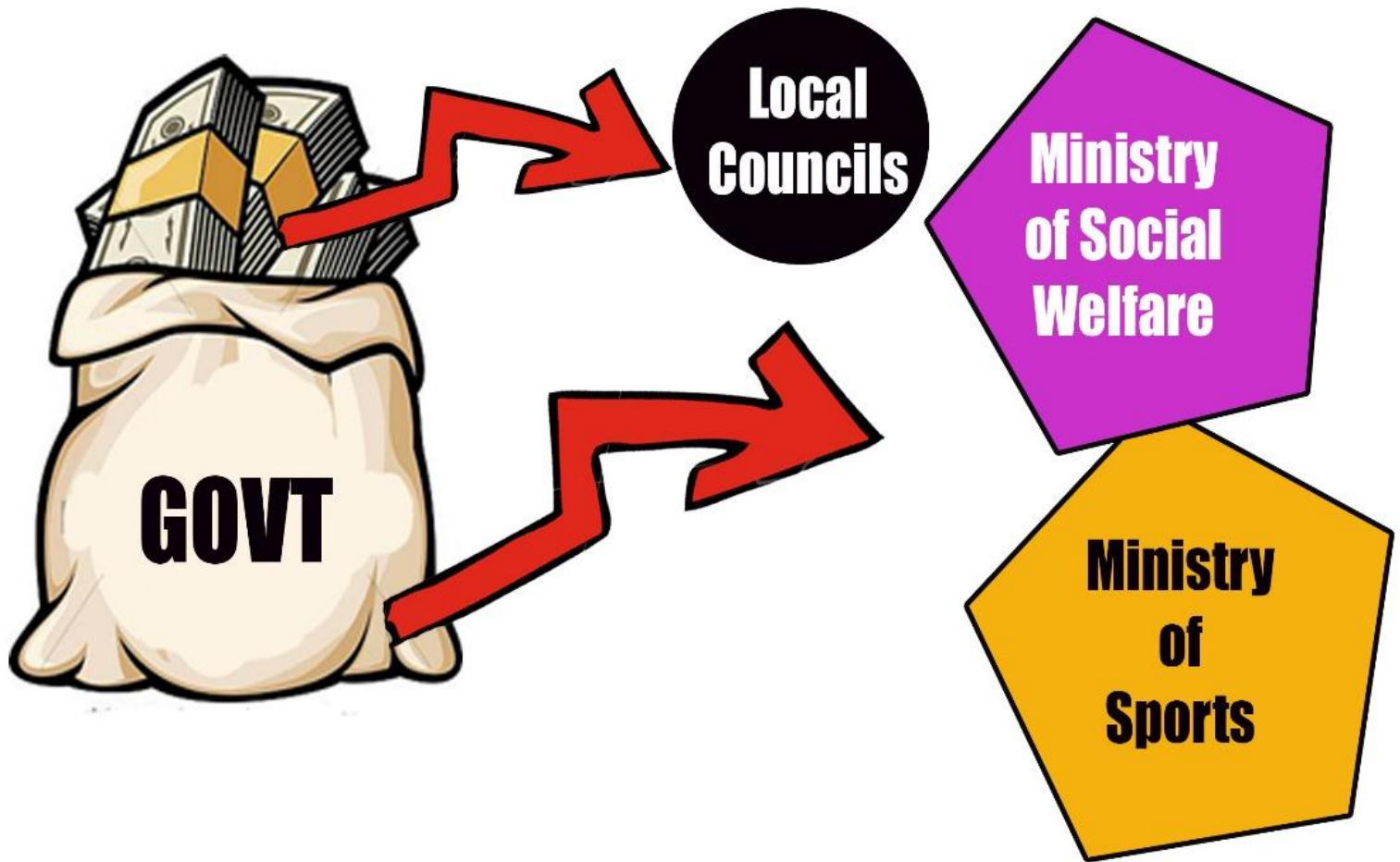


# National Revenue Authority

**Le 198,570,974,108 unrecovered  
from past audit report (2014-2015)**



**This amount is more than the proposed transfer to all  
local councils, budget for the Ministry of Social Welfare  
and Ministry of Sport for 2020 fiscal year**



