings.

The above trainings are funded under the EU 11<sup>th</sup> EDF funds project support.



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



.....  
Date



**Audit of the *General Auditing Commission* performed by the Auditor General, Sierra Leone**  
**Addressee:** *The Auditor- General, RL*

**Date:** 10<sup>th</sup> May, 2021

Dear Madam

***Unqualified Opinion***

I have audited the financial statements of *the General Auditing Commission* for the fiscal year ended 30<sup>th</sup> June, 2019. These financial statements comprise a statement of cash receipts and payments, a statement of comparison of budget and actual revenue and expenditure for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provision of section 37(4) of the Public Finance Management Act, 2009 and Section 3.6 of the General Auditing Commission Act, 2014. I have obtained all the necessary information and explanation which, in the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the *General Auditing Commission* as at 30<sup>th</sup> June 2009, and (of) its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (Cash) and comply with the Public Finance Management Act, 2009 of the Laws of Liberia.

**Basis for Opinion**

The audit was conducted in accordance with International Standard of Supreme Audit Institution (ISSAIs). I am independent of the General Auditing Commission of Liberia in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical requirements in accordance with the ISSAIs and in accordance with other ethical requirements applicable to performing audits of financial statements in Liberia. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion

**Key audit Matter**

Key audit matters are those matter that, in my professional judgement, are of most significance in the audit of the financial statements. I have determined that there are no key audit matters to communicate in my report

## Other Matters

The following matters came to my attention during the audit

### 1. Lack of funding for the audit of the Commission's Financial Statement

Section 3.6(b) of the GAC Act, 2014 stipulates that the Financial Statements of the GAC must be audited annually by Independent Auditors appointed by the Legislator. Section 3.6 (e) of the GAC Act, 2014 also stipulates that the remuneration of the Independent Auditor appointed by the Legislator shall represent a charge to the funds of the Commission. From discussion with Management and the review of pertinent documentation, we noted that the late audit of the Financial Statements results from a lack of financial resources. The Ministry of Finance and Development Planning did not provide fees for the Independent auditors though included in the Commission's annual budget.

### 2. Accumulating Liabilities in relation to Employers NASSCORP Contribution

Section 89.16(a) of the NASSCORP Act 2017 states that 'The contribution payable under this Act in respect of an employee shall comprise contribution by the employer (hereinafter referred to as this employer's contribution) and contribution payable by the employee (hereinafter referral to as employee's contribution) and shall be paid to the corporation. Contribution rate shall be total 10% of total gross remuneration of each employee; 2% under the Employment Injury Scheme payable by the employer; 4% employer contribution, and 4% employee contribution to be remitted by the employer.'

We note that the 4% contribution deducted from the employees' gross salary was paid to NASSCORP. However, it was noted that the Ministry of Finance did not pay the 6% employer's contribution to NASSCORP for the period under review. Consequently, there was an accumulated outstanding liability to the tune of US\$1,979,575 disclosed in appendix 2 to the financial statement

### 3 Prior Year Audit Findings

As reported previously, the following audit observations remain unresolved

#### 3.1 Inadequate Funding to the Commission

As previously reported, the National Government funding to the Commission the years revealed a downward trajectory. Below is a detailed analysis of the Commission's budget over the three years



submitted vs approved, approved vs actual, and disbursement trend for the last three years.

#### Submitted vs Approved Budget

<b>FY</b>	<b>Submitted Budget (US\$)</b>	<b>Approved Budget (US\$)</b>	<b>Unfunded (US\$)</b>	<b>Unfunded (%)</b>
2016/2017	14,759,045	5,479,735	(9,279,310)	(62.9)%
2017/2018	12,646,094	5,391,958	(7,254,136)	(57.4)%
2018/2019	7,684,452	5,050,625	(2,633,827)	(34.3)%

#### Approved vs Actual disbursed

<b>FY</b>	<b>Approved Budget (US\$)</b>	<b>Actual Disbursed (US\$)</b>	<b>Withheld Amount (US\$)</b>	<b>Withheld (%)</b>
2016/2017	5,479,735	5,227,468	(252,267)	(18.6)%
2017/2018	5,391,958	4,390,075	(1,001,883)	(7.8)%
2018/2019	5,050,625	4,418,437	(632,188)	(12.5)%

#### Disbursement Trend

<b>FY</b>	<b>Prior Year (US\$)</b>	<b>Current Year (USD)</b>	<b>Funding Reduction(US\$)</b>	<b>Funding Reduction (%)</b>
2017/2018	5,227,468	4,930,075	(297,393)	(7)%
2018/2019	4,930,075	4,418,437	(511,638)	(10.3)%

