



Promoting Accountability of Public Resources

## AUDITOR GENERAL'S REPORT

### **LIBERIA ROAD ASSET MANAGEMENT PROJECT**

**LIBRAMP: P125574: Grant No. TF  
99588:**

**Credit No. IDA 49500, IDA 51670  
& IDA 60370**



*For The Year Ended December 31, 2023*

**June 2024**

**P. Garswa Jackson Sr. FCCA, CFIP, CFE  
Auditor General, R. L.**

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## ACRONYMS

Abbreviation	Meaning
AfDB	African Development Bank
APA	Assistant Project Accountant
AG	Auditor General
AWPB	Annual Work Plan and Budget
BC	Box Culvert
CE	Contracting Entity
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
CPA	Certified Public Accountant
CHICO	China Henan International Cooperation
CICO	Chongqing International Construction Corporation
CS	Consultancy Services
FA	Financing Agreement
FAR	Fixed Assets Register
FCCA	Fellow Member of the Association of Chartered Certified Accountants
FPM	Financial Procedure Manual
GOL	Government of Liberia
IDA	International Development Association
IIU	Infrastructure Implementation Unit
LHS	Left Hand Side
LIBRAMP	Liberia Road Asset Management Project
LRTF	Liberia Reconstruction Trust Fund
MC	Monitoring Consultant
MOFDP	Ministry of Finance & Development Planning
MPW	Ministry of Public Works
OPRC	Output and Performance-Based Road Contract

<b>Abbreviation</b>	<b>Meaning</b>
PAD	Project Appraisal Document
PAPs	Property Affected Persons
PDO	Project Development Objectives
PFMU	Project Financial Management Unit
PIM	Project Implementation Manual
PIP	Project Implementation Plan
PIU	Project Implementation Unit
PSC	Project Steering Committee
RAP	Resettlement Action Plan
RHS	Right Hand Side
RPF	Resettlement Policy Framework
RoW	Right of Way
SBD	Sample Bidding Document
SDR	Special Drawing Rights
SIU	Special Implementation Unit
SOE	Statement of Expenditures
WB	World Bank





## **AUDITOR GENERAL'S REPORT**

June 28, 2024

Hon. Roland Giddings  
Minister  
Ministry of Public Works  
Lynch Street  
Monrovia, Liberia

### **AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE LIBERIA ROAD ASSET MANAGEMENT PROJECT (LIBRAMP) FOR THE PERIOD ENDED DECEMBER 31, 2023.**

#### **Unqualified Opinion**

We have audited the accompanying financial statements of the Liberia Road Asset Management Project (LIBRAMP) IDA No 49500, 51670, & 60370 and TF 99588 for the fiscal period ended December 31, 2023, which comprise the statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amount and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements (Grant Agreement No P125574, IDA Cr. 49500, 51670, & 60370, TF 99588) present fairly in all material respects the Statement of Receipts and Payments as at December 31, 2023, Statement of Comparison of Budget and Actual Amount and a summary of significant accounting policies and other explanatory information for the fiscal period then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards for Supreme Audit Institutions (ISSAI's). 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 entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the World Bank guideline and we have fulfilled our other 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.

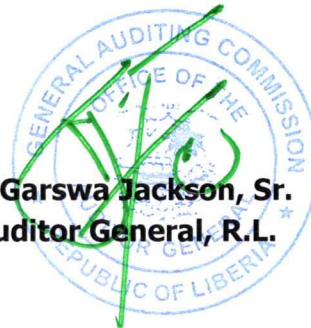
### **Management's Responsibility**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 its 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 cease operations, or has no realistic alternative but to do so. The LIBRAMP Management is responsible for overseeing the Project's financial reporting process.

### **Auditor's Responsibility**

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 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.

**P. Garswa Jackson, Sr. FCCA, CFIP, CFC,  
Auditor General, R.L.**



**Monrovia, Liberia**

June 2024

**STATEMENT OF RECEIPTS AND PAYMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2023**

In United States Dollars	Notes	December 31, 2023	December 31, 2022	Cumulative
<b>Receipt</b>				
<b>IDA Grant &amp; TF</b>	<b>4</b>	-	2,402,485	38,745,526
<b>Total Receipt</b>		-	<b>2,402,485</b>	<b>38,745,526</b>
<b>Payments</b>				
Component 1-Civil Works	<b>5</b>	-	-	-
Component 2-Consultancy Services	<b>6</b>	594,242	3,672,238	32,395,610
<b>Total Payments</b>		<b>594,242</b>	<b>3,672,238</b>	<b>32,395,610</b>
Excess of receipts over payments (payments over receipts)		(594,242)	(1,269,753)	6,349,916
Fund Balance as at beginning		<b>594,799</b>	<b>1,864,552</b>	-
Cumulative fund balance		<b>556</b>	<b>594,799</b>	<b>6,349,916</b>

