
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016



AUDIT SERVICE SIERRA LEONE

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

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General Information

Head Office:

2nd Floor, Lotto 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



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 2016, the statement of financial performance and the Statement of Cash Flow 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) 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

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 2016 and of its financial performance and cash flow for the year in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Sierra Leone Public Financial Management Act 2016.



LKG Accountants

Chartered Accountants

Freetown

**Statement of Financial Performance for the
year ended 31 December 2016**

	Notes	2016 SLL	2015 SLL
Income	6	30,987,536,602	24,351,326,183
Expenditure	7	31,637,818,152	25,456,386,060
Income Deficit		<u>(650,281,550)</u>	<u>(1,105,059,877)</u>

Statement of Financial Position as at 31 December 2016

	Notes	2016 SLL	2015 SLL
NON-CURRENT ASSETS			
Intangible Assets	5.2	20,445,480	20,090,228
Tangible Assets			
Property, Plant and Equipment	4	1,675,002,684	781,352,001
Work In Progress	5.1	6,871,336,976	6,871,336,976
Total non- Current Assets		8,566,785,140	7,672,779,205
CURRENT ASSETS			
Trade and Other Receivables	8	836,339,376	258,950,000
Prepayments	8.3	455,076,004	698,133,269
Cash and Bank Balances	9	6,535,623,140	6,874,129,500
Total Current Assets		7,827,038,520	7,831,212,769
Total Assets		16,393,823,660	15,503,991,974
Non-Current Liabilities			
Amount falling due after more than one year			
Staff Severance Pay	10.1	2,676,724,993	-
Total non-Current Liabilities		2,676,724,993	-
Current Liabilities			
Amount falling due within one year			
Trade and Other Payables	10	437,127,662	1,832,979,496
Total Current Liabilities		437,127,662	1,832,979,496
Capital and Reserves			
Accumulated Fund	13	13,279,971,005	13,671,012,478
Total Accumulated Fund		13,279,971,005	13,671,012,478
Total Capital and Liabilities		16,393,823,660	15,503,991,974

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 2016; 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) relating to financial statements, so far as applicable to the Service.

The financial statements were approved by the Management on ^{6th} June 2017 and signed on its behalf by:

Signature:

AF Auditor General 

Date 06/06/2017

Secretary to the Board 

Date 6th June 2017

Statement of Cash Flow for the Year Ended 31 December 2016

	2016 SLL	2015 SLL
Cash flow from operating activities		
Income Deficit	(650,281,550)	(1,105,059,877)
Adjusted for:		
Depreciation	617,826,795	406,242,170
Amortisation of Intangible Assets	2,519,748	2,232,248
Operating deficit before working capital changes	<u>(29,935,007)</u>	<u>(696,585,459)</u>
 (Increase)/Decrease in Trade and Other Receivables	 (577,389,376)	 440,639,192
Decrease in Prepayment	243,057,265	-
Increase in Trade and Other Payables	1,280,873,159	736,581,622
Net cash inflow from operating activities	<u>916,606,041</u>	<u>480,635,355</u>
 Cash flow from investing activities		
Purchase of property, plant and equipment	(1,386,077,626)	(804,369,431)
Purchase of Intangible Assets	<u>(2,875,000)</u>	<u>(22,322,475)</u>
Net Cash used in Investing Activities	<u>(1,388,952,626)</u>	<u>(826,691,906)</u>
Prior Year Adjustments	9,860	(80,891,744)
Net Cash Outflow	<u>(472,336,725)</u>	<u>(426,948,295)</u>
Exchange Gain	133,830,365	122,350,491
 Cash and cash equivalent at start of the period	 <u>6,874,129,500</u>	 <u>7,178,727,304</u>
Cash and cash equivalent at end of the period	<u>6,535,623,140</u>	<u>6,874,129,500</u>
 Consisting of:		
 Cash at bank and in hand	 <u>6,535,623,140</u>	 <u>6,874,129,500</u>
	<u>6,535,623,140</u>	<u>6,874,129,500</u>

