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## ACRONYMS

|             |   |
|-------------|---|
| ACCA -      | Association of Chartered Certified Accountants                                |
| AFROSAI-E – | African Organisation of Supreme Audit Institutions in English Speaking Africa |
| AAG-        | Assistant Auditor General   |
| AG -        | Auditor-General   |
| ASB –       | Audit Service Board   |
| ASSL-       | Audit Service Sierra Leone  |
| DAG-        | Deputy Auditor General  |
| EPA-        | Environmental Protection Agency   |
| FAM -       | Financial Audit Manual  |
| FCASL –     | Fellow of Certified Accountants in Sierra Leone                               |
| FCCA –      | Fellow of Chartered Certified Accountants                                     |
| GBAA-       | Government Budgeting and Accountability Act                                   |
| GoSL –      | Government of Sierra Leone  |
| ICT -       | Information, Communication and Technology                                     |
| IEC -       | Information, Education and Communications                                     |
| INTOSAI –   | International Organisation of Supreme Audit Institutions                      |
| IPAM -      | Institute of Public Administration and Management                             |
| IRCBP-      | Institutional Reform and Capacity Building Project                            |
| ISSAI –     | International Standards of Supreme Audit Institutions                         |
| IT –        | Information Technology  |
| KPI-        | Key Performance Indicators  |
| LGA-        | Local Government Act  |
| MDA-        | Ministries, Department and Agencies   |
| MoFED -     | Ministry of Finance and Economic Development                                  |
| NASSIT –    | National Social Security and Insurance Trust                                  |
| NSA -       | Non-State Actors  |
| PAC-        | Public Accounts Committee   |
| PAM-        | Performance Audit Manual  |
| PFM-        | Public Financial Management   |
| RAM -       | Regularity Audit Manual   |
| SAI -       | Supreme Audit Institution   |
| SALWACO –   | Sierra Leone Water Company  |
| SLRSA –     | Sierra Leone Roads Safety Authority   |
| QA -        | Quality Assurance   |
| QAR-        | Quality Assurance Review  |

### Foreword



Welcome to the fifth edition of our Annual Performance Report 2017 which was considered as a year of renewed vigour and focus for the future, as we continue to pursue our long-term goals for the Audit Service Sierra Leone, as indicated in our strategic plan 2016-2020. The ASSL strategic plan 2016-2020 being the road map for the Organization's development, is our working document; therefore since it has been operational for the past two and a half year, we will do an overview of this document to determine how far we have gone as an office in achieving set objectives. The annual performance report is a self-assessment of our work, and this is done in every twelve months period. It focuses primarily on the internal operations and use of our resources.

The report focuses on key results and achievements for the attention of our clients, other stakeholders and the general public.

Since the inception of the ASSL, it has always triumphed amidst the enormous challenges it faces. 2017 was no exception, and it was a year of awards and recognitions for the Office. We hereby present highlights of these and other issues in the subsequent paragraphs.

In 2017, the ASSL undertook with the guidance of our international partners, an extractives audit in the mining sector as a way of optimizing controls in this sector, thereby ensuring that government is able to harness full potential of this industry.

In 2017 also, we have summarized the Auditor-General's Report 2015 in a graphical form through the support of the European Union. The graphic version of this report simplistically and accurately communicates the key messages of the 2015 report in coloured graphics, cartoons and pictorial illustrations with minimal words.

The Auditor-General received the GOOR award from His Excellency the Former President of the Republic of Sierra Leone, Dr. Ernest Bai Koroma. This was in recognition of her diligent efforts in discharging her mandates.

We continue to maintain strong affiliations with our regional partners as we were actively involved with INTOSAI, AFROSAI, AFROSAI-E and other affiliated working groups within these bodies.

At this point, we wish to appreciate your support and continue to solicit your support and cooperation so that we all can jointly build a better Sierra Leone.

We hereby present to you our annual performance report for 2017.



Lara Taylor-Pearce (Mrs.) FCCA, FCA (SL), GOOR

## **CHAPTER 1 – OVERVIEW OF AUDIT SERVICE SIERRA LEONE**

### **1.1 Brief Background**

The Audit Service Sierra Leone (ASSL) is the Supreme Audit Institution of Sierra Leone. It was originally established as the Audit Department, by the Audit Act of 1962. It became the first audit institution to exist in the country. The nomenclature “Audit Department” was later changed to “The Auditor-General’s Department”.

In 1996, Sierra Leone began its transformation to a democratic state by establishing fully functional institutions to aid good governance and the rule of law. The ASSL then considered that, as it serves its purpose and helps these institutions achieve full potentials; whilst at the same time responding to changes in its external environment; it should perform a “position audit” to identify what needs to be changed. The outcome of this exercise led to the setting up of the ASSL as a legal entity through an Act of Parliament in 1998 which led to the birth of what is now known as the “Audit Service Sierra Leone”.

This establishment was followed by the rebranding of the ASSL to become a modern day supreme audit institution (SAI). It must be noted that, the Audit Service Act of 1998 has been repealed and replaced by the Audit Service Act of 2014.

Section 119 subsection 2, of the 1991 Constitution of Sierra Leone which serves as the basis for the enactment of the ASSL Act and hence the Office of the Auditor-General states that: “The public accounts of Sierra Leone and all public offices, including the courts, the accounts of the central and local government administrations, of the universities and public institutions of like nature, any statutory corporation, company or other body or organisation established by an Act of Parliament or statutory instrument or otherwise set up partly or wholly out of Public Funds, shall be audited and reported on by or on behalf of the Auditor-General, and for that purpose the Auditor-General shall have access to all books, records, returns and other documents relating or relevant to those accounts”.

The ASSL is headed by the Auditor-General (AG) of Sierra Leone and assisted by four deputies. The headquarters is situated on the 2<sup>nd</sup> Floor of Lotto Building, OAU Drive, Tower Hill, Freetown. In addition to its various departments and offices in Freetown, the ASSL has three regional offices in the three provincial headquarter towns of Bo, Kenema and Makeni.

Considering the fact that the mandate of the AG as prescribed by the 1991 Constitution is broad and covers all aspects of government, it should be noted that, the ASSL is unable to audit all institutions yearly as required. As a result, some audits are outsourced to private audit firms; with ASSL taking overall responsibility for their outcomes and reports to Parliament.

## **1.2 Our Mission**

We seek to be a role model by proactively ensuring value for money from public funds through a highly competent and satisfied workforce of integrity.

## **1.3 Our vision**

Our vision is to be a leading audit organisation promoting excellence and accountability in public institutions.

## **1.4 Our Core Values**

The following ethical standards underpin the work of all staff members of the ASSL at all times:

- **Professionalism** – We carry out our work with respect, competently and in the interest of the public.
- **Integrity** – We are straightforward and honest in all professional and business relationships and deal fairly with those with whom we work.
- **Impartiality** – We are unbiased and politically neutral.
- **Objectivity** – We always ensure that we avoid any actual or perceived conflict of interest in the work we do.
- **Independence** – As an organisation, we work independently from the Government.

## **1.5 About the Auditor-General**

The Auditor-General, Lara Taylor-Pearce (Mrs) (FCCA, FCASL), is the government's independent auditor with the sole prerogative and mandate of reporting to Parliament on any matter which in her opinion ought to be brought to the attention of Parliament.

Her career at Audit Service started in 2007, when she was appointed Deputy Auditor General after several impressive years of stewardship in both public and private sectors.

Starting as a trainee auditor in 1991 at the KPMG Peat Marwick Sierra Leone, she rose to the rank of supervisory senior seven years later. After honing her skills in the private sector for nearly a decade, she entered the public service with a clean track record at the Accountant General's Department, as Technical Assistant - Expenditure Control from 2000 -2002.

Two years later in 2002, she left to explore new frontiers at the Public Sector Management Support Project as Finance and Administrative Manager. In that same year, she was appointed Principal Finance

Manager and Head of Administration for the Institutional Reform and Capacity Building Project (IRCBP); a position she held until October 2007 when she was appointed Deputy Auditor General, and subsequently Auditor-General on 22nd November, 2011.

She currently serves as the Chairperson of the African Organisation of Supreme Audit Institutions in English Speaking Africa (AFROSAI-E); the first female and first West African to hold that position.

## 1.6 Performance Management

At ASSL, we have designed processes to improve our performance and to ensure that set objectives are achieved. These processes include but not limited to:

- *Weekly updates which track our progress on achieving set targets:* This ensures that we identify factors that may have the potential to deter us from achieving our objectives in time;
- *Quarterly status reports:* These are reports that are produced once every quarter. They contain analyses of material deviations from plan, possible reasons for their occurrence, lessons learned and what needs to be done to avert future occurrence with plans modified to reflect changes in its external environment;
- *Quality control:* This emanates from the International Standards on Quality Control 1 (ISQC1). Quality controls are processes and procedures put in place by a firm to ensure the effective and full functionality of the firm. It is the ASSL's responsibility, to provide systems of quality control for its audits and reviews of financial statements, and other assurance and related services engagements.

ASSL's key quality controls are:

1. Establishing a Quality Assurance Policy which clearly states the leadership responsibility for quality;
2. Developing an ISSAI compliant Financial Audit Manual and Performance Audit Manual (FAM & PAM) which ensures that:
  - (i) Relevant ethical requirements are adhered to; and
  - (ii) Client screening is thoroughly done (Acceptance and continuance of client relationships and specific engagements).
3. Having a fully functional Human Resources system;
4. Embedding quality in the audit process (engagement performance);
5. Establishing an independent internal audit unit; and
6. Subjecting ASSL to external quality assurance functions and other oversight monitoring.

*Annual review meeting.*

This is an event during which a holistic review is done regarding the performance of the organisation to determine if there are any threats which will affect it from achieving long-term plans as well as evaluating the extent to which those plans have been achieved.

In ensuring that our mission is achieved, we measure the extent to which set goals are achieved through performance metrics in the strategic plan 2016-2020. In doing this, we compare our performance of actual output as against set targets, thus identifying areas where we did not perform well and then design improvement measures to enhance future performance.

## **1.7 Strategy for Organisational Development**

The ASSL Strategic Plan 2016-2020 being the road map for the organisation's development is our working document which we will continue to use to guide our operations. In developing the strategic plan, a needs assessment was conducted to identify the strategic issues facing the organisation. The results of this needs assessment were used to produce draft goals and strategic objectives that were considered, amended and agreed on by the Strategic Plan Steering Committee. A draft plan outline was presented in a stakeholders' workshop attended by representatives of donors, non-governmental organisations, civil society organisations, private sector accounting firms, auditees, as well as staff and board members of the ASSL to ensure that stakeholders' views are taken into account. Discussions at this session were considered and incorporated into the final strategic plan.

Other national strategies were considered while developing this plan to ensure collaboration in governmental development strategies as follows:

*Government of Sierra Leone Agenda for Prosperity 2013-2018 – Pillar 7: “Governance and Public Sector Reform”*

*Government of Sierra Leone PFM Reform Strategy 2014-2017 – Activity 2.7.1: “Strengthening External Audit”*

*National Anti-Corruption strategy 2014-2018 – Section 3.4.8.1: Perceive lack of capacity to conduct systems, performance and forensic audits and a statement that reports are rarely considered by Public Accounts Committee (PAC) in time for any action to be taken.*

Although we retain our independence from government, we do not work in isolation, and it is important that the work we do take into account and complement the work of other government functionaries. As an institution committed to the well-being of our nation and people, with a proven resilient team united



in purpose to judiciously utilise the time and resources available to us, we continue to deliver on our mandate even in the most challenging circumstances.

### **1.8 Why an Annual Performance Report**

The Annual Performance Report is a self-assessment of our work during a twelve month period. It provides less technical details and focuses on the internal operations and use of our resource. It gives simple and easy-to-understand information about our work, processes and activities. The annual performance report focuses on key results and achievements for the attention of our clients, other stakeholders and the general public.

## **CHAPTER 2 – PERFORMANCE RESULTS**

### **2.1 Introduction to Performance**

ASSL is a performance driven organisation. Planning and resource allocation revolve around the careful design and selection of performance measures, which focus on outcomes and attainment of its goals. The ASSL uses performance-based tools and techniques to realise its commitment to delivering excellence in the business of government.

### **2.2 Our Performance Management Process**

The Performance Management Process is the ASSL's key yardstick for decision making. The Performance Management Process is a comprehensive process for establishing our priorities, aligning resources to support priorities, developing quantifiable measures of success in meeting those priorities, and ensuring accountability for results.

### **2.3 Performance Assessment Rating Tool**

The ASSL uses series of government papers in developing key goals from which our operational tasks are derived. This approach makes it possible to quantify our achievements. Examples of these government papers are:

- Public Financial Management Reform Strategy 2014-2017;
- The President's Agenda for Prosperity 2013-2018;
- The Sustainable Development Goals;
- The Anti-Corruption Strategy 2014-2018.
- The Performance Measurement Framework for Supreme Audit Institutions (SAI) Etc.

The ASSL is a dynamic organisation and committed to continued improvement. It would therefore continue to adapt its operational plan to incorporate shocks emanating from its environment with the aim of providing the best value for money service to our tax payers.

In rating our performance, the ASSL would use outcome from measures in its strategic plan to assess its institution's wider performance. Key Performance Indicators (KPIs) designed in its strategic plan would be used to measure the extent to which our mission has been met.