NB: activities and amount heightened are reclassified

*The notes on pages 9 to 13 are integral part of these project financial reports.*

**STATEMENT OF FUND BALANCE AND CASH STATUS  
FOR THE PERIOD ENDED DECEMBER 31, 2023**

In United States Dollars	Notes	December 31, 2023	December 31, 2022
<b>A: FUND BALANCE</b>			
Balance of Project Fund		<b>594,799</b>	1,864,552
Add: Total Receipts during the period		-	2,402,485
Total fund available for operations		<b>594,799</b>	4,267,037
Less: Total payments during the period		<b>594,242</b>	3,672,238
Balance of project funds at the end of the year		<b>556</b>	594,799
<b>B. CASH STATUS:</b>			
Cash at bank		<b>556</b>	594,799
Difference between A and B		-	-
<b>Total cash on hand and in bank</b>		<b>556</b>	<b>594,799</b>

*The notes on pages 9 to 13 are integral part of these project financial reports*



**STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**


**Note 9: Analysis of Variance**


<b>Activities within components</b>	<b>Project Allocation</b>	<b>Budget</b>	<b>Actual Expectation</b>	<b>Variance</b>
<b>In United States Dollars</b>				
Component 1- Civil Works	267,800,000	-	-	-
Component 2-Consultancy Services	46,600,000	594,242	594,242	-
<b>Grand Total</b>	<b>314,400,000</b>	<b>594,242</b>	<b>594,242</b>	<b>-</b>

*The notes on pages 9 to 13 are integral part of these project financial reports.*

**STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 30, 2023**

In United States Dollars	December 31, 2023	December 31, 2022
<b>Assets</b>		
Cash & Cash Equivalent	<u>556</u>	<u>594,799</u>
Total Assets	<u><u>556</u></u>	<u><u>594,799</u></u>
<b>Fund Balance</b>		
Grants	<u>556</u>	<u>594,799</u>
Accumulated Fund Balance	<u><u>556</u></u>	<u><u>594,799</u></u>

 28/06/24  
**Papin Daniels, Jr**  
**Director, Donor Financed Projects**  
**PFMU, MFD**

 June 28, 2024  
**Emmanuel K. Baker**  
**Program Manager-LIBRAMP**  
**MPW**

*The notes on pages 9 to 13 are integral part of these project financial reports.*

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Background and Information of the Project**

With support from the World Bank (WB), the Liberia Road Asset Management Project is geared towards supporting the effort of the Liberian government's effort to reduce transport costs along the road corridor from Monrovia to the Guinea border and maintaining the road in good condition over a 10-year period. The LIBRAMP project was approved by the World Bank on July 13, 2011 December 19, 2012 & July 25, 2017 with a grant amount of USD 314.4 Million. The aim of the project is

- i. To design, rehabilitate and maintain the Monrovia (Red Light)-Ganta-Guinea border road;
- ii. Financing a consultancy services firm to perform as MCs for the OPRCs, and also financing the needed technical assistance for the preparatory road feasibility studies and the development of sector institutions through hiring of skilled staff and firms, and training programs including operation costs;

### **2. Use of Grant Proceeds**

The table below sets out the categories of items to be financed out of the grant proceeds, the allocation of the amounts of the grant to each category and the percentage of expenditures for items to be financed in each category:

#### **Category**

	<b>Amount of grant allocated Expressed in US\$</b>	<b>% of Expenditure to be financed</b>
Civil Works	220,000,000	100
Consultancy Services	46,600,000	100
GOL Contribution	47,800,000	100
<b>Total</b>	<b><u>314,400,000</u></b>	

All categories of expenditure shown in these financial statements are fully financed based on the percentage below:

	<b>% of Expenditure</b>
IDA	100
<b>Total</b>	<b><u>100</u></b>

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **3. Significant Accounting Policies**

#### **Basis of accounting**

The financial statements have been prepared in accordance with the Cash Basis International Public Sector Accounting Standards (IPSAS) as adopted by the Government of Liberia and in the manner required by the Project Grant Agreement as required by the World Bank's Operating Policies and Procedures and PFMU's Financial Management manual.

#### **Reporting currency**

Financial reports have been presented in United States Dollars. Transactions denominated in other currencies are translated into United States Dollars and recorded at the rate of exchange ruling at the date of transactions. Balances denominated in other currencies are translated into United States Dollars at the rate of exchange prevailing on the reporting date.

