

**Audit Service Sierra Leone**

**Financial Statements**

**For the year ended 31 December 2023**

This report contains 40 pages  
*Appendices contain 9 pages*

## Contents

Abbreviations .....	iii
General Information .....	1-2
Report of the Vote Controller .....	3-5
Independent Auditor's Report .....	6-10
Statement of cash receipts and payments .....	12
Statement of detailed comparison of budget and actual revenue and expenditure .....	13
Statement of cash position (all public funds) .....	14
Statement of detailed revenue collected during the year .....	21
Statement of Domestic Revenue and Allocation Arrears .....	22
Statement of Unpaid Commitments Outstanding .....	22
Statement of Fixed (physical) Assets Purchased During the year .....	22
Statement of Undrawn External Assistant .....	23
Notes to the Financial Statements .....	15-40

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## Appendices

Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2023 .....	42-44
Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2022 .....	45-49



<b>Notes</b>	
<b>Basis of Preparation</b>	<b>Page</b>
1 Reporting Agency	15
2 Basis of accounting	15
3 Statement of compliance	15
4 Functional and presentation currency	15
5 Use of estimates and judgements	15
<b>Performance for the year</b>	
6 Operating segments	16
7 Receipts	16
8 Finance Income	18
9 Payments	18,19,25,&28
<b>Income Taxes</b>	
10 Income tax expense	19
<b>Assets</b>	
11 Cash and cash equivalents	20
<b>Other Financial Information Statements</b>	
12 Statement of detailed revenue collected	21
13 Statement of Domestic revenue and allocation arrears	22
14 Statement of unpaid Commitments Outstanding	22
15 Statement of Property, plant, and equipment purchased	22
16 Statement of undrawn external assistant	23
<b>17 Projects</b>	
17.1 Public Financial Management Improvement and consolidated project	24
17.2 Accountable Governance for Basic Service Delivery	24
<b>Other explanatory information</b>	
18 Use of goods and services	25

<b>Notes</b>	<b>Page</b>
19 Directors Emoluments	25
20 Notes supporting cash position	26
21 Bank balances at the close of the year	26
22 Petty Cash balances at the close of the year	26
23 Cash at the beginning of the year	26
24 Bank balances at the beginning of the year	26
25 Cash in hand at the beginning of the year	27
26 Other Outstanding Commitments	27
27 Transfer of Donor funding	27
28 Contingent assets and liabilities	27
29 Related party transactions	28
30 Capital Commitments	28
31 Subsequent Events Review	28
32 Other Matters	28
33 Financial instruments – Fair value and Risk management	28
34 Pending litigation	35
<b>Accounting policies</b>	
35 Basis of measurement	35
36. Significant accounting policies	35



## **Abbreviations**

AfDB-African Development Bank

ASSL-Audit Service Sierra Leone

CF-Consolidated Fund

GoSL-Government of Sierra Leone

GPFS-General Purpose Financial Statements

IDA-International Development Association

NSLL- New Sierra Leone Leones

MoF-Ministry of Finance

NRA-National Revenue Authority

NASSIT-National Social Security and Insurance Trust

PFMICP-Public Financial Management Improvement and Consolidation Project

SAI-Supreme Audit Institution

SLCB-Sierra Leone Commercial Bank

RCB – Rokel Commercial Bank (Sierra Leone) Limited

## **Audit Service Sierra Leone**

### **General Information**



## **General Information**

### **Audit Service Board (Advisory)**

Lunyanga Ngagba Kaiwa	-Chairman
Rowland M. Stevens	- Member
Kalilu O. Bah	- Member and Chairman Public Service Commission
Matilla Kormoh	- Member ( with effect from 16 July 2024)
Abdul Aziz	- Acting Auditor General

### **Secretary to the Board**

- Fatmata Binta Bah (Mrs.)

### **Bankers**

- Sierra Leone Commercial Bank Limited
- Rokel Commercial Bank (Sierra Leone) Limited

### **Solicitors**

- Law Officers Department

### **Legal Affairs Manager**

- Kadijatu Bangura

### **Auditors**

Crowe Decker & Partners  
Chartered Accountants  
Kissy House  
54 Siaka Stevens Street  
Freetown

### **Registered Office**

New Freetown City Council Building  
11th and 12th Floors  
17 Wallace Johnson Street  
Freetown



## Report of the Vote Controller

The Vote Controller presents his report together with the audited General Purpose Financial Statements to Parliament for the year ended 31 December 2023.

The Vote Controller is responsible for the preparation and presentation of the General Purpose Financial Statements comprising the Statement of Cash receipts and payments for the year ended 31 December 2023, and the Statements of detailed comparison of budget and actual revenue and expenditure, cash position, and cash flows for the year then ended, and the notes to the General Purpose Financial Statements which include a summary of significant accounting policies and other explanatory notes in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis, (adopted by Audit Service Sierra Leone), and in the manner required by the Audit Service Act 2014, the Audit Service (Amendment Act) 2023, the Public Financial Management Act 2016, and the 1991 Constitution of Sierra Leone and for such internal control as the Vote Controller determines is necessary to enable the preparation of General Purpose Financial statements that are free from material misstatements, whether due to fraud or error.

Sections 33 of the Audit Service Act 2014 and Section 119 (12) of the 1991 Constitution of Sierra Leone requires that "the accounts of the office of the Auditor-General shall be audited and reported upon by an Auditor appointed by Parliament". In addition, The Audit Service (Amendment) Act 2023 provided that a "top-tier audit firm, meaning an audit firm of or among the highest rank, level, importance or quality should be appointed in this regard.

The Vote Controller's responsibility also includes maintaining adequate accounting records and an effective system of risk management and internal controls. The Vote Controller has made an assessment of the Agency's ability to continue as a going concern and has no reason to believe that the Agency will not be a going concern in the years ahead, in so far as section 2 of the Audit Service Act 2014 establishes the Audit Service Sierra Leone as a body corporate having perpetual succession and capable of acquiring, holding and disposing of any property whether moveable or immovable and suing and being sued in its own name and performing all acts as bodies corporate may perform. Also, the Audit Service Sierra Leone, being the Supreme Audit Institution of the Country, is and will always be constitutionally responsible to audit all public funds in Sierra Leone, and for as long as the 1991 constitution of Sierra Leone (or any amendments thereof) exists, which makes this provision, Audit Service Sierra Leone will continue to exist in Sierra Leone.

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

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



## **Report of the Vote Controller (continued)**

### **Going Concern basis of accounting (continued)**

#### **Going Concern basis of accounting**

The Vote Controller continues to have a reasonable expectation that Audit Service Sierra Leone has adequate resources to continue in operation for at least the next 12 months from the date of signing of these financial statements and that the going concern basis of accounting remains appropriate

The financial statements have been prepared on the going concern basis of accounting, which assumes the Agency will and can continue to exist as the going concern. The Cash and Cash equivalents are therefore included at values in the Agency's statement of cash position on page 14 which assumes this fundamental basis of preparation, and that this asset could be turned to liquid resources without any encumbrances, in the normal course of the Agency's business for at least the values contained in the financial statements, and the cash realized will be sufficient to settle the Agency's outstanding liabilities.

For the year ended 31 December 2023, the Agency recorded a deficit of 1,638,371 New Leones, (2022: surplus of 2,489,355), and as at that date its total liquid assets exceeded total liabilities by 10.9 million New Leones (2022: liquid assets exceeded total liabilities by 10.4 million New Leones). At the date of approval of the financial statements, the Agency remains reliant upon the continued financial support in the form of budgetary allocations from the Government of Sierra Leone as a going concern. The Government of Sierra Leone has been supporting the Agency in the past and also has plans to continue to financially support the Agency at present and in the future in the form of budgetary allocations.

The Agency has 12,087,476 million New Leones of resources comprising cash and cash equivalents at 31 December 2023 and 20,069,248 million New Leones as at the date of authorization of these financial statements.

The application of the going concern basis of accounting is dependent on the continued availability of budgetary allocations to the Agency.

The Agency has no long-term loan and has the necessary fixed assets as at close of business on 31 December 2023 to continue in operation.

Based on these factors, the Vote Controller has a reasonable expectation that the Agency has adequate resources to continue in business.

Accordingly, the General-Purpose Financial Statements have been prepared on the basis of accounting policies applicable to a going concern.



## **Report of the Vote Controller (continued)**

### **Auditors**

In accordance with the requirements of the 1991 Constitution of Sierra Leone and section 33 of the Audit Service Act 2014 and the Audit Service (Amendment Act) 2023, the accounts of the Audit Service shall be audited by a top-tier audit firm, being an Independent Professional Accounting Firm appointed by parliament.