## 2.4 Summary of Results and Highlights

### 2.4.1 Yearly Operational Plan 2017

| DIVISION                     | PLANNED                      |                | RESULT 2017               |                                 | COMMENT             |
|------------------------------|------------------------------|----------------|---------------------------|---------------------------------|---------------------|
|                              | NUMBER OF PLANNED TASKS 2017 | FY 2017 TARGET | NUMBER OF COMPLETED TASKS | PERCENTAGE PLANNED TASK FY 2017 |                     |
| Examination's Branch         | 3                            | 80%            | 3                         | 100%                            | Target achieved     |
| Ministries & Local Authority | 11                           | 80%            | 19                        | 172.7%                          | Target achieved     |
| Bo                           | 45                           | 80%            | 37                        | 82.2%                           | Target achieved     |
| Kenema                       | 37                           | 80%            | 30                        | 92%                             | Target achieved     |
| Makeni                       | 45                           | 80%            | 49                        | 108.89%                         | Target achieved     |
| Departments & Agencies       | 21                           | 80%            | 17                        | 80.95%                          | Target achieved     |
| Public Enterprises           | 48                           | 80%            | 39                        | 81.25%                          | Target achieved     |
| Performance Audit            | 3                            | 80%            | 2                         | 67%                             | Target not achieved |
| Other Audits                 | 6                            | 80%            | 6                         | 100%                            | Target achieved     |
| Total                        | 222                          |                | 191                       | 86%                             | Target achieved     |

## **2.4.2 Strategic Plan Performance Summary For 2017**

*Below are our achievements on the strategic plan 2016-2020*

### **Goal I: Independence**

This focused on the achievement of five objectives with metrics set to measure its attainment. The five areas which have been measured are:

- 1 Increase awareness of stakeholders on the role, functions and independence of the ASSL;
- 2 Reduce the financial and operational constraints on our independence;
- 3 Ensure stakeholders are fully aware of a clearly distinct ASSL “brand”;
- 4 Base the majority of staff in buildings owned by the ASSL; and
- 5 Work with Government to withdraw from pre-audit of civil service pension payments.

Our evaluation of GOAL I revealed that 3 objectives were achieved compared to 2 in 2016. This indicates a 50% success which means performance in Goal 1 improved by 20% from 2016 which could be bettered in 2018.

ASSL’s objective was to achieve all yearly targets for 2017; nonetheless, strides will be made to continue improving our performance.

In as much as we have outlined achievements, it is worth taking note of why we could not achieve our aim, some of which are recurrent. Key amongst them is as follows:

- Baseline was not set for some targets; and
- Responsible divisions failed to measure performance.

The points above have been noted and every effort would be made to provide mentorship for divisions responsible for the achievement of the stated objectives.

### **Goal II: Profile**

Goal 2 aims at promoting the ASSL’s image to the public. It therefore seeks to achieve this through the following ways:

- 1 Active participation in the activities of regional and international bodies
- 2 Increase the number of regional and international auditees
- 3 Increase hits on the ASSL website
- 4 Increase public awareness of the role and functions of the ASSL through a clear communications/media strategy
- 5 Improve our understanding of stakeholder perceptions by conducting regular stakeholder surveys

The Metrics used to measure the extent to which these objectives are achieved are indicated in the detailed performance.

The result achieved last year remains the same which is achieving 2 out of 5 objectives. Goal 2 is largely influenced by factors outside our control. Every effort is being made by ASSL to change this narrative. *See paragraph 2.6 for complete details.*

With regards to increasing the number of regional and international audits, ASSL's intention to perform such audits was exercised through a bid that was submitted to the United Nations through the Ministry of Foreign Affairs and International Cooperation. To increase our chances of winning the bid, we benchmarked ASSL against SAIs who had been successful with bids by so doing we will be able to gain valuable knowledge which can be useful in future bids. This was geared to meeting this strategic objective.

Even though we were unsuccessful in our bid, the fact that we were able to garner 91 out of the possible 188 votes, created a major challenge to our counterpart, who had spent the better part of four years preparing for this bid as compared to two months preparation on our part.

The low number of staff available in our office was our major weakness as we were in competition with a much bigger SAI.

### **Goal III      Quality**

This aims at producing more timely and relevant reports. This is planned to be achieved through the following ways:

- 1      Increase the relevance of audit reports by publishing in a timely manner
- 2      Continually improve our reports by implementing quality control and quality assurance processes
- 3      Increase compliance with professional standards and organisational effectiveness by delivering relevant training to all staff
- 4      Increase the efficiency of our audits through increased focus on risk and better monitoring of audit inputs
- 5      Publish more performance audit reports of high quality
- 6      Audit more expenditure made on behalf of Sierra Leoneans by International organisations
- 7      Increase the number of qualified audit staff
- 8      Ensure all audit work is properly reviewed and that managers are responsible for work assigned
- 9      Increase audit coverage of money received and spent by public institutions

- 10 Conduct more audit work in “special” audit areas such as procurement audit, IT audit and environmental audit.

Objectives were set to be achieved in 2017. 5 of the set objectives were achieved, 3 not achieved and 2 of these were not measured. ASSL’s plan for these objectives not measured is to set agreeable parameters for its measurement during its half yearly meeting where all staff will be represented.

*Details of performance are shown in paragraph 2.6*

#### **Goal IV      Impact**

The aim of this is to increase the impact of the reports we issue. This is achieved through the following objectives:

- 1 Work with PAC to continue to develop and enhance our working relationship
- 2 Publicly report on progress made against all recommendations made in the previous period
- 3 Improve the recommendations we make so that they are prioritised, clear and achievable
- 4 Develop strong relationships with other organisations with similar or overlapping objectives
- 5 Collaborate with donors to ensure that audit reports are factored into aid decisions
- 6 Increase the visibility of our reports to all stakeholders

Seven metrics were identified to measure the achievement of the objectives stated above. However, analysis show that 3 out of 6 objectives were achieved compared to 2 achieved last year. We are yet to measure 2 of these objectives which will be focus area next year. *Details of performance are shown in paragraph 2.6*

#### **Goal V      Human Resource**

This goal focuses on the following objectives:

- 1 Conduct full organisation review and identify optimum structure and establishment considering emerging audit areas
- 2 Have a well-motivated and diverse workforce
- 3 Improve staff succession planning
- 4 Regularly monitor the staff reward structure so as to maximise efficiency and remain competitive
- 5 Evaluate and develop staff welfare programmes
- 6 Evaluate the staff appraisal system and ensure links with staff reward, promotion and annual training plan.

Two out of the 6 targets set have been achieved this year. Last year we reported that most of these objectives were on-going and long-term in nature. The HR division has made considerable progress to make sure these are achieved. Nonetheless, we still have milestones that have not been measured; this will be ASSL's focus this 2018. *Details of these activities can be found in the Human Resources section in Chapter 4.*

## **Goal VI Information Technology (IT)**

This goal would be attained through achieving the following objectives:

- 1 Provide staff with a fast and reliable internet connectivity in all offices
- 2 Increase the use of IT in internal and external communications
- 3 Establish an effective IT network to store, share and backup information
- 4 Increase use of IT in documenting, reviewing and designing our audit work
- 5 Implement an electronic management information system
- 6 Ensure that all staff have the required IT skills to perform their official duties effectively and efficiently.

Two out of 6 objectives set for the period under review were achieved. The metrics used as indicated in the strategic plan revealed that only 33% of set objectives were achieved which indicates that the target set for this goal for the year under review was not entirely met. *Details of performance are shown in paragraph 2.6*

## **Goal VII Working Environment**

The working environment stated as GOAL VII of the strategic plan will be achieved through the followings yearly targets:

1. Build and occupy our own offices in Freetown, Bo, Kenema and Makeni
2. Evaluate office vehicle requirements and implement a vehicle management system
3. Ensure an open and friendly office atmosphere
4. Conduct an annual assessment of IT equipment needs and factor the results into future procurement plans

The purpose of this goal is to ensure that the ASSL is able to achieve an enhanced working environment to maximise the efficiency of its workforce.

However, we have been unable to complete our building as a result of lack of finance. With the exception of Bo and Youyi Building, all the offices we currently occupy are rented.

Strides are still being made to ensure that we have our own building. We have a vehicle management system, managed by the Office Manager.

We can boast of a friendly atmosphere in all of our offices.

ASSL has an IT Manager in-charge of the IT Division and ensures annual assessment of the IT equipment needs. This has led to a significant increase in the use of IT in both internal and external communications. *Details of performance are shown in paragraph 2.6*

## **Goal VIII      Lead by Example**

The 'lead by example' goal in the strategic plan will be achieved through the implementation of the following objectives:

1. Implement an ASSL fraud control policy
2. Publish, as far as possible, all ASSL documents based on laws and international professional standards
3. Publish a combined financial (IPSAS compliant) and performance report within the legislative timeframe
4. Conduct a review of internal governance and implement changes in line with international good practice
5. Establish a risk management system based on international good practice

The purpose of this goal is to ensure that the ASSL serves as role model for other institutions in the country as well as to be renowned for excellence.

We measured this goal and we report that 2 out of the 5 objectives set were achieved. 3 of these are still being work in progress which we hope to report on favourably in 2018. Achieving this requires continuous improvement.

## **2.5      Detailed Performance by Division**

Our technical operations are facilitated by various divisions in Freetown and the provincial towns.

At the end of the year and in consultation with the Training Unit, the Divisional Heads and staff prepare their annual work plan which is linked to the strategic objectives of the ASSL. The plan details the number of audits to be undertaken, personnel assigned to each audit, budgets and key deliverables.

### **2.5.1      Ministries and Local Authorities (M&LA)**

This unit audits all Ministries and Local Authorities with the exception of the Ministry of Finance and the Justice Ministry which is audited by our other Divisions. Schools have not been mentioned specifically because they are a subset of the Ministry of Education, Science and Technology.

The work of the M&LA unit helps the ASSL in meeting key objectives emanating from our Strategic Goals as follows:

- Increasing the relevance of our reports by publishing them earlier; and



Increase audit coverage of money received and spent by public institutions

Achieving these two objectives, two stakeholder’s perspectives (the public and the auditees’) are measured; details of how this has been achieved has been covered in the strategic performance analysis in paragraph 2.6.



**DAG M&LA-Mr Abdul Aziz**

The M&LA unit is a core Division of the ASSSL with its staff auditing over 50% of Government’s expenditure. Apart from its planned audits for the year 2017, they played a key role in other audit assignments such as the Extractives Industries audit, projects audit etc. Since they audit all Ministries within the country, they have been of enormous support to other Divisions within and out of Freetown as part of the team work emphasised by the ASSSL.

Apart from this support, the Division has been very committed to ASSSL meeting other Strategic Objectives reference 3.10. They have specifically been taking the lead in the audit of revenue from the Extractives Industries with the final report to be laid in Parliament this 2018. Plans are underway to undertake specific work within the mining oil & gas, fisheries and the forestry industries during 2016 to 2020.

**Table I are details of the division’s performance compared to planned task.**

*Table I: Performance of M&LA Division*

| COMMENTARY     | TARGET 2017        | ACTUAL 2017      |                  | RESULT     |
|----------------|--------------------|------------------|------------------|------------|
|                | Audits as per Plan | Completed Audits | As a % of Target |            |
| Ministries     | 8                  | 12               | 150%             | Met        |
| Councils       | 2                  | 2                | 100%             | Met        |
| Projects       | 4                  | 4                | 100%             | Met        |
| Special Audits | 1                  | 1                | 100%             | Met        |
| Total          | <b>15</b>          | <b>25</b>        | <b>167%</b>      | <b>Met</b> |

The table shows that overall the ASSSL was able to achieve a 167% success rate which surpasses ASSSL’s benchmark of 80%, an indication that the set target was exceeded. However, it will be observed that the target set in 2017 was less than that of 2016. This is because various reports on the performance of ASSSL revealed that more emphasis has been placed on number of audits performed which created a

tunneled vision for ASSL. Therefore, it became a strategic priority for ASSL to enhance the quality of reports issued. A key recommendation for achieving this was the reduction in the quantum of reports issued.

### **2.5.2 Examination Branch**

This Division is one of the few units which are stationed in the clients' premises; this unit plays a pivotal role in the ASSL's performance. On a yearly basis as part of its plan, the Examination Branch consolidates all the findings or audit observations raised and issued by the various units across ASSL, and determine the appropriate audit opinion befitting the financial statements of the Government of Sierra Leone.

For the Fiscal Year 2017, this unit achieved 3 out of 4 planned tasks which equates to 75% of planned tasks. The Division was unable to meet its target because clients failed to submit Financial Statements for audit.

Through its work, the Examination branch has helped the ASSL to achieve the following objectives:

- Increasing the relevance of our reports by publishing them earlier; and
- Increase audit coverage of monies received and spent by public institutions

Like any other Division within ASSL, the Examination Branch (Ex.B) has approached their work with a great deal of flexibility in addressing the needs of government. There has been a change in the preparation and presentation of the Public Accounts as such for which adequate measures have been put in place:

- The Accountant General to draw up and sign the annual financial statements of the Consolidated Fund (General Accounts) not later than three months after the end of a financial year; and
- The presentation of a separate Consolidated Revenue Fund Account which seeks to comply with the provisions of the PFM Act 2016 and cash basis IPSAS accounting standard;

During the year 2017, the Division was actively involved in the drafting of the Auditor-General's report to Parliament.

**Details of the Division's performance in Table II**

Table II: Performance of Ex-B Division

| COMMENTARY                                 | TARGET 2017        | ACTUAL 2017      |                  | RESULT |
|--|--------------------|------------------|------------------|--------|
|  | Audits as per Plan | Completed Audits | As a % of Target |        |
| Accountant General's Department            | 1                  | 1                | 100%             | Met    |
| Ministry of Finance & Economic Development | 1                  | 1                | 100%             | Met    |
| Consolidated Revenue Fund Account          | 1                  | 1                | 100%             | Met    |
| <b>Total</b>                               | <b>3</b>           | <b>3</b>         | <b>100%</b>      | Met    |

### 2.5.3 Public Enterprises

#### Overview of the Division

The Public Enterprise Division is a key division through which funds are generated for the ASSL. For the period under review, it generated Le1.89 billion as against Le 1.39 billion in 2016 and also exceeding its budget fee income of Le 1.77 billion in 2017. ASSL however retained Le 1.37 billion of generated income which is approximately 73% of total fees collected and transferred Le510 million to the Consolidated Revenue Fund.



