



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



On the Liberia Revenue Authority Restated Financial Statements

For Year Ended 30 June,
2015

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

January 2017

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Promoting Accountability of Public Resources

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AUDIT OF THE LIBERIA REVENUE AUTHORITY PERFORMED BY THE AUDITOR GENERAL

January 24, 2017

The Board of Directors
Liberia Revenue Authority (LRA)
NASSCORP Building
ELWA Junction
Monrovia, Liberia

Dear Sir/Madam:

Report of Independent Auditors on the Financial Statements

We are required by Section 2.1.3 of the New GAC Act of 2014 as well as in accordance with the Public Financial Management Act and Regulations of 2009 to audit the accompanying Liberia Revenue Authority Financial Statements which comprises the Statements of Receipts and Payments for the fiscal year ended June 30, 2015, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the LRA Financial Statements in accordance with the Public Financial Management Act and Regulations of 2009 and the International Public Sector Accounting Standards cash basis of Accounting as adopted by the Government of Liberia in 2009 and for such internal controls as management determines is necessary to enable the preparation of the LRA Financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Comparison of Budget and Actual Amounts

Explanatory Notes relating to the causes of significant variances between the budget and actual amounts (i.e. revenues and expenditures) as required by the IPSAS Cash Basis Accounting were not disclosed in the financial statements. We were thus unable to confirm or verify the reasonableness of the variances as a result of the omitted disclosures.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Liberia Revenue Authority as at 30th June, 2015, and (of) their financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standard (IPSAS) cash basis of accounting.



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

STATEMENT OF RESPONSIBILITY

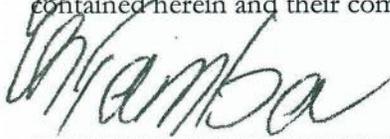
The Financial statements set out from page 7 to 13 have been prepared in accordance with the provisions of the Public Financial Management Act, 2009 and in compliance with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS), as adopted by the Government of Liberia

In accordance with the provisions of the Public Financial Management Act, 2009, we are responsible for the control of and accounting for funds controlled by Liberia Revenue Authority.

Under the provisions of the same Act and that of the LRA, we are required to prepare interim unaudited financial statements, on a quarterly basis, which are submitted to the Minister of Finance and Development Planning, to enable him/her produce a consolidated quarterly report comparing budget execution and revenue collection to the estimates contained in the National Budget. Accordingly, we are pleased to submit the required financial statements in compliance with the Act. We have provided, and will continue to provide all the information and explanations as may be required in connection with these financial statements.

To the best of my knowledge and belief, these financial statements agree with the books of accounts, which have been properly maintained.

We accept responsibility for the integrity of these financial statements, the financial information contained herein and their compliance with the Public Financial Management Act, 2009.



.....
Elfrieda Stewart Tamba
Commissioner General

Dec 27th, 2016

.....
Date

MANAGEMENT DISCUSSION AND ANALYSIS

The Liberia Revenue Authority (LRA) herein presents its financial statements for the fifteen (15) months ended June 30, 2015. The report takes into account three (3) months prior to July 2014, when the LRA Act became operational because there were transactions executed in the name of the entity at that time. Funding for the reporting period represents GoL transfers for LRA Implementation, received prior to July 1, 2014, and Government of Liberia appropriation for FY 2014/15 and budget support from APM Terminals. The Liberia Revenue Authority falls within the Public Administration Executive Sector of the Budget. For Fiscal Year 2014/2015, the sector was appropriated **US\$116,265,654**, representing **23.14%** of the approved total national budget of **US\$502,351,347**. The LRA's budget of **US\$13,108,017** represents **11.27%** of the Public Administration Executive Sector budget and **2.61%** of the National Budget. The Public Administration Executive Sector budget of **US\$116,295,874** is distributed by institutions as follow:

Table 1: Public Administration Executive Sector Budget Breakdown by Institutions

INSTITUTION	AMOUNT	%
National Food Assistance Agency	60,584	0.05
Bureau of State Enterprises	147,392	0.13
Tax Appeal Board	250,000	0.22
Mano River Union	633,336	0.54
Liberia Institute of Public Administration	725,597	0.62
Liberia Institute of Statistics & Geo-Information Serv.	1,376,712	1.18
Ministry of Information, Cultural Affairs & Tourism	1,895,938	1.63
General Services Agency	1,902,626	1.64
Office of the Vice President	2,039,351	1.75
Ministry of State for Presidential Affairs	8,215,273	7.07
Ministry of Foreign Affairs	12,694,935	10.92
Liberia Revenue Authority (LRA)	13,108,017	11.27
Civil Service Agency	29,627,974	25.48
Ministry of Finance & Development Planning	43,587,919	37.49
TOTAL	116,265,654	100.00

The Liberia Revenue Authority's Budget of **US\$13,108,017** is allocated to four (4) expenditure categories as detailed in table 2 below.