Statement of Changes in Equity for the Year Ended 31 December 2016

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

Year Ended 31 December 2015	Exchange Rate Gain	Retained Earnings	Total
At start of the year	-	14,734,613,607	14,734,613,607
Result for the year	-	(1,105,059,877)	(1,105,059,877)
Prior year adjustment	-	(80,891,743)	(80,891,743)
Exchange Rate Gain	122,350,491	-	122,350,491
At the end of the period	122,350,491	13,548,661,987	13,671,012,478

Statement of Comparison of Budget and Actual Amounts for the year ended 31 December 2016

Annual Operational objectives	Programme budget 2016	Programme budget utilisation	VARIANCE
	SLL	SLL	SLL
Audit Fees(Income)	1,470,000,000	1,468,000,000	(2,000,000)
GOSL- Other Charges	5,481,707,204	4,880,900,000	(600,807,204)
GOSL-Grant	1,604,133,000	1,050,937,620	(553,195,380)
AfDB Support to ASSL ACCA Scheme	-	4,578,800	4,578,800
GOSL-Salaries	24,223,854,309	22,306,283,454	(1,917,570,855)
DFID Support to ASSL	-	1,271,836,728	1,271,836,728
Sale of Bid Document	-	5,000,000	5,000,000
	32,779,694,513	30,987,536,602	(1,792,157,911)
Audit Fees	65,000,000	65,000,000	-
Audit Fees transfer to CRF	450,000,000	618,800,000	(168,800,000)
Bonus	1,081,803,572	957,642,030	124,161,542
Directors Allowances	108,000,000	86,490,000	21,510,000
Gratuity	1,081,803,572	1,694,329,371	(612,525,799)
Local Travelling	739,672,500	549,018,634	190,653,866
Overseas Travelling	681,207,600	1,421,562,757	(740,355,157)
Overseas Training	1,003,633,200	1,018,500,321	(14,867,121)

Leave allowance	2,456,554,307	3,097,543,848	(640,989,541)
Electricity	133,258,522	67,125,065	66,133,457
Water Charges	27,594,000	-	27,594,000
Telephone & other Communication	302,241,900	287,681,250	14,560,650
Life Assurance Policy	32,850,000	29,449,208	3,400,792
Medical Allowances	264,000,000	268,550,000	(4,550,000)
NASSIT (10%)	1,288,264,286	1,161,317,374	126,946,912
Overtime	42,000,000	50,114,044	(8,114,044)
Rent and Rates	379,484,422	359,966,478	19,517,944
Salaries	17,832,428,573	15,951,397,067	1,881,031,506
Sitting fees	60,000,000	46,100,000	13,900,000
Staff welfare Contributions	-	43,250,000	(43,250,000)
Wages	9,000,000	29,805,631	(20,805,631)
Office & General	227,322,000	285,547,361	(58,225,361)
Stationery	137,873,640	55,178,250	82,695,390
Computer Consumables	121,928,250	511,347,611	(389,419,361)
Advertisement	107,310,000	73,563,250	33,746,750
Printing and Publicity	234,877,500	292,234,500	(57,357,000)
Building (Maintenance)	245,280,000	29,137,700	216,142,300
Machinery & Furniture Maintenance	19,710,000	9,697,500	10,012,500
Vehicles Maintenance	316,455,000	306,668,343	9,786,657
Generator Running Cost	137,970,000	10,884,863	127,085,137
Vehicle Insurance & Licensing	221,190,000	137,257,567	83,932,433
Bank Charges	102,013,320	147,377,277	(45,363,957)

Sub & Membership dues	27,375,000	26,574,950	800,050
Training & Recruitment (Local)	117,450,000	165,900,598	(48,450,598)
Professional Fees	498,483,000	534,255,439	(35,772,439)
Overseas Audit	297,621,000	282,168,470	15,452,530
Solicitor Fee	21,900,000	15,000,000	6,900,000
Uniforms	22,173,750	27,984,000	(5,810,250)
Transport, Fuel and Oil	237,615,000	254,700,852	(17,085,852)
Computer and Accessories	210,240,000	74,348,500	135,891,500
Furniture and Fittings	156,409,800	164,937,715	(8,527,915)
Plant and Machinery	183,084,000	24,500,000	158,584,000
Vehicle	184,950,000	402,175,659	(217,225,659)
	31,868,027,714	31,635,083,484	232,944,231

