

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019



AUDIT SERVICE SIERRA LEONE

2nd Floor, Lotto Building, Tower Hill, Freetown, Sierra Leone, West Africa

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Abbreviations and acronyms

AfDB-African Development Bank

ASSL-Audit Service Sierra Leone

CRF-Consolidated Revenue Fund

GOSL-Government of Sierra Leone

GPFS-General Purpose Financial Statements

IDA-International Development Association

SLL- Sierra Leone Leones

MoF-Ministry of Finance

NRA-National Revenue Authority

NASSIT-National Social Security and Insurance Trust

PFMICEP-Public Financial Management Improvement and Consolidation Project

SAI-Supreme Audit Institution

SLCB-Sierra Leone Commercial Bank

General Information

Board of Directors

Mr. Mr. Charles Rogers	-	Chairman
Ms. Fatmata Denton	-	Member
Mrs. Lara Taylor-Pearce	-	Member
Mr. Kalilu O. Bah	-	Member

Registered Office

Lotto Building
Tower Hill
Freetown

Secretary to the Board

Mrs. Fatmata Binta Bah

Bankers

Sierra Leone Commercial Bank
Siaka Stevens Street
Freetown

Rokel Commercial Bank
Siaka Stevens Street
Freetown

Auditors

PAJ & ASSOCIATES
Chartered Accountants & Registered
Auditors
87A Smart Farm, Off Wilkinson Road
Freetown

Statement of Management Responsibilities

The Vote Controller confirms that the Financial Statements have been prepared in accordance with the provisions of the Public Financial Management Act of 2016 and in compliance with the International Public Sector Accounting Standard: Financial Reporting under the Cash Basis of Accounting (Cash Basis IPSAS), adopted by the Government of Sierra Leone.

Sections 33 of the Audit Service Act 2014 and Section 119 (12) of the 1991 Constitution of Sierra Leone requires that “the accounts of the office of the Auditor-General shall be audited and reported upon by an Auditor appointed by Parliament”.

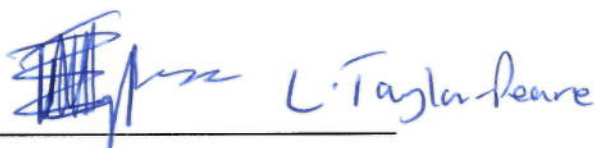
The Vote Controller is responsible for the preparation and presentation of the Audit Service Sierra Leone’s (ASSL) financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of each financial year. This responsibility is stipulated in Sections 13 and 15 of the Public Financial Management Act, 2016, includes: (i) maintaining efficient and effective systems of financial management and internal controls; (ii) safeguard and manage assets and public money of the entity in the best interest of the entity with the due care and diligence; (iii) keep full and proper records of the financial affairs of the entity; and (iv) submit in a timely manner financial reports, accounts and statements of the entity.

The Vote Controller is of the opinion that the ASSL’s financial statements give a true and fair view of the state of the ASSL’s transactions during the financial year-end. The Vote Controller confirms that the ASSL has complied fully with applicable Government Regulations, and that the funds received during the year under review were used for the eligible purposes for which they were intended and were properly accounted for. The Vote Controller also confirms the adequacy of the system of internal controls. Further, the Vote Controller confirms that in preparing the Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgment and estimates. The Vote Controller further confirms to the best of her knowledge and belief the completeness of the accounting records maintained and that the Financial Statements agree with the books of accounts, which have been properly kept.

The Vote Controller accepts responsibility for the integrity of the financial statements, the financial information they contain and their compliance with the provisions of Section 15 (4) of the Public Financial Management (PFM) Act of 2016.

Approval of the financial statements

The financial statements were approved and signed by the undersigned on 24th July 2020.



 L. Taylor Pearce

Vote Controller

Date 24th July 2020



Independent Auditors' Report to Parliament

Report on the Audit of the 2019 Financial Statements

This report is made solely to Parliament in respect of the Audit of Audit Service Sierra Leone for the year ended 31 December 2019.