From the foregoing, the provisions of Section 3.2 (a)(V) of the GAC Act, 2014 are not being upheld, and the country is in breach of Lima and Mexico Declarations on SAIs' independence. Unless the Commission activities are fully funded, its independence and ability to deliver on its mandate of auditing all public financial operation currently at 124 institutions cannot be guaranteed

We also noted that the remunerations of the GAC staff were reduced during the fiscal year, and this furthers erodes the financial autonomy of the GAC and impedes the function of the Auditor General as provided in Section 2.1.8(c) of the GAC Act, 2014

### **3.2 Office Transport and Logistics**

As previously reported by the Commission, the vehicle to ratio continue to be low. During the audit, we found out that the Commission fleet had reduced to twenty-nine (29), out of which only nineteen (19) are operational. The vehicle impounded by GSA has not been returned, and the Commission is also in court with GBK motors for one of its vehicles. Consequently, the Commission continues to face acute logistical challenges and may be contributing to its inability to deliver on its mandate, especially Ministries and Agencies outside Monrovia.

### **3.3 Insufficient Resources to Undertake Audits**

As previously reported, the GAC continues to operate with only two (2) Deputy Auditors-General (DAG) instead of the stipulated three under Section 2.2.1 of the GAC Act, 2014. Further, only one DAG is charged with audit as the other is vested with administration. Analysis of staff complement as at 30 June 2019 revealed: -

- I. Three hundred and thirty-five (335) staff in the establishment of which 208 or 62% were staff auditors, the rest were non-staff auditors; and
- II. One hundred and eighty-six (186) or 80.7% of, the staff auditors, were at junior level cadres of Audit I, II and III

All these are indicative of GAC urgent need to invest in certified staff auditors by way of recruitment and training, which requires additional funding

During the period, GAC completed only Thirty-seven (37) audits against its mandate of 124 audits translating to 30% coverage.

### **3.4 Discretionary Mandate of the Auditor-General**

Section 2.1.3(a) of the GAC Act, 2014 stipulates “the Auditor-General shall carry out such audits and inquiries as he/she considers necessary.” Further, Section 2.1.3(c) stipulates, “the Auditor-General shall have the right to determine which audit are to be carried out, to select the type of audit to be

carried out, when to carry them out and report the findings.” The implication is the Auditor-General has the discretion on the entities to audit or not to audit. This is contrary to International Standards of Supreme Audit Institution (ISSAI) 1 Part VII Section 18(3), which stipulates “all public financial operation, regardless of whether or how they are reflected in the National Budget, shall be subject to audit of the Supreme Audit Institution.” However, an amendment to remedy the inconsistency is underway in the proposed draft regulations, and optimum performance of the GAC, which has been submitted to the Legislature.

### **3.5 Audit of Consolidated Fund Account**

Section 37 of the GAC Act 2014 stipulates that the Minister for Finance shall prepare the Consolidated Fund Financial Statements not later than four (4) months after the end of the fiscal year (31 October). The Auditor-General shall in turn audit and submit the report to the Legislature on the financial statements not later than four (4) months (28 February). As at the time of completing this audit, the Auditor-General had not concluded the Consolidated Fund financial statements audit for the year ended 30 June 2018. Consequently, the Auditor-General is in breach of Section 37 of the GAC Act, 2014.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in respect of these matters

## **Responsibility of Management and those charged with Governance for the Financial Statement**

Management of the General Auditing Commission of Liberia is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash) 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.

Management is also responsible for the submission of the financial statements to the Independent Auditors in accordance with the provisions of Section 41(2) of the Public Finance Management Act, 2009 and Section 3.6 of the General Auditing Commission Act, 2014

Those charged with governance are responsible for overseeing the entity's financial reporting process.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards for Supreme Audit Institutions 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.

