PARLIAMENTARY SERVICE

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBESR 2022

Contents

General Information	1-3
Report of the Auditors	4-6
Statement of Management Responsibilities	7-8
Statements of Cash Receipts and Payments	9
Statements of Comparison of Budget and Actual	10
Notes to the Financial Statements	11-16

GENERAL INFORMATION

Background Information

Parliamentary Service, which was established through an Act of Parliament in 2007 (Parliamentary Service Act 2007), is separate and distinct from the civil service. It function is to provide Parliament with administrative and technical support as well as advisory services that enable Parliament to economically, effectively, efficiently, equitably, ethically and transparently execute its constitutional proceedings. `These qualities enhance the capacity of the Commission to respond with compassion to beneficiaries (both Members and the Electorates). It facilitates the Commission to build relationship with beneficiaries (Constituencies and the Constituents) irrespective of their ethnical, political, religious, sexual, or social backgrounds.

The Parliamentary Service has the pleasure to present the financial statements for the period to December 31, 2022.

Members of the Commission

Speaker of Parliament	Chairman
Deputy Speaker of Parliament	Deputy Chairman
Leader of Government Business	Member
Leaders: Opposition Parties - Three (3)	Member
Representative MP: Elected as Independent Candidate	Member
Representative PC MP in SL	
Parliament-Two (2)	Member
Whip: Majority Party	Member
Whip: Minority Party	Member
Representative Female Caucus – Two (2)	Member
Clerk of Parliament	Secretary

Management

Hon. Paran Umar Tarawally	Clerk of Parliament
Mohamed Lebbie	Deputy Clerk of Parliament
Mrs. Finda F. Frazer	Director General
Abdul Rahman N'Jai	Director: Finance Department
Abu Bakarr Charm	Director: Human Resource & Admin Department
Joseph Conteh	Director: ICT Department
Samuel M Songa	Director: Official Reports Department
Sheku Lamin Turay	Director: Public Relations Department
Ibrahim Jimmissa	Director: Parliamentary Budget Office
Augustine Kamara	Director: Internal Controls & Compliance
Mohamed Jalloh	Director: Centre for Strategy and Parliamentary Studies
James Abu	Director: Transport & Procurement
Julius Songa	Director: Committees Department
Gilbert Bosco Nhabay	Director: Programmes, Research and Partnership
Francis Duwai	Director: Sergeant At Arms
Momodu Lamin Deen-Rogers	Ag. Director: Legislative Services
Alhaji Kamara	Ag. Director: Library, Documentation Department

OFFICE ADDRESS	Parliamentary Service House of Parliament OAU Drive Tower Hill Freetown Sierra Leone
BANKERS	Bank of Sierra Leone Siaka Stevens Street Freetown Sierra Leone
	Rokel Commercial Bank Siaka Stevens Street Freetown Sierra Leone
	Sierra Leone Commercial Bank Ltd. Siaka Stevens Street Freetown Sierra Leone
AUDITORS	Audit Service Sierra Leone 11th & 12th Floor, Freetown City Council Building Wallace Johnson Street, Freetown

REPORT OF THE AUDITORS – AUDIT SERVICE SIERRA LEONE TO THE PARLIAMENTARY SERVICE COMMISSION

Addressee: *The Clerk of Parliamentary*

Date: 5th October 2023

Dear *Sir*

Unqualified Opinion

I have audited the financial statements of the Parliamentary Service for the year ended 31st December, 2022. These financial statements comprise a statement of cash receipts and payments for the year then ended, Statement of Comparison of Budget and Actual and a summary of significant accounting policies and other explanatory information as set out on Page **10-17.**

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Parliamentary Service as at 31st December, 2022, and its financial performance for the year then ended in accordance with International Public Sector Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to the audit of the financial statements in Sierra Leone, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. For the period under review, there were no key audit matters identified.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (IPSAS) Cash Basis and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the entity's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards for Supreme Audit Institutions (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 International Standards for Supreme Audit Institutions (ISSAIs), I exercise professional scepticism throughout the audit. I 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 my 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 controls.
- 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 Entity's internal control.

- Evaluate the appropriateness of accounting policies uses and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

F/ACTING AUDITOR GENERAL

Date 13/10/2023

STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 86 (1) of the Public Finance Management Act, 2016 requires that, at the end of each financial year, the Vote Controller shall prepare and submit to the Auditor General annual financial statements in respect of that entity for the financial year. Section 83(a) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Accountant General.

The Constitution of Sierra Leone Act No. 6 of 1991, section 86 of the Public Financial Management Act, (PFM Act) 2016 require the Parliamentary Service to prepare and submit to the Auditor-General an annual Financial Statements for each financial year within three months after the accounts of the financial year are closed at the end of a complementary period.