Principal Auditor- Public Enterprise

In spite of it being capable of generating revenue for the ASSL, the Public Enterprise Division forms an integral part in the execution of the ASSL's core activities. It is responsible for the audit of all public enterprises/parastatals, commissions and projects.

Section 21 of the Audit Service Act, 2014 mandates the Auditor-General to engage the services of specially qualified individuals or accounting or other firms to provide audit services to public sector bodies. In this vein, the Auditor- General outsources the audits of

some projects and public enterprises to private audit firms. The Division ensures that all audits outsourced are conducted in accordance with the applicable rules and regulations.

#### Details of the Division's performance in table III

Table III Public Enterprises Division's performance

| COMMENTARY   | TARGET 2017        | ACTUAL 2017      |                  | RESULT     |
|--------------|--------------------|------------------|------------------|------------|
|              | Audits as per Plan | Completed Audits | As a % of Target |            |
| Parastatals  | 15,                | 30               | 100%             | Met        |
| Commissions  | 4,                 | 6                | 60%              | Not Met    |
| Projects     | 6                  | 12               | 200%             | Met        |
| <b>Total</b> | <b>25</b>          | <b>39</b>        | <b>109%</b>      | <b>Met</b> |

### 2.5.4 Specialised Audit Division

#### Overview of the Division

The Department & Specialised Audit Division (D&SA) manages audits of all government's department and agencies. It also re-computes and verifies pension papers for all Ministries, Department and Agencies to expedite payments through the Accountant General's Department, a function in ASSL's Strategic Plan 2016-2020 to let go of on a piecemeal basis over the duration of the strategic plan. The Department also performs re-calculation of Ex-gratia and gratuity for services performed on contract basis which have also been calculated by the same. It could be observed that the performance of the unit dropped by 19% from 100% to 81% which was largely due to the reassignment of staff to audits that were considered high risk.

Apart from its traditional audits performed, the unit late last year received a request to conduct an audit of the activities of Civil Societies and Non-Governmental Organisations which was a direct request from the Office of the President. A consolidated report will be produced for the attention of the office of the President, in 2018.

**Below are details of the D&SA unit's performance in table IV.**

Table IV: D&SA's performance

| COMMENTARY   | TARGET 2017        | ACTUAL 2017      |                  | RESULT     |
|--------------|--------------------|------------------|------------------|------------|
|              | Audits as per Plan | Completed Audits | As a % of Target |            |
| Department   | 17                 | 16               | 94%              | Met        |
| Commissions  | 4                  | 1                | 25%              | Met        |
| <b>Total</b> | <b>21</b>          | <b>17</b>        | <b>81%</b>       | <b>Met</b> |

### 2.5.5 Bo Regional Office

#### Overview of the Division

The Bo or Southern Regional office is located at the Treasury Building, Stock Road, Bo City. The Division is responsible for the audit of the activities of all six Local Councils, all Ministries, Department and Agencies including Schools in Bo, Moyamba, Pujehun and Bonthe districts. The Division is supervised by Mr Abdul Aziz, Deputy Auditor General, Ministries and Local Authorities, and has the following staff: one principal auditor, two senior auditors, six auditors and five support staff.

In 2016, the Southern Regional office audited and issued reports on six councils, 12 MDAs and 4 chiefdoms in 2016. Details are given in table V:

Table V: Bo Division's performance

| COMMENTARY   | TARGET 2017        | ACTUAL 2017      |                  | RESULT         |
|--------------|--------------------|------------------|------------------|----------------|
|              | Audits as per Plan | Completed Audits | As a % of Target |                |
| Councils     | 6                  | 6                | 100%             | Met            |
| MDAs         | 17                 | 12               | 70%              | Not Met        |
| Parastatal   | 2                  | 1                | 0%               | Not Met        |
| <b>Total</b> | <b>25</b>          | <b>19</b>        | <b>76%</b>       | <b>Not Met</b> |

It could be observed that the performance of the division was highly hampered by Parastatals not submitting their financial statements for audit. The law requires that all accounts should be submitted to the Auditor-General on or before 31<sup>st</sup> March each year.

ASSL's response has been to name defaulters in the Auditor-General's annual report to Parliament for which very little has been achieved. As a follow-up to that, ASSL ensured that as part of the committee responsible to draw up the new Financial Management legislation, it ensured that a section dealing with non-submission of financial records to auditors are addressed, this we hope will mitigate future non-compliance with the statutory deadline for the submission of records.

Overall we saw an improvement in the Division's performance from 69% to 72% which is below ASSL's benchmark of 80%. This we hope will be bettered in 2018.

### 2.5.6 Kenema Division

#### Overview of the Division

The Audit Service Kenema Division is located at 72 Hangha Road Kenema. The office is responsible to audit the three districts in the eastern province namely; Kenema, Kailahun and Kono. The Division has 9

technical staff and 4 support staff. The technical staff comprises, 1 Assistant Auditor General (AAG), 1 principal auditor, 5 auditors, 1 audit Assistant and 1 junior audit assistant. Details of reports completed and issued in 2016 are indicated in table VI below. It could be observed that the division’s performance improved from 81% in the previous to 92%. The key reasons for this big leap as advised by the Deputy Auditor General in charge is the fact that resources were efficiently utilised and that the unit now has the right staff complement to ensure that they are able to achieve future divisional plans.

**Table VI: Kenema Division’s performance**

| COMMENTARY   | TARGET 2016        | ACTUAL 2016      |                  | RESULT     |
|--------------|--------------------|------------------|------------------|------------|
|              | Audits as per Plan | Completed Audits | As a % of Target |            |
| Councils     | 5                  | 5                | 100%             | Met        |
| MDAs         | 16                 | 12               | 75%              | Not Met    |
| Parastatal   | 1                  | 1                | 100%             | Met        |
| Schools      | 27                 | 27               | 100%             | Met        |
| <b>Total</b> | 49                 | <b>45</b>        | <b>92%</b>       | <b>Met</b> |

### 2.5.7 Makeni Division

#### Overview of the Division

The Makeni Division represents the Audit Service Sierra Leone in the northern region. The northern region comprises of five districts, namely; Bombali, Tonkolili, Koinadugu, Port Loko and Kambia. The office is located at Saint Lawrence Building, Azzolini Highway in Makeni City, Bombali District.

The Division is headed by an Assistant Auditor General (AAG) who represents the Auditor-General in the northern region and manages the general administration of the office. The AAG reports to the Auditor-General through the Deputy Auditor General that is in charge of Ministries and Local Authorities. The Division has six (6) technical staff (1senior auditor, 4 auditors and 1 audit assistant) and four (4) non-technical staff (1 admin assistant, 1 messenger, 1 driver and 1 security).

The Division is responsible for auditing all public sector institutions in the northern region, including public enterprises, local councils, chiefdoms and government related projects. The northern region has 12 Ministries and Department that are present in all of the five districts, 2 public enterprises, 6 local councils, 53 chiefdoms and more than 100 schools. Analysis of the planned and completed audits is shown below in table VII:

**Table VII: Makeni Division’s performance**

| CLIENT CATEGORY | TARGET 2017        | ACTUAL 2017      |                  | RESULT     |
|-----------------|--------------------|------------------|------------------|------------|
|                 | Audits as per Plan | Completed Audits | As a % of Target |            |
| Councils        | 6                  | 6                | 100%             | Met        |
| MDAs            | 10                 | 11               | 110%             | Met        |
| Chiefdoms       | 9                  | 9                | 100%             | Met        |
| Parastatals     | 2                  | 0                | 0%               | Not Met    |
| Schools         | 18                 | 23               | 128%             | Met        |
| <b>Total</b>    | <b>45</b>          | <b>49</b>        | <b>109%</b>      | <b>Met</b> |

The performance of the Division has improved considerably having reported an overall performance of 62% last year, now reports performance over and above the 80% threshold. As a pragmatic institution we studied the cause of the underperformance of the Division, the results were that the staff complement was not commensurate to the workload as well as having a well balanced team. This has resulted to improved performance. As indicated earlier the non-submission of records continues to pervade ASSL which has negatively impacted on the performance of the institution.

**2.5.8 Performance Audit Division**

**Overview of the Performance Audit Division**

The Performance Audit Division was established in 2008 to undertake value for money audit as articulated in section 11 (2) (c) of the Audit Service Act, 2014 which confers on the Auditor-General the right to carry out value for money and other audits to ensure that efficiency and effectiveness are achieved in the use of public funds.

**Capacity of the division**

The ASSL has maintained the number of Performance Audit staff above 10 (which is the AFROSAI-E’s minimum requirement as per the Institutional Capacity Building Framework for a SAI). Currently there are 13 Performance auditors in ASSL, these include:

| Level of Staff    | Number    |
|-------------------|-----------|
| Principal Auditor | 1         |
| Senior Auditors   | 3         |
| Auditors          | 7         |
| Audit Assistant 1 | 2         |
| <b>Total</b>      | <b>13</b> |





AAG-Mr. Aiah Gbondo-Tugbawa

In a bid to build the capacity of technical staff, five staff were transferred from the Performance Audit Division to Financial Audit, whilst 6 staff were transferred from Financial Audit to Performance Audit Division during the year under review.

**Planned audits and status as at December 2017**

Out of three audits planned to be completed in the year 2017, two Performance Audit reports were published in 2017 and were included in the AG’s annual report (as presented in the table below) whilst the remaining one was completed in 2017

but was not published in 2017 as listed below:

**Table V: Performance Audit**

| No. | Ministries Department and Agencies (MDAs) | Audit Topic  | Report issued | Status                      |
|-----|---|--|---------------|-----------------------------|
| 1   | Ministry of Youth Affairs                 | Youths in Drainage Clearing Project                    | May 2017      | Report Tabled in Parliament |
| 2   | Environmental Protection Agency           | Monitoring of Environmental Compliance and Enforcement | July 2017     | Report Tabled in Parliament |

**2.5.9 Other Audits**

We indicated in the foreword that special audits were conducted during 2017. Some were as a result of requests from other bodies which we properly assessed based on ASSL criteria. It was noted that they were auditable and hence conducted these audits at a time solely decided by the Auditor-General.

Below is a table of audits completed in 2017:

| DEPARTMENT                  | TASK TITLE  | PERIOD  |
|-----------------------------|---|---------|
| Civil Society Organisations | Report on the audit of Civil Society Organisations. | 2015-16 |
| National Mineral Agency     | Audit of Mining Surface Rent                        | 2016    |



**2.6 Report on achievements made on the strategic plan for 2017**

| STRATEGIC GOAL   | OBJECTIVES  | MEASURES   | FY TARGET 2017 | FY ACTUAL 2017  | RESULT     | COMMENTARY  |
|--|---|--|----------------|-----------------|------------|---|
| <b>Independence:</b><br>To maintain and enhance the independence of our office | 1.1 Increase awareness of stakeholders on the role, functions and independence of the ASSL through various mechanisms, including presentations, publications and our website. | 1C – Average of dimension scores under SAI Performance Measurement Framework Indicator 6 (Independence of the SAI) | 3.0            | 3.0             | <b>Met</b> | Monthly/quarterly newsletters are posted on our websites.<br><br>We post our activities especially our reports as and when they occur/available.<br><br>The IEC Officer made visitations to schools to increase awareness of the role of ASSL |
|  |   | 2B - Percentage of public respondents aware of the role of the ASSL  | NOT SET        | Survey not done | Not met    | Funding was not available for this activity as donor support was not received.  |
|  | 1.2 Reduce the financial and operational constraints on our independence by working with Government and other bodies.   | 1A – Average delay (number of days) in payment for quarterly Other Charges subventions.                            | 60 days        | 45 days         | <b>Met</b> | None  |
|  | 1.3 Ensure stakeholders are fully aware of a clearly distinct   | Stakeholder satisfaction survey.   | 3.0            | Survey not done | Not Met    | Unavailability of fund  |

| STRATEGIC GOAL                                       | OBJECTIVES   | MEASURES  | FY TARGET 2017  | FY ACTUAL 2017  | RESULT       | COMMENTARY  |
|--|--|---|-----------------|-----------------|--------------|---|
|  | ASSL “brand”   |   |                 |                 |              |   |
|  | 1.4 Base the majority of staff in buildings owned by the ASSL                            | 1B - Percentage of staff based in buildings owned by the ASSL | 0%              | 0%              | <b>Met</b>   | None  |
|  | 1.5 Work with Government to withdraw from pre-audit of civil service pension payments    | % reduction in number of pension papers verified              | 20%             | 0%              | Not met      | No update on measures put in place to recuse itself from the pension’s payment process  |
| <b>Profile:</b><br>To raise our profile and increase | 2.1 Continue active participation in the activities of regional and international bodies | No indicator determined                                       | No baseline set | No baseline set | Not measured | The AG is the chairperson for AFROSAI-E and a member of the INTOSAI. Staff of ASSL also acted as resource persons for international organisations. We were however involved in the activities of regional and international bodies. |
|  | 2.2 Increase the number of our regional and international auditees                       |   |                 |                 | Achieved     | ASSL’s intention to perform such audits was exercised through a bid that was submitted to the   |