Table 2: LRA Budget Breakdown by Expenditure Categories

Expenditure Category	Amount	%
Compensation of Employees	8,553,948	65.26
Use of Goods & Services	2,541,491	19.39
Consumption of Fixed Capital	1,512,578	11.54
Special Project	500,000	3.81
TOTAL	13,108,017	100.00

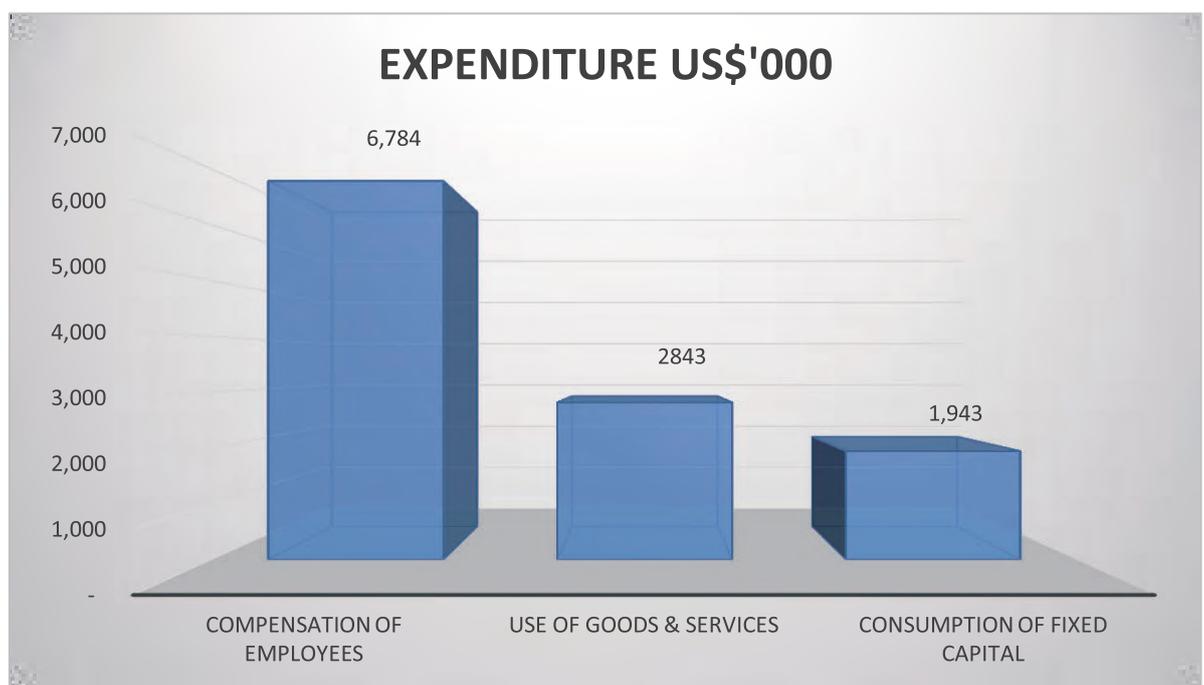
For the fifteen (15) months ended June 30, 2015, the LRA received a total of **US\$14,263,355** (**US\$1,100,000** from the Ministry of Finance & Development Planning (MFDP) as **LRA Implementation Support**; **US\$13,106,502** also from the MFDP, but as **authorized allocation for FY 2014/15**; and **US\$56,853** as **Budget support from APM Terminal**). The US\$13,106,502 authorized allocation for FY 2014/15 represents **99.99%** of the total LRA Budget of **US\$13,108,017** approved by the National Legislature. Exchange rates differences resulted into **US\$1,515.00** loss on receipts, accounting for less than 100% receipt against budget.

Also during the period, APM Terminal and the Integrated Public Financial Management Reform Project (IPFMRP) made payments directly to vendors and service providers for goods and services on behalf of the LRA totaling **US\$2,824,575** (**US\$364,930** from APM Terminal and **US\$2,459,645** from IPFMRP).