#### **Grant/Credit/Loan Receipts**

Grant/Credit/Loan from donors for the LIBRAMP project is recognized and reported in the statement of Receipt and Payment as income when received and held in a bank account called designated income account for disbursements purposes. All payments for the LIBRAMP project and activities are made from the designated account.

#### **Cash and bank balances**

Cash consist of cash in hand and balance at bank.

#### **Recognition of expenditure**

All expenditures are expensed whether they are revenue or capital in nature and income is recognized when funds are received from the Word Bank.

#### **Tax**

The project is 100 percent inclusive of tax. Taxes are withheld on consultants and vendors.



*Auditor General's Report on the Financial Statement Audit of the  
Liberia Road Asset Management Project (LIBRAMP)  
For the year ended December 31, 2023*

In United States Dollars	December 31, 2023	December 31, 2022	Cumulative
<b>4. Grant Receipt</b>			
IDA 49500-Designated A/C	-	1,008	14,964,322
IDA 51670-Designated A/C	-	1,200,000	13,480,640
IDA 60370-Designated A/C	-	1,201,477	10,288,982
Sales of Bids			11,582
	-	<b>2,402,485</b>	<b>38,745,526</b>
TF99588-Direct Payment	-	-	108,900,000
IDA 49500-Direct Payment	-	-	47,293,306
IDA 51670- Direct Payment	-	-	22,106,530
IDA 60370--Direct Payment	-	10,344,138	26,472,499
	-	<b>10,344,138</b>	<b>203,893,436</b>
<b>Total Receipt</b>			
	-	<b>12,746,623</b>	<b>243,517,861</b>
<b>5. Component 1-Civil Works</b>			
Lot 1: Monrovia to Gbarnga-Works (CICO)	-	-	-
Lot 2: Gbarnga-Ganta Guinea Border (CHICO)	-	-	-
Sub-Component 1.2-ELWA to Redlight Road	-	-	-
Sub-Component 1.3-ELWA Intersection	-	-	-
	-	-	-
<b>6. Component 2-Consultancy Services</b>			
Lot 1: Monitoring Supervision Consultancy (OPUS)	-	692,301	6,717,057
Lot 2: Monitoring Supervision Consultancy (IMC)	339,770	909,614	5,027,047
Supervision Consultancy for ELWA Intersection	-	-	604,463
Two Year Technical Audit	-	8,400	227,636
3 Year Institutional Capacity Building	-	-	108,805
Component Other Consultancy	26,000	83,210	664,309
TSG	-	-	2,899,083
TST Consultant	-	87,300	1,913,136

*Auditor General's Report on the Financial Statement Audit of the  
Liberia Road Asset Management Project (LIBRAMP)  
For the year ended December 31, 2023*

Operating Expenses-PFMU & IIU	18,317	578,155	6,492,973
Tiger Party	-	-	351,284
RAP Settlement	21,918	48,290	4,225,240
Road Safety	188,237	1,264,968	2,564,446
	<b>594,242</b>	<b>3,672,238</b>	<b>32,395,610</b>

**Fund receipts through the Designated Accounts**

IDA grant & TF	-	2,402,485	38,745,526
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**8. Cash paid**

Component 1 - Civil Works	-	-	-
Component 2 - Consultancy Services	594,242	3,672,238	32,395,610
<b>Total Payments</b>	<b>594,242</b>	<b>3,672,238</b>	<b>32,395,610</b>

## 9. Variance Explanation

Variances are as results of the contractor did not submit an IPC during the period under review as per the cash forecast. Anticipated RAPs payments could not be made during the period under review.

### NOTES TO THE FINANCIAL STATEMENTS (Continue)

#### PROJECT DESIGNATED ACCOUNT STATEMENT

**Account Number:**

**Account Type:**

Current Account

**Depository Bank (s):**

Eco Bank Liberia Limited

**Address:**

11th Street Sinkor

Monrovia, Liberia

**Currency: United States Dollar**

	December 31, 2023	December 31, 2022
Total Grant Received	-	2,402,485
<b>Total grant income reported</b>	-	2,402,485
Amount spent	-594,242	-3,672,238
Balance as at beginning	594,799	1,864,552
<b>Balance as at December 31, 2023</b>	556	594,799
<b>Closing Balance Consist of:</b>		
IDA 49500: Ecobank 1	211	631
IDA 51670 : Ecobank 2	3	475,207
IDA 60370 : Ecobank 3	343	116,961
Petty Cash - PFMU	-	-
Petty Cash - IIU	-	-
Petty Cash - Road Safety	-	2,000
	594,799	594,799