# National Revenue Authority

## AUDIT SCORE CARD FOR THE NATIONAL REVENUE AUTHORITY (NRA)

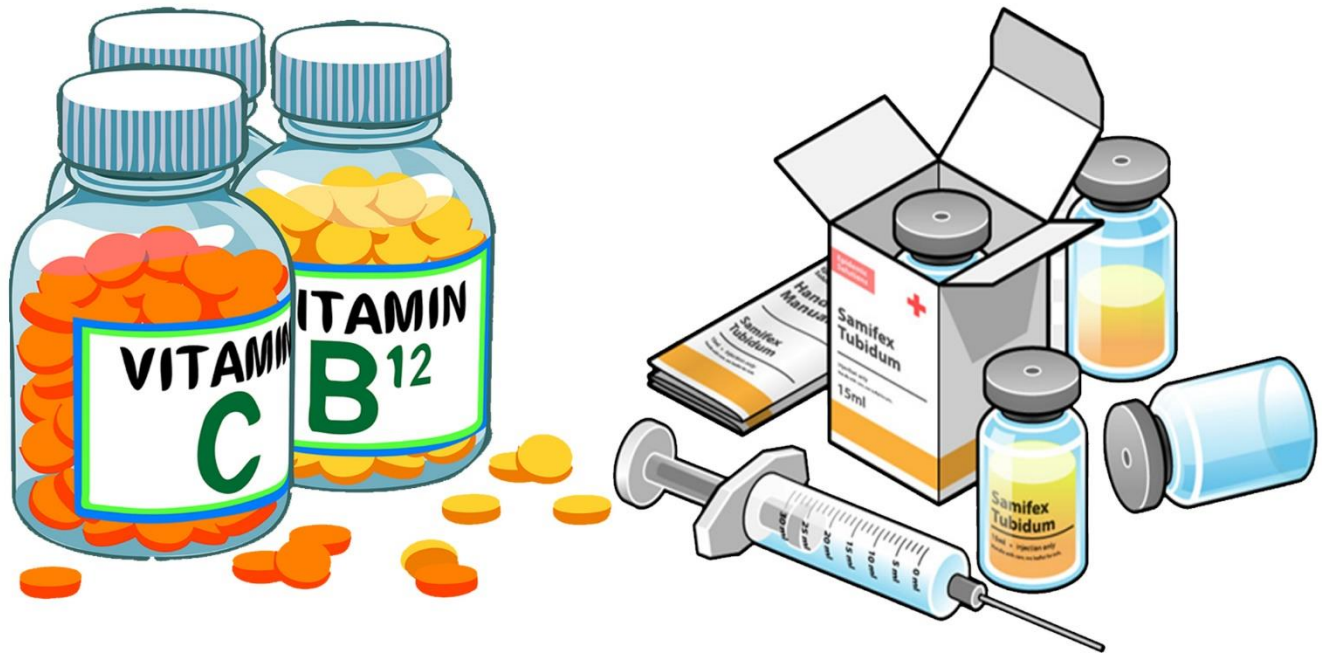
Year	Type of Report	Number of Issues	Number of Recommendations	Recommendations Implemented	Recommendations not Implemented	Monies Recovered (Le)	Monies not Recovered (Le)
2014	Public Enterprise (Note 1)	15	15	0	15	0	54,887,129
	Public Account (Note 2)	5	4	0	4	0	114,313,128,000
2015	Public Account (Note 3)	7	7	0	7	0	61,232,622,683
2016	Public Account (Note 4)	7	7	0	7	0	5,035,913,317
2017	Public Account (Note 5)	2	2	0	2	0	17,934,422,979
<b>Total</b>		<u>36</u>	<u>35</u>	<u>0</u>	<u>35</u>	<u>0</u>	<u>198,570,974,108</u>



**This amount is more than the proposed transfer to all local councils, budget for the ministry of Social welfare and sport**