### **Approval of the financial statements**

The financial statements were approved and signed by the undersigned on 31 December 2024, and signed as such by:

  
f Abdul Aziz

Acting Vote Controller

Date 9<sup>th</sup> January, 2025



## Independent Auditor's Report to Parliament

### Report on the General Purpose Financial Statements

#### Opinion

We have audited the General-Purpose Financial Statements of Audit Service Sierra Leone which comprise the statement of Cash receipts and payments for the year ended 31 December 2023, and the Statements of detailed comparison of budget and actual revenue and expenditure, cash position and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information.

In our opinion, the accompanying General Purpose Financial Statements present fairly in all material respects, the financial position of Audit Service Sierra Leone as at 31 December 2023, and its financial performance and its cash position for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS), Cash Basis, and the requirements of the Audit Service Act 2014 as amended in 2023, the Public Financial Management Act 2016, and the 1991 Constitution of Sierra Leone.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), and International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Agency in accordance with the ethical requirements that are relevant to our audit of the General-Purpose Financial Statements in Sierra Leone, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Independent Auditor's Report to Parliament (continued)

### Other information

The Vote Controller is responsible for the other information. The other information comprises the information included in the Vote Controller's report on pages 3 to 5 of these financial statements as required by the Audit Service Act 2014, as amended in 2023, the Public Financial Management Act 2016, and the 1991 Constitution of Sierra Leone, which we obtained prior to the date of this report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the General-Purpose Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the General-Purpose Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Vote Controller and those charged with governance for the General-Purpose Financial Statements

The Vote Controller is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards, and the requirements of the Audit Service Act 2014 as amended in 2023, the Public Financial Management Act 2016, and the 1991 Constitution of Sierra Leone, and for such internal control as the Vote Controller determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Vote Controller is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Vote Controller either intends to liquidate the Agency or to cease operations or have no realistic alternative but to do so.

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



## Independent Auditor's Report to Parliament (continued)

### Auditor's responsibilities for the audit of the General Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, and ISSAIs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Vote Controller.
- Conclude on the appropriateness of the Vote Controller's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



## Independent Auditor's Report to Parliament (continued)

### Auditor's responsibilities for the audit of the General-Purpose Financial Statements (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the Agency or business activities within the Agency to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Agency's audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

### Report on other legal regulatory Requirements

In accordance with the requirements of section 13 of the Public Financial Management Act 2016, and section 31 of the Audit Service Act 2014, we report that:

- The Vote Controller maintained prudent, effective, efficient, and transparent use of resources allocated to the Agency;
- The Vote Controller maintained efficient and effective systems of financial management and internal controls;
- The Vote Controller kept full and proper records of the financial affairs of the Agency; and



## Independent Auditor's Report to Parliament (continued)

### Report on other legal regulatory Requirements (continued)

- As a result of the appointment of the External Auditors on 16 August 2024, the Auditor General was unable to submit the audited financial statements of Audit Service Sierra Leone to Parliament six months after the end of the financial year of 31 December 2023.

The Engagement Partner on the audit resulting in this Independent Auditor's report is  
Vidal T.O. Decker.

Freetown

*Crowe Decker & Partners*  
Chartered Accountants



Date: *31 December 2024*

**Audit Service Sierra Leone**

**General Purpose Financial Statements**

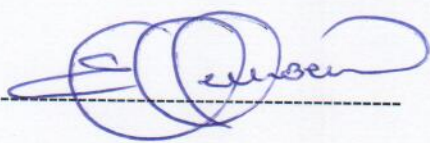
**31 December 2023**



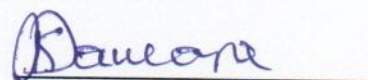
## Statement of cash receipts and payments for the year ended 31 December 2023

Amounts in Sierra Leone New Leones	Notes	2023	2022
<b>Receipts</b>			
Authorized Allocations/MoF Transfers	7A	59,727,083	58,299,710
Audit fees	7A & 12	5,322,649	4,044,568
Sale of bid documents	7A	-	-
Other receipts:	7B	1,000	-
Finance Income	8	-	-
		<hr/>	<hr/>
	7A	65,050,732	62,344,278
<b>Payments</b>			
Compensation of employees	9A	(43,967,907)	(43,345,976)
Use of goods and services	18	(19,956,642)	(13,768,406)
Social benefits	9B	(2,387,554)	(2,337,755)
Other payments	19	(377,000)	(402,786)
Transfer of funds	27	-	-
Finance costs	8	-	-
		<hr/>	<hr/>
<b>(Deficit)/Surplus for the year</b>		<b>(1,638,371)</b>	<b>2,489,355</b>
<b>Cash and Bank balance at start of year 23</b>		<b><u>13,725,847</u></b>	<b><u>11,236,492</u></b>
<b>Cash and Bank Balance at end of year 11</b>		<b>12,087,476</b>	<b>13,725,847</b>
		=====	=====

These financial statements were approved by the Vote Controller on 31 December 2024

  
f

Vote Controller



Head of Accounts

The notes on pages 15 to 40 are an integral part of the General-Purpose Financial Statements



**Statement of detailed comparison of budget and actual revenue and expenditure for the year ended 31 December 2023**

Amounts in Sierra Leone New Leones	2023			Y/e 31 Dec. 2022	
	Final budget	Actual	Variance	Final budget	Actual
<b>Revenue</b>					
Non-Tax					
GOSL-Salaries					
GOSL- Other	53,960,033	47,227,083	(6,732,950)	49,381,735	45,374,353
Charges	12,500,000	12,500,000	-	11,410,600	10,925,357
Capital Development expenditure	3,000,000	-	(3,000,000)	2,000,000	2,000,000
Audit Fees (Income)	2,587,350	5,322,649	2,735,299	2,640,636	4,044,568
Sale of Bid Document	-	-	-	-	-
Other Income	-	1,000	1,000	-	-
Proceeds from grant and loan:	-	-	-	-	-
<b>Total Income</b>	<b>72,047,383</b>	<b>65,050,733</b>	<b>(6,996,651)</b>	<b>65,432,971</b>	<b>62,344,278</b>
Compensation of employees	(53,316,033)	(46,355,461)	6,960,572	(48,727,735)	(45,683,731)
<b>Total expense</b>	<b>(53,316,033)</b>	<b>(46,355,461)</b>	<b>6,960,572</b>	<b>(48,727,735)</b>	<b>(45,683,731)</b>
<b>Programme1</b>	<b>(18,731,350)</b>	<b>(20,333,642)</b>	<b>(1,602,292)</b>	<b>(16,705,236)</b>	<b>(14,171,192)</b>
<b>Total expenditure</b>	<b>(72,047,383)</b>	<b>(66,689,103)</b>	<b>5,358,280</b>	<b>(65,432,971)</b>	<b>(59,854,923)</b>
					<b>5,578,048</b>



**Statement of cash position (all public funds) as at 31 December 2023**

Amounts in Sierra Leone New Leones

			Notes	Y/e 31 December 2023	Y/e 31 Dec. 2022	Changes in cash balances
				SLL	SLL	SLL
<u>Cash/ bank account details</u>	<u>Project name</u>	<u>Currency held in</u>				
General fund						
Petty cash		SLL	22	6,613	5,699	914
Bank accounts						
Auditor General's Dept.-RCB		SLL	21	5,253,842	4,900,436	353,406
Auditor General's Dept.- Other Charges-SLCB		SLL	21	4,581,688	6,499,026	(1,917,338)
Auditor General's Dept.- Training-SLCB		SLL	21	2,030,333	2,320,686	(290,353)
Total held in at Bank of Sierra Leone			21	215,000	-	215,000
Total held in bank accounts				12,080,863	13,720,148	(1,639,285)
Total cash and bank balances at the end of the period (general fund)				<u>12,087,476</u>	<u>13,725,847</u>	<u>(1,638,371)</u>
Donor financed projects						
Project bank accounts						
ASSL PFMICP	PFMICP	USD	21	-	-	-
Total project cash and bank balances at the end of the period				-	-	-
Total cash and bank balances-all public funds			20	<u>12,087,476</u>	<u>13,725,847</u>	<u>(1,638,371)</u>



## **Notes to the Financial Statements**

### **1. Reporting Agency**

Audit Service Sierra Leone (ASSL), the Supreme Audit Institution (SAI) is an Agency domiciled in Sierra Leone. The registered office is headquartered at 17 Wallace Johnson Street, New Freetown City Council Building, 11th and 12th floors of Freetown with sub-offices in Makeni, Kenema, and Bo. It also has other sub-offices in Freetown.

The General-Purpose Financial Statements of Audit Service Sierra Leone as at and for the year ended 31 December 2023 comprise those of the Agency alone. Audit Service Sierra Leone is constitutionally responsible for the audit of all ministries, departments, agencies, parastatals, and other government institutions. This mandate is enshrined in the 1991 Constitution of Sierra Leone and other related legislations, including the Public Financial Management Act, 2016, the Audit Service Act, 2014 and The Audit Service (Amendment) Act 2023.