As part of an audit in accordance with International Standards for Supreme Audit Institutions, I exercise professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine



that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Lara Taylor Pearce  
**AUDITOR GENERAL, REPUBLIC OF SIERRA LEONE**


Date: 3/June/2021

**STATEMENT OF CASH RECEIPT AND PAYMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Note	FY 18 / 19		FY 17 / 18		
		Receipt/ (Payments) Controlled by Entity US\$	Payments by Other Governme nt Entities US\$	Payment s by External Third Parties US\$	Receipt/ (Paymen ts) Controll ed by Entity US\$	Payment s by Other Governm ent Entities US\$
<b>RECEIPTS</b>						
Authorized	3					
Allocation/Appropriation		4,418,437		4,930,075	-	-
External Assistance	4	-		832,249		115,860
Other Receipts	5	342,838		481,176		-
<b>Total Receipts</b>		<b>4,761,275</b>		<b>6,243,500</b>		<b>115,860</b>
<b>PAYMENTS</b>						
Wages, Salaries and Employee Benefits	6	3,955,935		4,497,765		-
Use of Good and Services	7	1,319,006		996,373		41,760
Purchase of Plant Equipment	8	41,053		7,365		74,100
Other	9					
Expenditures/Payments		2,315		5,709		-
<b>Total Payments</b>		<b>5,318,309</b>		<b>5,507,212</b>		<b>115,860</b>
<b>Increase/(Decrease) in Cash</b>		<b>(557,034)</b>		<b>736,288</b>		
<b>Cash at the beginning of the FY</b>		<b>964,074</b>		<b>234,303</b>		
<b>Increase/(Decrease) in Cash</b>		<b>(557,034)</b>		<b>736,288</b>		
<b>Foreign currency translation difference</b>		<b>(23,453)</b>		<b>(6,517)</b>		
<b>Cash at the end of the FY</b>	2	<b>383,587</b>		<b>964,074</b>		

The accompanying notes are an integral part of the financial statements. The financial statements on page 13 to 22 were approved and signed by Management.

  
 Auditor General  
 General Auditing Commission Liberia  
 Sept. 24, 2019  
 Date

  
 Controller  
 General Auditing Commission Liberia  
 September 24, 2019  
 Date

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Account Title/Description	Actual amount	Final Budget	Original Budget	Difference: Final Budget and actual (D) = (B-A)	Percentage Variance (E) = (D/B)
<b>CASH INFLOWS</b>					
Authorized Allocation/Appropriation	4,418,437	5,050,625	5,456,672	632,188	13%
Grants	179,167	-	-	-179,167	-
Other Receipt	342,838	-	-	-342,838	-
<b>Total Receipts</b>	<b>4,940,442</b>	<b>5,050,625</b>	<b>5,456,672</b>	<b>110,183</b>	<b>2.1%</b>
<b>CASH OUTFLOWS</b>					
Wages, Salaries and Employee Benefits	3,955,935	4,622,375	4,622,375	666,440	14%
Goods and Services Consumed (See Note 10)	1,498,173	428,250	834,297	-1,069,923	-250%
Purchase/Construction of Property, Plant, & Equipment	41,053	-	-	-41,053	-
Other Payments	2,315	-	-	-2,315	-
<b>Total Payments</b>	<b>5,497,476</b>	<b>5,050,625</b>	<b>5,456,672</b>	<b>-446,851</b>	<b>-9%</b>
<b>NET CASH FLOWS</b>	<b>(557,034)</b>	<b>-</b>	<b>-</b>	<b>557,034</b>	<b>-</b>



## STATEMENT OF CASH POSITION

	Currency held In	Notes	As At June 30, 2019	As At June 30, 2018	Change in Cash Balances
<b>Cash/Bank Account Details</b>		2			
<b>Bank Accounts</b>					
Guaranty Trust Bank (206600000210) – Operations A/C	USD		11,395	29,361	-17,966
Guaranty Trust Bank (206600000110) – Operations A/C	LRD		8,590	34,150	-25,560
Guaranty Trust Bank (206600000211) – Payroll A/C	USD		12,170	61,240	-49,070
Guaranty Trust Bank (206600000111) – Payroll A/C	LRD		1,477	8,524	-7,047
Guaranty Trust Bank (206601031210) – EU-11 <sup>th</sup> EDF	USD		330,996	807,597	-476,601
UBA Prepaid Card # 1	USD		-	96	-96
UBA Prepaid Card # 4	USD		1,906	1,089	817
<b>Total Cash in Banks</b>			<b>366,534</b>	<b>942,057</b>	<b>-575,523</b>
<b>Petty Cash Account</b>					
Petty Cash on Hand	USD		869	644	225
Cash held by other for reimbursement/Refund/Repayment					
Cash held in staff advance	USD		13,593	9,737	684
Cash-In-Transit	USD		-	11,636	-11,636
Excess of refund on other payments by IPFMRP	USD		2,591	-	2,591
<b>Total Cash held by Others</b>			<b>16,184</b>	<b>21,373</b>	<b>-8,361</b>
			<b>383,587</b>	<b>964,074</b>	<b>-583,659</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### a) Basis of Preparation

These financial statements have been prepared in accordance with the requirements of the public Finance Management Act, 2009 and comply with Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS) “Financial Reporting under the Cash Basis of Accounting”.