# National Revenue Authority

**Le 114,368,015,129 unrecovered from the 2014 audit report**



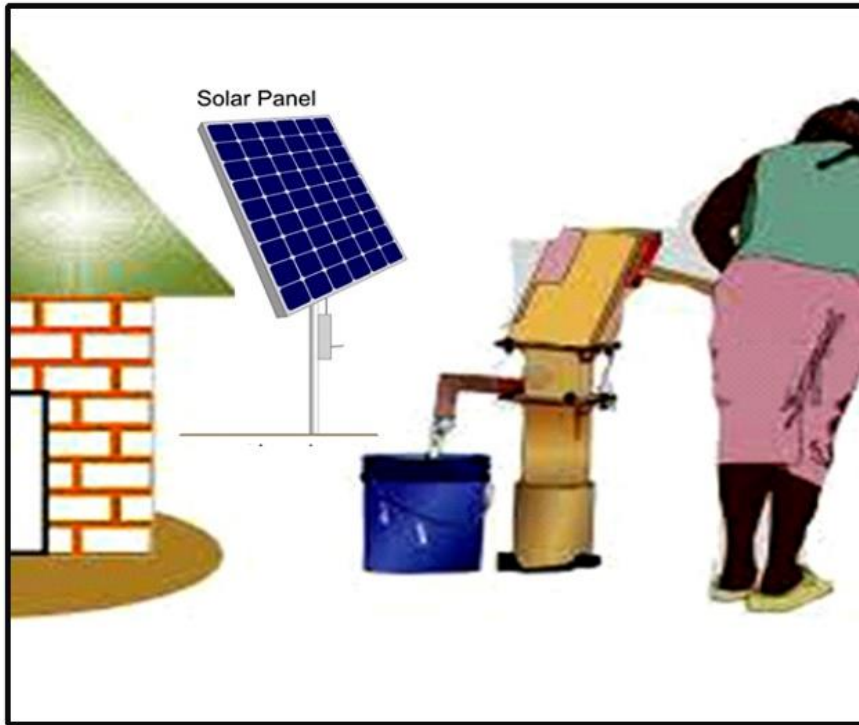
**This amount is more than 3 times the budget for the procurement of free health care drugs for 2020**

Year	Type of Report	Specific Issue	Unrecovered Amount (Le)
2014	Public Enterprise	Unretired contingency payments not made available for audit inspection	54,887,129
<b>Total</b>			<b>54,887,129</b>
2014	Public Account	Taxes due for collection by Domestic tax revenue and customs divisions	114,068,000,000
		Duty waivers granted to unregistered NGOs	300,048,000
		Duty waivers granted to a Road Construction Company/SALCOST for wine & food stuff	45,080,000
<b>Total</b>			<b>114,413,128,000</b>

**Note:** Ministry of Finance is responsible for approving of duty waivers while NRA implement.

# National Revenue Authority

**Le 61,232,622,683 unrecovered from the 2015 audit report**



**This amount can construct more than 100 solar boreholes, hence reducing the challenge of clean drinking water**

Year		Specific issues	Unrecovered amount (Le)
2015	Public Account	Improper reconciliations between NRA, Transit banks and Bank of Sierra Leone	-
		Underpayment of Foreign Travel Tax as a result of incorrect exchange rate	153,922,683
		Outstanding Corporation tax payments from 19 taxpayers	405,000,000
		Outstanding Corporation tax payments from 92 taxpayers	397,000,000
		PAYE obligations owed by Guma	46,700,000
		Evidence of penalty payments on GST arrears not made available	38,030,000,000
		Customs duty and Import GST on goods not paid into CRF	22,200,000,000
<b>Total</b>			<b>61,232,622,683</b>