**Grant Annual Work Plan (AWP)
2016 Public Financial
Management Improvement and
Consolidation Project (PFMICP)**

Annual Operational objectives	Percentage contribution	Programme budget 2016	Programme budget utilisation	Variance
		\$	\$	\$
Funds received				
International Development Association	42.11%	160,144.33	137,599	(22,545)
MDTF-Multi-Donor Trust Fund	45.61%	173,454.83	37,557	(135,898)
African Development Bank (AfDB)	12.28%	46,701	-	(46,701)
Grand total		380,300	175,156	(205,144)
Expenses				
Recruitment of In-House Consultant for Performance Audit Division		105,300	60,987	44,313
Capacity Building Support - Training of Staff in professional courses		3,000	3,198	(198)
Replacement of old and depreciated Data processing Equipment		125,000	-	125,000
Development of Audit Management Information Systems (AMIS)		100,000	-	100,000
Vehicle for the Regional Office		45,000	52,357	(7,357)
General Administration of Project (bank charges)		2,000	1,430	570
Cost of audit for the 15 month period ended 31 December 2015		-	8,019	(8,019)
Total Payments		380,300	125,991	254,309
Reconciliation of Cash balance				
Balance b/d				25,917
Add: Total Receipt				175,156
Sub-total				201,073
Less: Total payment				125,991
Closing Balance				75,082

Notes to the Financial Statements for the Year Ended 31 December 2016

1. Reporting Entity

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

Implementation of the 1998 Act started in the year 2000 when the Board members were appointed by the President and ratified by Parliament. The Service Act has since been repealed and replaced by the Audit Service Act 2014.

2. Significant Accounting Policies

The accounting policies set out below have been consistently applied.

2.1 Basis of Preparation

Statement of Compliance

The Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) (accruals) and Section 14 (1) of the Audit Service Act (ACT), 2014.

2.2 Functional and presentation currency

These financial statements are presented in Leones, which is the Audit Service functional currency. Financial information presented has been rounded up to the nearest Leones. Foreign currencies other than its functional currency are recorded at the foreign exchange rate in force at the date of the transaction. Financial assets and liabilities denominated in foreign currencies at the year-end date are translated at the foreign exchange rate in force at that date. Foreign exchange differences arising on translation are recognised in the statement of financial performance within comprehensive income or expense, as appropriate. Non-monetary assets that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

2.3 Property, Plant and Equipment**2.3.1 Recognition and Measurement**

Items of property, plant and equipment assets are measured at cost less accumulated depreciation and impairment losses.

2.3.2 Depreciation/Impairment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Parts of an item of property, plant and equipment having different useful lives are accounted for as separate items. Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment and is charged to the statement of financial performance on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

	Years
Motor Vehicle	4
Furniture and Fittings	5
Computer and Accessories	4
Plant and Machinery	5

2.4 Intangible assets

Capitalized intangible expenditure and software and licenses that are acquired by the Audit Service and have a limited useful life, are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to the statement of financial performance on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life of intangible assets is ten (10) years.

2.5 Revenue

The principal source of revenue generation represents income receivable from government of Sierra Leone for salary and recurrent expenditure. Audit Service also received income from audit services rendered to departments, parastatals and agencies of the government of Sierra Leone provided during the year. Where the result/outcome of a government sub-vention and/or a transaction can be measured reliably, income associated with the transaction is recognised in the statement of financial performance by reference to the government allocation request sent to the Ministry of Finance and Economic Development (MoFED) and the stage of

completion of audit services at the year end, provided that a right to consideration has been obtained through the approval of Audit Service annual budget or audit services carried out.

