



Promoting Accountability of Public Resources

## AUDITOR GENERAL'S REPORT



**On The Cheesmanburg Landfill Urban Sanitation Project (CLUS) Financial Statements**

**Grant #:TF A5269 & TF B2994**

***For The Year Ended December 31, 2023***

**June 2024**

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

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## **ACRONMYS**

### **Acronyms/Abbreviations/Symbols**

<b>Acronyms/Abbreviations/Symbol</b>	<b>Meaning</b>
A/C#	Account Number
AfDB	African Development Bank
AG	Auditor General
APA	Assistant Project Accountant
BEP	Bid Evaluation Penal
CBL	Central Bank of Liberia
CFE	Certified Fraud Examiner
CFIP	Certified Forensic Investigation Professional
CLUS	Cheesmanburg Landfill Urban Sanitation
COTABD	Class of Transaction Account Balances and Disclosures
CPA	Certified Public Accountant
GAC	General Auditing Commission
GOL	Government of Liberia
IDA	International Development Assistance
IPFMRP	Integrated Public Financial Management Reform Project
IPSAS	International Public Sector Accounting Standards
M & E	Monitoring and Evaluation
MSC	Ministerial Steering Committee
PFM Act	Public Finance Management Act
PFMU	Project Financial Management Unit
PPC Act	Public Procurement & Concession Act
PPCC	Public Procurement and Concession Commission
PSC	Project Steering Committee
PV	Payment Voucher
SPA	Senior Project Accountant
US\$	United States Dollar

**Republic of Liberia**



**AUDITOR GENERAL'S REPORT**

Hon. John Charuk Siafa  
**Monrovia City Mayor**  
Monrovia City Corporation (MCC)  
1<sup>st</sup> Street, Sinkor  
Monrovia, Liberia

**AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS AUDIT OF THE  
CHEESMANBURG LANDFILL URBAN SANITATION (CLUS) PROJECT FOR THE FINANCIAL  
YEAR ENDED DECEMBER 31, 2023.**

**Unqualified Opinion**

We have audited the accompanying financial statements of the Cheesmanburg Landfill Urban Sanitation (CLUS) **Grant #: TF A5269 & TF B2994** for the year ended December 31, 2023 which comprise the Statements of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Statement of Receipts and Payments as at December 31, 2023, the Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the period then ended in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting.

**Basis for opinion**

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). 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 Cheesmanburg Landfill Urban Sanitation (CLUS) Project Implementing Unit (PIU) of Monrovia City Corporation (MCC) in accordance with the ethical requirements that are relevant to our audit of the financial statements, 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 Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibilities**

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement of Receipts and Payments. The procedures selected depends on the auditor's judgment, including the assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Statement of Receipts and Payments in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Statement of Receipts and Payments.

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



**Monrovia, Liberia**

June 2024

## **GENERAL INFORMATION**

### **PROJECT MANAGEMENT TEAM**

<b>Project Financial Management Unit:</b>	Papin Daniels, CA, CPA, CFE Unit Director Project Financial Management Unit (PFMU)  Leroy Fendor, CA, CPA Deputy Director  Subozu Kollie, CFE, CA, CPA Project Internal Auditor
<b>Registered Office:</b>	Project Financial Management Unit (PFMU) Ministry of Finance Broad and Mechlin Street Liberia
<b>Project Implementation Unit:</b>	Boye A. Robertson Project Coordinator Cheesemanburg Landfill and Urban Sanitation Project (CLUS)
<b>Project Location:</b>	Monrovia City Corporation Sinkor Liberia
<b>Banker:</b>	SI Bank Monrovia

**FINANCIAL STATEMENTS (CLUSP) DECEMBER 31, 2023**

# **Cheesemanburg Landfill and Urban Sanitation Project (CLUSP)**

Financial Statement of World Bank Funded  
Project  
for year ended December 31, 2023.  
CLUS: Grant No. TF A5269, TF B2864 & TF  
B2994

<p>Ministry of Finance &amp; Dev't Planning <i>Project Financial Management Unit (PFMU)</i></p>
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### Statement of Project Management Responsibility

The Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on December 31, 2023.