Using the cash basis of accounting, total expenditure for the reporting period is **US\$11,570,914**. Of this amount, **US\$7,680,874 (66.38%)** represents amount spent from FY 2014/15 GoL authorized allocation for FY 2014/15 and APM Terminal Budget Support combined; while **US\$1,065,465 (9.21%)** represents expenses from LRA Implementation Support received prior to July 1, 2014. Additionally, APM Terminal's direct payments on behalf of LRA during the reporting period totaled **US\$364,930 (3.15%)** while IPFMRP's direct payments on behalf of the entity for the period amounted to **US\$2,459,645 (21.26%)**.

The total expenditure of **US\$11,570,913** is broken down by major expenditure categories as follow: **Compensation of Employees - \$6,784,177 (58.63%)**; **Use of Goods & Services - \$2,843,289 (24.57%)**, and **Consumption of Fixed Capital – \$1,943,447 (16.80%)**. This is graphically portrayed below.

Graph 1: Expenditure by Major Categories



Graph 2: Expenses, Liabilities and Commitments: A Comparative Analysis



Cash Balance

Total cash balances at the end of the reporting period were US\$589,866 and L\$413,880,620. This translates to a total USD Cash Equivalent of US\$5,517,016. The total USD cash equivalent is broken up by sources as follow: Balance on account of Implementation Budget (US\$34,535); and Balance on account of FY 2014/15 (US\$5,482,481).

P.P. 

Kofi Abedu-Bentsi, Sr., CFE
Assistant Commissioner for Budget & Finance



**STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE FIFTEEN (15) MONTHS ENDED JUNE 30, 2015**

	NOTES	RECEIPTS/ PAYMENTS CONTROLLED BY ENTITY	PAYMENTS BY EXTERNAL PARTIES	TOTAL
		US\$		US\$
RECEIPTS:				
Authorized Allocation/Appropriation	3	13,163,355	-	13,163,355
Other Receipt (Implementation)	3	1,100,000	364,930	1,464,930
External Assistance				
Multilateral Grants		-	-	-
IPFMRP	3	-	2,459,645	2,459,645
Bilateral Grants		-	-	-
Total Receipt		<u>14,263,355</u>	<u>2,824,575</u>	<u>17,087,930</u>
EXPENDITURE				
Operations:				
Compensation of Employees	4	6,458,584	325,594	6,784,178
Use of Goods and Services	5	2,131,487	711,804	2,843,290
Capital Expenditure:				
Consumption of Fixed Capital	6	156,268	1,787,177	1,943,446
Total Expenditure		<u>8,746,339</u>	<u>2,824,575</u>	<u>11,570,914</u>
Decrease in Cash		5,517,016	-	5,517,016
Cash at the beginning of the Period	7	-	-	-
Cash at the End of the Period	7	<u>5,517,016</u>	<u>-</u>	<u>5,517,016</u>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS¹
FOR THE FIFTEEN (15) MONTHS ENDED JUNE 30, 2015**

	Original Budget US\$	Final Budget US\$	Actual Amounts US\$	Variance US\$	Percentage Variance (%)
Inflows					
Authorized Alloc./Approp.	13,108,017	13,164,870	13,163,355	1,515	0.01
Total Receipts	13,108,017	13,164,870	13,163,355	1,515	0.01
Outflows					
Compensation of Employees	8,553,948	8,934,912	6,390,436	2,544,477	28.48
Use of Goods & Services	3,041,491	2,903,073	1,139,593	1,763,480	60.75
Consumption of Fixed Capital	1,512,578	1,326,884	150,845	1,176,039	88.63
Total Expenditure	13,108,017	13,164,870	7,680,874	5,483,996	41.66

¹ Detailed Budget Performance is in Appendix 1 on page 15.

NOTES TO THE FINANCIAL STATEMENTS

1. General Information – Reporting entity

The Liberia Revenue Authority (LRA) is a semi-autonomous agency of government established by an Act of Legislature in September 2013 and became effective July 1, 2014.

The primary objective of the LRA is to administer and enforce the Revenue Code of Liberia for the purpose of assessing, collecting, auditing and accounting for all national revenues and to facilitate legitimate international trade and customs. Achieving the LRA objective requires significant engagement, interaction and follow-ups with taxpayers, revenue generating ministries and agencies, and other key stakeholders.