2.6 Welfare Fund

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

2.7 Trade and other receivables

Trade and other receivables (except unbilled amounts for client work) are initially recognised at fair value or at their nominal amount less impairment losses if outstanding for more than 12 months.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash balances both at the bank and in hand. The cash and cash equivalents are stated at their face values, as this approximates to amortised cost.

2.9 Trade and other payables

Trade and other payables are initially recognised at fair value, based upon the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost.

2.10 Provisions

A provision is recognised when the Audit Service has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are made for the present value of contract already signed during the year that could lead to an outflow of resources.

2.11 Employee benefit

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

Defined benefit plan on the other hand is one in which an employee who has completed a minimum number of years of continuous service and whose employment comes to an end as a result of retirement, resignation, death or termination shall be entitled to this gratuity benefit. The amount shown in the financial statements is the current charge for the year and previous two years.

2.12 Other disclosures**2.12.1 External support****2.12.1.1 Department for International Development (DFID):**

The Department for International Development (DFID) has been providing technical support to Audit Service in the form of coaching, mentoring and logistical support. The amounts included in revenue are the cost of logistical support received during the year. The logistic support are both capital and revenue expenditure. Cost that relates to capital expense are initially recognised as non-current assets and are depreciated over the useful life of computers and accessories and cost that relates to revenue expense are written-off as incurred. The cost of technical assistance is not reflected in the Financial Statements as Audit Service is only receiving the benefit in kind.

2.12.1.2 Africa Development Bank

Africa Development Bank (AfDB) under the project Public Financial Management and Business Enabling Support Project (PFMBESP) has been supporting staff of Audit Service in capacity development in Association of Chartered Certified Accountants exams (ACCA) and logistical support. The amount stated in the financial statements as income is consideration received for 2016.

2.13 Government grant

Audit Service has been benefiting from a government grant under the project Public Financial Management Improvement and Consolidation Project (PFMICP) that is funded by International Development Association (IDA), Multi-Donor Trust Fund

(MDTF) and Africa Development Bank (AfDB). The amounts received are initially recognised as revenue at the foreign exchange rate in force at the date of the transaction.

2.14 Land in the provinces

Audit Service has Land that was given by Government that is situated in Makeni (Mena Hills), Bo (Government reservation) and Kenema (Maxwell Khobe Street). The value of these lands are yet to be determined and thus not reflected in the financial statements.

3 Administrative expenses

The cost of administration include staff cost, employees training cost, cost of repairs and professional fees related to membership subscription and consultancy. All expense related to the day-to-day running of the office including cost of printing and advertisement and also cost of insurance.

4.Non- Current Assets	Motor Vehicle	Furniture and Fittings	Computers and Accessories	Plant and Machinery	Total
Cost or Valuation	SLL	SLL	SLL	SLL	SLL
As at 01 January 2016	2,636,499,261	412,503,500	711,619,921	455,238,099	4,215,860,781
Additions	402,175,659	22,094,000	937,307,967	24,500,000	1,386,077,626
Disposals	(555,082,467)	(239,302,300)	(284,817,921)	(58,456,350)	(1,137,659,038)
As at 31 December 2016	2,483,592,453	195,295,200	1,364,109,967	421,281,749	4,464,279,369
Depreciation					
As at 01 January 2016	2,260,923,080	279,992,523	669,814,256	223,778,921	3,434,508,780
Charge for the year	194,437,960	32,845,043	315,741,242	74,802,550	617,826,795
Disposal release	(555,082,500)	(220,179,188)	(284,817,921)	(58,456,349)	(1,118,535,958)
Prior year adjustment	-	-	(116,245,210)	(28,277,722)	(144,522,932)
As at 31 December 2016	1,900,278,540	92,658,378	584,492,367	211,847,400	2,789,276,685
Net Book Value					
As at 01 January 2016	375,576,181	132,510,977	41,805,665	231,459,178	781,352,001
As at 31 December 2016	583,313,913	102,636,822	779,617,600	209,434,349	1,675,002,684

During the year, there was a change in the estimation for furniture and fittings from ten (10) years to five (5) years. This change is as a result of reassessing the present status of, and expected future benefits associated with furniture and fittings. This change will however affect the current and future years.