This responsibility includes (i) maintaining adequate financial management arrangement 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 project, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the project, (v) selecting and applying appropriate accounting policies and (v) making accounting estimates that are reasonable in the circumstances.

The PFMU and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The PFMU and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended December 31, 2023, and of the Project's financial position as at that date. The PFMU and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The PFMU and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

### Approval of the Project Financial Statements

The Project financial statements were approved by the Project Financial management Unit and the Project Coordinator for Cheesemanburg Landfill and Urban Sanitation project on 28<sup>th</sup> February 2024

## GENERAL INFORMATION

### PROJECT MANAGEMENT TEAM

**Project Financial Management Unit:**

Papin Daniels, CA, CPA, CFE  
Unit Director  
Project Financial Management Unit (PFMU)

Leroy Fendor, CA, CPA  
Deputy Director

Subozu Kollie, CFE, CA, CPA  
Project Internal Auditor

**Registered Office:**

Project Financial Management Unit (PFMU)  
Ministry of Finance  
Broad and Mechlin Street  
Liberia

**Project Implementation Unit:**

Boye A. Robertson  
Project Coordinator  
Cheesemanburg Landfill and Urban Sanitation Project  
(CLUS)

**Project Location:**

Monrovia City Corporation  
Sinkor  
Liberia

**Banker:**

SI Bank  
Monrovia

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

2

<i>In United States Dollars</i>	Notes	<b>December 31, 2023</b>	December 31, 2022	Cummulative
<b>Receipt</b>				
IDA Grant	4	<u>1,972,418</u>	2,791,460	18,416,897
<b>Total Receipt</b>		<u><b>1,972,418</b></u>	2,791,460	18,416,897
<b>Payment</b>				
Construction of Cheesemanburg Regional Landfill	5	117,446	237,124	2,464,368
Waste Collection and Disposal	6	1,194,933	2,181,574	10,458,600
Institutional Capacity Strengthening and Technical Assistance	7	356,559	995,255	4,979,327
<b>Total Payments</b>		<u><b>1,668,938</b></u>	3,413,953	17,902,295
Excess of receipts over payments (payments over receipts)		303,480	(622,493)	514,602
Fund Balance as at beginning		<u>211,102</u>	833,595	-
Cummulative fund balance		<u><b>514,582</b></u>	211,102	514,602

*The notes on pages 6 to 9 are integral part of these project financial reports*

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

**3**

<i>In United States Dollars</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>A Fund Balance</b>		
<b>Balance of Project Fund</b>	<b>211,102</b>	<b>833,595</b>
Add: Total Receipts during the period	<u><b>1,972,418</b></u>	<u><b>2,791,460</b></u>
Total Fund available for operations	<b>2,183,520</b>	<b>3,625,055</b>
Less: Total Payments during the period	<u><b>1,668,938</b></u>	<u><b>3,413,953</b></u>
<b>Balance of project fund at the end of the year</b>	<b>514,582</b>	<b>211,102</b>
<b>B Cash Status:</b>		
Cash at Bank	<u><b>514,582</b></u>	<u><b>211,102</b></u>
<b>Total Cash on hand and in bank</b>	<b>514,582</b>	<b>211,102</b>
<b>Difference between A and B</b>	<u><u><b>0</b></u></u>	<u><u><b>0</b></u></u>

*The notes on pages 6 to 9 are integral part of these project financial reports*



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023 4

14. Ananalysis of Variance

Activities Within Components	Project Allocation	Annual	Actual Expenditure	Variance
	\$	\$	\$	\$
Construction of Cheesemanburg Regional Landfill	10,910,000	129,216	117,446	11,770
Waste Collection and Disposal	11,370,000	1,211,134	1,194,933	16,201
Institutional Capacity Strengthening and Technical Assistance	1,320,000	376,842	356,539	20,303
<b>Total</b>	<b>23,600,000</b>	<b>1,717,192</b>	<b>1,668,918</b>	<b>48,275</b>

