

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT



THE INDEPENDENT AUDITOR

ON

THE FINANCIAL STATEMENTS OF
GENERAL AUDITING COMMISSION OF
LIBERIA

FOR THE YEAR ENDED
30 JUNE 2018



Promoting Accountability of Public Resources

General Auditing Commission (GAC)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30,
2018



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



TABLE OF CONTENTS

STATEMENT OF RESPONSIBILITIES OF THE AUDITOR GENERAL, RL.....	II
MANAGEMENT DISCUSSION AND ANALYSIS ON THE FINANCIAL STATEMENTS.....	III
Introduction.....	iii
The Approved Budget	iii
Financial Performance.....	iii
Concerns and Strategic Focus.....	iv
STATEMENT OF CASH RECEIPTS AND PAYMENTS.....	1
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT	3
STATEMENT OF CASH POSITION	4
NOTES TO THE FINANCIAL STATEMENTS.....	6
APPENDICES	11





STATEMENT OF RESPONSIBILITIES OF THE AUDITOR GENERAL, RL

The following Financial Statements set out from pages 1 to page 11 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, 2018. 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 agreed 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 fiscal year 2017/2018.

The Approved Budget

The original budget for the General Auditing Commission was **US\$5,415,805**. However, the final approved budget after additional budget cut was US\$ 5,391,958 of which US\$4,930,075 was allocated.

The Commission incurred a 39% 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\$4,930,075 as budgetary allocation for FY17/18. Of this amount, Compensation of Employees constituted 91% and the remaining 9% was allocated to Goods and Services Consumed. Other receipts which totaled US\$481,176 include a receipt of US\$267,600 from Ministry of Health, US\$15,000 from National Oil Company of Liberia and US\$ 10,000 from Civil Service Agency as reimbursement of audit costs. Other reimbursements include US\$65,000 from Roberts International Airport, US\$37,062 from the Ministry of Agriculture, US\$30,000 from NASSCORP, US\$10,000 from the Liberia Maritime Authority and US\$30,000 from the John F. Kennedy Memorial Hospital. Also part of other receipts is an amount of US\$16,514 which includes miscellaneous collections such as refunds and receipts for bid documents purchases. The Commission also received US\$832,249 under the 11th EDF support to the GAC. Hence, the total cash receipt that was controlled by the Commission through its bank account during the fiscal period is **US\$6,243,500**.

Total staff compensation during the period was US\$4,497,765. This amount also included benefit for personnel that were retired during the fiscal year. In addition, US\$996,373 was spent to pay for Goods and Services provided, with 65% of this amount being spent on audit activities, and the remaining on other budgetary lines. The Commission also spent US\$7,365 on capital under the 11th EDF support to the GAC. Other payments, which amounted to US\$5,709, 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\$5,507,212**.

During the period under review, the Integrated Public Financial Management Reform Project (IPFMRP) also made third party payments on the GAC's behalf. These payments covered the cost of two brand new vehicles (Hyundai Tucson) and the supply and installation of a server and switch. In addition, the European Union's (EU) 11th EDF Project support to the GAC made provision for capacity building (staff' professional development in programs such as



*General Auditing Commission
Financial Statements
For The Fiscal Year Ended June 30, 2018*




Ensuring Accountability of Public Resources

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

The GAC completed twenty-five (25) audits and commissioned forty-two (42) during the reporting period. Management did not complete seventeen (17) audits commissioned during the fiscal year due to challenges beyond its control.


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


.....
Date



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE INDEPENDENT AUDITOR ON GENERAL AUDITING COMMISSION OF LIBERIA FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of General Auditing Commission of Liberia set out on pages 1 to 11, which comprise the statement of cash position as at 30 June 2018, and the statement of cash receipts and payment, the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Section 37 (4) of the Public Finance Management Act, 2009 and Section 3.6 of General Auditing Commission Act, 2014. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the cash position of General Auditing Commission of Liberia as at 30 June 2018 and of its receipts and payments for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) 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 Standards of Supreme Audit Institutions (ISSAIs). I am independent of General Auditing Commission of Liberia in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI 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 Matters

Key audit matters are those matters that, in my professional judgment, 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.

Report of the Independent Auditor on the Financial Statements of General Auditing Commission of Liberia for the year ended 30 June 2018

1. Inadequate Funding to the Commission

A review of the National Government funding to the Commission over the last three years revealed a downward trajectory with significant budget cuts in the 2017/2018 financial year. Below is the detailed analysis of the Commission's budgets over the three-year period: - submitted vs approved; approved vs actual disbursed; and Disbursement trend.