| STRATEGIC GOAL | OBJECTIVES  | MEASURES  | FY TARGET 2017 | FY ACTUAL 2017 | RESULT     | COMMENTARY   |
|----------------|---|---|----------------|----------------|------------|--|
|                |   |   |                |                |            | <p>United Nations through the Ministry of Foreign and International Cooperation but was unsuccessful. ASSL however made considerable progress in this bid as it was able to improve its vote counts in the UN general assembly as compared to previous bids.</p> |
|                | 2.3 Increase hits on the ASSL website   | 2A – Number of annual hits on the ASSL website  | 275            | 1875           | <b>Met</b> |  |
|                | 2.4 Increase public awareness of the role and functions of ASSL through a clear communications/media strategy | 2C – Average of dimension scores under SAI Performance Measurement Framework of indicator 22 (Communication with the Media, Citizens and the Civil Society) | 3.0            | 3.0            | <b>Met</b> |  |

| STRATEGIC GOAL                                      | OBJECTIVES   | MEASURES   | FY TARGET 2017      | FY ACTUAL 2017     | RESULT   | COMMENTARY  |
|---|--|--|---------------------|--------------------|----------|---|
|   | 2.5 Improve our understanding of stakeholder perceptions by conducting regular stakeholder surveys   | No indicator determined  | No baseline set     | No baseline set    | Not met  | Funding constraint, therefore this was not done.  |
| <b>Quality:</b><br>To produce more timely, relevant | 3.1 Increase the relevance of audit reports by publishing them earlier                               | 3E – Submission date of AGs Annual Report to Parliament  | 15th November, 2017 | 4th December, 2017 | Not met  | The PFM Act 2016 requires ASSL to submit its annual report to parliament within twelve months of the end of the immediate preceding financial year. The statutory requirement was achieved. However, ASSL benchmark was not achieved. |
|   | 3.2 Continually improve our reports by implementing quality control and quality assurance processes. | 3F – SAI PMF Average score for indicators: <ul style="list-style-type: none"> <li>▪ Financial Audit Procedure,</li> <li>▪ Performance Audit Procedures; and</li> <li>▪ Quality Control and Quality Assurance of Audit Processes</li> </ul> | 3.0                 | 3.0                | Achieved |   |
|   | 3.3 Increase compliance with professional standards and  | 3F – SAI PMF Average   | 3.0                 | 3.0                | Achieved | None  |

| STRATEGIC GOAL | OBJECTIVES  | MEASURES   | FY TARGET 2017 | FY ACTUAL 2017 | RESULT   | COMMENTARY   |
|----------------|---|--|----------------|----------------|----------|--|
|                | organisational effectiveness by delivering relevant training to all staff                                       | score for indicators: <ul style="list-style-type: none"> <li>▪ Financial Audit Procedure,</li> <li>▪ Performance Audit Procedures; and</li> <li>▪ Quality Control and Quality Assurance of Audit Processes</li> </ul>                      |                |                |          |  |
|                | 3.4 Increase the efficiency of our audits through increased focus on risk and better monitoring of audit inputs | 3F – SAI PMF Average score for indicators: <ul style="list-style-type: none"> <li>▪ Financial Audit Procedure,</li> <li>▪ Performance Audit Procedures; and</li> <li>▪ Quality Control and Quality Assurance of Audit Processes</li> </ul> | 3.0            | 3.0            | Achieved | Our FAM and PAM are risk focused with appropriate Quality Control embedded in its process. Quality Assurance Committee conducts Quality Assurance Reviews of high risk audits to identify deviations from laid down processes. |
|                | 3.5 Publish more performance audit reports of high quality  | 3D – Number of performance audits published  | 4              | 2              | Not met  |  |
|                | 3.6 Audit more expenditure made on behalf of Sierra Leoneans by International                                   | 3B - % of CRF expenditure audited  | 90%            | 92%            | Achieved |  |

| STRATEGIC GOAL | OBJECTIVES  | MEASURES  | FY TARGET 2017 | FY ACTUAL 2017 | RESULT       | COMMENTARY  |
|----------------|---|---|----------------|----------------|--------------|---|
|                | organisations   |   |                |                |              |   |
|                | 3.7 Increase the number of qualified audit staff  | Not Measured  | Not Measured   | Not Measured   | Not Measured | This has not been measured in the strategic Plan, however we have a Training Policy and an ACCA scheme whose main target is to increase the number of professionals in the organisation |
|                | 3.8 Ensure that all audit works are properly reviewed and that managers are responsible for work assigned | 3F – SAI PMF Average score for indicators: <ul style="list-style-type: none"> <li>▪ Financial Audit Procedure,</li> <li>▪ Performance Audit Procedures; and</li> <li>▪ Quality Control and Quality Assurance of Audit Processes (Quality Assurance of Audit Processes)</li> </ul> | 3.0            | 3.0            | Achieved     |   |
|                | 3.9 Increase audit coverage of money received and spent by public institutions                            | 3C - Percentage of CRF revenue audited  | 70%            | 85%            | Achieved     |   |

| STRATEGIC GOAL   | OBJECTIVES   | MEASURES   | FY TARGET 2017 | FY ACTUAL 2017 | RESULT       | COMMENTARY  |
|--|--|--|----------------|----------------|--------------|---|
|  | 3.10 Conduct more audit work in “special” audit areas such as procurement audit, IT audit and environmental audit. |  |                |                | Achieved     | Bench mark was not set, however “special” Civil Society Organisations audit and Extractive Industries audits were done. |
| <b>Impact:</b><br>To increase the impact of the reports we issue | 4.1 Work with PAC to continue to develop and enhance our working relationship                                      | 4B – PEFA Indicator 20 (Effectiveness of internal controls for non-salary expenditure)   | C+             | C+             | Achieved     |   |
|  | 4.2 Publicly report on progress made based on all recommendations made in the previous year.                       | 4C - Percentage of financial audit recommendations issued in the previous year that have been followed up and included in the AG’s Annual Report | 100%           | 100%           | Achieved     |   |
|  | 4.3 Improve on the recommendations we make so that they are prioritised, clear and achievable                      | 4D - Percentage of audit recommendations made by the ASSL that have been implemented by the AG’s annual auditees.                                | 27%            | 37%            | Achieved     | .   |
|  | 4.4 Develop strong relationships with other organisations with similar or  | 4A – PEFA indicator 26 (Scope, nature and follow up of external  | B              | -              | Not Achieved | Not Measured  |

| STRATEGIC GOAL   | OBJECTIVES   | MEASURES  | FY TARGET 2017 | FY ACTUAL 2017 | RESULT       | COMMENTARY                  |
|--|--|---|----------------|----------------|--------------|-----------------------------|
|  | overlapping objectives   | audit)  |                |                |              |                             |
|  | 4.5 Collaborate with donors to ensure that audit reports are factored into aid decisions                                 | No indicator determined   | -              | -              | Not Achieved | Not Measured                |
|  | 4.6 Increase the visibility of our reports to all stakeholders   | 4F - Percentage of public respondents with positive impression of the AG's Annual Report  | -              | -              | Not Achieved | Not Measured                |
|  |  | 4E - Percentage of public respondents awareness of the AG's Annual Report   | -              | -              | Not Achieved | No target was set for this. |
| <b>Human Resource:</b><br>To develop and manage our human resources more effectively | 5.1 Conduct full organisational review and identify optimum structure and establishment considering emerging audit areas | 5A – SAI PMF Average scores for indicators:<br><br>18– (Professional Development and Training); and<br><br>19 – (Leadership of Human Resources) | 3.0            | -              | Not Achieved | Not measured                |
|  | 5.2 Have a well-motivated and diverse workforce  | 5B - Percentage of staff that consider themselves well motivated  | Not measured   | Not measured   | Not Achieved | Not measured                |



| STRATEGIC GOAL                      | OBJECTIVES  | MEASURES  | FY TARGET 2017 | FY ACTUAL 2017 | RESULT       | COMMENTARY  |
|-------------------------------------|---|---|----------------|----------------|--------------|---|
|                                     | 5.3 Improve staff succession planning   | 5C – Percentage of annual voluntary staff resignation                               | 3%             | 7%             | Not Achieved |   |
|                                     | 5.4 Regularly monitor the staff reward structure so as to maximise efficiency and remain competitive            | 5B - Percentage of staff that consider themselves well motivated                    | Not measured   | Not measured   | On-going     |   |
|                                     | 5.5 Evaluate and develop staff welfare programmes   | 5A – SAI PMF Average scores for indicators:<br>19 – (Leadership of Human Resources) | 3.0            | 3.0            | Achieved     |   |
|                                     | 5.6 Evaluate the staff appraisal system and ensure links with staff reward, promotion and annual training plans | 5A – SAI PMF Average scores for indicators:<br>19 – (Leadership of Human Resources) | 3.0            | 3.0            | Achieved     |   |
| I.T:<br>To make better use of IT in | 6.1 Provide staff with a fast, reliable internet connection in all offices                                      | 6A – Average monthly internet speed (mbps)  | 10MB           | 12MB           | Achieved     | Stable internet speed from ISP was observed during the period under review. |
|                                     | 6.2 Increase use of IT in internal and external communications  | Percentage of staff with laptops/desktops computers in use                          | 60%            | 85%            | Achieved     |   |
|                                     | 6.3 Establish an effective IT   | Percentage of staff   | Not            | Not            | Not          | The infrastructure for  |

| STRATEGIC GOAL   | OBJECTIVES  | MEASURES   | FY TARGET 2017 | FY ACTUAL 2017 | RESULT              | COMMENTARY   |
|--|---|--|----------------|----------------|---------------------|--|
|  | network to store, share and backup information                                | using shared folder on the network.  | measured       | measured       | measured            | this is now in place and training is on-going.                               |
|  | 6.4 Increase use of IT in documenting, reviewing and designing our audit work | 6B - Percentage of audits documented on a fully electronic basis   | -              | -              | Not Achieved        | The procurement of audit software is in progress.                            |
|  | 6.5 Implement an electronic management information system                     | 6B - Percentage of audits documented on a fully electronic basis   | Not measured   | Not measured   | Not Achieved        |  |
|  | 6.6 Ensure that all staff have the required IT skills to perform efficiently  | 6C - Percentage of staff respondents who feel they have the required IT skills to perform their jobs efficiently | Not measured   | Not measured   | Survey was not done | Was not measured in the operational plan                                     |
| <b>Working Environment:</b><br>To enhance our working environment to maximise the efficiency of our work | 7.1 Build and occupy our own offices in Freetown, Bo, Kenema and Makeni       | 7B – SAI PMF indicator 16: (Support Services and Infrastructure)   | 3.0            | -              | Not Achieved        | We have been unable to complete our building as a result of lack of finance. |
|  | 7.2 Evaluate office vehicle requirements                                      | Measure requirement gap and develop strategies to close gaps.  | Not measured   | Not measured   | Not Met             |  |
|  | Implement a vehicle management system   | Compliance rate with the vehicle policy.   | No Target Set  | 70%            | Measured            | No baseline was set.   |

| STRATEGIC GOAL   | OBJECTIVES  | MEASURES  | FY TARGET 2017        | FY ACTUAL 2017        | RESULT       | COMMENTARY   |
|--|---|---|-----------------------|-----------------------|--------------|--|
|  | 7.3 Ensure an open and friendly office atmosphere   | 7A - Percentage of staff respondents who feel their working environment is satisfactory or better | Not measured          | Not measured          | Not Met      |  |
|  | 7.4 Conduct an annual assessment of IT equipment needs and factor the results into future procurement plans | Compare IT structure to best practice to identify gap and address.                                | No baseline set       | Measured              | Met          | In as much as no baseline was set, the unit however did a gap analysis and recommended the purchase of some equipment and upgraded of ASSL's server to meet international Standards. |
| Lead by Example: To improve our governance and control structures so as to set an example for others to follow | 8.1 Implement an ASSL fraud control policy  | 8A –SAI PMF indicator 15:- Management and Internal Control  | 3.0                   | Not measured          | Not measured | Not measured   |
|  | 8.2 Publish, as far as possible, all ASSL documents based on laws and international professional standards  | 8B – Unqualified audit opinion on ASSL financial statements                                       | Unqualified           | Unqualified           | Achieved     |  |
|  | 8.3 Publish a combined financial (IPSAS compliant) and performance report within the legislative timeframe  | Timely production of reports  | 31 <sup>st</sup> July | 31 <sup>st</sup> July | Achieved     |  |
|  | 8.4 Conduct a review of internal governance and   | 8A –SAI PMF indicator 15:-  | 3.0                   | Not measured          | Not measured |  |

| STRATEGIC GOAL | OBJECTIVES  | MEASURES  | FY TARGET 2017 | FY ACTUAL 2017 | RESULT       | COMMENTARY |
|----------------|---|---|----------------|----------------|--------------|------------|
|                | implement changes in line with international good practice                  | Management and Internal Control                               |                |                |              |            |
|                | 8.5 Establish a risk management system based on international good practice | Percentage of risks addressed based on total risks identified | Not measured   | Not measured   | Not measured |            |