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 these financial statements 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 International Public Sector Accounting Standard (Cash Basis IPSAS: Financial Reporting under the Cash Basis of Accounting). The cash basis of accounting recognizes transactions and events when cash is received or paid. It measures the overall financial result for a period as the difference between cash received and cash paid. The measurement focus is cash balances and changes therein. The cash basis accounting concept recognizes the movement of cash as the basis of recognizing income and expenses. Once money is received for rendering of services, income is recognized whether the service has been rendered or not. In the same way, expense is recognized as having been made once payment is made for it, whether benefit has been received or not. In other words, income is recognized as soon as cash is received and expenditure is recognized when cash is paid. The transfer of benefit or consumption of the resource may be before or after the cash is received or paid.

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 applied.

(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 the financial statements, the United States Dollar is used as the reporting currency, which is permitted under the attendant Financial Regulations to the PFM Act of 2009. However, the statement of cash receipts and payments and the accompanying notes have also been stated in Liberian Dollars at a rate of US\$1.00 to L\$84.00.

(ii) Translation of transactions in foreign currency

Foreign currency translations and transactions in Liberian Dollar are translated into United States Dollar using the buying exchange rates prevailing at the date of the transactions. Closing monetary balances are translated into the reporting currency using the closing buying rate. 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 recognized in the statement of financial performance.

(c) Reporting Period

The reporting period for these financial statements runs from 1st April 2014 to 30th June 2015.

(d) Payments by Third Parties

The payments made by the third parties do not constitute cash receipts or payments by the LRA though the LRA benefits from them. They are disclosed in the Payments by third parties column in the Statement of Cash Receipts and Payments and other financial statements.

(e) Receipts

Receipts represent cash received by the LRA during the reporting period and comprise Authorized appropriations from the Government of Liberia and budgetary support from APM Terminal. The authorized allocations are recognized when payments are received and under the control of the LRA.

(f) Expenditure

Expenditure represents all payments made (cash outflows) for the reporting period.

(g) Liabilities

Liabilities represent expenses incurred, but for which there were no associated cash outlay as at the end of the reporting period. (*See Note 8*)

(h) Project under implementation

Programs or projects that did not get committed or whose procurement process (es) did not get finalized (No objection list given) before June 30, 2015.

(i) Property, Plant and Equipment

Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipment and any other capital assets controlled by the LRA.

Under 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 LRA. In the event there are unrealized gains or losses, all 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 non-tax receipt in the period in which it is received.

(j) Borrowings

Borrowing comprises cash inflows from banks, similar lending agencies and commercial institutions and amounts owing in respect of non-cash assistance provided by them. For the purpose of this financial statement there are no borrowings.

(k) Other Receipts

Included in other receipts are fees, fines, penalties and miscellaneous receipts. For the purpose of this financial statement, there isn't any other Receipt.

(l) Other Payment/Expenditure

Included in other payment are dividends, distributions paid, legal settlements or lawsuits and miscellaneous payments. For the purpose of this financial statement, there are no such other payments or expenditure.

(m) Undrawn External Assistance

Undrawn external assistance loans and grants at reporting date are amounts specified in a binding agreement which relate to funding for projects currently under development, where conditions have been satisfied, and their ongoing

satisfaction is highly likely, and the project is anticipated to continue to completion.

(n) Cash and Bank

Cash and bank balances in the Statement of Cash Receipts & Payments comprise cash on hand and bank balances held with financial institutions as at the end of the reporting period.

3. RECEIPTS

For the fifteen (15) months ended June 30, 2015, the LRA received and/or benefited from a total of **US\$17,087,930**. Of this amount, **US\$14,263,355** was received by or placed under the control of the LRA. **US\$13,106,502** of the **US\$14,263,355** was received from GOL as authorized allocation for FY 2014/15; **US\$1,100,000** also from GOL but as LRA Implementation Support intended to jumpstart the process of making the LRA Act operational; and an additional **US\$56,853** from APM Terminal to the LRA as Budget Support toward running of LRA’s Business Offices at the Freeport of Monrovia.

Also included in the **US\$17,087,930** mentioned above is **US\$2,824,575** direct payments for compensation, goods and services, and capital expenditure made by APM Terminal (**US\$364,930**) and the Integrated Public Financial Management Reform Project (**US\$2,459,645**). The Integrated Public Financial Management Reform Project (IPFMRP) is a multi-donor co-financing arrangement comprising funding from IDA (18%), Multi-Donor Trust Fund (66%) and African Development Bank – AfDB (16%). These direct payments have been reflected in the “Payment by External Parties” column on the Statement of Receipts and Payments.