Our audit work has been undertaken so that we may state to Parliament those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Audit Service Sierra Leone and Parliament, for our audit work, for this report, or for the opinion we have formed.

Opinion

We have audited the financial statements of Audit Service Sierra Leone, which comprise the statement of cash receipts and payments, and statement of cash position as at the year end, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the cash position of Audit Service Sierra Leone as at 31 December 2019, and (of) its financial performance for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash, and the requirement of the Sierra Leone Public Financial Management Act 2016.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing and applicable law. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report below.

We are independent of Audit Service Sierra Leone in accordance with the ethical requirements that are relevant to our audit of the financial statements in Sierra Leone, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained during the planning, execution and conclusion of our audit is sufficient and appropriate to provide a suitable basis for our opinion.

Independent Auditors' Report to Parliament Continued

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provision of the Sierra Leone Public Financial Management Act 2016. This responsibility includes:

- (a) devising and maintaining a system of internal accounting control sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of receipts and payments and cash position and to maintain accountability of assets;
- (b) Selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

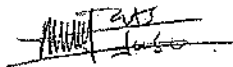
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 audit opinion.

The maintenance and integrity of any web site where Audit Service Sierra Leone may choose to publish this report is the responsibility of the Management; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since their publication on a web site.

PAJ & Associates

Signed



87A Smart Farm
Off Wilkinson Road
Freetown
Date 28th July 2020

Statement of cash receipts and payments for the year ended 31 December 2019

Amounts in Leones					
	Note	2019		2018	
		Receipts/ Payments by ASSL	Receipts/ Payments by Move/third party	Receipts/ Payments by ASSL	Receipts/ Payments by Move/third party
RECEIPTS					
Authorised Allocation/ Move transfers	3.1	35,619,762,258	-	37,637,466,142	-
Proceeds from domestic and foreign grants	3.2	-	-	418,969,500	-
Other receipts		-	-	-	-
Proceeds from borrowings:					
Foreign		-	-	-	-
Trading activities:					
Audit fees	Pgs. 14-15	1,628,410,000	-	1,376,682,500	-
Other receipts-Sales of bid	3.3	-	-	4,250,000	-
Total receipts		37,248,172,258	-	39,437,368,142	-
PAYMENTS					
Compensation of employees	4.1	26,077,745,699	-	24,122,995,364	-
Use of goods and services	4.2	10,965,150,479	-	10,834,949,298	-
Social benefits	4.3	1,517,724,349	-	1,342,875,107	-
Other payments	4.4	45,434,783	-	74,200,000	-
Total payments		38,606,055,309	-	36,375,019,769	-
Surplus/ (Deficit)		(1,357,883,051)	-	3,062,348,373	-
Cash at the beginning of the year	6.2	11,437,403,436	-	8,375,055,062	-
		<u>10,079,520,385</u>	<u>-</u>	<u>11,437,403,436</u>	<u>-</u>
Reconciliation of cash balance:					
		10,079,520,385	-	11,437,403,436	-
Less: Transfer of funds	9	(1,565,016,965)	-	-	-
		8,514,503,420	-	11,437,403,436	-
Add: exchange rate gain		<u>823,331,348</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash at the close of the year		<u>9,337,834,767</u>	<u>-</u>	<u>11,437,403,436</u>	<u>-</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

Audit Service Sierra Leone financial statements were approved on 24th July 2020 and signed by:


Vote Controller


Head of Accounts

Statement of detailed comparison of budget and actual, revenue and expenditure for the year ended 31st December 2019