# National Revenue Authority

**Le 5,035,913,317 unrecovered from 2016 audit report**

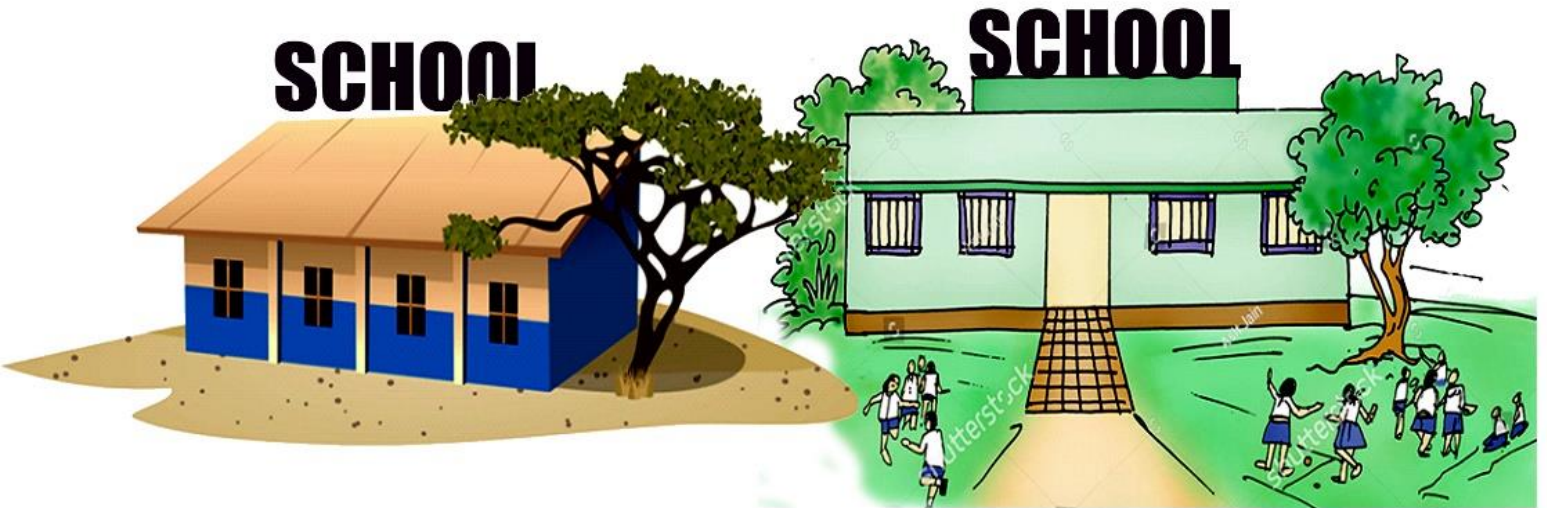


**This amount is bigger than the entire budget for Teaching Service Commission for 2020**

Year		Specific issues	Unrecovered amount ( Le)
2016	Public Account	Under-deduction of taxes from sales made by Kenya Airlines and Air France	1,086,913,317
		Improper reconciliation between NRA, Transit banks and Bank of Sierra Leone	-
		Differences between Assessment debt records and ASYCUDA not recovered	703,000,000
		Outstanding Corporation tax liability from 13 taxpayers	2,008,000,000
		Tax arrears owed to NRA by 5 taxpayers	1,075,000,000
		Underpayment of Foreign Travel Taxes as a result of exchange rate difference	163,000,000
Total			5,035,913,317

# National Revenue Authority

**Le 17,934,422,979** unrecovered from the 2017 audit report



**This amount can build more than 50 school buildings, hence reducing over crowding in schools**

Year		Specific issues	Unrecovered amount (Le)
2017	Public Account	Tax arrears relating to customs duty understated in the ASYCUDA system	1,934,422,979
		Taxes due for collection by the Domestic Tax Department and Customs Division	16,000,000,000
<b>Total</b>			<b>17,934,422,979</b>

# National Revenue Authority

## Conclusion

The study showed that funds/government losses amounting to **Le198,570,974,108** were not recovered by the NRA for the period under review.