### **2. Basis of Accounting**

The General-Purpose Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis and the requirements of the Audit Service Act 2014 and as amended in 2023, the Public Financial Management Act 2016, and the 1991 Constitution of Sierra Leone. The General; purpose financial statements were authorized for issue by the Vote Controller on 31 December 2024.

Details of the Agency's material accounting policies are included in note 35.

### **3 Statement of compliance**

The General-Purpose Financial Statements complies with the International Public Sector Accounting Standards (IPSAS), Cash Basis of Accounting, using the historical cost basis, except where otherwise stated in fair values.

### **4 Functional and Presentation currency**

These General-Purpose Financial Statements are prepared in Sierra Leonean New Leones, which is the Agency's functional currency. All amounts have been stated to the last Sierra Leonean New Leones unless otherwise indicated.

### **5 Use of Judgements and estimates**

In preparing these General-Purpose Financial statements, the Vote Controller has made judgments and estimates that affect the application of the Agency's accounting policies and the reported amounts of revenue and expenditure. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

### **A judgments**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the General-Purpose Financial Statements is included in the following notes:



## Notes to the Financial Statements (continued)

- Notes 7&35c: revenue recognition: whether revenue from budgetary allocations is recognized over time or at a point in time
- Note 35i: lease term: whether the Agency is reasonably certain to exercise extension options

### B Assumptions and estimation uncertainties

Information about estimation uncertainties as 31 December 2023 that have a significant risk of resulting in a material adjustment to the amounts of revenue and expenditure in the next financial year is included in the following notes:

- Note 7 and 35c revenue recognition: estimate of expected budgeted revenue based on Government allocations.
- Note 28: recognition and measurement of contingencies and provisions: key assumptions about the likelihood and magnitude of an outflow of resources

### 6 Operating Segments

Audit Service Sierra Leone does not operate on a segmented basis and as such does not consider operating segment reporting appropriate.

### 7 Revenue

#### A Revenue Streams

Audit Service Sierra Leone generates revenue primarily from Government of Sierra Leone allocations for salaries, recurrent expenditures (other charges), (see note 7B), and for ASSL capital project under construction. Other sources of revenue include audit fees from both Sub-vented and non-sub-vented auditees. Audit fees received from Sub-vented auditees are eventually transferred to the Consolidated Fund maintained at Bank of Sierra Leone, and as at the close of business on 31 December 2023, total amount transferred to the Consolidated Fund was 929,274 New Leones, (2022: 970,875 New Leones. (see note 18).

At the reporting date, the Agency typically has no other sources of revenue.

<i>In Sierra Leone New Leones</i>	<b>2023</b>	<b>2022</b>
<b>Revenue from the Government of Sierra Leone:</b>		
Authorized Allocation from the Ministry of Finance		
Salary Allocation	<b>47,227,083</b>	45,374,353
Recurrent expenditure (other charges)	<b>12,500,000</b>	10,925,357
Capital development fund	-	2,000,000
	<b>59,727,083</b>	58,299,710
<b>Other revenue</b>		
Audit fees	<b>5,322,649</b>	4,044,568
Sale of bidding documents	-	-
Other Receipts	<b>1,000</b>	-
Finance Income	-	-
<b>Total Income</b>	<b>65,050,733</b>	62,344,278



## Notes to the Financial Statements (continued)

Proceeds from the sale of bidding documents are now paid directly into the Consolidated Fund and not the agency.

### 7 B. Disaggregation of revenue from the Government of Sierra Leone

In the following table revenue from the Government of Sierra Leone allocations is disaggregated by primary geographical location, major allocation lines, and the timing of revenue recognition.

<i>In Sierra Leone New Leones</i>	Notes	2023	2022
<b>Primary geographical location</b>			
Sierra Leone		59,727,083	58,299,710
=====			
<b>Major budget allocation lines</b>			
Salaries	7A	47,227,083	45,374,353
Recurrent expenditure (other charges)	7A	12,500,000	10,925,357
Capital Development fund	7A	-	2,000,000
=====			
		59,727,083	58,299,710
=====			
<b>Timing of revenue recognition</b>			
Budget allocations transferred over time		59,727,083	58,299,710
=====			
<b>Other Revenue</b>			
Receipts Over time (Audit fees)		5,322,649	4,044,568
=====			
Other Income		1,000	-
=====			
<b>7 C Contract Balances</b>			
The following table provides information about trade receivables and outstanding commitments from dealing with suppliers			
Receivables which include trade receivables (Note 13)		1,986,246	3,188,850
=====			
Current liabilities (outstanding provisions (Note 14))		(1,519,044)	(3,301,858)
=====			



## Notes to the Financial Statements (continued)

The trade receivables primarily relate to the Agency's rights to consideration for audit assignments undertaken and billed but not yet collected at the reporting date. These receivables are not impacted by any significant impairment charge. These trade receivables are transferred to cash and cash equivalents when the rights become unconditional. This usually occurs when the Agency issues invoices to the various auditees, and the auditees honor the invoices. The current liabilities primarily relate to outstanding liabilities for rent, suppliers, and provision for professional fees which are settled after the reporting date.

### 7 D Performance obligation and revenue recognition

Revenue is measured on the allocations specified in the approved budget by the Ministry of Finance, and the Agency recognizes revenue when the Ministry of Finance transfers control over the budget allocation to Audit Service Sierra Leone, and the Agency has actually received and taken control over the budget allocations over time.

The tables on pages 41 to 49 provide information about the nature and timing of the satisfaction of performance obligations in budget allocations from the Ministry of Finance, including significant expenditure undertaken by the Agency, and the variances and reasons for the variances. (See appendix 1 and 2 respectively)

### 8 Finance cost

<i>In Sierra Leone New Leones</i>	2023	2022
Foreign exchange gains	-	-
Foreign exchange loss	-	-
Net foreign exchange (costs)/ gains	<u>-</u>	<u>-</u>
	=====	=====

Transactions in foreign currencies are translated into the functional currency of the Agency at the exchange rates at the date of the transaction.

Monetary assets denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognized in the statement of cash receipts and payments and presented within finance (cost)/ income.

### 9 A. Employee benefit expenses

<i>In Sierra Leone New Leones</i>	2023	2022
Salaries	37,518,675	33,151,976
Wages	30,225	24,490
Bonus	1,696,670	1,811,247
Leave Allowance	3,973,092	4,760,269
Overtime	40,519	46,945
Gratuity	411,130	3,230,887
Medical Allowance	291,596	304,162
Compensation package	6,000	16,000
	<u>43,967,907</u>	<u>43,345,976</u>



**Notes to the Financial Statements (continued)**

**9 B Employee benefit expenses**

Social Benefit	2023	2022
NASSIT contribution	2,387,554	2,337,755
	<hr/>	<hr/>

**Short-term employee benefits**

Short-term employee benefits are expensed as the related services are rendered. A liability is recognized for the amount expected to be paid if the Agency has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

**Defined Contribution plan**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Agency operates a defined contribution scheme. The scheme is generally funded through payments to the National Social Security and Insurance Trust or trustee administrated funds. A defined contribution is a pension plan under which the Agency pays fixed contribution into NASSIT. The Agency has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employees' service in the current and prior period and has no further obligations once the contributions have been paid. The contributions are expensed as employee benefits expenses when paid.

The Agency makes contribution for all staff at the rate of 10% of employees' basic salary. In addition, the employees also contribute 5% of their basic salary to the scheme.

**Termination benefits**

Termination benefits are expensed at the earlier of when the Agency can no longer withdraw the offer of those benefits and when the Agency recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 (twelve) months of the end of the reporting period, then they are discounted

**10 Income Tax expense**

In accordance with section 30 of the Audit Service Act 2014, the properties, income and transactions of Audit Service Sierra Leone so authorized under this Act, are exempt from all taxation including customs duties, corporation tax, and property tax. Accordingly, no taxation has been disclosed in these General-Purpose Financial Statements.