The account policies adopted have been consistently used throughout.

#### b) Reporting Entity

The financial statement are for the GAC. The Commission is an autonomous agency and reports directly to the Legislature of Liberia.

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

#### c) Payment by Other Government Entities

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

#### d) Payment by External Third Parties

External third parties (entities external to the economic entity) also make payments on the GAC’s behalf for goods and services. These payments do not constitute cash receipts or payment by the Commission, but do benefit the Commission. They are disclosed in the Payments by External Third Parties column in the statement of Cash Receipts and Payment and in other financial statements.

#### e) Reporting Currency and Translation of Foreign Currencies

##### i) Functional and Presentation Currency

The functional currencies are the Liberian Dollar and the United States Dollar and the reporting currency is the United Dollar. Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates. The figures in the Financial statements are rounded off to the nearest dollar.

## ii) Translation of Transactions in Foreign Currency

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 193.75LRD. 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.

## 2. Cash at the end of the year

This amount comprises cash available in banks, cash held in salary advances, petty cash balances & cash-in-transit.

	FY 18/19 US\$	FY 17/18 US\$
Cash Available in Bank	366,534	942,057
Cash held by other	13,593	9,737
Petty Cash	869	644
Reimbursable Cash-In-transit	2,591	11,636
<b>Total</b>	<b>383,587</b>	<b>964,074</b>

Below is a summary list of amounts from ending balance not available for use to settle operational obligations:

Staff Social Security Withheld	3,291
Vendor Taxes to be remitted	4,711
<b>Total</b>	<b>8,002</b>

## 3. Allocations

The total amount of Authorized allocations received for FY2018/19 is presented below comparatively:

Compensation of Employees	3,958,511	4,500,206
Goods and Services	459,926	429,869
<b>Total</b>	<b>4,418,437</b>	<b>4,930,075</b>

#### 4. External Assistance

The Commission received financial support from the INTOSAI Development Initiative (IDI) for the SAI Young Leaders & Leadership International, the IDI Fighting Corruption Program, IDI SFC review Workshop on Implementation of ISSAI. Under this assistance, the IDI made payment on our behalf. The Long-Term Technical Assistance (LTTA) under the EU 11<sup>th</sup> EDF also made payment on behalf of the Commission

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
EU (11 <sup>th</sup> EDF – LTTA)	146,493	-
EU (11 <sup>th</sup> EDF – PE)	-	832,249
IPFMRP (Pool Fund)	-	74,100
IDI	32,674	41,760
<b>Total</b>	<b>179,167</b>	<b>948,109</b>

Below is detail of Undrawn externa.

	<b>Budgeted</b>	<b>Actual</b>	<b>Balance</b>
IPFMRP – AFDB	270,000	74,100	195,900
EU (11 <sup>TH</sup> EDF Project)	2,482,322	501,998	1,980,324
<b>Total</b>	<b>2,752,322</b>	<b>576,098</b>	<b>2,176,224</b>

**Total undrawn external assistance** 2,176,224

#### 5. Other Receipts

The Commission received fees as reimbursement for audit cost, additional amount from AIDSPAN and other miscellaneous refund. These amounts were received and controlled by the Commission through its bank accounts.

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
Audit Fees/Cost	335,978	464,662
Miscellaneous Receipts/Refund	6,860	16,514
<b>Total</b>	<u><u>342,838</u></u>	<u><u>481,176</u></u>

## 6. Wages, Salaries and Employee Benefit

This amount represents payment to employees of the GAC as remuneration. For the month of February, the Commission paid supplementary salaries to staff who were not paid in January because these staff did not have national Identification numbers which was a requirement by the MFDP for salary disbursement. The below schedule shows monthly salaries for all GAC staff during the fiscal year review.