Submitted Vs Approved Budget

FY	Submitted Budget (US\$)	Approved Budget (US\$)	Unfunded (US\$)	Unfunded (%)
2015/2016	10,138,977	5,792,896	-4,346,081	-42.9%
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%

Approved vs Actual disbursed

FY	Approved Budget (US\$)	Actual Disbursed (US\$)	Withheld Amount (US\$)	Withheld (%)
2015/2016	5,792,896	5,740,382	-52,514	-0.9%
2016/2017	5,479,735	5,227,468	-252,267	-4.6%
2017/2018	5,391,958	4,390,075	-1,001,883	-18.6%
Total	16,664,589	15,357,925	-1,306,664	-7.8%

Disbursement Trend

FY	Prior Year (US\$)	Current Year (US\$)	Funding Reduction (US\$)	Funding Reduction (%)
2016/2017	5,740,382	5,227,468	-512,914	-8.9%
2017/2018	5,227,468	4,390,075	-837,393	-16.0%

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 & 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 operations currently at 124 institutions cannot be guaranteed.

2. Office Transport and Logistics

Records availed for audit indicate that the Commission had a fleet of thirty-three (33) vehicles under its custody as at 30 June 2018. Of this number, eleven (11) were grounded as a result of breakdown leaving a balance of twenty (22) available for its use by staff compliment of three hundred and thirty-eight (338). The current vehicle to staff ratio of 1:15 is significantly low and inhibits the audit efficiency. Further, one project vehicle previously assigned to the Commission to alleviate the logistical suffering has been irregularly impounded by the General Services Agency (GSA). Efforts by the Commission to have the vehicle reverted back has not borne any fruits. As it is, the Commission is facing acute logistical challenges and may be contributing to its inability to deliver on its mandate especially for Government Ministries and Agencies outside Monrovia.

3. Prior Year Audit Findings

As reported previously the following audit observations remain unresolved: -

3.1. 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 audits as the other is vested with administration. Analysis of the staff complement as at 30 June 2018 revealed: -

- (i) Three hundred and thirty-eight (338) staff in the establishment of which 195 or 58% were staff auditors; the rest were non-staff auditors; and
- (ii) One hundred and eighty six (186) or 86% of the staff auditors were at junior level cadres of Auditors 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 twenty-five (25) audits against its mandate of 124 audits translating to 20% coverage.

The Commission was also found to be lagging behind on Information Technology. GAC has 138 laptops of which only 95 are in good working condition resulting in a laptop to staff ration of 2:7. Taking cognisance that laptops are working tools and are key for effective and efficient delivery of assignments, GAC needs to scale up its investment in them to the standard ratio of 1:1. From the foregoing, GAC's mandate of ensuring accountability and transparency in the use and management of public funds is not being achieved.

3.2. 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)

Report of the Independent Auditor on the Financial Statements of General Auditing Commission of Liberia for the year ended 30 June 2018

stipulates "the Auditor-General shall have the right to determine which audits are to be carried out, to select the type of audits 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 Institutions (ISSAIs) 1 Part VII Section 18 (3) which stipulates "all public financial operations, regardless of whether or how they are reflected in the national budget, shall be subject to audit by the Supreme Audit Institution". However, an amendment to remedy the inconsistency is underway in the proposed draft regulations, and optimum performance of the GAC.

3.3. Auditor-General Control Over Staff

Further, Section 2.1.8 (c) of the GAC Act, 2014 stipulates "the Auditor General shall have the right to appoint staff, dismiss staff and set the terms and conditions of service". However, Section 2.2.1 of the Act stipulates "the President shall appoint at least three Deputies for the GAC" while Section 2.2.6 (b) states "a Deputy Auditor General may be removed from the office by the President, in consultation of the Legislature, consistent with due process, only for cause, malfeasance, gross breach of duty, acts of impropriety or failure to carry out his/her duty and functions". The later two provisions conflict with Section 2.1.8 (c) of the GAC Act, 2014.

Consequently, the Auditor-General does not absolute control over her staff.