Amounts in Leones	2019			2018		
	Final budget	actual	Variance	Final budget	Actual	Variance
Revenue						
Non-Tax						
GOSL-Salaries	31,800,000,000	27,256,356,572	(4,543,643,428)	31,554,308,457	29,114,903,642	(2,439,404,815)
GOSL- Other Charges	8,994,155,380	7,833,266,666	(1,160,888,714)	7,834,885,341	8,053,300,000	218,414,659
Audit Fees(Income)	2,295,418,750	1,628,410,000	(667,008,750)	1,855,875,000	1,376,682,500	(479,192,500)
Sale of Bid Document	-	-	-	-	4,250,000	4,250,000
Technical Audit	-	-	-	-	469,262,500	469,262,500
Setting up of IT Division	-	530,139,020	530,139,020	-	-	-
Proceeds from grant and loan:						
GOSL-PFMICP	2,545,481,156	-	(2,545,481,156)	4,484,519,760		(4,484,519,760)
GOSL-SAI Capacity Building Project	512,047,813	-	(512,047,813)	1,688,138,575	418,969,500	(1,269,169,075)
Total Income	46,147,103,098	37,248,172,258	(8,898,930,840)	47,417,727,133	39,437,368,142	(7,980,358,990)
Expense						
Compensation of employees	(31,689,000,000)	(27,595,470,047)	4,093,529,953	(31,382,353,458)	(25,465,870,471)	5,916,482,987
Total expense	(31,689,000,000)	(27,595,470,047)	4,093,529,953	(31,382,353,458)	(25,465,870,471)	5,916,482,987
Programme1	(14,953,680,004)	(11,010,585,262)	3,943,094,742	(16,780,833,205)	(10,909,149,298)	5,871,683,907
Total expenditure	(46,642,680,004)	(38,606,055,309)	8,036,624,695	(48,163,186,663)	(36,375,019,769)	11,788,166,895

Statement of cash position (all public funds) as at 31 December 2019

Amounts in Sierra Leone Leones (SLL)

			Notes	2019	2018	Changes in cash balances
<u>Cash/ bank account details</u>	<u>Project name</u>	<u>Currency held in</u>				
<u>General fund</u>						
Petty cash			6.1	3,714,000	3,329,000	385,000
Bank accounts						
Salary,-RCB		SLL	6.1.1	4,836,257,322	5,325,296,701	(489,039,379)
Other Charges-SLCB		SLL	6.1.1	1,647,453,117	1,857,779,786	(210,326,670)
Training-SLCB		SLL	6.1.1	<u>338,066,076</u>	<u>229,539,973</u>	<u>108,526,102</u>
Total held in bank account				<u>6,821,776,514</u>	<u>7,412,616,461</u>	<u>(590,839,947)</u>
Total cash and bank balances at the end of the period (general fund)				<u>6,825,490,514</u>	<u>7,415,945,461</u>	<u>(590,454,947)</u>
<u>Donor financed projects</u>						
<u>Project bank accounts</u>						
ASSL PFMICP	PFMICP	USD	6.1.1	2,512,344,253	3,347,538,131	(835,193,877)
SAI Capacity Building Project-SLCB	SAI Capacity Building Project	USD	6.1.1	<u>-</u>	<u>673,919,845</u>	<u>(673,919,845)</u>
Total projects cash and bank balances at the end of the period				<u>2,512,344,253</u>	<u>4,021,457,975</u>	<u>(1,509,113,722)</u>
Total cash and bank balances-all public funds				<u>9,337,834,767</u>	<u>11,437,403,436</u>	<u>(2,099,568,669)</u>

Notes to the Financial Statements

1. General information about Audit Service Sierra Leone

The Audit Service Sierra Leone (ASSL) being the Supreme Audit Institution (SAI) of the country is constitutionally responsible for the audit of all ministries, departments, agencies, parastatals and other government institutions. This mandate is enshrined in the 1991 Constitution of Sierra Leone and other related legislations, including the Public Financial Management Act, 2016 and the Audit Service Act, 2014.

Audit Service Act (ASA) was passed by Parliament on 9th July 1998, and the Statutory Instrument signed by H.E The President, Dr. Alhaji Ahmad Tejan Kabba on the 18th day of November 2004. Audit Service Sierra Leone commenced operation under the Audit Service Act on 1st October 2004.