Disposal

The disposal during the year is as a result of assets that have been fully depreciated and beyond repairs.

Prior period error

This is as a result of assets that had been fully depreciated in previous years but yet had depreciation charged on them and item of revenue expense treated as capital.

	SLL 2016	SLL 2015
5.1 Work In Progress		
Balance Brought Forward	6,871,336,976	6,871,336,976
Balance Carried Forward	<u>6,871,336,976</u>	<u>6,871,336,976</u>
5.2 Intangible Assets		
Cost or Valuation		
Balance Brought Forward	22,322,475	-
Payment During the Year	2,875,000	22,322,475
As at 31 December 2016	<u>25,197,475</u>	<u>22,322,475</u>
Amortisation of Intangible Assets		
Balance Brought Forward	2,232,248	-
Amortisation During the Year	2,519,747	2,232,248
As at 31 December 2016	<u>4,751,995</u>	<u>2,232,248</u>
Carrying Value		
As at 31 December 2016	<u>20,445,480</u>	<u>20,090,228</u>

The Intangible Assets shown in the statement of financial Position are the cost of QuickBooks License and windows 10 Software License. Intangible assets are estimated to last for ten years. They are amortised on a straight line basis.

Therefore an amortisation of SLL2,519,747 is charged in the statement of financial performance for the year ended 31 December 2016.

	2016 SLL	2015 SLL
6. Income		
GOSL-Subvention (6.1)	27,187,183,454	21,047,270,041
Government Grant (6.2.1)	1,050,937,620	1,013,968,892
Government Grant (6.2.2)	4,578,800	188,337,250
Government Grant (6.2.3)	1,271,836,728	5,750,000
Other Income (6.3)	5,000,000	-
Income Generated from Audit Fees (6.4)	1,468,000,000	1,946,000,000
Sundry Income	-	150,000,000
	<u>30,987,536,602</u>	<u>24,351,326,183</u>
 6.1 GOSL-SUB-VENTION		
GOSL-Salaries	22,306,283,454	17,746,270,041
GOSL-Other Charges	4,880,900,000	3,301,000,000
	<u>27,187,183,454</u>	<u>21,047,270,041</u>
 6.2.1 Government Grant		
International Development Association (USD137,599.27))	825,595,620	486,755,946
Multi-Donor Trust Fund (USD37,557)	225,342,000	527,212,946
	<u>1,050,937,620</u>	<u>1,013,968,892</u>
 Note: Exchange rate is SLL6,000/USD1 as published by Sierra Leone Commercial Bank as at June 2016.		
 6.2.2 Government Grant		
Integrated Project Administration Unit (IPAU)	4,578,800	188,337,250
	<u>4,578,800</u>	<u>188,337,250</u>
 6.2.3 Government Grant		
Donations during the year were as follows:		
Cost of printing Strategic Plan Document	23,250,000	-
Data Processing Equipment (£42,958 @ SLL7,154.18) & (Euro122,116.01 @SLL7,653.06)	1,248,586,728	-
	<u>1,271,836,728</u>	<u>-</u>
 6.3 Other Income		
Sale of Bid Document	5,000,000	5,750,000
	<u>5,000,000</u>	<u>5,750,000</u>