**Notes to the Financial Statements (continued)**

**11 Cash and cash equivalents**

<i>In Sierra Leone New Leones</i>	<b>2023</b>	<b>2022</b>
Bank Balances	<b>12,080,863</b>	13,720,148
Cash balance	<u><b>6,613</b></u>	<u>5,699</u>
	<b>12,087,476</b>	13,725,847
	=====	=====

Cash and cash equivalents comprise cash on hand and cash at the bank, and are subject to an insignificant risk of changes in value. These comprise mainly Bank account balances; held at Rokel Commercial Bank Limited and Sierra Leone Commercial Bank Limited, and cash imprest held at the end of the financial year. The cash and cash equivalents are stated at their carrying amounts, and this approximates their fair values



**Notes to the Financial Statements (continued)**

**12 Statement of detailed revenue collected during the year ended 31 December 2023**

Amount in Sierra Leone New Leones

Details	Actual for the year as at 31 December 2023		Y/e 31 Dec. 2022	
	Budget	Actual	Budget	Actual
<b>Non tax-Audit fees income</b>				
Parliamentary Service Commission		70,000	-	30,000
Guma Valley Water Company	100,000	100,000	150,000	50,000
National Revenue Authority	230,000	416,250	250,000	483,750
Sierra Leone Maritime Administration	-	155,000	-	190,000
Human Rights Commission Sierra Leone	24,000	54,810	45,000	-
Anti-Corruption Commission	65,000	107,500	60,000	62,500
Njala University	-	100,000	-	100,000
EDSA	280,000	377,904	-	264,600
EGTC	100,000	50,000	150,000	567,000
National Social Security & Insurance Trust	250,000	259,875	350,000	463,050
Ernest Bai Koroma University of Science	65,000	80,000	80,000	-
S/L Agricultural Research Institute	-	-	27,000	-
Electoral Commission Sierra Leone	125,000	137,500	100,000	182,500
Sierra Leone Road Safety Authority	67,850	181,913	140,000	247,500
National Minerals Agency	78,000	39,000	-	39,000
Financial Intelligence Unit	-	39,690	-	-
Office of National Security	40,000	73,500	45,000	63,500
Statistics Sierra Leone	-	190,000	-	-
National Telecommunication Authority	110,000	375,000	150,000	-
Golden Tulip Kimbima Hotel	-	94,500	100,000	-
Sierra Leone Ports Authority	165,000	162,000	160,000	231,525
NaCOVERC	-	-	-	240,000
Road Maintenance Fund Administration	-	94,750	-	-
National Civil Registration Authority	-	35,400	-	30,593
SIERRATEL	-	-	138,636	-
Eastern Technical University	40,000	37,500	-	33,500
Sierra Leone Legal Aid Board	24,000	37,800	-	-
National Youth Commission	35,000	57,500	30,000	42,500
Central Intelligence and Security Unit	30,000	65,000	45,000	27,000
Sierra Leone Airports Authority	150,000	447,488	130,000	150,000
Political Parties Registration Commission	35,000	50,000	-	65,000
Petroleum Directorate	70,000	135,000	65,000	100,000
Sierra Leone Roads Authority	150,000	267,500	200,000	-
Independent Procurement Review Panel	-	40,000	-	-
S/L National Commission on Small Arms	-	20,695	-	-
National Protected Area Authority	-	47,250	-	-
Sierra Leone Produce Marketing Company	-	30,000	-	-
Sierra Block Concrete Product Limited	35,000	94,500	100,000	-
Sierra Estate Management Company	100,000	360,000	100,000	100,000
National Authorising Office	13,500	13,500	-	13,200
National Disaster Management Agency	30,000	61,425	-	14,175
National Water Resources Management Agency	-	14,175	-	14,175
Milton Margai Technical University	55,000	65,000	-	55,000
Council of Legal Education S/L Law School	-	23,625	-	51,975
National Conservation Trust Fund	20,000	8,900	-	10,000
National Youth Service	25,000	65,000	25,000	30,000
Petroleum Regulatory Agency	45,000	56,700	-	42,525
Suspense	-	94,500	-	-
Universal Access Development Fund	30,000	35,000	-	50,000
<b>Total revenue</b>	<b>2,587,350</b>	<b>5,322,649</b>	<b>2,640,636</b>	<b>4,044,568</b>



## Notes to the Financial Statements (continued)

### 13 Statement of Domestic Revenue and Allocation Arrears as at 31 December 2023

Amounts in Sierra Leone New Leones

Details	2023	2022
Non tax		
Audit fees income	1,986,246	3,188,850
	=====	=====

### 14 Statement of Unpaid Commitments Outstanding as at 31 December 2023

Amount in Sierra Leones New Leones

Particulars			Aged analysis			
	Note	Outstanding amounts	0-6 month	0-6 month	6-12 months	> 12 months
		Y/e 31 Dec. 2023		Y/e 31 Dec. 2022		
Other payment	26	<u>1,519,044</u>	<u>1,519,044</u>	<u>3,301,858</u>	<u>3,301,858</u>	-
		<u>1,519,044</u>	<u>1,519,044</u>	<u>3,301,858</u>	<u>3,301,858</u>	-

### 15 Statement of Fixed (physical) Assets Purchased During the year ended 31 December 2022

Amount in Sierra Leones New Leones

Particulars	Account code	Amounts	Amounts
		Y/e 31 Dec. 2023	Y/e 31 Dec. 2022
Land and Building	2617	-	-
Furniture, Office Equipment, Safes	2613	163,504	118,750
Computer and Ancillary Equipment	2614	816,354	644,150
Motor Vehicles	2615	1,433,578	-
Plant, Equipment, and Machinery	2631	28,520	150,631
Total fixed (physical) assets purchased during the period		2,441,956	913,531

Fixed assets are generally expensed in the year of purchase.



**Notes to the Financial Statements (continued)**

**15 Statement of Fixed (physical) Assets Purchased During the year (continued)**

During the year, the Agency purchased two vehicles and motorbikes, furniture and office equipment, computers, and ancillary equipment, some other equipment and machinery, but no payment was made for the construction of the ASSL headquarters building at Tower Hill. The construction of the headquarters building is ongoing but at a very slow pace. In 2020, a new contractor, Gbindi Construction Enterprise was contracted to complete the Headquarter Building at a contract sum of 20.9 billion New Leones, but as mentioned above work on this particular construction is being significantly delayed. Again in 2023, another revised estimate of 40 million New Leones is being finalised for the completion of the building. The Agency maintained a very comprehensive fixed assets register containing the relevant profile of all fixed assets owned by the Agency.

**16 Statement of Undrawn External Assistant as of year ended 31 December 2023**

	Others		Total
	Y/e 31 Dec. 2023	Y/e 31 Dec. 2022	
Opening balance:			
Loans	-	-	-
Grants	-	-	-
Approved in the period:	-	-	-
Loans	-	-	-
Grants	24,492,000	24,492,000	24,492,000
Drawdowns:			
Loans	-	-	-
Grants	-	-	-
Cancelled:			
Loans	-	-	-
Grants	(216,490)	-	(216,490)
Exchange difference:			-
Loans	-	-	-
Grants	-	-	-
Closing balance:	24,275,510	24,492,000	24,275,510
Loans	-	-	-
Grants	24,275,510	24,492,000	24,275,510



## **Notes to the Financial Statements (continued)**

### **17. Projects**

#### **17.1 Accountable Governance for Basic Service Delivery Project (AGBSDP)**

The World Bank announced the Effectiveness of the AGBSDP on the 25th January 2022 after the government had met the key additional Effectiveness Conditions: development of the Project Implementation Manual (PIM) and recruitment of core technical staff of the Project Management Unit (PMU)/AGBSDP.

The AGBSDP is a US\$40 million grant from the World Bank to the Government of Sierra Leone to be implemented over a 5-6 years period. The project is meant to strengthen the 'government's institutional systems and capacity for accountability and management of resources to more effectively deliver basic services responsive to community needs across all districts. The project has 4 components: Component 1: systems and Skills for Local Services Delivery; Component 2: Local Development Financing to directly support Local Councils; Component 3: Integrated Data Platforms for Monitoring and Accountability; and Component 4: Project Management and Implementation Support.

Audit Service Sierra Leone operates Sub-Component 1.4 External Audit of the project and for activities amounting to \$ 1.3M.



## Notes to the Financial Statements (continued)

### 18. Use of Goods and Services

	2023	2022
Audit Fees	127,650	103,500
Transfer to CRF	929,274	970,875
Local Travelling	1,805,000	1,553,300
Overseas Travelling	2,008,499	778,333
Overseas Training	3,476,381	922,212
Electricity	349,411	293,423
Water Charges	28,213	30,618
Telephone & other Communication	760,464	662,878
Life Assurance Policy	41,975	38,225
Rent and Rates	1,520,143	214,465
Office & general	1,132,331	337,388
Stationery	419,877	226,894
Computer Consumables	327,351	380,507
Advertisement	67,850	33,480
Printing and Publicity	384,404	364,437
Building (Maintenance)	68,995	287,510
Machinery & Furniture Maintenance	28,700	57,701
Vehicles Maintenance	533,925	399,065
Generator Running Cost	141,676	53,308
Vehicle Insurance & Licensing	350,576	270,794
Bank Charges	234,069	181,046
Sub & Membership dues	87,393	40,122
Training & Recruitment (Local)	104,683	346,427
Professional Fees	515,017	277,716
Overseas Audit	1,124,427	1,114,265
Uniforms	58,596	39,558
Transport, Fuel and Oil	887,804	876,829
Medical Loan to staff	-	-
Computer and accessories expense	816,354	644,150
Furniture and Fitting expense	163,504	118,750
Plant and machinery expense	28,520	150,631
Building expense	-	2,000,000
Motor Vehicle expense	1,433,578	-
	<u>19,956,642</u>	<u>13,768,406</u>
	=====	=====