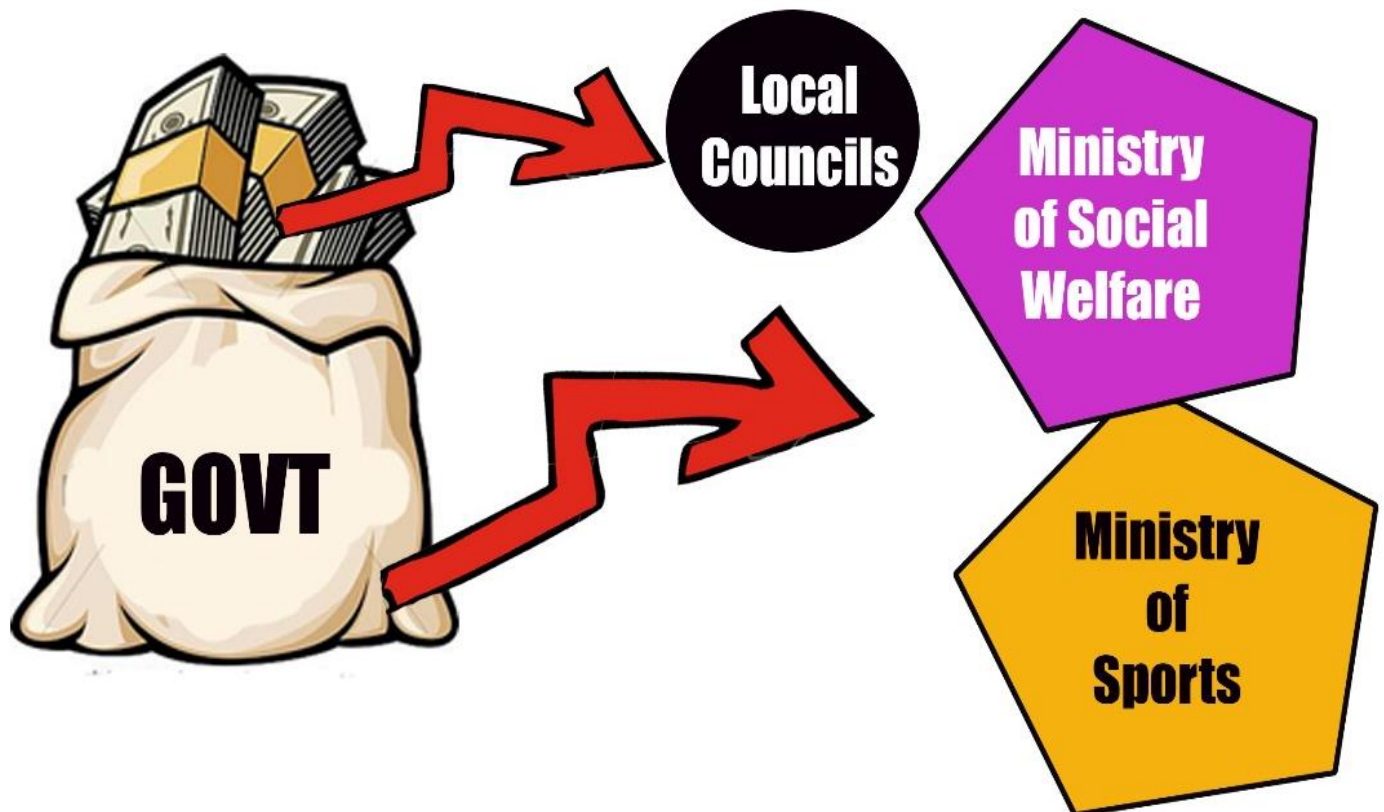
These included majority of the **35 recommendations** that were not implemented by the Authority.

The issues in respect of these losses are related to taxes owed to the NRA by businesses and

corporate institutions, under-deduction of Foreign Travel Taxes from the sales made by Airlines, the granting of duty waivers to unregistered NGOs, and the failure to pay taxes into the CRF.

These issues may be attributed to the NRA's failure to show leadership in the collection of revenue, political interference in the granting of duty waivers, lapses in internal controls, and non-compliance with laws and regulations.

**Le 198,570,974,108 unrecovered from past audit report (2014-2015)**



**This amount is more than the proposed transfer to all local councils, budget for the ministry of Social welfare and sport**

# National Revenue Authority

## Methodology

A review of key official documents such as the AG's Annual reports, management letters, verification reports, and the PAC reports was done in respect of the four MDAs. This method was carried out to ascertain information rather than opinions and perspectives. The answers obtained from this review projected the number of issues identified; recommendations proffered, implemented; and not implemented for the period under review. It also identified monetary recoveries that were made and those that were yet to be recovered. The draft scorecards were also sent to Audit Service Sierra Leone and they confirmed all the issues and figures mentioned in the scorecards.

## About the Project

The **Budget Advocacy Network (BAN)** in consortium with **Christian Aid, Center for Accountability and the Rule of Law (CARL)**, and **Restless Development (RD)** with support from the **Department for International Development (DFID)** is implementing a programme titled '**Strengthening Public Financial Management, Anti-Corruption and Accountability Institutions in Sierra Leone**'.

The overall purpose of the programme is 'a more effective executive that can raise, allocate and transparently use public resources to drive inclusive development'.