Implementation of the 1998 Act started in the year 2004 when the Board members were appointed by the President and ratified by Parliament.

The Audit Service Act (ASA) 1998 has since been repealed and replaced by Audit Service Act 2014

2. Standardised Statement of Accounting Policies

The Standardised Accounting Policies given below have been developed using the cash basis of accounting that prescribed how financial transactions are treated and reported in the general purpose financial statements. These are developed based on the fundamental principles underlying the preparation of financial statements, including going-concern assumption, consistency of presentation and classification, cash basis of accounting, and aggregation and materiality. They prescribed consistency in the definition, recognition, measurement and treatment of similar accounting items or financial transactions.

The Standardised accounting policies adopted in the preparation of the general purpose financial statements are set out below:

2.1 Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with the requirements of the Public Financial Management (PFM) Act, 2016, Section 14 (1) of the Audit Service Act (ACT), 2014 and comply with the International Public Sector Accounting Standard Financial Reporting under the Cash Basis of Accounting (Cash Basis IPSAS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below.

The financial statements have been prepared on the cash basis using the Government's standard chart of accounts.

The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements-continued**2.2 Reporting Currency**

The financial statements are presented in Sierra Leone Leones, which is the functional and reporting currency of the Government of Sierra Leone.

Financial information presented has been rounded up to the nearest Leones

2.3 Reporting Period

The reporting period for these financial statements is a period of twelve months starting on 1st January 2019 to 31 December 2019, as specified in Section 1 of the PFM Act, 2016.

2.4 Receipts

Receipts are cash inflows within the Financial Year, comprising of receipts from Statutory/Authorised Allocations, Grants, fees from audit services rendered to departments, parastatals and agencies of the government of Sierra Leone, and sale of bid document.

2.5 Government Business activities

Cash receipts from trading activities shall be recorded net in the GPFS (after deducting direct expenses) unless otherwise provided for by law or policy in force. Total net receipts from all trading activities shall be disclosed in the Statement of cash receipts and payments under 'trading activities' item

Wherein gross revenue recorded, corresponding payments shall be charged under a corresponding payment item head 'Government business activities' in the Statement of Cash Receipts and Payments.

2.6 Payments

Payments are recurrent and capital cash outflows made during the financial year and shall be categorised either by major economic categories/programme (activities) and/or by function in the statement of cash receipts and payment.

Payments for purchase of items of capital nature shall be expensed in the year in which the items have been purchased. It shall be disclosed under capital payments. Investments shall also be treated in the same way as capital purchases.

2.7 Foreign Currency Translation

Cash flows arising from foreign currency transactions are translated into Leones using the spot exchange rates prevailing at the date of payment/receipt.

Foreign currency balances, as at the year end, shall be translated at the exchange rates prevailing on that date (closing spot rate or year-end exchange rate).

Notes to the Financial Statements-continued

Foreign currency balances, as at the year end, shall be translated at the exchange rate prevailing on that date (closing spot rate or year-end exchange rate).

Foreign exchange gains and losses resulting from the settlement of foreign 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 Cash Receipts and Payments accordingly either as receipts/payments.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. These comprise mainly Bank account balances; include amounts held at Rokel and Sierra Leone commercial bank, cash imprest and other short term highly liquid investments held at the end of the financial year. The cash and cash equivalents are stated at their face values, as this approximates to amortised cost.

2.9 Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements.

The budget figures are the amounts approved by the legislature in accordance with the Appropriation Act (annual budget and supplementary budget) and as detailed in the Government of Sierra Leone Budget Printed Estimates.

An assessment of the actual budgetary performance, at the level of legislative approval, against the comparable budget for the financial year under review has been included as Statement B of these Financial Statements.

2.10 Welfare Fund

The fund is self-contributory by staff and was set up to alleviate urgent financial needs of members of staff.

2.11 Employee benefit

Audit Service operates on defined contribution and defined benefit of post-employment benefit plan. Under the defined contribution plan, Audit Service Sierra Leone pays fixed contributions of the employees' basic salary in to National Social Security and Insurance Trust (NASSIT) and will not have any legal or constructive obligation to pay further contributions at the end of the employment service.