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
July	362,304	373,125
August	360,203	371,849
September	361,070	380,981
October	364,929	377,723
November	361,754	377,393
December	361,078	380,894
January	344,403	379,059
February	15,360	381,245
March	358,386	381,002
April	357,243	380,789
May	354,798	356,656
June	354,407	357,049
<b>Total</b>	<b><u>3,955,935</u></b>	<b><u>4,497,765</u></b>

## 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 for goods and services and broken down according to economic classification:

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
Foreign Travel – Means of Travel	24,029	41,905
Water and Sewage	15,115	13,700
Telephone, Fax, Internet, P&C	52,083	54,327
Fuel & Lubricants – Vehicles & Generators	100,449	28,307
Repairs and Maintenance-Vehicle	63,264	12,074

Repairs and Maintenance-Machinery, Equipment & Furniture	6,214	8,729
Stationery	9,874	1,075
Printing, Binding & Publication Service	46,880	21,024
News Papers, Books & Periodicals	2,207	2,590
Other Office Materials and Consumables	10,209	3,681
Audit Expense/Fees	420,708	650,752
Entertainment, Representation & GI	9,034	8,426
Subscription (Members Fees & Dues)	14,043	11,193
Legal Dues & Compensations	350	557
Personnel Insurance	80,192	88,285
Vehicle Insurance	27,961	32,562
EU/11 <sup>th</sup> EDF Project-Direct Support	436,394	17,186
<b>Total</b>	<b>1,319,006</b>	<b>996,373</b>

Commission also benefited from other 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:

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
IDI Support	32,647	41,760
Total	32,647	41,760
<b>Grand Total</b>	<b>1,351,653</b>	<b>1,038,133</b>

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

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

There were purchases made under EU/11<sup>th</sup> EDF Project on fixed assets. The purchase of server and accessories of IT Upgrade, Upgrade of Corporate IT and a Website. Schedule of the aforementioned items is provided below:

	<b>FY 18/19</b>	<b>FY 17/18</b>
	<b>US\$</b>	<b>US\$</b>
IPFMRP	-	74,100
EU/11 <sup>th</sup> EDF Project	41,053	7,365
<b>Total</b>	<b>41,053</b>	<b>81,465</b>

## 9. Other Expenditure/Payment

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 staffs that are not enshrined in its operational budget. These outflows are summarized as other payments.

	FY 18/19	FY 17/18
	US\$	US\$
Bank Charges	2,983	2,657
Exchange Losses/gains	-668	3,052
<b>Total</b>	<b>2,315</b>	<b>5,709</b>

## 10. Statement of Comparison of Budget and Actual Amounts

The budget figures included the GAC's controlled amounts and third-party settlements. Due to the usual carryover of cash to settle obligations from previous period and the actual expenditure of the EU 11<sup>th</sup> EDF Project in goods and services and the acquisition of fixed assets exceeded the budget by – 250%.

## 11. Liabilities and Commitments

At the close of the fiscal year, the GAC's total liability position was US\$2,133,044. Of this amount, US\$1,979,575 represents the Commission's accrued total contribution (4,75%) to the National Social Security and Welfare Corporation (NASSCORP), while US\$153,469 represents commitments to vendors for goods and services provided. The Commission has placed in its 2019/2020 fiscal year budget its employee contribution liability to NASSCORP which has been accruing over the years.

## APPENDICES

<b>APPENDIX 1 – LIABILITIES AND OUTSTANDING COMMITMENTS FOR FISCAL YEAR ENDED JUNE 30, 2019</b>			
<b>NO.</b>	<b>ECONOMIC CLASSIFICATION</b>	<b>CURRENCY</b>	<b>AMOUNT US\$</b>
1	Subscription	US\$	2,023
2	Printing, Binding and Publication	US\$	26,957
3	Entertainment	US\$	300
4	Repair Maintenance Vehicles	US\$	28,852
5	Audit Expenses	US\$	64,899
6	Fuel & Lubricants	US\$	10,700
7	Office Material and Consumables	US\$	339
8	Water and Sewage	US\$	985
9	Personnel Insurance	US\$	18,414
10	NASSCORP Liability	US\$	1,979,575
<b>GRAND TOTAL</b>		<b>US\$</b>	<b>2,133,044</b>

<b>APPENDIX 2 – DETAILS OF FIXED ASSET PAYMENTS DURING THE PERIOD 1<sup>ST</sup> JULY 2018 – 30<sup>TH</sup> JUNE 2019</b>				
<b>DATE</b>	<b>FIXED ASSET TYPE</b>	<b>QTY</b>	<b>DESCRIPTION</b>	<b>AMOUNT US\$</b>
1	ICT Equipment	Asserted	Server and Accessories (EU Project)	21,720
2	ICT Equipment	1	QNAP – TS 863U	6,250
3	ICT Equipment	3	CISCO Catalyst-2960-L (EU Project)	4,800
4	Website	1	Development of New Website	5,146
5	ICT Equipment	1	Synology 8 Bay NAS Disk Station	3,137
<b>GRAND TOTAL</b>				<b>41,053</b>