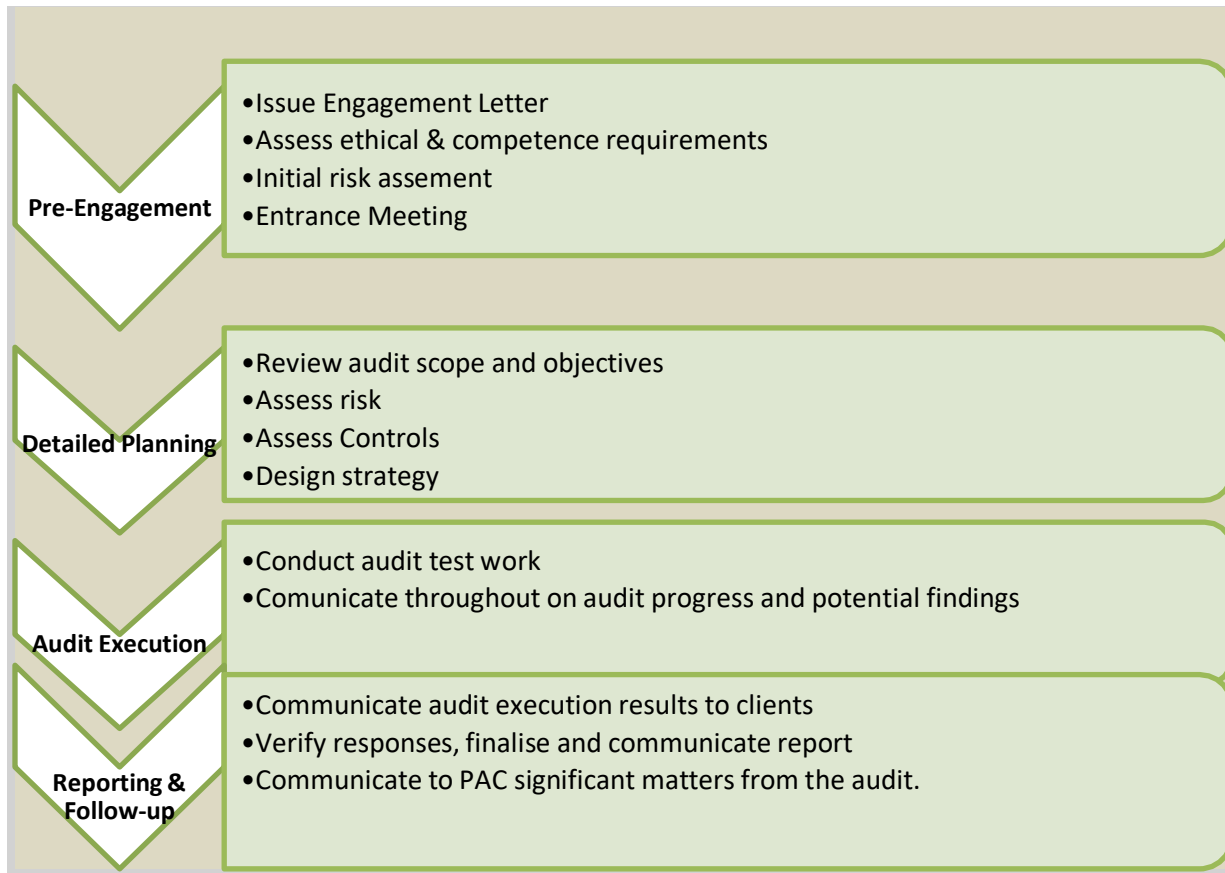
## CHAPTER 3: ASSL'S OPERATIONAL WORKFLOW

### 3.1 Designing the Operational Plan

The ASSL's operational plan design is a bottom-top approach. This is to ensure that all staff get the opportunity to contribute to the development of the plan. This approach has been carefully designed to ensure that each staff member of the ASSL feels a sense of ownership for any plan developed. This also fosters increased collaboration, enhance the skills of our staff and to a large extent help in motivating them to achieve set targets. In drawing up the ASSL's yearly plan, a set approach is pursued based on clearly approved procedures as follows:

1. On a yearly basis, identify objectives to be achieved from the Strategic Plan;
2. Identify or design activities to help achieve set objectives;
3. Put each activity into a decision package clearly scoring:
  - Assessment of risk regarding that activity;
  - Assessment of how interested is the public in that activity;
  - Assessment of how large is the budgetary allocation to that entity;
  - Assessment of donor interest in that activity;
  - Assessment of whether the activity is revenue generating; and
  - Whether the activity leads to revenue being generated for the ASSL.
4. Rank activities based on assessment above;
5. Identify how many activities /assignments are to be done for the year and the time it would take to execute each activity based on experience; and
6. Allocate staff to activities for the year.
7. The main conclusions documented in the plan include:
  - The regularity audit coverage for the year;
  - Whether the financial reporting framework(s) can be relied upon;
  - Classification of activities into 'Small' and 'large' audits;
  - Allocation of audits to teams considering resource constraints;
  - Audits contracted out;
  - Transversal audit themes, special/ad-hoc audit assignments; and
  - The scope and timing of quality assurance reviews.

### 3.2 A flow of the audit process



### 3.3 The Audit Process

The Audit process consists of the following stages:

- The pre-engagement phase;
- The detailed planning phase;
- The audit execution phase;
- The audit completion and reporting phase; and
- Follow-up phase.

#### The Pre-Engagement Phase

The essence of the pre-engagement phase of any audit is to help the Deputy Auditor General ascertain that ethical requirements for audits are duly considered whilst at the same time, assessing the adequacy of resources needed to undertake audit exercises and to agree on the terms of engagement.

### **The Detailed Planning Phase**

During the detailed planning phase of the audit, it is incumbent on auditors to first try to understand the clients' operations. This is done through extensive risk assessment and determining those risks that can highly lead to misstatement; whether due to fraud or error in the financial statements. Once this has been done, it then becomes the responsibility of the auditors to design a strategy for the audit which addresses these risks or minimises their impact if they occur. These procedures should be properly documented so that it enables an independent reviewer to assess the sufficiency of the procedures in addressing the risks identified.

### **The Audit Execution Phase**

At this stage of the audit, the auditor determines what would be examined based on the importance (materiality) of the item or transaction. This is what is referred to as sampling. Followed by a thorough examination of selected items based on agreed procedures in the strategy, the auditor is required to document work performed whilst at the same time ensuring that sufficient and appropriate evidence is obtained in relation to the work done.

The procedures followed should be properly documented so that it enables an independent auditor to follow these procedures and be able to reach the same logical conclusions reached unaided.

Since audit is not a witch-hunt, the auditor has a responsibility to communicate with the client all material omissions or deviations and any significant matters relating to the audit throughout the exercise, giving the client the opportunity to clarify and address matters before the completion of this phase of the audit.

### **The Reporting Stage**

This involves:

- the issuance of a Draft Management Report to the client, with a 15days deadline to respond to the findings and recommendations in the report,
- carrying out a verification exercise upon receipt of client's response to the Draft Management Letter to determine whether the responses proffered by the client's management are acceptable or not;
- issuance of a Final Management Report detailing outstanding issues to be included in the AG's annual report; and
- The signing of the audited Financial Statement by client and auditor, where financial statement audits are done.

## **The follow up stage**

This involves:

- the summoning of auditees to the Parliamentary Public Account Committee (PAC) public hearings to respond to significant issues raised in the AG's annual report;
- The ASSL doing follow ups during subsequent audits to determine the professionalism of the exercise and compliance with the recommendations made; and
- The making of recommendations by the PAC to the executive on issues raised in the AG's annual report.

Over the years, there have been quite a few misunderstandings about the audit process and the final output (the audit report).

In an independent external auditing exercise, the burden of proof lies with the auditees and not the auditors. The audited entity must ensure that adequate and sufficient supporting documents are provided on request and queries are responded to in a timely manner during the course of the exercise.

It is possible to have an issue-free audit if the following points are adhered to: Ensure that your financial statements (where applicable) are submitted for audits on or before the statutory date (31st March of the subsequent year) for most MDAs.

- Provide the documents listed in the engagement letter or offer reasonable explanation as to their unavailability.
- Ensure that all required reconciliations are prepared, reviewed and approved.
- Provide adequate and sufficient supporting documents on request.
- Respond to queries as they are raised during the audit.
- Respond to a Draft Management Letter within the prescribed period of one month of receipt of the draft report.
- Cooperate fully with the audit team so that the audit is completed within the prescribed timeframe.

## **3.4 Types of Audits**

As mentioned earlier, the ASSL conducts three types of audits namely compliance, regularity and performance audits.



### **3.4.1 Compliance Audits**

Section 16 (1) (a) of the Public Financial Management Act, 2016 states that:

(1) The Auditor-General, in accordance with the Constitution of Sierra Leone and the Audit Service Act, 2014;

(a) Shall audit the accounts and financial statements of the Consolidated Fund, central government, budgetary agencies, sub-vented agencies, other entities in the central government, local councils, social security funds, and public enterprises;

(b) Shall prepare, submit to Parliament, and publish his audit report prepared under subsection (4) of section 119 of the Constitution;

(c) Shall monitor compliance with this Act of any entity subject to his audit and include results of monitoring in the audit report referred to in paragraph (b); and

(d) May at any time review or examine any aspect of the operations of the entities referred to in paragraph (a).

The ASSL which also has the mandate to carry out compliance audits implements this mandate by carrying out such audits on all MDAs that are recipients of monies from the Consolidated Revenue Fund, and report individually on these in the AG's annual report.

MDAs which are recipients of funds from the Public Accounts (Consolidated Fund), these compliance audits are performed as separate audit engagements. For entities which activities are not funded by the Public Accounts and for which the ASSL has a mandate to undertake financial audits, the compliance audit is done in tandem with the financial audit. Key findings from compliance audits are summarised in the AG's annual report.

### **3.4.2 Financial Audit**

The ASSL conducts financial audits in three principal categories of financial statements, each prepared under different financial reporting framework:

- Financial audit of the public accounts (the Consolidated Fund)
- Financial audit of the financial statements of the 19 local councils
- Financial audit of the accounts of specific public funds, commissions and public enterprises established by an Act of Parliament

Section 87(3) of the PFM 2016 states that “The annual financial statements of the Consolidated Fund shall;

- (a) Be prepared in accordance with International Public Sector Accounting Standards; and
- (b) Contain such other information as may be prescribed by the Minister”.

Furthermore, section 87 (1) states that: “Not later than three months after the end of a financial year, the Accountant-General shall draw up and sign the annual financial statements of the Consolidated Fund which he shall submit, together with his explanatory report, to the Auditor-General through the Minister”.

Under section 81 of the LGA (2004), each local council shall prepare a statement of its final accounts in conformity with existing financial regulations within the first quarter of the following year, which shall be submitted to the AG and audited by her (or an auditor appointed by her) by 30th June. Upon submission of all financial statements, the Auditor-General’s responsibility for these financial statements is contained in sections 16(1) (a-d) and 88(1-3) respectively.

The AG has the responsibilities to audit (or to appoint an auditor for) various specific public funds, commissions and public enterprises. The financial reporting framework and audit responsibilities are laid down in the specific Act establishing the entity.

The audit of the financial statements of local councils, public funds, commissions and public enterprises are carried out as stand-alone assurance engagements. The exercise normally leads to the expression of an audit opinion and a report on each set of financial statements.

The ASSL financial audits are normally completed within the period prescribed in the legislation. However, delays do occur mostly due to the late receipt of financial statements. After the Public Account Committee’s Chairperson tables the report in Parliament, the report is then made available in the public domain. This is normally through the media and the ASSL website ([www.auditservice.gov.sl](http://www.auditservice.gov.sl)).

### **3.4.3 Performance Audit**

Performance audit is a relatively new global developmental phenomenon. However, African countries and other developing countries have not wasted any time in catching up with this new trend of auditing. With the manner in which government ministries and agencies expenditure of public funds is constantly being called into question, the ASSL added performance audit functions to its scope of auditing and established a Performance Audit Division in 2009. Its key objective is to provide an insight into how judiciously public institutions spend public funds and what mechanisms they have put in place to ensure that the activities they undertake with public funds positively impact the lives of Sierra Leoneans, especially the targeted beneficiaries.

Whilst, financial audit focuses on the accounts of a government's or corporate entity, performance audit is concerned with whether ministries, department and agencies (MDAs) are achieving economy, efficiency and effectiveness (the Three Es) in the employment of available resources.

*Economy:* this means minimising the amount of resources spent on activities in an appropriate, quantitative and qualitative manner within a reasonable time frame.

*Efficiency:* this means getting the most from available resources. It is concerned with the relationship between the resources employed and the outputs delivered.

*Effectiveness:* this concerns meeting set objectives and achieving results.

Performance audit is a new area for the ASSL. The ASSL began performance auditing in 2009 and submitted one performance audit report that year. Presently, about 10% of the ASSL's audit staff is assigned to carrying out performance audit functions. The selected performance audit topics focus on prioritised public policy issues which have the potential to create impact and for which the ASSL has the requisite capacity. The ASSL performance audit function is a totally separate activity from its financial and compliance audit works.

Performance audit reports are generally published on the ASSL's website immediately after it is laid before Parliament. Reports are also sent to key stakeholders and are also available at the ASSL offices.

## CHAPTER 4 OUR SUPPORT SYSTEM

### 4.1 Introduction

The Corporate Services Division remains an important wing which provides all the support services needed in the organisation. Its eight sub-divisions are headed by the Deputy Auditor General, Finance and Corporate Services.



The functions of these divisions demonstrate how crucial they are in the overall realisation of the objectives of the ASSL.

### 4.2 Finance

#### Overview of the Finance Division

The Finance Division is housed at the Head Office of the Audit Service Sierra Leone located at Lotto Building, Tower Hill- Freetown. The Division has a staff strength of seven (7) under the supervision of the Financial Accountant. This department is responsible for processing, recording and reporting of all financial transactions of the Audit Service Sierra Leone.

Their responsibilities are but not limited to:

- Preparation and presentation of the Annual Budget;

- Preparation and submission of Other Charges allocation requests and monthly salary requests and do necessary follow-ups to ensure these funds are lodged into the organisation's account;
- Preparation of financial statements and submission to Parliament for the appointment of Auditors;
- Preparation and payment of all emoluments (salary, wage, gratuity, leave allowance, stipend to intern and end of year bonuses);
- Prepare quarterly reports and returns for Accountant General's Department and any other financial report that may be required by external authority as and when the need arises;
- Accurate preparation of all cash books, fuel and bank reconciliations;
- Accurate and timely preparation of payments;
- Invoicing and collection of audit fees from audit clients;
- Transfer of audit fees received from subvented agencies to consolidated funds;
- Carry out the procurement activities of the Audit Service and
- Maintains fixed asset records.