	Implementation			APM	
	Budget	GoL Subsidy	IPFMRP	Terminal	Total
3. RECEIPT					
Authorized Allocation/Appropriation	-	13,106,502	-	56,853	13,163,355
Other Receipts (Implementation Budget & APM)	1,100,000	-	-	364,930	1,464,930
External Assistance (IPFMRP)	-	-	2,459,645	-	2,459,645
	<u>1,100,000</u>	<u>13,106,502</u>	<u>2,459,645</u>	<u>421,783</u>	<u>17,087,930</u>

4. COMPENSATION OF EMPLOYEES

Basic Salary expenditure relating to implementation Budget are the result of compensation (salaries) paid to the first batch of LRA staff for the months of July and August 2014, prior to receipt of the first funds from GOL relating to FY 2014/15 following the operationalization of the LRA Act. These employees and contractors were compensated from the GOL FY 2014/15 subsidy received by the LRA. Note that the corresponding NASSCORP Contributions (employees and employers) were not remitted during the period because employees’ details, to include social security num Page 12 being sorted out in collaboration with NASSCORP in order to ensure that contributions made are accurately captured for a smooth process of claiming benefits if the need arises. Total expenditure made by the LRA during the period as compensation totaled

US\$6,458,584 (Implementation Budget – US\$68,148 and GoL Subsidy – 6,390,436).

Also during the period under review, direct payments to long-term consultants were made on behalf of the LRA by IPFMRP amounting to **US\$325,594**. Such payments have been reflected in the payments by third parties column of the Statement of Receipts and Payments.

	Implementation			
	Budget	GoL Subsidy	IPFMRP	Total
4. COMPENSATION OF EMPLOYEES				
Basic Salary	66,628	6,351,375	-	6,418,003
Honorarium	-	-	2,100	2,100
Professionals	-	-	323,494	323,494
Overtime	-	25,382	-	25,382
Residential Rental and Lease Allowance	-	5,050	-	5,050
Employer's Contrib.; NASSCORP	1,520	6,873	-	8,393
Incapacity, Death Benefits and Funeral Expenses	-	1,756	-	1,756
	<u>68,148</u>	<u>6,390,436</u>	<u>325,594</u>	<u>6,784,178</u>

5. **USE OF GOODS AND SERVICES** have been summarized into five (5) categories as follow: Travel (Domestic & Foreign), Rental and Lease, Operation Expense, Utilities, and Repair & Maintenance.

Travel (Domestic & Foreign) comprises Domestic and Foreign Means of Travel; Domestic and Foreign Daily Subsistence Allowances; and Domestic & Foreign Incidentals.

Utilities comprises expenditure on Electricity, Water and Sewage, and Communications (Telephone and Internet).

Rental and Lease comprises expenditure on residential property for rural Customs and Tax Business Office Staff, as well as Lease of Office Buildings (LRA Headquarters and various Tax and Customs Business Offices).

Repairs and Maintenance relates to cost incurred to maintain and repair the fixed assets owned and leased by the LRA. Repairs are made on Buildings (Civil works), Vehicles, Generators, motorcycles, etc.

Operation Expenses comprise expenditure made for fuel and lubricants for Vehicles, Generators, and Motorcycles; cleaning materials, stationeries, etc. Operations expenses includes operational expenses made mainly through petty cash for the day-to-day running of the LRA. Exchange loss of US\$29,170 is also included in the total operation expenses for the period. This is the result of changing exchange rates during the reporting period.

Total expenditure on goods and services for the reporting period amounted to **US\$2,843,290**. Of this amount, **US\$2,102,316** was expended by the LRA (Implementation Budget – **US\$991,893** and GoL Subsidy – **US\$1,139,593**); and **US\$711,804** constituted direct payments made on behalf of the LRA by IPFMRP (**US\$615,704**) and APM Terminal (**US\$96,100**). IPFMRP payments were made toward partitioning works at HQ, Repairs of vehicles procured under the project for LRA, printing of revenue receipts, etc. On the other hand, APM Terminal payments were made for the production of 500 sets of Customized Uniforms and accessories.