### 19. Directors' Emoluments

Amount in Sierra Leone New Leones

Directors Allowances	317,000	361,786
Sitting fees	60,000	41,000
	<u>377,000</u>	<u>402,786</u>
	=====	=====



## Notes to the Financial Statements (Continued)

### 20. Note supporting cash position

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

<i>Amount in Sierra Leone New Leones</i>	<b>2023</b>	<b>2022</b>
<b>Cash at the close of the period/year</b>		
Bank account	12,080,863	13,720,148
Petty cash	<u>6,613</u>	<u>5,699</u>
	<b>12,087,476</b>	<b>13,725,847</b>
	=====	=====

### 21. Bank balances at the close of the period/year

Auditor General's Dept- RCB	5,253,842	4,900,436
Auditor General's Dept – Other Charges- SLCB	4,581,688	6,499,026
<b>Auditor General's Dept</b> – Audit fee-BSL	215,000	-
Auditor General's Dept – Training-SLCB	<u>2,030,333</u>	<u>2,320,686</u>
	<b>12,080,863</b>	<b>13,720,148</b>
	=====	=====

### 22. Petty cash balances at the close of the period/year

FCC Building	1,313	2,250
Youyi Building	-	890
Kenema	1,800	1,500
Makeni	2,000	559
Bo	<u>1,500</u>	<u>500</u>
	<b>6,613</b>	<b>5,699</b>
	=====	=====

### 23. Cash at the beginning of the period/ year

Bank balance	13,720,148	11,230,999
Cash in hand	<u>5,699</u>	<u>5,493</u>
	<b>13,725,847</b>	<b>11,236,492</b>
	=====	=====

### 24. Bank balances at the beginning of the year

Salary	4,900,436	5,739,586
Other Charges	6,499,026	4,571,430
Training	<u>2,320,686</u>	<u>919,983</u>
	<b>13,720,148</b>	<b>11,230,999</b>
	=====	=====



## Notes to the Financial Statements (Continued)

25 Cash in hand at the beginning of the year	2023	2022
<b>FCC Building</b>	<b>2,250</b>	<b>2,087</b>
Youyi Building	890	222
Kenema	1,500	2,000
Makeni	559	1,116
Bo	<u>500</u>	<u>68</u>
	<b>5,699</b>	<b>5,493</b>
	=====	=====

## 26. Other outstanding commitments

Staff Welfare returns for December	-	-
Audit fees	150,000	159,562
Rent	1,000,000	1,300,000
Motor Vehicles	-	1,432,478
Motor Bikes	-	186,818
Signed contracts	369,044	-
Vertical window blinds	<u>-</u>	<u>223,000</u>
	<b>1,519,044</b>	<b>3,301,858</b>
	=====	=====

The outstanding audit fees and others for 2023 will be settled in 2024.

## 27. Transfer of Donor funding

Transfer to PMU- PFMICP	-	-
	=====	=====

## 28. Contingent Assets and Liabilities

The Vote Controller reports that he is unaware of any contingent assets and liabilities as at close of business on 31 December 2023. (2022: Nil)



## Notes to the Financial Statements (continued)

### 29. Related Party transactions

Key management personnel compensation comprised the following:

	2023	2022
Short-term employee benefits to management staff	5,595,128	5,091,972
Bonus paid to management staff	190,791	253,772
	=====	=====
Directors Emoluments	377,000	402,786
Bonus paid to Board Members	35,000	14,700
	=====	=====

None of the directors had during the year, or have a material interest in any contract or arrangement of significance to which the Agency is or was a party.

### 30. Capital commitments

At the financial reporting date, the Agency has a capital commitment of 40 million New Leones in respect of the ASSL Headquarter building under construction at Tower Hill, Freetown.

### 31. Subsequent events

Events subsequent to the reporting date are reflected only to the extent that they relate directly to the financial statements and their effect is material, or the disclosure of the facts is essential.

### 32. Other matters

- On 9 November 2021, the Auditor General and one of her Deputies responsible for specialized audits were suspended from office. A Tribunal investigated the matter leading to their suspension and the report sent to Parliament for consideration. The Parliament of Sierra Leone voted on 20 December 2024 and removed the Auditor-General from office. The Deputy Auditor General has since resigned from his position.

- Redenomination of the Sierra Leone Leones**

A circular was put out by the Central Bank of Sierra Leone (BSL) that effective 1st July 2022, all payments should be redenominated by dividing the amount by 1,000. As a result, figures in the financial statements are redenominated to reflect this new development.

### 33. Financial Instruments - Fair Values and Risk Management

The following table shows the carrying amount and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value



## Notes to the Financial Statements (continued)

### 33 Financial Instruments - Fair Values and Risk Management (continued)

information for financial assets and liabilities not measured at fair values if the carrying amount is a reasonable approximation of fair value.

#### Financial assets not measured at fair value 2023

##### Financial assets not measured at fair value

	Carrying amount	Fair Value
Cash and cash equivalents	12,087,476	-
Trade receivables	<u>1,986,246</u>	-
	14,073,722	-
	=====	=====

##### Financial Liabilities not measured at fair value

	Carrying amount	Fair Value
Payables	1,519,044	-
	=====	=====

2022

#### Financial assets not measured at fair value

	Carrying amount	Fair Value
Cash and cash equivalents	13,725,847	-
Trade receivables	<u>3,188,850</u>	-
	16,914,697	-
	=====	=====

##### Financial Liabilities not measured at fair value

	Carrying amount	Fair Value
Payables	<u>3,301,858</u>	-

The Agency has not disclosed the fair value for financial instruments such as short-term funds, trade receivables, and payables because the carrying amounts are a reasonable approximation of their fair value

#### Financial Risk Management.

The Agency has exposures to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Operating risk

#### A. Risk Management Framework

The Vote Controller has overall responsibility for the establishment and oversight of the Agency's risk management framework. The Vote Controller and the board have established the risk



## Notes to the Financial Statements (continued)

management review team, which is responsible for developing and monitoring ASSL's risk management policies. This risk review team meets regularly and reports to the Vote Controller.

The Agency's risk management policies are established to identify and analyses risks faced by the Agency, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in operating conditions and the Agency's activities. The Agency, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The risk review team comprises the Vote Controller, who is the Acting Auditor General, and the four other Deputies in charge of finance and corporate services, public enterprises, specialized audits and the ministry and local governments and authorities.

There is also the Human Resources Head who works with the Vote Controller in human resources matters. The procurement committee and internal audit committee meet regularly to address risk matters and other compliance issues when they do arise.

The board of directors meets quarterly with the Head of Human Resources to review staffing matters and together with the Vote controller, takes the necessary actions to address important staffing issues when they do arise.

The Agency's internal audit committee oversees how management monitors compliance with ASSL's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by ASSL. The Agency's internal audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the internal audit committee.

### Budgets and Budgetary control system

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

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

An assessment of the actual budgetary performance, at the level of ASSL against the actual amounts for the financial year under review has been included in appendices 1 and 2 of these Financial Statements

### B Credit risk

Credit risk is the risk of financial loss to ASSL if an audit client or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Agency's trade receivables from auditees.

The carrying amounts of financial assets represent the maximum credit exposure.



## **Notes to the Financial Statements (continued)**

Impairment losses on financial assets are not recognized in the statement of receipts and payments as the General-Purpose Financial Statements have been prepared under IPSAS, Cash basis. No impairment on these financial assets were experienced by ASSL during the period under review.

The Agency's exposure to credit risk is influenced mainly by the individual characteristics of each auditee. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in Sierra Leone, in which the clients operate.

### **33 Financial Instruments - Fair Values and Risk management (continued)**

The risk management and risk review team have instituted risk assessment processes for each auditee under which each credit client is assessed before credit terms and conditions are offered.

The Agency's review includes external ratings, if they are available, financial statements, credit information, industry information and in some cases bank references/ and reviews. Credit amounts are aged and reviewed regularly and clients are called upon to settle their debts.

Approximately 100% of the Agency's clients have been transacting with ASSL for many years and none of these client balances have been written off or are credit-impaired at the reporting date.

In monitoring client credit risk, the clients are grouped according to their credit characteristics, including whether they are legal entities not receiving subvention from Government of Sierra Leone, their geographic locations, industry, trading history and existence of previous financial difficulties.

ASSL is also monitoring the economic environment in Sierra Leone, and is taking action to limit its exposure to auditees experiencing particular economic volatility.

ASSL does not require collaterals in respect of trade receivables. The Agency does not have trade receivables for which loss allowance is recognized because of collateral. The quantitative information on trade receivables is shown in note 13 to these financial statements.

