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COPORATE INFORMATION

BOARD OF GOVERNORS

J. Mills Jones-Executive Governor
John G. Bestman (Retired July 7, 2015)
David Farhart
Melissa A. Emeh (Appointed January 9, 2015)
Milton A. Weeks (Appointed January 9, 2015)

AUDITOR

PricewaterhouseCoopers (Liberia) LLC
9th Street Payne Avenue
Monrovia, Montserrado
Liberia

SOLICITOR

Counselor
Central Bank of Liberia
Post Office Box 2048
Monrovia, Liberia

REGISTERED OFFICE

Central Bank of Liberia
Post Office Box 2048
Monrovia, Liberia

CORPORATE GOVERNANCE

Introduction

The Central Bank of Liberia (CBL) is committed to good corporate governance. The Bank recognizes the contribution that it makes to long-term business prosperity and to ensuring accountability to the Government of Liberia (GOL). The CBL believes that full disclosure and transparency in its operations are in the interests of good governance.

The Board of Governors

The Board is responsible for the formulation and implementation of policies and controlling and monitoring activities of the Bank's executive management. The Board consists of five (5) Governors, including, the Executive Governor who serves as Chairman and four (4) Non-Executive Governors. Members of the Board are appointed by the President of Liberia and confirmed by the Liberian senate. The Board is required to meet as often as is required, but not less frequently than once every three months.

The Audit Committee

The Audit Committee is made up of four (4) Governors, one of which is a non-voting member. The committee meets on a quarterly basis. Members of the audit committee elect the Chairman of the Audit Committee. The duties of the Audit Committee includes; keeping under review the scope and results of the audit, as well as the independence and objectivity of the external auditor. The Audit Committee also keeps under review internal financial controls, risk management, and compliance with laws and regulations. The Audit Committee also reviews the adequacy of the audit program of the Internal Audit Section on an annual basis. Additionally, the Audit Committee reviews reports prepared by the Internal Audit Section in addition to the financial statements of the Central Bank.

Financial Stability Committee

The Financial Stability Committee, formerly Banking Reform Committee, is made up of the Deputy Governor of Operations, who is the Chairman, four (4) Directors and the Legal Counsellor. The committee meets on a quarterly basis. The terms of reference of the committee are determined by the main Board. The Financial Stability Committee is responsible for the stability of the banking system and promoting its contribution to economic growth and increased participation of Liberian entrepreneurs in the national economy. A reform agenda was drafted geared towards ensuring that banks are adequately capitalized with appropriate management procedures and internal controls and that the Central Bank has the capacity to effectively supervise and regulate their activities.

CORPORATE GOVERNANCE (continued)

Compliance Committee

The Compliance Committee is a subcommittee of the Financial Stability Committee, set up to strengthen the supervisory function of the Bank and ensure that commercial banks are in compliance with the banking laws, regulations and directives of the Central Bank.

Money management and Policy Review Committee

The Money Management and Policy Review Committee is an advisory body to the Executive Governor. The committee is made up of the Executive Governor who is an ex-officio, (2) Deputy Governors and three (3) Directors. Its responsibilities include discussions of a wide range of monetary, financial and economic issues, reviewing policies and making appropriate recommendations to the Governor for smooth operation of the Bank and the strengthening of the banking system.

External Auditors

In November 11, 2013, the Board of Governors appointed PricewaterhouseCoopers, to be its external auditor from 2013 to 2015.

REPORT OF THE BOARD OF GOVERNORS ON THE CENTRAL BANK OF LIBERIA (CBL)

The Governors take pleasure in presenting their report with the audited financial statements of the Central Bank of Liberia for the year ended December 31, 2015.

STATEMENT OF RESPONSIBILITY OF THE BOARD OF GOVERNORS

The Acts of Legislature establishing the Central Bank of Liberia (approved into law on March 18, 1999) and By-laws adopted on December 16, 1999 require the Board of Governors to ensure that financial statements prepared for each financial year give a true and fair view of the state of affairs of the Bank and the result of its operations for the period ended. In preparing the financial statements, the Board of Governors is required to:

- Select and consistently apply suitable accounting policies consistent with International Financial Reporting Standards (IFRS);
- Make judgments and estimates that are reasonable and prudent;
- State whether the applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- Ensure that the financial statements are prepared on a going-concern basis, unless it is inappropriate to presume that the Bank will continue to be in business;
- Ensure that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Central Bank of Liberia;
- Ensure that the financial statements comply with the reporting requirements of the Act of Legislature establishing the Bank, as well as the By-laws pertaining to its operation; and
- Put in place relevant mechanisms for safeguarding the assets of the Bank, accordingly, take reasonable steps for the prevention and detection of fraud and other irregularities, if any, in the normal course of business.

The statement above is made with the view of distinguishing for the benefit of all interested parties, the responsibilities of the Board of Governors and those of the External Auditor in relation to the financial statements of the Central Bank of Liberia.

NATURE OF BUSINESS/FUNCTIONS

The Central Bank has functional independence, power and authority to:

1. Issue legal tender banknotes and coins;
2. Administer the currency laws and regulate the supply of money
3. Provide credit to bank-financial institutions on a discretionary basis;
4. Act as fiscal agent for the Government;
5. Administer the New Financial Institutions Act of 1999 and regulate banking activities;
6. Regulate bank and non-bank financial institution as well as non-bank financial services institutions;
7. Hold and manage the foreign exchange reserves of Liberia, including gold;
8. Advise the Government on financial and economic matter;
9. Conduct foreign exchange operations; and
10. Play an active role in collaboration with bank-financial institutions in the creation and maintenance of efficient and safe mechanisms for payments, clearing and settlements to meet the needs of the financial markets, commerce, government agencies and the public. The Central Bank shall execute this responsibility through implementation of the proper regulations and standards, as needed.