	Implementation			APM	Total
	Budget	GoL Subsidy	IPFMRP	Terminal	
5. USE OF GOODS AND SERVICES					
Travel (Domestic & Foreign)	13,616	189,145	-	-	202,761
Utilities	18,765	59,578	2,301	-	80,644
Rental and Lease	666,867	60,253	10,568	-	737,688
Repairs & Maintenance	1,718	141,184	41,337	-	184,238
Operation Expenses	290,928	689,433	561,498	96,100	1,637,959
	<u>991,893</u>	<u>1,139,593</u>	<u>615,704</u>	<u>96,100</u>	<u>2,843,290</u>

6. **CONSUMPTION OF FIXED CAPITAL** refers to acquisition of fixed or long-lived assets used in the running of the Liberia Revenue Authority. For the reporting period, total expenditure on fixed or long-lived assets was **US\$1,943,447**. Of this amount, **US\$156,269** was expended by the LRA (Implementation Budget – **US\$5,424** and GoL Subsidy – **US\$150,845**); and **US\$1,787,803** constituted direct payments made on behalf of the LRA by IPFMRP (**US\$1,518,348**) and APM Terminal (**US\$268,830**).

The **US\$5,424** spent by LRA from implementation budget was for the supply of CISCO Routers; while expenditure from GOL Subsidy of **US\$150,845** during the same period was for Eight (8) Epson Dot Matrix Printer, Five (5) Sedan Vehicles to facilitate various revenue enforcement exercises in easily accessible areas, steel cabinets and safes to secure LRA’s assets, Test Server Perpetual (SoClass) License, etc.

On the other hand, direct payments made by IPFMRP in the tone of US\$1,518,348 was spent on vehicles for Customs and Tax Business Offices in hard-to-reach areas; desks and chairs for setting up of LRA Headquarters; and Desktops, laptops, and printers at LRA Headquarters. For APM Terminal, direct payments made amounting to **US\$268,830** was for two (2) pickups, two (2) SUVs, Two (2) minibuses for Taxpayers Services Staff who usually work late, 50 desktops and 10 laptops.

	Implementation Budget	GoL Subsidy	IPFMRP	APM Terminal	Total
6. CONSUMPTION OF FIXED CAPITAL					
Transport Equipment	-	61,250	169,000	188,080	418,330
Miscellaneous Office Equipment	-	33,130	-	-	33,130
Furniture and Fixtures	-	17,185	608,942	-	626,127
ICT Infrastructure	5,424	39,280	740,406	80,750	865,860
	<u>5,424</u>	<u>150,845</u>	<u>1,518,348</u>	<u>268,830</u>	<u>1,943,447</u>
Total Expenditure	<u>1,065,465</u>	<u>7,680,874</u>	<u>2,459,645</u>	<u>364,930</u>	<u>11,570,914</u>
% of Total Expenditure	<u>9.21</u>	<u>66.38</u>	<u>21.26</u>	<u>3.15</u>	<u>100.00</u>

	Implementat -ion Budget	GoL Subsidy	Total
7. CASH			
(A) Cash Balance by Bank			
Cash at Bank LRD (Ecobank Liberia)	-	4,927,150	4,927,150
Cash at Bank USD (Ecobank Liberia)	34,535	540,331	574,866
Cash at Hand (Petty Cash)	-	15,000	15,000
	<u>34,535</u>	<u>5,482,481</u>	<u>5,517,016</u>
	June 30, 2015		April 1, 2014

(B) Cash Balance by Source			
1) Balance on LRA Implementation Budget	34,535		0
2) Balance on account of GoL Subsidy & APM Terminal	<u>5,482,481</u>		<u>0</u>
TOTAL	<u>5,517,016</u>		<u>0</u>

	Implementat -ion Budget	GoL Subsidy	Total
8. LIABILITIES			
Income Tax Pay. on Salary/Employees	-	134,843	134,843
Income Tax Pay. on Salary/Contractors	-	15,675	15,675
Income Tax Pay. on Salary/Educ. Allow.	-	41,184	41,184
NASSCORP Employer's contr & Pen	-	276,195	276,195
NASSCORP Employees contr	-	174,439	174,439
Income Tax Payable (10% Prof.)	-	1,835	1,835
Withholding Tax Payable 4%	-	1,661	1,661
Withholding Tax Payable 2%	-	2,514	2,514

Withholding on Petroleum 1%	-	<u>131</u>	<u>131</u>
	<u>-</u>	<u>648,477</u>	<u>648,477</u>