Subsection 2 and 3 of the PFM Act 2016 also requires the vote controller to submit to the Minister and the Accountant-General the audited financial statements together with the audit report of the Auditor-General within nine months after the end of a financial year.

In preparing this Financial Statements, the Service selects suitable accounting policies and apply them consistently; Make judgments and estimates that are reasonable and prudent; and make disclosure of material matters.

The Service is responsible for the truth and fairness of the Financial Statements and for the records, controls, procedures, and organization that support the preparation of those Statements which disclose with reasonable accuracy at any time the financial position of the Service. The Service is also responsible to ensure that the Financial Statements comply with Donor requirements. The primary responsibility for the prevention and detection of fraud and error rests with the Management of the Service

The Vote Controller is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the year ended 31st December 2022. This responsibility includes:

(i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.

(ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity.

(iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.

(iv) Safeguarding the assets of the entity.

(v) Selecting and applying appropriate accounting policies; and

(vi) Making accounting estimates that are reasonable in the circumstances.

By order of the Commission

.....

Hon. Paran Umar Tarawally
Clerk of Parliament

STATEMENTS OF CASH RECEIPTS AND PAYMENTS FOR THE Y D 31ST DECEMBER 2022

DESCRIPTION	Notes	Period ended Decem 2022 SLL	iod ended mber 2021 SLL
Total Receipts	2	61,031,131	5,331,815
Total Payments	3	61,256,406	7,084,651
Surplus/(Deficit) for The Year		(225,275)	.752,836)
Add: Opening Cash & Bank Balance	1.5(a)	(894,633)	858,203
Prior Year Adjustment	1.6	122,657	-
Cash at Bank at End of Year	1.5(b)	(997,251)	(894,633)

These Financial Statements were approved on 11th October **2023**

.....

liament

STATEMENTS OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

FINANCING:						
			Total Budget	Actual	Variance	% Variance
Government Grant- Other Charges	36,716,873	10,378,653	47,095,526	61,031,131	13,935,605	29.59%
Personnel Cost	33,079,227	-	33,079,227	33,126,633	47,406	0.14%
TOTAL FINANCING	**69,796,100**	**10,378,653**	**80,174,753**	**94,157,764**	**13,983,011**	**29.73%**
EXPENDITURE:						
Government Grant- Other Charges	36,716,873	10,378,653	47,095,526	61,256,406	-14,160,880	-30.07%
Personnel Cost	33,079,227	-	33,079,227	.33,126,633	- 47,406	-0.14%
TOTAL EXPENDITURE	**69,796,100**	**10,378,653**	**80,174,753**	**94,383,039**	**- 14,208,286**	**-30.21%**

These Financial Statements were approved on.....11th October.....**2023**

..... **Clerk of Parliament**

OFFICE OF THE CLERK OF PARLIAMENT * PARLIAMENTARY SERVICE COMMISSION * PARLIAMENT OF SIERRA LEONE

NOTES FORMING PART OF THE FINANCIAL STATEMENT

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1. Statement of Compliance

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB).

1.2. Basis of Preparation

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the periods presented.

1.3. Reporting Entity

The financial statements are for the Parliament of Sierra Leone.

1.4. Reporting Currency

The financial statements are presented in the New Leones (SLL), which is the functional and reporting currency of the Government, and all values are rounded to the nearest New Leones.

1.5. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Sierra Leone and at various commercial banks at the end of the reporting period as follows:

Cash and bank balances	2022	2021
(a) Opening	**-894,633**	**858,203**
Bank of Sierra Leone	-997,658	755,178
Sierra Leone Commercial Bank	103,025	103,025
Rokel Commercial Bank		-
(b) Closing	**-997,251**	**-894,633**
Bank of Sierra Leone	-1,102,316	-997,658
Sierra Leone Commercial Bank	103,025	103,025
Rokel Commercial Bank	2,040	-

1.6. Prior Year Adjustment

The Prior Year Adjustment of SLL 122,657, represent the closing balance at Rokel Commercial Bank for FY2021, which was not disclosed in the FY2021 Financial Statements.

1.7. Acquisition of Fixed Assets

The payment on acquisition of property, plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively.

1.8. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

2. Recognition of Receipts

The Entity recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Entity as seen below:

2.1 Transfers from the Ministry of Finance

Transfers from the Ministry of Finance are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

2.2 External Assistance

External assistance is received through grants from multilateral and bilateral development partners.

Grants shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity.

2.3 Other Receipts

These relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.