Notes to the Financial Statements-continued

ASSL further operates defined benefit plan in which an employee who has completed a minimum number of years of continuous service and whose employment comes to an end as a result of retirement, resignation, death or termination shall be entitled to severance benefit.

2.12 Other disclosures**2.12.1 External support****2.12.2 Government grant****2.12.2.1 Public Financial Management Improvement and Consolidation Project (PFMICP)**

Audit Service Sierra Leone has been benefiting from a government loan under the project Public Financial Management Improvement and Consolidation Project (PFMICP) that is co-funded by International Development Association (IDA), Multi-Donor Trust Fund (MDTF) and African Development Bank (AfDB). The amounts received are initially recognised as revenue at the average foreign exchange rate in force at the date of the transaction.

2.12.2.2 Supreme Audit Institution Capacity Development Project (SAICDP)

The World Bank Group, through its agency – the International Development Association (IDA) – acting as administrator of grant funds under the Supreme Audit Institution

Capacity Development (SAICD) Multi-Donor Trust Fund provided a grant to Audit Service Sierra Leone (ASSL) to strengthen its professional capacity to deliver quality public sector audit. The objective of the Capacity Building Project Grant was to improve the efficiency of public sector audit, thereby strengthening external oversight over the management of public resources in Sierra Leone. The project hopes to capacitate staff of Audit Service Sierra Leone on their financial oversight roles to ensure transparency and accountability on the use of public funds.

The project ended on the 31st January, 2019.

Statement of detailed revenue collected during the year ended 31st December 2019

Amounts in Sierra Leonean (SLL)				
Details	2019		2018	
	Budget	Actual	Budget	Actual
Non tax-Audit fees income				
Parliamentary Service Commission	-	15,000,000	-	-
S/L Stock Exchange Company Ltd	38,587,500	-	36,750,000	-
Africa Capacity Building Foundation	-	-	-	-
Financial Intelligence Unit	-	-	-	-
Guma Valley Water Company	132,300,000	120,000,000	126,000,000	-
National Revenue Authority	219,450,000	-	199,500,000	155,925,000
Sierra Leone Insurance Commission	27,562,500	-	26,250,000	-
Sierra Leone Maritime Administration	88,200,000	49,875,000	84,000,000	19,950,000
Human Rights Commission Sierra Leone	17,640,000	-	16,800,000	35,100,000
Anti-Corruption Commission	44,100,000	95,000,000	42,000,000	42,000,000
Njala University	-	-	-	45,000,000
National Commission for Children	-	10,395,000	-	10,395,000
EGTC	200,000,000	177,187,500	-	200,000,000
National Social Security & Insurance Trust	173,250,000	266,962,500	157,500,000	77,962,500
Ernest Bai Koroma University of Science	-	40,000,000	-	-
S/L Agricultural Research Institute	17,640,000	23,625,000	16,800,000	-
National Electoral Commission	99,225,000	120,500,000	94,500,000	47,500,000
Sierra Leone Road Safety Authority	165,375,000	92,500,000	157,500,000	92,500,000
National Power Authority	-	-	-	-
National Minerals Agency	41,343,750	-	39,375,000	24,475,000
Corporate Affairs Commission	15,435,000	-	14,700,000	-
Office of National Security	16,537,500	42,000,000	15,750,000	-
Statistics Sierra Leone	55,125,000	-	52,500,000	-
National Telecommunication	69,300,000	107,500,000	63,000,000	-
Golden Tulip Kimbima Hotel	-	23,625,000	-	23,625,000
Independent Media Commission	16,537,500	-	15,750,000	-
Sierra Leone Ports Authority	173,250,000	73,237,500	157,500,000	141,750,000
Constitutional Review Committee	-	-	-	-
Justice Sector Coordination	9,922,500	7,087,500	9,450,000	11,812,500
Road Maintenance Fund Administration	66,150,000	-	63,000,000	28,500,000
National Civil Registration Authority	-	20,790,000	-	145,000,000