	2016 SLL	2015 SLL
6.4 Income Generated from Audit Fees		
National Public Procurement Authority (NPPA)	18,000,000	16,000,000
Statistics Sierra Leone	42,500,000	45,000,000
Sierra Leone Insurance Commission	27,500,000	25,000,000
National Electoral Commission	40,000,000	120,000,000
Independent Media Commission	7,000,000	13,000,000
Bo Kenema Power Station	-	30,000,000
Anti-Corruption Commission	40,000,000	35,000,000
Human Rights Commission Sierra Leone	34,000,000	15,000,000
National Telecommunication	-	60,000,000
National Revenue Authority	-	330,000,000
SIERRATEL	70,000,000	70,000,000
National Social Security and Insurance Trust	190,000,000	102,500,000
Petroleum Directorate	19,500,000	142,000,000
Sierra Leone Agricultural Research Institute	30,000,000	13,500,000
Sierra Leone Airport Authority	125,000,000	125,000,000
Sierra Leone Ports Authority	125,000,000	120,000,000
Sierra Leone Maritime Administration	-	110,000,000
Eastern Polytechnic	33,500,000	30,500,000
Road Maintenance Fund Administration	105,000,000	-
Justice Sector Coordination Office	11,500,000	7,500,000
Nuclear Safety and Radiation Protection Authority	15,000,000	-
Corporate Affairs Commission	11,000,000	23,000,000
National Youth Commission	7,500,000	13,500,000
Central Intelligence and Security Unit	15,000,000	-
National Minerals Agency	20,000,000	35,000,000
National Commission for Democracy	-	7,000,000
Office of the Ombudsman	29,000,000	26,500,000
Sierra Leone Road Safety Authority	76,000,000	202,500,000
The Office of National Security	17,500,000	25,500,000
National Commission for Persons with Disability	-	10,000,000
National Protected Area Authority	10,000,000	-
National Power Authority	225,000,000	-
Guma Valley Water Company	100,000,000	95,000,000
Political Parties Registration Commission	7,500,000	20,000,000
Parliamentary Service Commission	2,500,000	2,500,000
African Capacity Building Fund Project	2,500,000	2,500,000
Financial Intelligence Unit	11,000,000	40,000,000
Sierra Leone Stock Exchange	-	33,000,000
	1,468,000,000	1,946,000,000

	2016	2015
	SLL	SLL
7. Expenditure		
Salaries and Wages (7.1)	23,253,949,365	17,642,468,554
Directors' Fees and Allowances (7.2)	132,590,000	161,690,000
Administrative Costs (7.3)	8,251,278,787	7,652,227,506
	<u>31,637,818,152</u>	<u>25,456,386,060</u>
7.1 Employees Benefits		
Salaries	15,951,397,067	13,588,207,803
Wages	29,805,631	22,130,254
Bonus	957,642,030	847,797,720
Leave Allowance	3,097,543,848	1,669,111,372
Overtime	50,114,044	50,794,565
NASSIT (Employers' Contribution 10%)	1,161,317,374	969,809,507
Gratuity paid and provision during the year	1,694,329,371	313,855,968
Medical Allowances	268,550,000	180,761,364
Staff Welfare Contribution	43,250,000	-
	<u>23,253,949,365</u>	<u>17,642,468,554</u>
7.2 Directors Fees and Allowances		
Monthly Allowance	86,490,000	97,040,000
Sitting Fees	46,100,000	64,650,000
	<u>132,590,000</u>	<u>161,690,000</u>

	2016	2015
	SLL	SLL
7.3 Administrative Costs		
Office and General	285,547,361	547,142,781
Stationary	55,178,250	-
Computer Consumables	511,347,611	-
Overseas Travelling	1,421,562,757	551,379,733
Local Travelling	549,018,634	557,833,500
Overseas Training	1,018,500,321	1,829,689,735
Training and Recruitment	165,900,598	906,998,592
Transport, Fuel and Oil	254,700,852	355,639,134
Electricity and Water Charges	67,125,065	99,439,500
Telephone and Other Communication	287,681,250	263,856,500
Advertisement	73,563,250	261,622,000
Printing and Publicity	292,234,500	-
Repairs and Maintenance	-	389,934,678
Building Maintenance	29,137,700	-
Vehicle Maintenance	306,668,343	-
Vehicle Insurance and Licensing	137,257,567	-
Machinery and Furniture Maintenance	9,697,500	-
Generator Running Cost	10,884,863	-
Official Reception	-	93,718,500
Life Assurance Policy	29,449,208	27,984,255
Solicitors' Fee	15,000,000	15,000,000
Membership dues to Professional Institutions	26,574,950	22,363,600
Uniforms	27,984,000	14,773,000
Professional Fees	534,255,439	184,870,538
Overseas Audit	282,168,470	-
Rent and rates	359,966,478	315,350,638
Amortisation of Intangible Assets (see note 5.2)	617,826,795	406,242,170
Impairment of QuickBooks Licence	2,519,748	2,232,248
Bank Charges	147,377,277	109,724,405
Bad Debt written off (see note 8.2.1)	3,000,000	199,432,000
Provision for Audit Fees(External Auditor)	65,000,000	65,000,000
Audit Fees Transfer to CRF	618,800,000	406,050,000
Withholding Tax deducted from Audit Fee invoiced	45,350,000	25,950,000
	<u>8,251,278,787</u>	<u>7,652,227,506</u>