### **C Liquidity Risk**

Liquidity risk is the risk that the Agency will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Agency's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Agency's reputation. The Agency uses weighted average costing to cost its services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically, the Agency ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. ASSL also monitors the level of



## Notes to the Financial Statements (continued)

expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

### Overdraft

ASSL has no overdraft outstanding at year end.

The table in below and on page 33 page summaries the maturity profile of the Agency's financial liabilities based on contracted payments:

### 33 Financial Instruments - Fair Values and Risk management

2023

	<i>In New Leones</i>		Between		Total
	Carrying amount	Less than one year	two and five years	More than five years	
Payables (excludes long term loan)	1,519,044	1,519,044	-	-	1,519,044
Provisions for long term benefits	-	-	-	-	-
<b>Total</b>	<b>1,519,044</b>	<b>1,519,044</b>	<b>-</b>		<b>1,519,044</b>
	=====	=====	=====	=====	=====



### 33 Financial Instruments - Fair Values and Risk management (continued)

2022

In New Leones	Between				Total
	Carrying amount	Less than one year	two and five years	More than five years	
Payables (excludes long term loan)	3,301,858	3,301,858	-	-	3,301,858
Provisions for long term benefits	-	-	-	-	-
<b>Total</b>	<b>3,301,858</b>	<b>3,301,858</b>	<b>-</b>	<b>-</b>	<b>3,301,858</b>
	=====	=====	=====	=====	=====

The fair values of all other financial instruments approximate their carrying amounts.

#### D Operating Risk

Operating risk is the risk of direct and indirect loss arising from a wide variety of causes associated with the Agency's processes, personnel, technology and infrastructure, and from external factors other than income, liquidity and currency risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Agency's operations. The Agency's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Agency's reputation with overall effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of control to address operational risks is assigned to senior management within the Agency. This responsibility is supported by the development of overall Agency standards for management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions;
- Requirements for the reconciliation and monitoring of transactions;



## Notes to the Financial Statements (continued)

### 33 Financial Instruments - Fair Values and Risk Management (continued)

- Compliance with regulatory and other legal requirements;
- Documentation of controls procedures;
- Requirement for specific assessment of operational risk faced and the adequacy of controls and procedure to address the risks identified;
- Requirements for the reporting of operational losses and proposed remedial action;
- Development and contingency plans;
- Training and professional development;
- Ethical and business standards; and
- Risk mitigation including insurance whether this is effective.

### 33 Financial Instruments - Fair Values and Risk management

#### Risk Management Framework

The following significant exchange rates have been applied:

	Average rate		Reporting date spot rate	
	2023	2022	2023	2022
Leones				
USD 1	22,50	18.55	23.55	18.64



## Notes to the Financial Statements (continued)

### 33 Financial Instruments - Fair Values and Risk management (continued)

#### Sensitivity analysis

A reasonable possible strengthening/(weakening) of the Leone against the USD at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected the surplus or deficit by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast income and expenditure

<i>In Sierra Leone New Leones</i>	2023	2022
USD (1 percent strengthening)	(16,384)	24,894
	=====	=====

#### Currency risk sensitivity analysis

A 1 percent strengthening of the Leone as indicated above would have increased the surplus for the period by the amount shown above on the basis that all other variables remain constant.

A 1 percent weakening of the Leone against the above currencies at 31 December would have had the equal but opposite effect on the surplus to the amounts shown above, on the basis that all other variable remains constant.

### 34. Pending litigation

The Agency is not aware of any pending litigation against it as at close of business on 31 December 2023 (2022: Nil)

### 34 Basis of measurement

The financial statements have been prepared on a historical basis except as stated elsewhere at fair value, where applicable.

### 35. Material accounting policies

ASSL has consistently applied the following accounting policies to all periods presented in these financial statements except if mentioned otherwise.

Certain comparative amounts in the statement of receipts and payments have been reclassified or re-represented either as a result of a correction of errors regarding the presentation of items in income and expenditure, or a change in the classification of certain income and expenditure during the current year or a change in the accounting policies where applicable.



**Notes to the Financial Statements (continued)**

**35. Material accounting policies (continued)**

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

- (a) Basis of accounting
- (b) Foreign Currency
- (c) Revenue from budgetary allocations
- (d) Employee benefits
- (e) Finance income and finance cost
- (f) Income tax
- (g) Inventories
- (h) Property, plant and equipment
- (i) Financial instruments
- (j) Operating Surplus or deficit
- (k) Fair Value measurement
- (l) Payments
- (m) Welfare Fund

**(a) Basis of accounting**

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis, and the requirements of the Audit Service Act 2014, the Public Financial Management Act 2016 and the 1991 Constitution of Sierra Leone.

**(b) Foreign Currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of the Agency at exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in the receipts and payments account presented within finance income//costs.

**(C) Revenue from budgetary allocations**

Information about the Agency's accounting policies relating to budgetary allocation from the Ministry of Finance is provided in note 7.



## Notes to the Financial Statements (continued)

### 35. Material accounting policies (continued)

#### (D) Employee benefits

##### Short-term employee benefits

I. Short-term employee benefits are expensed as the related services are rendered. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

##### ii Defined Contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Agency operates a defined contribution scheme. The scheme is generally funded through payments to the National Social Security and Insurance Trust or trustee-administrated funds. A defined contribution is a pension plan under which the Agency pays a fixed contribution to the separate Agency. The Agency has no legal or constructive obligations to pay.

##### Defined contribution plan (continued)

further contribution if the fund does not hold sufficient assets to pay all employees the benefit relating to employees' service in the current and prior period and has no further obligations once the contributions have been paid. The contributions are expensed as an employee benefits expense when due.

The Agency makes contribution for all staff at the rate of 10% of employees' basic salary. In addition, the employees also contribute 5% of their basic salary to the scheme.

##### iii Termination benefits

Termination benefits are expensed at the earlier of when the Agency can no longer withdraw the offer of those benefits and when the Agency recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 (twelve) months of the end of the reporting period, then they are discounted.

##### (e) Finance income and finance cost

The Agency's finance income and finance costs include the net gain or loss on financial assets and is recognised in the statement of cash receipts and payments.



## Notes to the Financial Statements (continued)

### 35. Material accounting policies (continued)

#### (f) Income tax

In accordance with section 30 of the Audit Service Act 2014, the properties, and income and transactions of Audit Service Sierra Leone so authorized under this Act, shall be exempt from all taxation including customs duties, corporation tax, and property tax. Accordingly, no taxation has been disclosed in these General-Purpose Financial Statements, save for those withholding and PAYE taxes paid which are in contravention to the provision of this Act

#### (g) Inventories and construction work in progress

Inventories and construction work in progress are all expensed when incurred, but a complete set of memorandum account is maintained for them.

#### (h) Property, plant and equipment

##### Recognition and measurement

Items of property and equipment are expensed when acquired but a complete set of fixed assets register is maintained for all fixed assets.

#### (i) Financial instruments

##### Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Agency becomes a party to the contractual provisions of the instrument.

#### Financial liabilities

The Agency derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Agency also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

#### Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of cash receipts and payments when, and only when the Agency currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



## Notes to the Financial Statements (continued)

### 35. Material accounting policies (continued)

#### Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method

#### Cash and cash equivalents

In the statement of cash position, cash and cash equivalents includes current accounts and form an integral part of the Agency's cash management.

#### Bank overdraft and trade and other payables

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

#### As a lessee

At commencement or on modification of a contract that contains a lease component, the Agency allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Agency has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component

The Agency does not recognise any right-of-use asset and a lease liability at the commencement date. Right-of-use asset where applicable is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying assets or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Lease payments included in the measurement of the lease liability comprise the following:

1. Fixed payments, including in-substance fixed payments;

#### (j) Operating surplus or Deficit

Operating surplus or deficit is the result generated from the continuing principal operating activities of ASSL as well as other income and expenses related to operating activities.

#### (k) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Agency has access at that date. The fair value of a liability reflects its non-performance risk.



**Notes to the Financial Statements (continued)**

**35. Material accounting policies (continued)**

**(l) Payments**

Payments comprise the cost of compensation of employees, use of goods and services, social benefits, and other costs incidental to the operations of the Agency.