Amounts in Sierra Leone Leones (SLL)				
Details	2019		2018	
	Budget	Actual	Budget	Actual
Non tax-Audit fees income				
SIERRATEL	173,250,000	-	157,500,000	13,000,000
Eastern Polytechnic	-	41,000,000	-	15,000,000
Sierra Leone Legal Aid Board	-	20,000,000	-	17,000,000
National Youth Commission	11,025,000	-	10,500,000	14,175,000
Central Intelligence and Security Unit	-	22,000,000	-	68,512,500
Kambui Property Holdings	-	-	-	20,000,000
Sierra Leone Airports Authority	165,375,000	212,625,000	157,500,000	22,500,000
Political Parties Registration Commission	16,537,500	20,000,000	15,750,000	105,000,000
Petroleum Directorate	55,125,000	22,500,000	52,500,000	-
Sierra Leone Roads Authority	110,000,000	5,000,000	-	-
National Commission for Democracy	19,293,750	-	18,375,000	-
Nuclear Safety Radiation Protection Authority	16,537,500	-	15,750,000	-
National Public Procurement Authority	19,293,750	-	18,375,000	-
Office of Ombudsman	22,050,000	-	21,000,000	-
Total revenue	2,295,418,750	1,628,410,000	1,855,875,000	1,376,682,500

Statement of domestic revenue and allocation arrears as at 31st December 2019

Amounts in Sierra Leone Leones (SLL)

Details	2019	2018
Non tax		
Salary	-	-
Other Charges	-	-
Audit fees	906,000,000	198,750,000
Technical Audit refund	<u>388,625,257</u>	-
Total revenue	<u>1,294,625,257</u>	<u>198,750,000</u>

Statement of unpaid commitments outstanding as at 31st December 2019

Amount in Sierra Leone Leones (SLL)						
Particulars	Note	Outstanding amounts	Aged analysis			
			0-6 month		6-12 months	> 12 months
			2019	2018		
Use of goods and services	7	7,365,000	7,365,000	49,808,109	-	-
Other payment	8	1,324,085,917	1,324,085,917	349,368,939	-	-
		1,331,450,917	1,331,450,917	399,177,048	-	-

Statement of fixed (physical) assets purchased during the year ended 31st December

Amounts in Sierra Leone Leones (SLL)

Particulars	Account code	Note	Amounts	
			2019	2018
Land and Building	2617	5	182,515,000	-
Furniture, Office Equipment, Safes	2613	5	104,774,500	125,908,000.00
Computer and Ancillary Equipment	2614	5	260,379,781	395,218,987.30
Motor Vehicles	2615	5	850,005,919	336,324,742.03
Plant, Equipment and Machinery	2631	5	31,403,625	41,509,000.00
Total fixed (physical) assets purchased during the year			1,429,078,825	898,960,729

Statement of Undrawn External Assistance as at the year Ended 31st December 2019

Amounts in Sierra Leone Leones

	Others		Total
	2019	2018	
Opening balance:			
Loans	1,363,045,299	1,363,045,299	2,726,090,598
Grants	-	418,843,809	418,843,809
Approved in the period:			
Loans	-	-	-
Grants	-	-	-
Drawdowns:			
Loans	-	-	-
Grants	-	(418,843,809)	(418,843,809)
Cancelled:			
Loans	(1,363,045,299)	-	1,363,045,299
Grants	-	-	-
Exchange difference:			
Loans	-	-	-
Grants	-	-	-
Closing balance:			
Loans	-	1,363,045,299	1,363,045,299
Grants	-	-	-