### **Achievements**

The division's activities are routine and are supervised by the Deputy Auditor General, Finance and Corporate Services (DAG F&CS). The Division now uses the QuickBooks accounting software and this is the second year that the organization's financial statements have been prepared using this system.

### **4.3 Training and Research**



*Training Manager-Mr. David Polite*

The Training, Research & Development Division is responsible for capacity building, institutional development and the quality of our work.

For the period under review, an operational plan regarding what needs to be achieved was mapped out. A review of this plan revealed that the Division overall achieved over 80% of

their planned tasks.

The identified reason for not achieving a 100% success rate was due to series of unanticipated international training interventions from our Norwegian and AFROSAI-E counterparts.

As a way forward, the Division has endeavoured to identify and anticipate all tasks capable of distorting plans and incorporate them into their yearly plan. As part of capacity building of staff, the division ensured that staff benefitted from series of local and international courses as a way of enhancing performance. Corporations were formed with international organisations which led to the organisation benefiting from capacity building programmes in Information Technology audit and Extractives audits as a way of venturing into specialised audit areas. Support was also received from the World Bank to build capacity in revenue audit.

#### **4.4 Human Resources**

The administration and management of the Human Resource function is handled by a small team of three and the Division is under the supervision of the Deputy Auditor General, Finance and Corporate Services.

The overall staff turnover for 2017 was 11%, of which 7% were voluntary. Five staff retired and three died in active service. Most vacancies were filled through an internal recruitment process, to give opportunity to existing employees for career growth. Notwithstanding, eleven new employees were recruited for various posts within the technical and corporate divisions.

Our Internship programme is now fully operational and it is guided by a well-documented policy. Ten students from various universities received relevant professional orientation and guidance through a structured and well supervised programme.

The Audit Services remains committed to the health and wellbeing of staff. During the year under review, management, through both formal and informal mechanisms, advised members of staff on how to take care of health. At the end of the year, a walk was organised at the Lumley beach. The objective was to inculcate a healthy habit of physical exercise and to provide a fun activity for employees.

There has been an improvement in the implementation of the organisation's performance management system. Specifically, a 99% response was actualised for both mid-year and end of year appraisal activities. The results of these assessments were followed through to get the best out of the human resource base of the Audit Service.

The organisational structure of the ASSL is given in **Appendix 1**.

#### **4.5 Information and Communication Technology**

The ICT division is one among Audit Service Sierra Leone (ASSL) divisions that span its services across the country and has its office located at second and third Floor, Lotto Building, Tower Hill, Freetown.

The division is supervised by the Deputy Auditor General, Finance and Corporate Services, headed by the I T Manager and assisted by two I T Technicians. ASSL has charged the ICT Division with the responsibility of leading the organisation's ICT to provide system-wide assurance, enable integrated digital service delivery and deliver secure, robust and sustainable infrastructure. The division functions are to:

- Set frameworks and standards for the acquisition and deployment of software across the organisation;
- Undertake forward planning and feasibility studies pertaining to the development and implementation of ICT solutions.
- Provide end-user training and support of implemented solutions.
- Undertake the planning, coordination, monitoring of ICT projects being undertaken by the organisation.
- Set direction and plans for the ICT systems of the organization.
- Establish and enforce standards and procedures pertaining to ICT infrastructure within the division.
- Ensure the security of sensitive and critical organization ICT systems.
- Participate in the training of staff in the use of ICT infrastructure systems.
- Recently, the division has been able to link its provisional offices (Makeni, Bo and Kenema) to its head offices in Freetown (Lotto and Youyi Building) through VPN connection. In addition, the division has also completed the installation and configuration of centralised storage facility, exchange and database servers.

#### **4.6 Information, Education and Communication (IEC)**

The IEC Division is located at the Third Floor of Lotto Building and it is headed by the Information Education and Communications Officer. The Division is responsible for public relations and related issues. Accordingly, the Division monitors the media on a regular basis by keeping a close eye on all publications and broadcast that which could be of interest to the Audit Service.



The ASSL through the IEC Division has cultivated a very cordial relationship with the media. First, the IEC Division has worked with the media to create visibility for the ASSL through promotional articles and radio talk shows. In addition, awareness has been raised in the general public of the mandate and relevance of the ASSL in the overall national development of the country.

In 2017, a country-wide sensitisation was done in all of the 14 districts, where radio discussions and town hall meetings with civil society groups and journalists were held in the main local languages. In addition, an outreach programme was undertaken in selected schools in all the 14 districts, the team from ASSL sensitised the pupils on the Audit Service and the work of the Auditor-General in nation building.



*ASSL sensitizing the pupils on the Audit Service work in Kenema*

The IEC Division produces a quarterly newsletter and maintains a functional website at [www.auditservice.gov.sl](http://www.auditservice.gov.sl) on which bulletins of important events on the Public Accounts Committee (PAC) hearings, tabling of report in Parliament, workshops, trainings, press releases and job advertisements are posted. A significant increase in the number of visitors to the website was observed in 2017.

The IEC Officer and a team from the Report Writing Committee were trained on summarizing the ASSL Report and producing it in graphic design.



In 2017, the IEC Officer served as a Resource Person for INTOSAI Development Initiative (IDI) during SAIs engagement with stakeholders workshops organised for AFROSAI-E, CAROSAI, PASAI and ASOSAI.

#### **4.7 Registry and Facilities Management**

The Registry Division is located on the third Floor of Lotto Building at Tower Hill. The division is responsible to give logistic support to the ASSL. It consists of Office and Facilities Management with tasks carried out by a team of administrative assistants, messengers/cleaners, drivers, a generator technician and night watchmen. The division is supervised by the Facilities Officer and headed by the Office Manager who reports to the Deputy Auditor General, Finance and Corporate Services.

The division carries out tasks like:

- Day to day cleaning of the office
- Dispatching of incoming and outgoing letters and documents
- Vehicle movement
- Fleet (Vehicle and motorcycle) and generator management
- Renewal of Licence and Insurance of ASSL vehicles and motorcycles
- Payment of rent, leases and utility bills
- Office maintenance
- Archiving of files and documents
- Achievements recorded for the year under review:

#### **Staff Training**

The annual training for staff in the Registry Division was held in June 2017. The objective of this training was to enlighten staff in the Division understand laid down office procedures. This time, Administrative Assistants in the division were included. This was done to promote flexibility and effective teamwork among drivers, messengers and the administrative assistants.

The Office Manager participated in a series of in-house training sessions in Leadership and Management skills held for ASSL divisional heads from October 2016 to February 2017.

#### **Staff Promotion**

Milford Williams, a messenger assigned to Youyi Building has been promoted to the position of Administrative Assistant. He is presently assigned to the North Regional Office in Makeni.

#### **4.8 Quality Assurance Committee**

The Quality Assurance Committee was mainly established to ensure that it provides assurance to the Auditor-General regarding the effectiveness of the systems of quality in place within the organisation. This is done through reviews at the institutional level and at detailed audit level. At the start of the year, a plan of work was drawn up which encompassed mainly reviews of audit work performed both by the ASSL and private firms. This was done, and the results obtained indicate that the quality of work complies with what is required of a level 3 SAI. However, ASSL should continue to improve on its quality to be upgraded to full-time level 4 SAI, which is the ranking of most developed SAIs like the UK, Sweden, and Norway.

Working hard to meet this target, in 2018, samples of audit files were reviewed both internal and external and reports issued thereon, and a consolidated report provided to the Auditor-General informing her of the state of the control systems within the organisation.

#### **4.9 Editorial Division**

The Editorial Division is essentially responsible for the editing and reviewing of all documents including reports prepared by the ASSL before they are published.

It is currently staffed by two full time editors and a contract editor. The editors come in with a wealth of experience in the English language and add flair, creativity and professionalism to the reports produced by the ASSL.

The efficiency of the current staff has been greatly enhanced by the introduction of an electronic editing system as opposed to hard copy editing that used to obtain in the formative years of the ASSL.

They also take the lead in the training of ASSL staff in executive summary writing, editing and report writing. The development of report writing manuals and inter personal coaching and mentoring of staff on report writing is an on-going process.

#### **4.10 Internal audit**

The Internal Audit Division (IAD) within the Audit Service Sierra Leone is considered a part of the control systems which ensures the smooth operations and functions of the services. For the period under review, the IAD has been very potent in ensuring that:

- Organisational risks are continuously assessed, monitored and contained;
- They proffer constructive recommendations and analysis;

- They report to management and the audit committee on the following issues; adequacy of internal controls, the accuracy, reliability and propriety of transactions, the extent to which assets are accounted for and safeguarded, the level of compliance with institutional policies, and laws/rules and regulations.

For the period under review, the IAD was able to achieve a cumulative total of 89% success in the following areas;

1. Review fuel in Freetown and the Provinces;
2. Audit Committee Meeting;
3. Stores 2016;
4. ICT Report;
5. Review Draft Financial Statements;
6. Quarterly Debtors Review;
7. Review ACCA Scheme;
8. ASSL Time Management for Audits;
9. Fixed Assets

Almost all of these areas were audited and reported on. All planned audits that were intended to be carried out were successfully implemented and results well taken.

Going forward, the Unit intends to monitor the full implementation of recommendations made. It would in 2018, provide a special report on the implementation of its recommendations by the ASSL to the audit committee as part of good corporate governance system, accountability & transparency, and institutional improvements.

#### 4.11 Challenges affecting the operations of ASSL and actions taken

| CHALLENGES  | ACTIONS TAKEN   |
|---|---|
| <b>Operational Plan</b>   |   |
| 1. The continued late or non-submission of financial statements more especially by the local councils and public enterprises whose work is dependent on the clients submitting their financial statements | Implement provisions relating to the non-submission of financial information in the Public Financial Management Act 2016.   |
| 2. Delays in the submission of key audit documents by ministries, councils, hospitals, schools, etc.  | The division would effectively sensitise auditees of the provisions in the Audit Service Act 2014 regarding the failure to submit documents for audit purpose. This would |

| CHALLENGES  | ACTIONS TAKEN  |
|---|--|
| <b>Operational Plan</b>   |  |
|   | become fully functional.   |
| 3. Unavailability of key personnel during audits and auditees failing to respond to audit queries as stipulated in the laws.                                | Implement the ASSL communication strategy in full. This strategy encourages open communication between the auditees and us, paves the way for a good relationship with them whilst maintaining our professionalism, independence, integrity and objectivity. |
| 4. Delay in getting audit fees fixed, initial and exit meeting held as planned.   | Engage vote controllers to avail themselves for fee fixing meetings, initial and exit meetings on time.  |
| 5. Poor road network to access audit clients  | <b>No action taken. Outside the ASSL's control</b>   |
| 6. Involving in jobs not in the operational plan leading to plan not achieved.  | Draw up as best as possible a realistic operational plan.  |
| 7. Difficulty in retaining experienced performance audit staff and transfer of new staff to Performance Audit Division with no performance audit experience | Staff transferred to the Division are enrolled on the AFROSAI-E three module course to gain certification and experience. In-house training programmes have been designed to enhance their knowledge and skills in doing performance audits.                 |
| <b>Strategic Plan</b>   |  |
| 8. Operational Plans not properly linking with strategic plan   | Yearly guidelines would be provided to Divisions to help them with how their plans should look.  |
| 9. Poor monitoring of the Strategic Plan  | Half yearly report would be provided on the set objectives in the plan.  |

## CHAPTER 5 – HIGHLIGHTS IN 2017

### 5.1 Introduction

Since the inception of the ASSL, it has always triumphed amidst the enormous challenges it has faced. 2017 was not an exception and it was a year of awards and recognitions for the Office. We hereby present highlights of these and other issues in the following paragraphs.

### 5.2 Auditor-General Receives National Award



The Auditor-General of Sierra Leone, Mrs. Lara Taylor-Pearce was decorated with the award of "Grand Officer of the Order of the Rokel" by His Excellency the President, Dr Ernest Bai Koroma. The prestigious award was presented to the Auditor-General during the nation's 56th Independence anniversary on 27th April, 2017 at a grand ceremony at State House, Freetown.

### 5.3 Auditor-General Addresses the 14th AFROSAI-E Governing Board in Kenya



Mrs. Lara Taylor-Pearce, the Auditor-General of Sierra Leone was re-elected as Chairperson of the African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E) during the 14th Governing Board Meeting of AFROSAI-E held at the Safari Pak Hotel in Nairobi, Kenya from the 9th- 13th May, 2017.

#### 5.4 Norway Audit Office Empowers ASSL

The Office of the Auditor-General in Norway (OAGN), in collaboration with the Audit Service Sierra Leone (ASSL) did a five-day training of ASSL auditors in the Audit of the Extractive Industry in Sierra Leone from Monday 16th to Friday 20th January, 2017 at the ASSL office, Lotto Building, Tower Hill.

#### 5.5 Graphic Representation of the Summary of the 2015 Auditor-General’s Report

A graphic representation of the summary of the 2015 Auditor-General’s report was done by the ASSL with support from the European Union in 2017. The graphic version of this report simplistically and accurately communicates the key messages of the 2014 report in coloured graphics, cartoons and pictorial illustrations with minimal words.

#### 5.6 Professional Examination

ASSL gladly reports that in 2017, five of its staff completed the ACCA programme and became affiliates. Two of our senior managers also completed a training in fraud examination and were awarded the Certified Fraud Examiner (CFE) qualification.