**(m) Welfare Fund**

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



## **Appendices**



## Appendix I

### Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2023 Amounts in Sierra Leone new Leones

Activities	Budget	Jan - Dec 23	Variance	Explanation
<b>Income</b>				
1700 · Audit Fees (Income)	2,587,350	5,322,649	2,735,299	Collection of older debts, sanction such as withholding audited accounts until payments made was introduced
1715 · GOSL- Other Charges	12,500,000	12,500,000	-	
1750 · GOSL-Salaries	53,960,033	47,227,083	(6,732,949)	Some staff left during the year that we had already budgeted for the whole year and so were not paid and were not replaced. Half payment of salary to one suspended staff than budgeted, 15% increment not paid to the two suspended Management. Two new positions we had budgeted to recruit at the start of 2023 were recruited in April (Legal Affairs Manager) and September (IEC Officer ) 2023.
Other Income	-	1,000	1,000	The other income relates to an obligation owed to the service by staff who had resigned for the period under consideration.
Capital Development	3,000,000	-	(3,000,000)	This amount was requested and approved but was not processed by MoF
<b>Total Income</b>	<b>72,047,383.04</b>	<b>65,050,732.56</b>	<b>(6,996,650)</b>	
<b>Expense</b>				
2202 · Audit Fees	150,000	127,650	22,350	Fee relating to 2022 was not paid during the year
2203 · Transfer to CRF	666,500	929,274	262,774	The reason for the favourable variance are as a result of the following: collection of older debts, sanctions such as withholding audited accounts until payments were made was introduced
2205 · Bonus	2,162,688	1,696,670	466,018	Some staff left during the year that we had already budgeted for and so were not paid. Bonus not paid to the two suspended Management staff. Pro-rated bonus paid to two new positions recruited in April (Legal Affairs Manager) and September (IEC Officer ) of 2023
2208 · Directors Allowances	384,000	317,000	67,000	The position of one member was vacant since 2022 and thus no allowance was paid
2209 · Gratuity	1,923,807	411,130	1,512,677	Less staff turnover than anticipated
2211 · Local Travelling	1,928,909	1,805,000	123,909	Some administrative travels were not carried-out as the timing coincides with the general election
2212 · Overseas Travelling	996,000	2,008,499	(1,012,499)	The variance due to the volatile exchange rate in the country as both DSA and air tickets are paid in United States Dollars, and more staff participation in meets and workshops than anticipated.



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2023-continued

Expense	Activities	Budget	Jan - Dec 23	Variance	Explanation
2231 · Rent and Rates		1,066,500	1,520,143	(453,643)	Balance rent for FCC 2021 and annual rent for 2022 amounting to Le1.3m was not paid in 2022 as dictated by the contract as certain conditions in the agreement were not met by FCC. However, these outstanding amounts were paid in 2023 having fulfilled the outstanding conditions
2232 · Salaries		41,280,328	37,518,675	3,761,653	Some staff left during the year that we had already budgeted for the whole year and so were not paid and were not replaced. Half payment of salary to one suspended staff than budgeted, 15% increment not paid to the two suspended Management. Two new positions we had budgeted to recruit at the start of 2023 were recruited in April (Legal Affairs Manager) and September (IEC Officer) 2023.
2235 · Sitting fees		60,000	60,000	-	
2239 · Wages		21,900	30,225	(8,325)	In the course of the year, some staff were seriously ill as in the case of one security guard who was sick and guard was contracted to fill the gap.
2241 · Office & general		541,600	1,132,321	(590,721)	An increment was requested by the supplier for office supplies to cushion the impact of the volatile exchange rate and depreciation of Leones in the country that was approved by ASSSL's Procurement Committee and high cost of inflation in the country for commodities
2242 · Stationery		419,541	419,877	(336)	An increment was requested by the supplier for office supplies to cushion the impact of the volatile exchange rate and depreciation of Leones in the country that was approved by ASSSL's Procurement Committee and high cost of inflation in the country for commodities
2246 · Computer Consumables		518,865	327,351	191,514	Printers that consumes more toners were replaced with more economic ones
2251 · Advertisement		83,200	67,850	15,350	Radio jingles were put on hold as the existing one were outdated



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2023-continued

Expense	Activities	Budget	Jan - Dec 23	Variance	Explanation
2253 · Printing and Publicity		381,000	384,404	(3,404)	The variance is due to the depreciation of Leones to the dollar which impacted the cost of printing
2261 · Building (Maintenance)		128,000	68,995	59,005	Reduce maintenance than budgeted. This may be due to relocation to a new building in Freetown headquarter and Kenema Offices
2262 · Machinery & Furniture Maintenance		114,000	28,700	85,300	Machinery and furniture at FCC are relatively new that resulted to less machinery breakdown or faulty furniture than anticipated
2264 · Vehicles Maintenance		599,970	533,925	66,045	The reason for the favourable variance is that old and depreciated vehicles are grounded and also quarter four servicing were done in 2024
2265 · Generator Running Cost		86,000	141,676	(55,676)	Increase in the pump price of fuel for FCC shared generator and high cost of maintenance Kenema generators than budgeted
2267 · Vehicle Insurance & Licensing		203,000	350,576	(147,576)	The adverse variance is due to two (2) new vehicles purchased and the introduction of NRA GST to insurance of vehicles
2291 · Bank Charges		282,560	234,069	48,491	The favourable variance is a result of reduced transaction than budgeted
2296 · Sub & Membership dues		98,500	87,393	11,107	Membership subscription for AFROSAL and Commonwealth Auditor-General's Office were not paid due to non-submission of invoice
2312 · Training & Recruitment (Local)		150,000	104,683	45,317	The favourable variance is due to less number of student fees paid than budgeted
2315 · Professional Fees		569,850	515,017	54,833	ACCA books that were budgeted to procure were not done during the year
2316 · Overseas Audit		1,238,262	1,124,427	113,835	The actual number of days for the each audit was reduced as compared to what was budgeted to cushion the impact of volatile exchange rate in the country as both DSA and air tickets are paid in United States Dollars
2321 · Uniforms		67,500	58,596	8,904	The cost of sewing the uniforms was not incurred as budgeted but will be paid in 2024
2328 · Transport, Fuel and Oil		678,000	887,804	(209,804)	Increase in the cost of pump price of fuel from Le21.5 to Le30 per liter during the year



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2023-continued

Expense	Activities	Budget	Jan - Dec 23	Variance	Explanation
2350 · Compensation package		12,000	6,000	6,000	This relates to bereavement purse for staff who died in active service
2613 · Furniture and Fitting expense		137,079	163,504	(26,424)	The adverse variance is as a result of the devaluation of Leones to the United States Dollar as the amount quoted during the tendering period by the most responsive bidder exceeds the budgeted amount
2614 · Computer & Accessories expense		1,048,391	816,354	232,037	Some budgeted items such as a projector, ivory box, tool kit were not procured
2615 · Motor Vehicle expense		240,000	1,433,578	(1,193,578)	The adverse is due to the procurement for two cars which were budgeted and initiated in 2022 and was rolled over to 2023 when it was completed and payment made.
2631 · Plant & Machinery expense		91,230	28,520	62,710	Some items such as ACs, microwaves, fridges etc. were not purchased as budgeted
Capital Development		3,000,000	-	3,000,000	No interim payment certificate was received during the year
<b>Total Expense</b>		<b>72,047,383</b>	<b>66,689,094</b>	<b>5,883,837</b>	



**Appendix II**

**Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2022**



Income	Activities	Budget	Jan - Dec 22	Variance	Explanation
1700 · Audit Fees (Income)		2,640,635.75	4,044,568.00	1,403,932	Collection of older debts, sanction such as withholding audited accounts until payments made was introduced
1715 · GOSL- Other Charges		11,410,600	10,925,357	(485,243)	This outstanding amount had an issue in the Government of Sierra Leone's payment software (IFMIS) and was unable to resolve until the year ends
1750 · GOSL-Salaries		49,381,735	45,374,353	(4,007,382)	Some staff resigned during the year and proration of staff salaries who were recruited during the year
1780 · Sale of Bid Document		-	-	-	A circular from NPPA stated that the sale of bids should be paid directly into the Agency's account. As a result, bids sold during the year were paid directly to the account as directed
Total Income		63,432,971	60,344,278	(3,088,693)	
Expense					
2202 · Audit Fees		120,000	103,500	16,500	Better fee was negotiated
2203 · Transfer to CRF		407,000	970,875	563,875	The reason for the favourable variance are as a result of the following: collection of older debts, sanctions such as withholding audited accounts until payments were made was introduced
2206 · Bonus		2,176,696	1,811,247	365,449	Some staff left during the year that we had already budgeted for at the start of the year and so were not paid. Non-payment to suspended staff as budgeted, 3% appraisal increment not paid to Management and general staff who had hit scale.
2208 · Directors Allowances		384,000	361,786	22,214	Two board members' contracts expired in October and only one was replaced in mid December
2209 · Gratuity		1,473,996	3,230,887	(1,756,891)	Three senior staff left that were not anticipated at the start of the year
2211 · Local Travelling		1,454,632	1,553,300	(98,668)	Increase in the rate of night allowance during the year by MoF. Reduced days were paid than budgeted for the audit of local councils to cushion the impact of the double and in some cases triple in the new night allowance rate
2212 · Overseas Travelling		704,000	778,333	(74,333)	The variance due to the volatile exchange rate in the country as both DSA and air tickets are paid in United States Dollars