9. COMMITMENTS

Basic Salary (Retroactive Salaries for LRA Staff)	1,393,114
Employer's Contributions: NASSCORP	40,500
Provident Fund	244,334
Transport Equipment	907,856
Furniture & Fixtures	99,752
ICT Infrastructure	139,050
Machinery & Other Equipment	321,600
Uniforms & Specialized Clothing	265,000
1000 KVA Generator	184,000
Real Estate Block Mapping Project	231,000
Telecommunication, Internet, Postage & Courier	116,907
Electricity	42,000
Repairs & Maintenance - Civil	226,603
Repairs & Maintenance - Vehicles	80,000
Repairs & Maintenance - Equipment	90,000
Stationeries & Office Supplies	299,773
Vehicle Insurance	58,000
Personnel Insurance	<u>56,500</u>
	<u>4,795,989</u>

The above commitments include Basic Salary and Employer's Social Security Contributions. Basic salary relates to retroactive salary of employees based on their new pay grades or salary scales. These amounts were accrued but not paid during the regular periods, as employees of the former Department of Revenue, Ministry of Finance & Development Planning were still being vetted for placements per the LRA Act.

SUPPLEMENTARY DISCLOSURES

SUPPORT SUMMARY

1.	BIVAC	maintenance of the DI site at the Free Port of Monrovia and also constructing Ram Shell for loading and off-loading of goods at entry points (Ganta and Bo-water side custom business centers) and the implementation of CCTV network at Freeport, LPRC and HQ
2.	UNDP	Construction of the Data Center and provision of computers and IT related equipment (25 laptops, 50 desktop, 2 enterprise printers, 4 CISCO access point, and 20 CISCO Switches)
3.	IMF	Remote assistance in developing the new GST Return Forms for the GSM and Hotel Sectors, remotely trained 8 auditors in the Interactive Data Extraction Analysis (IDEA) Computer Aided Audit Technique (CAAT), trained 10 auditors and analysts in the usage and analysis of the GSM and Hotel sectors GST Form.
4.	EU/10 EDF	Negotiation has recommenced since the cessation of Ebola.
5.	USAID/GEMS	Provision of Computer, Radio, printer, Air conditioners and furniture of the LRA Business offices, etc. Procurement of assistance still in progress. Delivery expected in August
6.	SIDA	Tripartite Agreement for the Capacity building of Customs staff in Ghana
7.	ADB	US\$2 million approved to conduct key tax audits in Extractive Sector namely Mining and Agriculture
8.	IFC	Provision of TA in GST administration, Protest and Objections and Communication on going
9.	OTA	Technical Assistance delayed due to Ebola. Expected in July 2015
10.	IPFMRP	Project ongoing since 2012 and is estimated to be completed in 2016.

APPENDIX

APPENDIX 1: DETAILED BUDGET PERFORMANCE REPORT

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE FIFTEEN (15) MONTHS ENDED JUNE 30, 2015**

	A	B	C	D=B-A	E
Description / ACCOUNT TITLE	* Actual Amounts (US\$)	Final Budget (US\$)	Original Budget (US\$)	Difference: Final Budget & Actual (US\$)	Var. %
INFLOWS					
Authorized Allocation (Subsidy from GOL)	13,106,502	13,108,017	13,108,017	1,515	0.01
Other Receipts (APM Terminal)	56,853	56,853	-	-	-
Total receipt	13,163,355	13,164,870	13,108,017	1,515	0
OUTFLOWS					
Compensation of Employees					
Basic Salary	6,351,375	8,606,966	8,252,790	2,255,591	26.21
Overtime	25,382	25,382	2,500	-	-
Residential Rental and Lease Allowance	5,050	27,070	24,920	22,020	81.34
Employer'S Contributions: NASSCORP	6,873	23,273	23,273	16,400	70.47
Incapacity, Death Benefits and Funeral Expenses	1,756	1,756			
LRA Provident Fund	-	250,465	250,465	250,465	100.00
Total Compensation of Employees	6,390,436	8,934,912	8,553,948	2,544,477	28.48
Consumption of Fixed Capital					
Transport Equipment	61,250	572,999	758,693	511,749	-
Miscellaneous Office Equipment	33,130	559,270	559,270	526,140	94.08
Furniture & Fixtures	17,185	76,632	76,632	59,447	77.58
ICT Infrastructure	39,280	117,984	117,984	78,703	66.71
Total Consumption of Fixed Capital	150,845	1,326,884	1,512,578	1,176,039	88.63
Use of Goods and Services					
Foreign Means Of Travel	49,860	54,976	81,776	5,116	9.31
Foreign Daily Subsistence Allowance	86,487	93,469	91,469	6,982	7.47
Foreign Incidental Allowance	5,350	7,000	3,200	1,650	23.57
Domestic Means Of Travel	8,375	28,096	26,506	19,721	-
Domestic Daily Subsistence Allowance	36,188	43,567	23,567	7,380	16.94
Domestic Travel -Incidental Allowance	2,885	2,885	160	-	-
Electricity	3,611	50,267	50,267	46,656	92.82
Water And Sewage	2,241	7,430	7,430	5,189	69.84
Telecommunication, Internet, Postgae & Courier	53,726	69,547	269,547	15,821	22.75
Residential Property Rental	14,725	37,308	37,308	22,583	60.53
Office Buildings Rental & Leases	45,528	59,800	59,800	14,273	-
Fuel & Lubricants (Utility) -Vehicles	73,597	240,469	240,469	166,872	69.39
Use of Goods and Services C/F	382,572	694,814	891,500	312,242	44.94