#### 5.7 Audit of the Readiness of Sierra Leone to Implement the Sustainable Development Goal (SDGs)

ASSL benefitted from series of empowerment programmes in 2017. Outcome of one of the numerous capacity building programmes required ASSL to conduct an audit of the readiness of Sierra Leone to implement the SDGs. Preliminary findings presents a bleak atmosphere of the implementation status.

#### 5.8 Special Reports Produced by the ASSL in 2017

| Report   | Date           |
|--|----------------|
| Performance Audit Report on Monitoring of Environmental Compliance and Enforcement by Environment Protection agency-SL- 2017 | July, 2017     |
| Performance Audit Report on Youths in Drainage Clearing Project by the Ministry of Youth Affairs - May 2017                  | May, 2017      |
| Annual Report on the Accounts of Sierra Leone 2016   | November, 2017 |

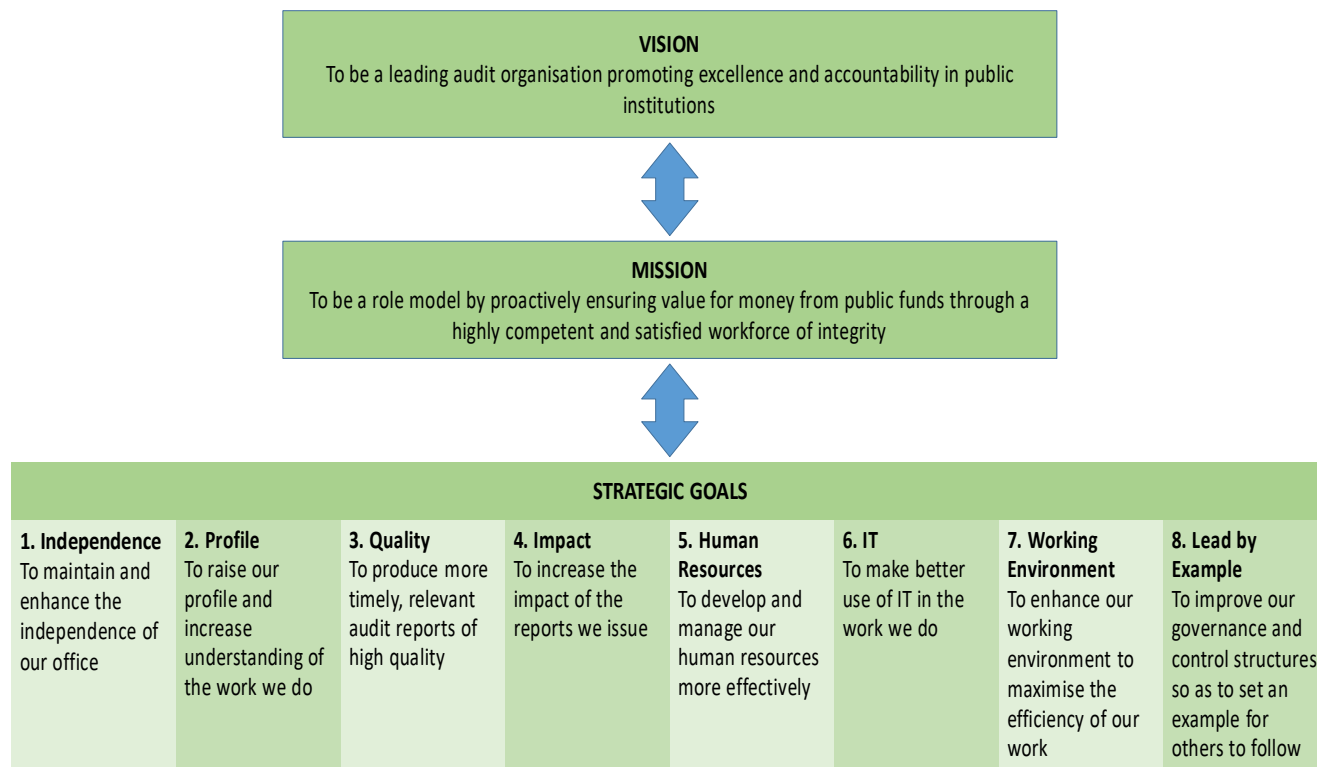
## CHAPTER 6 GOING INTO THE FUTURE

As we continue in our pursuit to promote the culture of transparency and accountability, we discuss some of our future plans below.

### 6.1 Strategic Plan 2016-2020

Our current strategic plan 2016-2020 would be in operation for the next five years to provide direction for the office as we continue to monitor its implementation. As mentioned earlier, the Strategic plan is over two years old therefore we intend conducting a midterm review of our Strategic Plan to see where we are with its achievements, identify mistakes and map out processes which will ensure that our organisational goals are achieved.

There are eight pillars identified in the 2016-2020 strategic plans. These are:



### 6.2 Public Financial Management Improvement and Consolidation Project (PFMICP)

The World Bank through the PFMICP continues to support the ASSL. The support in 2017 included the provision of one vehicle added to the two vehicles that were provided in 2015. The project hired a consultant for the Performance Audit Division.



### **6.3 Specialised Audit Areas**

Detailed procurement and revenue audits of key MDAs and department within the National Revenue Authority are underway. Special audit reports would be produced and submitted to Parliament on completion of these exercises.

### **6.4 International Affiliations**

We continue to maintain strong affiliations with our regional partners. We are actively relating with INTOSAI, AFROSAI, AFROSAI-E, and affiliated working groups within these bodies.

The AG continues to perform her role effectively as Chairperson of the AFROSAI-E and has chaired the 2017 AFROSAI-E Governing Board meeting in Kenya.

Our IEC has been providing support to other SAIs and international organisations. The IEC officer, Martin Sandy was requested to act as a resource person for IDI in its numerous capacity building programmes.

### **6.5 2015 Financial Statements and Budget**

Our 2017 financial statements were submitted to Parliament in March 2017. They have since been audited by external auditors appointed by Parliament. The 2017 audited financial statements are listed as Appendix 2 of this report.

### **6.6 Closing**

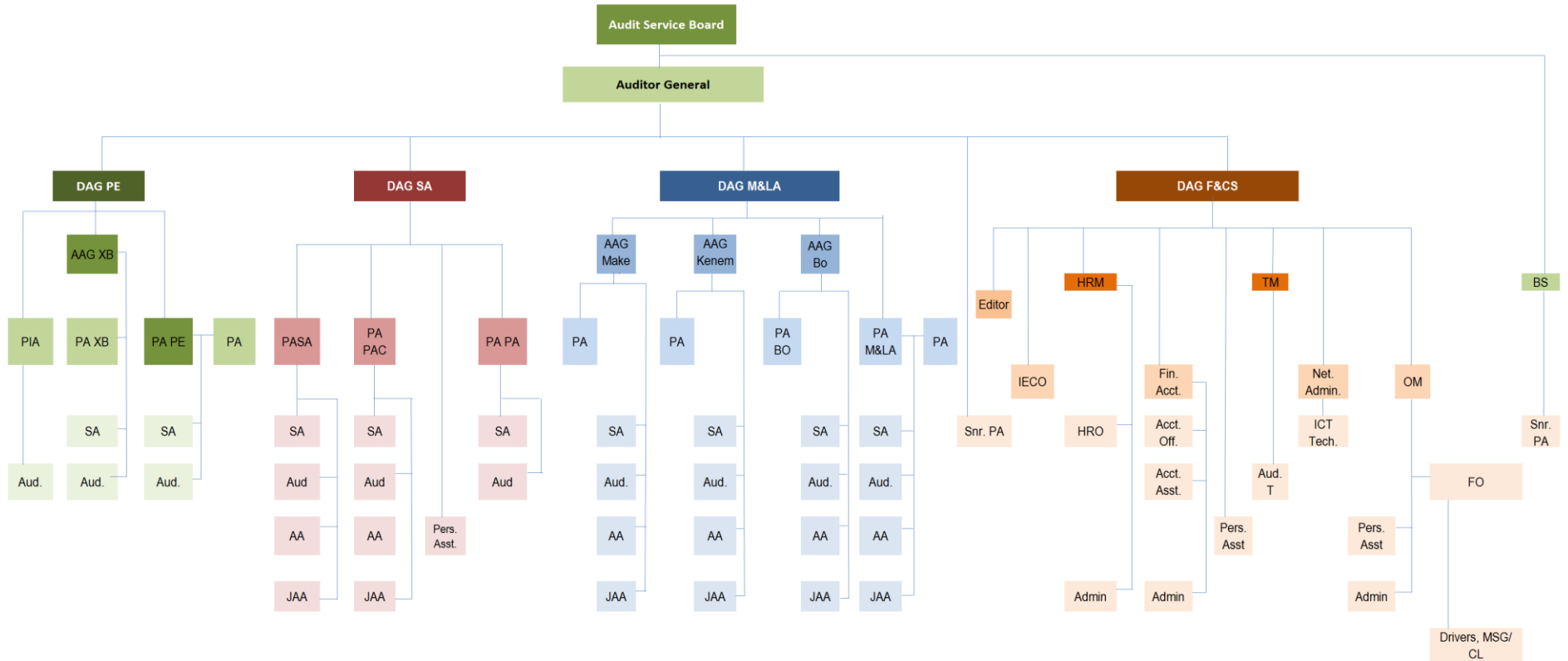
As part of our vigilance to continue striving hard for the best and be pacesetters, we would continue to better our best and ensure that the people of Sierra Leone continue to get value for money for our service whilst ensuring that we discharge our constitutional mandate responsibly.

Going forward, the ASSL is gradually aligning its work with the Sustainable Development Goals (SDGs). The purpose of this is to ensure that we contribute to the success of implementing agencies through annual audits (financial and performance), and where feasible, conduct real time audits. Therefore we have aligned closely with the Norwegian Audit office through capacity building and close collaboration which would help the ASSL better contribute to the achievement of the SDGs as a nation.



## Appendix

**Audit Service Sierra Leone**



DAG PE Deputy Auditor General, Public Enterprises  
 DAG SA Deputy Auditor General, Specialised Audits  
 DAG M&LA Deputy Auditor General, Ministries & Local Authorities  
 PAPE Principal Auditor, Public Enterprises  
 PIA Principal Internal Auditor  
 PAXB Principal Auditor, Examinations Branch  
 PA SA Principal Auditor, Specialised Audits  
 PAPAC Principal Auditor, Performance Audits  
 PAPAC Principal Auditor, Public Accounts Committee  
 PA Principal Auditor  
 SA Senior Auditor  
 Aud Auditor  
 AA Audit Assistant  
 JAA Junior Audit Assistant

AAG Assistant Auditor General  
 BS Board Secretary  
 HRM Human Resources Manager  
 TM Training Manager  
 OM Office Manager  
 IECO Information Education Communication Officer  
 FO Facilities Officer  
 Net. Admin Network Administration  
 HRO Human Resources Officer  
 Fin. Acct. Financial Accountant

ICT Tech. Information Communication Technology Technician  
 Acct. Off. Accounts Officer  
 Aud. T Auditor, Training  
 Acct. Asst. Accounts Assistant  
 Snr. PA Senior Personal Assistant  
 Pers. Asst. Personal Assistant  
 Admin Admin. Assistant  
 MSG/CL Messenger/Cleaner

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# FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017



**AUDIT SERVICE SIERRA LEONE**

*1<sup>st</sup> 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

DFID-Department for International Development

GOSL-Government of Sierra Leone

NRA-National Revenue Authority

MoFED-Ministry of Finance and Economic Development

NASSIT-National Social Security and Insurance Trust

PFMICP-Public Financial Management Improvement and Consolidation Project

SAI-Supreme Audit Institution

SLL-Sierra Leone Leones

**General Information****Head Office:**

2<sup>nd</sup> Floor, State Lottery Building, Tower Hill, Freetown, Sierra Leone

**Principal Activity:**

Audit Service Sierra Leone, audits the Sierra Leone economy, reporting on the efficiency and effectiveness with which the government entities use their resources in carrying out their responsibilities. The Auditor-General is the independent auditor reporting to Parliament.

**Members of the Board of Directors:**

|                         |          |
|-------------------------|----------|
| Mr. Jonathan A. Thomas  | Chairman |
| Mrs. Marcella Jones     | Member   |
| Mrs. Estina Kabia       | Member   |
| Mrs. Lara Taylor-Pearce | Member   |
| Dr. Amadu Max Sesay     | Member   |

**Secretary to the Board:**

Mrs. Fatmata Binta Bah

**Legal Advisers:**

F.A.M. Carlton Hanciles, 10 Charlotte Street, Freetown

**Bankers:**

Sierra Leone Commercial Bank, Siaka Stevens Street, Freetown

Rokel Commercial Bank, Siaka Stevens Street, Freetown

**Auditors:**

LKG Accountants, Chartered Accountants, Freetown, Sierra Leone

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CHARTERED ACCOUNTANTS AND BUSINESS ADVISERS

## **Independent Auditors' Report to Parliament**

### **Report on the Financial Statements**

We have audited the financial statements of Audit Service Sierra Leone which comprise the Statement of Financial Position, as at 31 December 2017, the Statement of Financial Performance and the Statement of Cash Flows for the year.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of financial statements so as to give a true and fair view in accordance with International Public Sector Accounting Standards (IPSAS) Accruals and the requirements of the Sierra Leone Public Financial Management Act 2016. Management is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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 (UK and Ireland adopted in Sierra Leone). 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

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**AUDIT SERVICE SIERRA LEONE**

**FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017**

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misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit and fair 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 of our opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of Audit Service Sierra Leone as at 31 December 2017 and of its financial performance and cash flows for the year in accordance with International Public Sector Accounting Standards (IPSAS) Accruals and the requirements of the Sierra Leone Public Financial Management Act 2016.