Notes to the Financial Statements-continued

3 Receipts

Amount in Sierra Leone Leones	2019	2018
3.1 Authorised Allocation/ MoF transfers		
GoSL-salaries	27,256,356,572	29,114,903,642
GoSL-Recurrent expenditure	7,833,266,666	8,053,300,000
Technical Audit DSA for staff of SAI Ghana, Tanzania and Kenya	-	469,262,500
Setting-up of IT Audit Division	<u>530,139,020</u>	<u>-</u>
	<u>35,619,762,258</u>	<u>37,637,466,142</u>
 3.2 Proceeds from domestic and foreign grants		
SAI Capacity Building Project	<u>-</u>	<u>418,969,500</u>
	<u>-</u>	<u>418,969,500</u>
 3.3 Other receipts		
Sales of bid document	<u>-</u>	<u>4,250,000</u>
	<u>-</u>	<u>4,250,000</u>

4 Payments

4.1 Compensation of employees

Salaries	21,642,918,739	18,674,632,808
Wages	11,024,534	30,789,482
Bonus	1,222,859,196	1,106,720,795
Leave allowance	2,301,748,805	2,968,349,959
Overtime	47,797,505	44,988,987
Gratuity	561,787,303	1,024,393,660
Medical Allowances	271,609,617	269,119,673
Staff welfare Contributions	-	4,000,000
Compensation package	<u>18,000,000</u>	<u>-</u>
	<u>26,077,745,699</u>	<u>24,122,995,364</u>

Notes to the Financial Statements-continued

4.2 Use of Goods and Services

Amount in Sierra Leone Leones (SLL)	2019	2018
Audit Fees	85,000,000	70,000,000
Transfer to CRF	593,210,000	441,735,000
Local Travelling	754,952,000	447,984,000
Overseas Travelling	1,781,345,565	1,479,838,606
Overseas Training	923,330,089	950,392,231
Electricity	154,516,000	201,381,350
Water Charges	360,000	7,014,348
Telephone & other Communication	541,997,007	373,650,316
Life Assurance Policy	31,961,971	31,961,970
Rent and Rates	494,231,940	567,966,954
Office & general	299,973,697	317,529,711
Stationery	135,862,359	101,365,650
Computer Consumables	198,354,500	117,871,258
Advertisement	4,800,000	30,050,000
Printing and Publicity	257,155,409	257,893,204
Building (Maintenance)	56,036,750	22,103,250
Machinery & Furniture Maintenance	58,168,250	17,608,000
Vehicles Maintenance	514,362,506	364,302,033
Generator Running Cost	8,427,500	6,310,000
Vehicle Insurance & Licensing	202,834,057	91,922,296
Bank Charges	174,016,602	202,983,994
Sub & Membership dues	49,322,250	68,635,400
Training & Recruitment (Local)	104,272,344	267,616,456
Professional Fees	971,816,480	2,013,483,374
Overseas Audit	-	504,716,040
Solicitor Fee	-	20,350,000
Uniforms	29,910,000	28,920,000
Transport, Fuel and Oil	391,977,500	459,604,830
Technical Audit expense	378,406,451	470,798,300
Computer & Accessories expense	260,379,781	395,218,987
Furniture and Fitting expense	104,774,500	125,908,000
Plant & Machinery expense	31,403,625	41,509,000
Motor Vehicle expense	850,005,919	336,324,742
Land and Building	182,515,000	-
IT Audit expense	339,470,427	-
	<u>10,965,150,479</u>	<u>10,834,949,298</u>

4.3 Social benefit

NASSIT (10%)	<u>1,517,724,349</u>	<u>1,342,875,107</u>
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Notes to the Financial Statements-continued

4.4 Other payment

Amount in Sierra Leone Leones (SLL)	2019	2018
Directors Allowances	37,434,783	46,200,000
Sitting fees	<u>8,000,000</u>	<u>28,000,000</u>
	<u>45,434,783</u>	<u>74,200,000</u>

5 Fixed asset

Items of property, plant and equipment assets are measured at cost. To be capitalised, the value of the item should exceed one million (SLL1,000,000) and have a life span of over one year utilised for the operations of the Audit Service sierra Leone.

The amount charged in the statement of cash receipts and payments for Land and Building relates to the laying of foundation for the fencing of our land in the three provincial offices.