3.4. Audit of Consolidated Fund Account

Section 37 of the GAC Act, 2014 stipulates that the Minister for Finance shall prepare the Consolidate Fund financial statements not later than 4 months after the end of fiscal year (31 October). The Auditor-General shall in turn audit and submit report to the legislature on the financial statements not later than 4 months (28 February). As at the time of completing this audit, the Auditor-General had not commenced the audit of the Consolidated Fund financial statements for the year ended 30 June 2018 despite the deadline having lapsed by 6 months. 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 in the management discussion and analysis on the financial statements on page 4 but does not include the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my 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 my knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

Management is also responsible for the submission of the financial statements to the Independent Auditor 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 Commission's financial reporting process.

Responsibility of the Independent Auditor for the Audit of the Financial Statements

The audit 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 independent auditor's report that includes my opinion in accordance with the provisions of Section 37(4) of the Public Finance Management Act, 2009 and submit the audit report to the National Legislature of Liberia in compliance with Section 3.6 of the General Auditing Commission Act, 2014. 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.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain 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 control.
- 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 giving an assurance on the effectiveness of the Commission's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Commission to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management 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.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL REPUBLIC OF KENYA

Nairobi

23 August 2019

General Auditing Commission
 Financial Statements
 For The Fiscal Year Ended June 30, 2018



Ensuring Accountability of Public Resources

GENERAL AUDITING COMMISSION (GAC)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

		FY 17/18			FY 16/17		
	No	Receipts/ (Payments) Controlled by Entity US\$	Payments by Other Governme nt Entities US\$	Payments by External Third Parties US\$	Receipts/ (Payments) Controlled by Entity US\$	Payments by Other Governme nt Entities US\$	Payments by External Third Parties US\$
RECEIPTS							
Authorized Allocation/Appropriation	3	4,930,075	-	-	5,227,468	-	-
External Assistance	4	832,249	-	115,860	1,712	-	275,970
Other Receipts	5	481,176	-	-	566,084	-	-
Total Receipts		6,243,500	-	115,860	5,795,264	-	275,970
PAYMENTS							
Wages, Salaries and Employee Benefits	6	4,497,765	-	-	4,560,609	-	-
Use of Goods and Services	7	996,373	-	41,760	1,291,706	-	94,270
Purchase of Plant & Equipment	9	7,365	-	74,100	-	-	181,700
Other Expenditures/Payments	10	5,709	-	-	9,462	-	-
Total Payments		5,507,212	-	115,860	5,861,777	-	275,970
Increase/(Decrease) in Cash		736,288			(66,513)		
Cash at the beginning of the FY		234,303			300,975		



Ensuring Accountability of Public Resources

*General Auditing Commission
Financial Statements
For The Fiscal Year Ended June 30, 2018*



Ensuring Accountability of Public Resources

Increase/(Decrease) in Cash	<u>736,288</u>	<u>(66,513)</u>
Foreign currency translation difference	<u>(6,517)</u>	<u>(159)</u>
Cash at the End of the FY	2 <u>964,074</u>	<u>234,303</u>

The accompanying notes are an integral part of the financial statements. The financial statements on page 1 to 11 were approved and signed by management.

[Handwritten Signature]

Auditor General,
General Auditing Commission, Liberia

8/15/2019

Date

[Handwritten Signature]

Comptroller,
General Auditing Commission, Liberia

8/15/19

Date





GENERAL AUDITING COMMISSION
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

- Budget Approved on the Cash Basis

ACCOUNT TITLE/DESCRIPTION	Actual Amount (A)	Final Budget (B)	Original Budget (C)	Difference: Final Budget and Actual (D) = (B-A)	Percentage Variance (E) = (D/B)
	US \$	US \$	US \$	US \$	%
CASH INFLOWS					
Authorized Allocation/Appropriation	4,930,075	5,391,958	5,415,805	461,883	8.5%
Grants	832,249	-	-	-832,249	-
Other receipts	481,176	-	-	-481,176	-
Total Receipts	6,243,500	5,391,958	5,415,805	-851,542	
CASH OUTFLOWS					
Wages, Salaries and Employee Benefits	4,497,765	4,674,840	4,674,840	176,990	3.8%
Goods and Services Consumed (See Note 11)	996,373	717,118	740,965	-279,255	-39%
Purchase/Construction of Property, Plant, & Equipment	7,365	-	-	-7,365	-
Other Payments	5,709	-	-	-5,709	-
Total Payments	5,507,212	5,391,958	5,415,805	-115,254	2.1%
NET CASH FLOWS	736,288	-	-	-736,288	

* Actual amounts encompass both cash and third party settlements.