8 Trade and Other Receivables	2016	2015
	SLL	SLL
Trade Receivables (8.1)	279,500,000	251,250,000
Other Receivables (8.2)	556,839,376	7,700,000
	<u>836,339,376</u>	<u>258,950,000</u>
8.1 Trade Receivables		
Guma Valley Water Company	50,000,000	-
Road Maintenance Fund Administration	52,500,000	-
National Electoral Commission	-	40,000,000
Financial Intelligence Unit	11,000,000	-
Bo Kenema Power Station(see note 8.2.1)	27,000,000	30,000,000
Statistics Sierra Leone	42,500,000	-
National Telecommunication	-	30,000,000
Sierra Leone Airport Authority	-	62,500,000
Sierra Leone Maritime Administration	-	37,500,000
Eastern Polytechnic	11,500,000	-
Human Rights Commission	9,000,000	-23,750,000
Sierra Leone Road Safety Authority	76,000,000	60,000,000
National Commission for Persons with Disability	-	5,000,000
Political Parties Registration Commission	-	10,000,000
	<u>279,500,000</u>	<u>251,250,000</u>
8.2 Other Receivables		
Medical Loan to Staff	-	7,700,000
Maersk Sierra Leone Ltd (refund of security deposit for the clearing of one prado)	1,310,000	-
Refund on air ticket from AFROSAI-E for three staff	44,695,976	-
Refund on rent for Performance Audit Consultant (Hedjazi)	10,833,400	-
Other Charges allocation for 2016	500,000,000	-
	<u>556,839,376</u>	<u>7,700,000</u>

8.2.1 Provision for bad debts

The amount of provision for doubtful debt is calculated as SLL3,000,000 (SLL30,000,000*10%). This is in agreement with the finance manual.

Provision for bad debts/receivables is calculated as follows:

Length of time	Provision (%)	Outstanding Debt
0-1 Year	Nil	Nil
1 - 2 Years	10	30,000,000
2 - 4 Years	50	Nil
Above 4 Years	100	Nil

	2016 SLL	2015 SLL
8.3 Prepayments		
Kenema Rent Prepaid	24,750,000	24,750,000
Lotto Rent Prepaid	169,654,558	134,967,133
Makeni Rent Prepaid	4,000,000	4,000,000
National Insurance Company-Life Assurance Prepaid	18,375,083	16,324,149
Vehicle Insurance Prepaid	58,642,349	66,438,841
National Petroleum Company-Advance for Fuel	50,606,490	13,970,342
Office and General Prepaid	3,280,000	3,280,000
Severance Prepayments	-	417,302,804
Prepayment of Membership Subscription	24,750,000	17,100,000
Overseas Travelling Advance (cost of workshop and air ticket)	35,767,500	-
Happy Kids Rent Prepaid for Performance Audit Consultant	65,250,024	-
	<u>455,076,004</u>	<u>698,133,269</u>