**LKG Accountants**

Chartered Accountants

Freetown





AUDIT SERVICE SIERRA LEONE

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017**Statement of Financial Performance for the year ended 31  
December 2017**

|                                 | Notes | 2017<br>SLL          | 2016<br>SLL          |
|---------------------------------|-------|----------------------|----------------------|
| Income                          | 6     | 36,322,899,144       | 30,987,536,602       |
| Expenditure                     | 7     | 30,936,313,962       | 31,637,818,152       |
| <b>Income Surplus/(Deficit)</b> |       | <b>5,386,585,182</b> | <b>(650,281,550)</b> |

**AUDIT SERVICE SIERRA LEONE**
**FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017**
**Statement of Financial Position as at 31  
December 2017**

|   | Notes     | 2017<br>SLL           | 2016<br>SLL           |
|---|-----------|-----------------------|-----------------------|
| <b>NON-CURRENT ASSETS</b>                   |           |                       |                       |
| Intangible Assets                           | 5.2       | 27,499,483            | 20,445,480            |
| <b>Tangible Assets</b>                      |           |                       |                       |
| Property, Plant and Equipment               | 4         | 1,353,049,909         | 1,675,002,684         |
| Work In Progress                            | 5.1       | 6,871,336,976         | 6,871,336,976         |
| <b>Total non-Current Assets</b>             |           | <b>8,251,886,368</b>  | <b>8,566,785,140</b>  |
| <b>CURRENT ASSETS</b>                       |           |                       |                       |
| Trade and Other Receivables                 | 8         | 5,947,263,316         | 836,339,376           |
| Prepayments                                 | 8.4       | 447,253,857           | 455,076,004           |
| Cash and Bank Balances                      | 9.1 & 9.2 | 8,375,055,062         | 6,535,623,140         |
| <b>Total Current Assets</b>                 |           | <b>14,769,572,235</b> | <b>7,827,038,520</b>  |
| <b>Total Assets</b>                         |           | <b>23,021,458,603</b> | <b>16,393,823,660</b> |
| <b>Equity and Liabilities</b>               |           |                       |                       |
| <b>Accumulated Fund</b>                     | 13        | <b>18,829,071,209</b> | <b>13,279,971,005</b> |
| <b>Total Reserves</b>                       |           | <b>18,829,071,209</b> | <b>13,279,971,005</b> |
| <b>Non-current Liabilities</b>              |           |                       |                       |
| Amount falling due after more than one year |           |                       |                       |
| Staff Severance Pay Provision               | 10.1      | 3,647,987,948         | 2,676,724,993         |
| <b>Current Liabilities</b>                  |           |                       |                       |
| Amount falling due within one year          |           |                       |                       |
| Trade and Other Payables                    | 10        | 544,399,446           | 437,127,662           |
| <b>Total Liabilities</b>                    |           | <b>4,192,387,394</b>  | <b>3,113,852,655</b>  |
| <b>Total Equity and Liabilities</b>         |           | <b>23,021,458,603</b> | <b>16,393,823,660</b> |

AUDIT SERVICE SIERRA LEONE

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017

In approving these financial statements as Management of Audit Service Sierra Leone we hereby confirm that we acknowledge our responsibilities:

- (1) for ensuring that Audit Service Sierra Leone keeps accounting records which comply with the requirements of the Sierra Leone Public Financial Management Act 2017; and
- (2) for preparing financial statements which give a true and fair view of the state of affairs of the organisation as at the end of the financial year and of its surplus or deficit income for the year ended in accordance with the provisions of International Public Sector Accounting Standards (IPSAS) Accruals relating to financial statements, so far as applicable to the Service.

The financial statements were approved by the Management on 19th June  
----- 2018 and signed on its behalf by:

**Signature:**

Auditor-General



Date

19/6/18

Secretary to the Board



Date

19<sup>th</sup> June 2018

## AUDIT SERVICE SIERRA LEONE

 FINANCIAL STATEMENTS FOR THE  
 YEAR ENDED 31 DECEMBER 2017

**Statement of Cash Flow for the year ended 31  
 December 2017**

|   | 2017                 | 2016                   |
|---|----------------------|------------------------|
|   | SLL                  | SLL                    |
| <b>Cash flow from operating activities</b>                  |                      |                        |
| Net Surplus/(Deficit) for the year                          | 5,386,585,182        | (650,281,550)          |
| <b>Adjusted for:</b>  |                      |                        |
| Depreciation  | 653,602,768          | 617,826,795            |
| Amortisation of Intangible Assets                           | 3,583,497            | 2,519,748              |
| Impairment  | 1,283,400            | -                      |
| <b>Operating Surplus before Working Capital Changes</b>     | <u>6,045,054,847</u> | <u>(29,935,007)</u>    |
| Increase in Trade and Other Receivables                     | (5,110,923,940)      | (577,389,376)          |
| Decrease in Prepayment                                      | 7,822,148            | 243,057,265            |
| Increase in Trade and Other Payables                        | 1,078,534,739        | 1,280,873,159          |
| <b>Net cash flow from operating activities</b>              | <u>2,020,487,794</u> | <u>916,606,041</u>     |
| <b>Cash flow from investing activities</b>                  |                      |                        |
| Purchase of Property, Plant and Equipment                   | (332,933,393)        | (1,386,077,626)        |
| Purchase of Intangible Assets                               | (10,637,501)         | (2,875,000)            |
| <b>Net Cash used in Investing Activities</b>                | <u>(343,570,894)</u> | <u>(1,388,952,626)</u> |
| Prior Year Adjustments                                      | -                    | 9,860                  |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <u>1,676,916,900</u> | <u>(472,336,725)</u>   |
| Exchange Gain   | 162,515,022          | 133,830,365            |
| Cash and cash equivalent at start of the period             | 6,535,623,140        | 6,874,129,500          |
| <b>Cash and cash equivalent at end of the period</b>        | <u>8,375,055,062</u> | <u>6,535,623,140</u>   |
| <b>Analysis of cash and cash equivalents</b>                |                      |                        |
| Consisting of:  |                      |                        |
| <b>Cash at bank and in hand</b>                             | <u>8,375,055,062</u> | <u>6,535,623,140</u>   |
|   | <u>8,375,055,062</u> | <u>6,535,623,140</u>   |

**Statement of Changes in Equity for the year ended 31  
December 2017**

|                                    | <u>Exchange<br/>Rate Gain<br/>SLL</u> | <u>Retained<br/>Earnings<br/>SLL</u> | <u>Total<br/>SLL</u>         |
|------------------------------------|---------------------------------------|--------------------------------------|------------------------------|
| <b>Year Ended 31 December 2017</b> |                                       |                                      |                              |
| At start of the year               | 256,180,856                           | 13,023,790,149                       | 13,279,971,005               |
| Result for the year                | -                                     | 5,386,585,182                        | 5,386,585,182                |
| Prior Year Adjustment              | -                                     | -                                    | -                            |
| Exchange Rate Gain                 | 162,515,022                           | -                                    | 162,515,022                  |
| <b>At the end of the year</b>      | <b><u>418,695,878</u></b>             | <b><u>18,410,375,331</u></b>         | <b><u>18,829,071,209</u></b> |

|                                    | <u>Exchange<br/>Rate Gain<br/>SLL</u> | <u>Retained<br/>Earnings<br/>SLL</u> | <u>Total<br/>SLL</u>         |
|------------------------------------|---------------------------------------|--------------------------------------|------------------------------|
| <b>Year Ended 31 December 2016</b> |                                       |                                      |                              |
| At start of the year               | 122,350,491                           | 13,548,661,987                       | 13,671,012,478               |
| Prior Year Adjustment              | -                                     | (650,281,550)                        | (650,281,550)                |
| Result for the year                | -                                     | 125,409,712                          | 125,409,712                  |
| Exchange Rate Gain                 | 133,830,365                           | -                                    | 133,830,365                  |
| <b>At the end of the year</b>      | <b><u>256,180,856</u></b>             | <b><u>13,023,790,149</u></b>         | <b><u>13,279,971,005</u></b> |



## AUDIT SERVICE SIERRA LEONE

 FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017

**Statement of Comparison of Budget and Actual Amounts for  
the year ended 31 December 2017**

| Annual Operational objectives                           | <u>Programme<br/>budget<br/>utilisation</u> | <u>Programme<br/>budget 2017</u> | <u>Variance</u>        |
|---|---|----------------------------------|------------------------|
| Income  | SLL   | SLL                              | SLL                    |
| GOSL-Capacity Building Project                          | 1,629,839,200                               | 1,599,653,000                    | 30,186,200             |
| Audit Fees(Income)                                      | 1,994,500,000                               | 1,767,500,000                    | 227,000,000            |
| GOSL- Other Charges                                     | 5,481,800,000                               | 6,966,211,278                    | (1,484,411,278)        |
| GOSL-Grant  | 4,601,343,694                               | 2,721,940,000                    | 1,879,403,694          |
| AfDB Support to ASSL ACCA<br>Scheme                     | 3,950,000                                   | -                                | 3,950,000              |
| GOSL-Salaries   | 22,605,966,250                              | 28,495,678,133                   | (5,889,711,883)        |
| Sale of Bid Document                                    | 5,500,000                                   | -                                | 5,500,000              |
| <b>Total Income</b>                                     | <b>36,322,899,144</b>                       | <b>41,550,982,411</b>            | <b>(5,228,083,267)</b> |
| <b>Expense</b>  |   |                                  |                        |
| Audit Fees  | 65,000,000                                  | 87,600,000                       | 22,600,000             |
| Audit Fees transfer to CRF                              | 515,395,000                                 | 457,500,000                      | (57,895,000)           |
| Bonus   | 1,021,990,520                               | 1,283,190,202                    | 261,199,682            |
| Directors Allowances                                    | 92,400,000                                  | 108,000,000                      | 15,600,000             |
| Gratuity paid during the year and<br>provision for 2017 | 2,126,625,003                               | 1,283,190,202                    | (843,434,801)          |
| Local Travelling  | 461,585,478                                 | 1,088,977,500                    | 627,392,022            |
| Overseas Travelling                                     | 1,183,486,236                               | 844,113,600                      | (339,372,636)          |
| Overseas Training                                       | 734,514,668                                 | 1,292,976,000                    | 558,461,332            |
| Leave Allowance   | 1,738,260,546                               | 2,889,302,453                    | 1,151,041,907          |
| Electricity   | 132,169,970                                 | 133,258,522                      | 1,088,552              |
| Water Charges   | 20,188,712                                  | 27,594,000                       | 7,405,288              |
| Telephone & other<br>Communication                      | 328,823,676                                 | 351,297,900                      | 22,474,224             |
| Life Assurance Policy                                   | 33,216,275                                  | 38,325,000                       | 5,108,725              |
| Medical Allowances                                      | 266,081,474                                 | 286,500,000                      | 20,418,526             |
| NASSIT (10%)  | 1,213,008,096                               | 1,529,532,243                    | 316,524,147            |
| Overtime  | 32,242,911                                  | 54,000,000                       | 21,757,089             |

AUDIT SERVICE SIERRA LEONE

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2017

|                                      |                       |                       |                       |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Rent and Rates                       | 464,162,661           | 453,330,000           | (10,832,661)          |
| Salaries                             | 16,461,739,575        | 20,995,963,033        | 4,534,223,458         |
| Sitting fees                         | 61,200,000            | 60,000,000            | (1,200,000)           |
| Staff welfare Contributions          | 30,000,000            | -                     | (30,000,000)          |
| Wages                                | 29,607,451            | 6,000,000             | (23,607,451)          |
| Office & General                     | 261,439,953           | 277,254,000           | 15,814,047            |
| Stationery                           | 77,180,450            | 177,982,395           | 100,801,945           |
| Computer Consumables                 | 67,101,817            | 174,332,194           | 107,230,377           |
| Advertisement                        | 56,598,110            | 156,717,450           | 100,119,341           |
| Printing and Publicity               | 223,398,100           | 233,782,500           | 10,384,400            |
| Building (Maintenance)               | 33,261,000            | 245,280,000           | 212,019,000           |
| Machinery & Furniture<br>Maintenance | 19,012,000            | 116,508,000           | 97,496,000            |
| Vehicles Maintenance                 | 350,807,573           | 375,366,000           | 24,558,427            |
| Generator Running Cost               | 21,024,727            | 137,970,000           | 116,945,273           |
| Vehicle Insurance & Licensing        | 118,462,919           | 233,782,500           | 115,319,581           |
| Bank Charges                         | 143,617,258           | 99,505,875            | (44,111,383)          |
| Subscription & Membership dues       | 36,155,600            | 38,325,000            | 2,169,400             |
| Training & Recruitment (Local)       | 183,706,052           | 42,495,000            | (141,211,052)         |
| Professional Fees                    | 1,157,121,550         | 2,443,970,000         | 1,286,848,450         |
| Overseas Audit                       | -                     | 448,665,300           | 448,665,300           |
| Solicitor Fee                        | 15,000,000            | 18,250,000            | 3,250,000             |
| Uniforms                             | 25,904,000            | 30,879,000            | 4,975,000             |
| Transport, Fuel and Oil              | 409,399,936           | 393,105,000           | (16,294,936)          |
| Furniture                            | 63,983,000            | 233,641,245           | 169,658,245           |
| Plant and Equipment                  | 174,882,000           | 230,190,900           | 55,308,900            |
| Computers and Ancillary              | 94,068,393            | 5,465,791,250         | 5,371,722,857         |
| Intangible asset                     | 10,637,501            | 23,400,000            | 12,762,500            |
| <b>Total expense</b>                 | <b>30,554,460,190</b> | <b>44,867,844,264</b> | <b>14,313,384,074</b> |