GENERAL AUDITING COMMISSION
STATEMENT OF CASH POSITION
AS AT JUNE 30, 2018

	Currency Held In	Notes	As At June 30, 2018	As At June 30, 2017	Change in Cash Balances
Cash/ Bank Account Details		2			
Bank Accounts					
Guaranty Trust Bank (206600000210) –Operations A/C	USD		29,361	11,066	17,895
Guaranty Trust Bank (206600000110) –Operations A/C	LRD		34,150	363	33,346
Guaranty Trust Bank (206600000211) –Payroll A/C	USD		61,240	41,760	19,480
Guaranty Trust Bank (206600000111) –Payroll A/C	LRD		8,524	6,618	1,906
Guaranty Trust Bank (200000000000)-EU-11 th EDF	USD		807,597	-	-
UBA Prepaid Card #1	USD		96	96	-
UBA Prepaid Card #4	USD		1,089	1,382	-293
Un-deposited Check	USD		-	175,000	-175,000
Total Cash in Banks			942,057	236,285	-102,666
Petty Cash Account					
Petty Cash on Hand	USD		644	540	117

*General Auditing Commission
Financial Statements
For The Fiscal Year Ended June 30, 2018*



Ensuring Accountability of Public Resources

	Currency Held In	Notes	As At June 30, 2018	As At June 30, 2017	Change in Cash Balances
Cash Held By Others For Reimbursement/Refund/Repayment					
Cash Held In Staff Advances	USD		9,737	2,933	17,101
Cash-In-transit	USD		11,636	-	548
Excess Of Refund On Other Payments By IPFMRP	USD			-5,455	-5,455
Total Cash Held By Others			22,330	-2,522	19,808
Total Cash And Bank Balances			964,074	234,303	-79,445

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





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 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.

b) Reporting Entity

The financial statements are for the GAC. The Commission is an autonomous agency and reports directly to the National Legislature 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) and other stakeholders.

c) 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.

d) Payments 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 payments 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 Payments 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 States 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 137.35LD. 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 & cash- in- transit.

	FY 17/18	FY 16/17
	US\$	US\$
Cash Available in Banks	942,057	236,285
Cash Held by others	9,737	2,933
Petty Cash	644	540
Reimbursable Cash-In-transit	11,636	(5,455)
Total	964,074	234,303

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

Staff Social Security Withheld	43,707
Staff Medical Insurance	21,852
Vendor Taxes to be remitted	3,141
Total	68,700

3. Authorized Allocations

The total amount of Authorized Allocations received for FY2017/18 is presented below comparatively:

	FY 17/18	FY 16/17
	US\$	US\$
Compensation of Employees	4,500,206	4,567,857
Goods and Services	429,869	659,610
Total	4,930,075	5,227,468

4. External Assistance

The IPFMRP contribution to SAI Liberia's expenditures is considered external assistance to the GAC. These payments were made by the IPFMRP to purchase vehicles to facilitate the smooth operations of auditors. In the same vein, the EU/ 11th EDF Project also purchased assorted ICT Equipment for the normal running of the institution.

*General Auditing Commission
Financial Statements
For The Fiscal Year Ended June 30, 2018*



Ensuring Accountability of Public Resources

	FY 17/18	FY 16/17
	US\$	US\$
EU (11 th EDF Project)	832,249	1,712
IPFMRP (Pool Fund)	74,100	261,380
IDI	41,760	14,590
Total	948,109	277,682

Below is a detail of Undrawn External Assistance.

	Budgeted	Actual	Balance
IPFMRP - AFDB	270,000	74,100	2,653,672
EU (11 th EDF Project)	2,482,322	24,551	
Total	2,752,322	98,651	
Total Undrawn External Assistance			2,653,672

5. Other Receipts

The Commission received fees as reimbursement for audit costs; it also received fees from the sale of bid documents to vendors which is embedded in the Miscellaneous Receipts and other receipts. These amounts were received and controlled by the Commission through its bank accounts.

	FY 17/18	FY 16/17
	US\$	US\$
Audit Fees/Cost	464,662	558,785
Miscellaneous Receipts/Refunds	16,514	4,854
Total	481,176	566,084

6. Wages, Salaries and Employee Benefits

This amount represents payment to employees of the GAC as remuneration. The below schedule shows monthly salaries for all GAC staff during the fiscal year under review.