	2016	2015
	SLL	SLL
9.0 Bank and Cash Balances		
Bank Balances (9.1)	6,534,119,140	6,870,548,500
Cash Balances (9.2)	1,504,000	3,581,000
	<u>6,535,623,140</u>	<u>6,874,129,500</u>
9.1 Bank Balances		
Sierra Leone Commercial Bank Other Charges Account	1,034,919,384	1,792,307,396
Sierra Leone Commercial Bank Training Account	241,956,136	353,384,671
Rokel Commercial Bank Salary Account	4,838,788,335	4,575,471,153
Sierra Leone Commercial Bank PFMIC Project	418,455,285	149,385,280
	<u>6,534,119,140</u>	<u>6,870,548,500</u>
9.2 Cash In Hand		
Lotto Building	1,062,000	2,864,000
Youyi Building	13,000	132,000
Examination Branch	-	100,000
Kenema	235,000	-
Makeni Division	194,000	485,000
	<u>1,504,000</u>	<u>3,581,000</u>
10. Trade and Other Payables		
LKG Accountants Payable	-	11,000,000
Accruals: Performance Audit Consultant Professional Fee-December 2016	61,600,968	-
Accruals: Contract signed for uniform and printing of AG's Report	77,610,000	-
NRA Withholding Tax	41,241,994	-
Provision for Audit Fees	75,000,000	70,000,000
Provision for Gratuity	-	1,700,763,663
Staff Welfare Contribution	65,530,500	51,215,833
Other Current Liabilities: Office World	1,444,200	-
Other Current Liabilities: Audit Fee to be transferred to CRF	114,700,000	-
	<u>437,127,662</u>	<u>1,832,979,496</u>

	2016 SLL	2015 SLL
10.1 Non-current Liabilities		
Staff Severance Liability	2,676,724,993	-
	<u>2,676,724,993</u>	<u>-</u>
11. Prior Year Adjustments		
National Petroleum Prepayment included in 2014 Financial Statements	-	56,387,962
Actual Prepayments	-	36,263,962
	-	<u>(20,124,000)</u>
Depreciation charge on assets in prior year that have been depreciated	144,532,824	-
National Insurance Company Prepayment included in 2014 Financial Statements	-	(125,253,962)
Actual Prepayments	-	64,485,642
Revenue Expenses treated as capital in prior year	(19,123,112)	-
	<u>125,409,712</u>	<u>(60,768,320)</u>
Net Prior Year Adjustments	<u>125,409,712</u>	<u>(80,892,320)</u>

12.0 Financial Instruments

The principal financial instruments used by the Service, from which financial instrument risk arises are as follows:

- i) Trade and other receivables
- ii) Cash and Cash Equivalents
- iii) Trade and Other Payables

	2016 SLL	2015 SLL
12.1 Financial Assets		
Cash and cash equivalents	6,535,623,140	6,874,129,500
Trade and other receivables	1,291,415,380	957,083,269
	<u>7,827,038,520</u>	<u>7,831,212,769</u>

	2016	2015
	SLL	SLL
12.2 Financial Liabilities		
Trade and other payables	3,113,852,655	1,832,979,496
	<u>3,113,852,655</u>	<u>1,832,979,496</u>

13. Accumulated Fund

At 1 January 2016	13,671,012,478	14,734,613,607
Exchange Gains	133,830,365	122,350,491
Prior period adjustment	125,409,712	(80,891,743)
Deficit for the year	(650,281,550)	(1,105,059,877)
At 31 December 2016	<u>13,279,971,005</u>	<u>13,671,012,478</u>

14. Capital Commitments

For the year ended 31 December 2016, there were no capital commitments (31 December 2015 NIL)

15. Contingent Assets and Liabilities

As at 31 December 2016 there were no contingent assets or liabilities that need to be disclosed under IAS 37.

16. Related Party transactions and interest of directors

During the year Audit Service Sierra Leone did not enter into any transaction with related party.

17. Events after the reporting date

There were no events that occurred after the financial year end that materially affected the financial position as at 31 December 2016.

18. Note supporting statement of cash flows

Cash and cash equivalent for the purposes of statement of cash flows comprises:

	2016	2015
	SLL	SLL
Cash at bank available on demand	6,534,119,140	6,870,548,500
Cash in hand	1,504,000	3,581,000
	<u>6,535,623,140</u>	<u>6,874,129,500</u>