Auditor General's Report on the
Liberia Revenue Authority Restated Financial Statements
For year ended 30 June, 2015

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE FIFTEEN (15) MONTHS ENDED JUNE 30, 2015**

	A	B	C	D=B-A	E
Description / ACCOUNT TITLE	Actual Amounts (US\$)	Final Budget (US\$)	Original Budget (US\$)	Difference: Final Budget & Actual (US\$)	% Var. (US\$)
INFLOWS					
Use of Goods and Services B/F	382,572	694,814	891,500	312,242	44.94
Fuel & Lubricants (Utility) - Bikes	-	1,623	46,623	1,623	100.00
Fuel & Lubricants (Generators)	44,134	119,459	162,606	75,325	63.05
Repairs & Maint. Civil	21,051	105,460	105,460	84,409	80.04
Repair & Maint. Vehicles	6,423	48,715	48,715	42,292	86.82
Repairs & Maint. Motor Cycles	3,581	4,976	4,976	1,395	28.03
Repairs & Maint. Generators	15,212	15,507	55,507	296	1.91
Repairs & Maint. Of Equipment	94,918	94,918	3,129	-	-
Cleaning Materials & Services	20,887	52,873	52,873	31,986	-
Stationeries & Office Supplies	61,465	65,302	50,302	3,837	5.88
Printing & Publication Services	77,988	121,412	136,412	43,425	35.77
Newspapers, Books & Specialized Publications	-	84,047	84,047	84,047	-
Employees ID Cards	3,552	27,001	27,001	23,449	86.84
Other Specialized Materials & Services/Veh. Registratio	10,239	14,097	29,097	3,858	-
Media relations, Intelligence and Promotions	64,946	64,946			
Professional Services	48,663	207,932	207,932	159,270	-
Board Fees and Management	21,600	36,000	36,000	14,400	-
Local Training	1,335	5,829	4,724	4,493	-
Foreign Training	34,680	43,680	28,680	9,000	20.60
Tax Education	1,980	27,994	27,994	26,015	92.93
Entertainment, Representations & Gifts	9,219	14,250	14,250	5,031	35.30
Operational Expenses	87,821	96,995	100,186	9,174	9.46
Int'L Organization Fees & Dues	65,035	67,675	67,675	2,640	3.90
Bank Charges and other Bank Related Costs	2,596	2,596	-	-	-
Exchange Loss	29,170	29,170	-	-	-
Revenue Enforcement	11,656	17,455	17,455	5,798	33.22
Other Compensation/Whistleblower	3,113	4,702	4,702	1,589	-
Personnel Insurance	14,178	70,250	70,250	56,073	79.82
Insurance For Vehicles	1,582	60,296	60,296	58,714	97.38
Other Off. Mat. & Consumables/Notary Seals & Forms	-	2,460	2,460	2,460	-
Uniforms & Specialized Clothing	-	200,640	200,640	200,640	100.00
Special Project					
Real Estates Block Mapping and Database Project	-	500,000	500,000	500,000	100.00
Total Use of Goods and Services	1,139,593	2,903,073	3,041,491	1,763,480	60.75
GRAND TOTAL	7,680,874	13,164,870	13,108,017	5,483,996	41.66