The amount charged in the statement of receipt and payment for motor vehicle is the balance payment of two vehicles purchased in 2018.

6 Note supporting cash position

Cash and cash equivalent for the purpose of cash flows comprises:

6.1 Cash at the close of the year

Bank account (see 6.1.1)	9,334,120,767	11,434,074,436
Petty cash (see 6.1.2)	<u>3,714,000</u>	<u>3,329,000</u>
	<u>9,337,834,767</u>	<u>11,437,403,436</u>

6.1.1 Bank balances at the close of the year

Auditor General's Dept.-RCB	4,836,257,322	5,325,296,701
Auditor General's Dept.-Other Charges-SLCB	1,647,453,117	1,857,779,786
Auditor General's Dept.-Training-SLCB	338,066,076	229,539,973
ASSL PFMICP	2,512,344,253	3,347,538,131
SAI Capacity Building Project-SLCB	<u>-</u>	<u>673,919,845</u>
	<u>9,334,120,767</u>	<u>11,434,074,436</u>

6.1.2 Petty cash balances at the close of year

Lotto Building	1,518,000	1,265,000
Youyi Building	404,000	159,000
Kenema	899,000	571,000
Makeni	847,000	834,000
Bo	<u>46,000</u>	<u>500,000</u>
	<u>3,714,000</u>	<u>3,329,000</u>

Notes to the Financial Statements-continued

Amount in Sierra Leone Leones (SLL)

	2019	2018
6.2 Cash at the beginning of the year		
Bank balances (see 6.2.1)	11,434,074,436	8,371,573,062
Cash in hand (see 6.2.2)	<u>3,329,000</u>	<u>3,482,000</u>
	<u>11,437,403,436</u>	<u>8,375,055,062</u>

6.2.1 Bank balances at the beginning of the year

Salary	5,325,296,701	1,860,499,228
Other Charges	1,857,779,786	506,786,985
Training	229,539,973	381,310,230
PFMICP	3,347,538,131	4,158,152,098
SAL Capacity	<u>673,919,845</u>	<u>1,464,824,521</u>
	<u>11,434,074,436</u>	<u>8,371,573,062</u>

6.2.2 Cash in hand at the beginning

Lotto Building	1,265,000	2,669,000
Youyi Building	159,000	160,000
Kenema	571,000	477,000
Makeni	834,000	76,000
Bo	<u>500,000</u>	<u>100,000</u>
	<u>3,329,000</u>	<u>3,482,000</u>

7 Use of goods and services

Withholding tax for December	-	27,743,109
Sewing of staff uniform	<u>7,365,000</u>	<u>22,065,000</u>
	<u>7,365,000</u>	<u>49,808,109</u>

8 Other-Outstanding commitments

Staff welfare returns for December	-	71,545,715
Performance Audit Consultancy fee for December	-	81,735,724
Audit fees to be transferred to CRF	-	111,087,500
Audit fees	85,000,000	85,000,000
Purchase of two vehicles	<u>1,239,085,917</u>	<u>-</u>
	<u>1,324,085,917</u>	<u>349,368,939</u>

9 Transfer of Donor funding

Transfer to PMU-PFMICP	1,205,550,000	-
Transfer of undisbursed funds to IDA	<u>359,466,965</u>	<u>-</u>
	<u>1,565,016,965</u>	<u>-</u>

Notes to the financial statements-continued**10. Statement of disposal of fixed (physical) assets during the year**

There were no fixed assets disposals during the year (2018: Nil)

11. Contingent Assets and Liabilities

No contingent assets and liabilities existed as at 31 December 2019 (2018: Nil)

12. Related Party transactions

There were no related party transaction(s) for the year (2018: Nil).

13. Board Members' Interest

None of the board members had or has any interest in any contract or arrangement of significance to which the Audit Service Sierra Leone was or is a party.

14. Event after the reporting date

There were no events that occurred after the financial year end that materially affected the financial position as at 31 December 2019.