	FY 17/18	FY 16/17
	US\$	US\$
July	373,125	382,986
August	371,849	380,737
September	380,981	382,421
October	377,723	382,900
November	377,393	378,236
December	380,894	378,614
January	379,059	376,514
February	381,245	373,014



Ensuring Accountability of Public Resources

*General Auditing Commission
Financial Statements
For The Fiscal Year Ended June 30, 2018*



Ensuring Accountability of Public Resources

March	381,002	72,832
April	380,789	684,923
May	356,656	399,834
June	357,049	367,598
Total	<u>4,497,765</u>	<u>4,560,609</u>

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 17/18	FY 16/17
	US\$	US\$
Foreign Travel - Means of Travel	41,905	81,279
Water & Sewage	13,700	8,788
Telephone, Fax, Internet, P&C	54,327	77,524
Fuel & Lubricants – Vehicles & Generators	28,307	166,180
Repair & Maintenance-Vehicles	12,074	39,225
Repair & Maintenance-Machinery, Equipment & Furniture	8,729	17,186
Stationery	1,075	12,508
Printing, Binding & Publication Service	21,024	50,835
News Papers, Books & Periodicals	2,590	3,347
Other Office Materials & Consumables	3,681	11,051
Audit Expense/Fees	650,752	657,695
Entertainment, Representations & GI	8,426	31,419
Subscription (Members Fees & Dues)	11,193	13,606
Legal Dues & Compensations	557	799
Personnel Insurance	88,285	74,654
Vehicle Insurance	32,562	45,610
EU/11th EDF Project-Direct support	17,186	-
Total	<u>996,373</u>	<u>1,291,706</u>

The 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:

	FY 17/18	FY 16/17
	US\$	US\$
IPFMRP	-	79,680
IDI Support	41,760	14,590
Total	<u>41,760</u>	<u>94,270</u>
Grand Total	<u>1,038,133</u>	<u>1,385,976</u>



Ensuring Accountability of Public Resources



9. 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. The purchase of two (2) vehicles (Hyundai Tucson) and a server and switch with full installation. Also, there were purchases made under the EU/ 11th EDF Project. The purchase of assorted ICT equipment (desktop, laptop & software, a printer and a shredder). Schedule of the aforementioned items is provided below:

	FY 17/18	FY 16/17
	US\$	US\$
Capital Expenditure		
IPFMRP	74,100	181,700
EU/ 11 th EDF Project	7,365	
Total	81,465	181,700

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

	FY 17/18	FY 16/17
	US\$	US\$
Bank Charges	2,657	3,420
Exchange Losses/gains	3,052	6,042
Total	5,709	9,462

11. 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 39%.

12. Liabilities and Commitments

At the close of the fiscal year, the GAC's total liability position was US\$2,131,223. 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\$151,648 represents commitments to vendors for goods and services provided. The Commission has placed in its 2018/2019 fiscal year budget its employee contribution liability to NASSCORP which has been accruing over the years.



APPENDICES

APPENDIX 1 - Liabilities and Outstanding Commitments for fiscal Year ended June 30, 2018

No.	Economic Classification	Currency	
1	Stationery	US\$	410
2	Printing, Binding and Publications	US \$	2,320
3	Telephone, fax and postage	US \$	32,015
4	Repair Maintenance Vehicles	US \$	574
5	Audit Expenses	US \$	85,484
6	Repairs and Maintenance-M & E	US\$	550
7	Vehicle Insurance	US \$	17,056
8	Office Material and Consumables	US\$	764
9	Water and Sewage	US \$	12,475
10	Liabilities-NASSCORP	US\$	1,979,575
GRAND TOTAL		US\$	2,131,223

APPENDIX 2 - DETAILS OF FIXED ASSET PAYMENTS DURING THE PERIOD 1ST JULY 2017 - 30TH JUNE 2018

Date	Fixed Asset Type	Qty	Description	Amount US \$
1	ICT Equipment	Assorted	Desktop, Printer & Shredder (EU Project)	1,745
2	ICT Equipment	1	Server & Switch (IPFMRP Project)	15,100
3	ICT Equipment	1	Laptop & Software (EU Project)	5,620
4	Transport Equipment	2	Vehicles (Hyundai Tucson) (IPFMRP Project)	59,000
GRAND TOTAL				81,465