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2022-Continued

Activities	Budget	Jan - Dec 22	Variance	Explanation
2213 - Overseas Training	1,533,000	922,212	610,788	Some overseas trainings were sponsored thereby make some savings, quality assurance training that was supposed to be held in Abuja was suspended by the organisers
2220 - Leave allowance	4,995,075	4,760,269	234,806	Some staff left during the year that we had already budgeted for at the start of the year and so were not paid. Non-payment to suspended staff as budgeted, 3% appraisal increment not paid to Management and general staff who had hit scale
2221 - Electricity	232,024	293,423	(61,398)	Increase in the rate of tariff by the Electricity Distribution Authority
2222 - Water Charges	38,179	30,618	7,561	Less operational activities than planned. This is largely attributable due to the delay in the release of first quarter allocation which was paid in April
2223 - Telephone & other Communication	744,164	662,878	81,286	Electricity bill for fourth quarter were not submitted by FCC
2224 - Life Assurance Policy	39,000	38,225	775	One staff we had budgeted for resigned during the year and was not paid
2226 - Medical Allowances	319,500	304,163	15,337	Some staff resigned during the year that was either not replaced during the year or replaced late during the year. Some staff was budgeted to be recruited at the start of the year that was not materialised due to a shortfall in the budget approved by MoF.
2228 - NASSIT ( 10%)	2,612,035	2,337,755	274,280	Some staff left during the year that we had already budgeted for the whole year and so were not paid. Half salary paid to one suspended staff than budgeted, 3% appraisal increment not paid to Management and general staff who had hit scale
2230 - Overtime	72,000	46,945	25,055	Less overtime payment than budgeted due to a reduction in the number of overtime worked by drivers and messengers
2231 - Rent and Rates	1,067,500	214,465	853,035	Rent to FCC was not paid during to some conditionalities not met as dictated by the contract by FCC
2232 - Salaries	37,056,534	33,152,246	3,904,288	Some staff left during the year that we had already budgeted for the whole year and so were not paid. Half payment of salary to one suspended staff than budgeted, 3% appraisal increment not paid Management and general staff who had hit scale. The staff we had budgeted to recruit in 2022 but were advised by MoF to postponed to 2023
2235 - Sitting fees	120,000	41,000	79,000	Two Board Members' contract were not renewed after its expiration as a result meetings were not held due to quorum. Less sitting than anticipated.



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2022-Continued

Activities	Budget	Jan - Dec 22	Variance	Explanation
2239 · Wages	21,900	24,490	(2,590)	In the course of the year, some staff were seriously ill as in the case of one security guard who was sick and guard was contracted to fill the gap.
2241 · Office & general	405,920	335,088	70,832	Raincoats for drivers and messengers and window curtains that were budgeted we not procured
2242 · Stationery	441,775	226,894	214,881	Four quarter was budgeted but only three was procured
2246 · Computer Consumables	718,865	380,507	338,358	Printers that consumes more toners were replaced with more economic ones
2261 · Advertisement	123,600	33,480	90,120	Radio jingles were put on hold as the existing one were outdated, advert for recruitment were not carried as planned
2263 · Printing and Publicity	385,000	364,437	20,563	Annual operation plan 2022 was not printed as anticipated, three (3) performance audit reports were budgeted but only two (2) reports were printed
2261 · Building (Maintenance)	112,000	287,510	(175,510)	The adverse variance is due to the cost of partitioning of FCC Building, refurbishment of Kenema Office
2262 · Machinery & Furniture Maintenance	90,000	57,701	32,299	Less machinery breakdown than anticipated
2264 · Vehicles Maintenance	561,315	399,065	162,250	Older vehicles were grounded, engagement was held with service providers for better rate or charges
2265 · Generator Running Cost	42,000	53,308	(11,308)	High cost of maintenance of FCC generator than budgeted
2267 · Vehicle Insurance & Licensing	152,000	270,794	(118,794)	Two additional vehicles were procured in 2021 but was delivered in 2022 that resulted in high insurance costs than budgeted
2291 · Bank Charges	232,560	181,046	51,514	Less operational activities than budgeted. This is largely attributable to the delay in the release of first quarter other charges allocation which was paid in April 2022
2296 · Sub & Membership dues	85,200	40,122	45,078	AFROSAI-E Membership subscription for 2022 was paid in 2021 and Common Wealth Membership subscription 2022 was not invoiced and so was not paid
2312 · Training & Recruitment (Local)	425,136	346,427	78,709	Reduced days were paid than budgeted for the audit of local councils to cushion the impact of the double and in some cases triple in the new night allowance rate



**Audit Service Sierra Leone**  
**Financial statements**  
**For the year ended 31 December 2023**

Activity	Budget	Jan - Dec 21	Variance	Variance
Ordinary Income/Expense				
Income				
2251 - Advertisement	137,094	30,000	107,094	Less adverts than planned were done
2253 - Printing and Publicity	292,913	379,936	(87,024)	There were more reports printed and submitted to Parliament in 2021 as special audits were conducted and the Performance Audit Division conducted more audits than usual, which were printed and submitted to Parliament. Moreover, the cost of printing went up coupled with the voluminous sizes of some reports especially the Auditor-General's 2020 Report. There were more public notices and adverts conducted on the work and awareness of the AG's Report and the office in general.
2261 - Building (Maintenance)	91,172	130,642	(39,470)	The relocation of the Makeni and Kenema offices to new office spaces came with related costs of crane and movers, as furniture and machinery were moved to the new offices. Some maintenance work was also done in the Bo Division office as there was the need to upgrade the standard of the building. In Freetown, the ASSL Lotto Building, Ex-B and part of the Youyi Building offices are to relocate to the FCC new building. A contractor was recruited through a procurement process to do partitioning of an open plan office space on the 11 <sup>th</sup> and 12 <sup>th</sup> floors.
2262 - Machinery & Furniture Maintenance	81,030	74,051	6,980	Less brake down than anticipated
2264 - Vehicles Maintenance	614,640	568,223	46,416	Most of the older vehicles were made redundant.
2265 - Generator Running Cost	45,990	35,618	10,372	Improved supply of light by the service provider in the Freetown offices
2267 - Vehicle Insurance & Licensing	239,258	147,337	91,920	The reason for the favourable variance is as a result of lower premium being paid on older vehicles. The two vehicles we had procured were delivered in 2021 so no premium was paid for them in 2021
2291 - Bank Charges	203,770	179,414	24,356	Less operational activities than planned. This is largely attributable to the removal of some charges such as GST on transaction by the government
2296 - Sub & Membership dues	70,868	48,646	22,222	Commonwealth Auditor Generals Office waived subscription fees for 2021
2312 - Training & Recruitment (Local)	268,111	371,837	(103,726)	Outside venues/facilities were rented due to the precautionary measures to be observed during the Covid-19 pandemic. Because of the absence of international training, more local trainings were conducted which included Manual Rollout and Report Writing Training by the Editorial Division, which necessitated the use of external facilities. At some point, the ASSL had no access to the basement hall of the Lotto Building as the landlord had restricted the use of the hall.



Statement of detailed comparison of budget and actual, revenue and expenditure amounts for the year ended 31 December 2022-Continued

Activities	Budget	Jan - Dec 22	Variance	Explanation
2315 · Professional Fees	314,500	277,716	36,784	ACCA books that were budgeted to procure were not done during the year
2316 · Overseas Audit	704,294	1,114,265	(409,971)	We budgeted to audit five (5) embassies but we audited six (6). Increase costs of air tickets than budgeted due to high exchange rate. Introduction of airport security tax, unrealistic budget due to the ceiling given to ASSL by MoF, etc.
2321 · Uniforms	54,000	39,558	14,442	Balance 50% labour cost were not paid in 2022 as the work was still in progress
2328 · Transport, Fuel and Oil	422,000	876,829	(454,829)	Double in the pump price of fuel than was budgeted
2350 · Compensation package	-	16,000	(16,000)	This was bereavement purse in respect of two staff who died in active service during the year
2613 · Furniture and Fitting expense	260,406	124,730	135,676	Less furniture and fittings were procured than budgeted due to relocation of staff to FCC building as there were furnishings already in the building.
2614 · Computer & Accessories expense	1,227,441	644,150	583,291	The procurement of items that were budgeted were not procured during the year due to the late release of other charges allocation during the year
2615 · Motor Vehicle expense	780,000	-	780,000	The procurement started in 2022 but was not completed and thereby rolled-over to 2023
2631 · Plant & Machinery expense	323,725	146,951	176,774	Eighteen (18) air conditions that were budgeted were not procured due to relocation of staff to FCC as there were centralised AC in the building. One (1) generated for Makeni budgeted but not procured.
Total expense	63,432,971	57,855,193	5,577,777	