	2022 SLL	2021 SLL
Total Receipts for the Year	**61,031,131**	**45,331,815**
OTHER CHARGES:	**32,371,738**	**25,950,000**
Ministry Of Finance Releases	32,371,738	25,950,000
GRANTS:	**4,876,227**	**3,366,955**
Proceeds from Foreign Grants	2,063,377	645,002
Proceeds from Domestic Grants	2,812,850	2,721,952
RECEIPTS ON ACCOUNT OF STATE FUNCTIONS:	**4,111,333**	**1,190,750**
Ministry Of Finance Release	4,111,333	1,190,750
LEGISLATIVE, OVERSIGHT & REPRESENTATION:	**19,660,880**	**14,752,215**
Members of Parliament Facilitation Allowances	14,502,800	10,512,000
Members of Parliament Fuel Allowances	4,099,680	3,181,815
Members of Parliament-Sitting fees	1,058,400	1,058,400
OTHER RECEIPTS	**10,953**	**71,895**
Proceeds from Sale of Bid Documents	4,050	14,800
Refunds/Others	6,903	57,095

3. Recognition of Payments-Other Charges Payments- General Administrative & Support Services

The Entity recognises all payments when the event occurs, and the related cash has been paid out by the Entity. Payments were recognised in the Statements of Cash Receipts and Payments when cheque were drawn from the bank as seen below:

3.1 Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

	2022 NLe 61,256,406	2021 Le '000 47,084,651
OFFICE OF THE DIRECTOR GENERAL:	**14,207,236**	**12,445,128**
Use of Goods & Services:		
Acquisition of Capital & Related Items	2,440,295	712,494
Advertising and information supplies & services	13,718	49,498
Attached Backup & Personnel Salaries & Stipends	186,484	188,710
Audit Fees	30,000	15,000
Building Maintenance	285,239	1,058,840
Domestic Travel	-	163,689
Dues & Subscription – International	10,449	5,190
Entertainment; Conf., Hospitality, etc.	1,477,516	943,289
Fuel	2,091,200	1,292,100
Uniforms	-	50,602
Withholding Tax Paid	1,128,472	675,783
Office Sundries & Supplies	1,156,644	1,118,315
Office Supplies (stationeries & related items)	307,268	2,521,808
Personnel: Salaries & Related Expenses		2,249
CSPS: Personnel Training, Capacity Building & Related Expenses	1,512,860	1,645,911
Printing, Telephone & Other Miscellaneous Expenses	119,934	176,892
Departmental & Office Imprest	516,000	724,736
Utilities: Electricity Charges	-	87,423
Utilities: Water Charges	97,200	220,690
Vehicle expense (insurance, licenses, maintenance, repair & related costs)	378,165	791,910
Parliament Open Day	386,438	
Public relations	357,768	
Cleaning Services	880,901	
Security Services	240,000	
The State Opening of Parliament	590,683	
OFFICE OF THE CLERK:	**2,606,847**	**982,300**
Budget Monitoring, Preparation and Review	191,257	87,750
Consultancies	787,610	564,250

Sensitization on the Passage of Bills	1,116,430	
Support to the Office of the Clerk	511,550	-
Taking Parliament to the People	-	330,300
OFFICE OF THE SPEAKER AND DEPUTY SPEAKER OF PARLIAMENT:	**17,094,501**	**8,054,851**
Foreign Travelling Costs:		
Daily Subsistence Allowances	8,949,722	-
Air Passages	7,163,408	-
Support to Office of the Speaker & Deputy	981,370	-
LEGISLATIVE, OVERSIGHT&REPRESENTATION:	**19,949,265**	**21,460,138**
MP Facilitation Allowances	10,440,000	10,512,000
MP Fuel Allowances	3,818,800	2,981,160
MP Sitting Fees	850,200	906,900
MP Funeral Purse & Special Sitting Allowances	297,757	101,600
Oversight-GoSL	1,859,008	3,515,005
Oversight-External	2,613,420	3,443,473
Support to the Office of the Deputy Clerk	70,000	-
OFFICE OF PARLIAMENTARY LEADERSHIP:	**7,398,558**	**3,140,018**
CPA Conference	4,337,675	1,195,522
Soccatt Conference	760,498	-
Support to the Leader of Government Business	420,600	-
Support to the Opposition Leader	256,000	-
Support to the Leader of C4C	146,600	-
Support to the Leader of NGC	60,000	-
Support to the Leader of Paramount Chiefs	60,000	-
Support to the Office of Female Caucus	493,475	-
PSC Sitting Allowances	863,710	324,496
Leadership Imprest	-	1,620,000

4. Pending Bills Disclosure

Pending bills amounted to **SLL 4,642,823** at the end of the reporting period arising from contracted goods or services during the period or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the reporting period. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

Description	2022 (SLL)
Travelling Agencies	**3,721,040**
Various Suppliers/Contractors	**921,483**
Total	**4,642,523**