*The notes on pages 6 to 9 are integral part of these project financial reports*

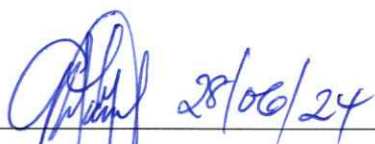
**Variance Explanation**

GOL did not make all the allotments for the available therefore the amount received was the the amount spent  
Some services were delayed and therefore payments were not made

**STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023**

**5**

<i>In United States Dollars</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>		
Cash and cash equivalent	<u>514,582</u>	<u>211,102</u>
Total Assets	<u>514,582</u>	<u>211,102</u>
<b>Fund Balance</b>		
Grants	<u>514,582</u>	<u>211,102</u>
Accumulated Fund Balance	<u>514,582</u>	<u>211,102</u>



**Papin Daniels, Jr.**  
**Director, Donor Financed Projects**  
**PFMU, MFDP**



**Boye A. Robertson**  
**Project Coordinator-CLUSP**  
**MCC**

### 1. Background and Information of the Project

With support from the Trust Fund; the Cheesemanburg Landfill and Urban Sanitation Project (CLUSP) - is to provide improved access to solid waste management (SWM) services in Monrovia. The World Bank approved the CLUS project on June 28, 2017 with a grant amount of **USD 23.6M**. The aims of the project are:

- i. **Construction of the Cheesemanburg Regional Landfill and Partial Closure of the Whein Town Landfill:** This component will finance: (1a) technical studies and preparation for the tender documents for the new Cheesemanburg landfill; (1b) construction of the first cell of the Cheesemanburg landfill and related facilities (leachate pond, landfill office, maintenance area, etc.); (1c) water supply boreholes and extension of the access road to benefit the Cheesemanburg community (1d) partial closure and construction of a perimeter wall around the Whein Town landfill to continue to operate in an environmentally safe manner before the Cheesemanburg landfill opens; (1e) permanent closure of the Whein Town site once the Cheesemanburg landfill becomes fully operational; (1f) minor rehabilitation and upgrade work to the existing transfer stations to accommodate larger waste transfer trucks.
- ii. **Waste Collection and Disposal:** This component will support MCC to continue delivering a consistent level of SWM service.
- iii. **Institutional Capacity Strengthening and Technical Assistance:** This component will finance: (3a) Capacity building of SWM staff at MCC, surrounding municipalities, and the Liberia Environmental Protection Agency (EPA); (3b) preparation of a long-term waste management strategy for Greater Monrovia, which will include an optimization study, an assessment of waste recycling and valorization options for future recycling; (3c) public awareness and citizens engagement activities; (3d) technical assistance to carry out a study to improve urban management in the city; (3e) Project Management.

### 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:

Amount of		
Category	grant allocated expressed in US\$	% of expenditure to be financed
Construction of the Cheesemanburg Regional Landfill and Partial Closure of the Whein Town Landfill	10,910,000	100
Waste Collection and Disposal	11,370,000	100
Institutional Capacity Strengthening and Technical Assistance	1,320,000	100
<b>Total</b>	<b>23,600,000</b> =====	

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

	<b>% of Expenditure</b>
IDA Grant	100
<b>Total</b>	<b>100</b>
	=====

### 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) 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 Receipts

Grant from donors for the CLUS 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 disbursement purposes. All payments for the CLUS 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 World Bank.

#### Tax

The project is 100 percent inclusive of tax.

<i>In United States Dollars</i>	December 31, 2023	December 31, 2022	Cummulative
<b>4 Funds Received in DA</b>			
IDA Grant -TF A5269	-	-	10,499,975
TF B2994	584,321	700,000	1,284,321
GPRBA -TF B2864	617,828	1,293,153	2,310,981
Govt of Liberia Funding - USD	688,783	650,000	3,383,783
Govt of Liberia Funding - LID	33,942	102,929	767,102
Others (Sale of Bid)	47,544	45,378	170,735
<b>Total Funds received in DA</b>	<b>1,972,418</b>	<b>2,791,460</b>	<b>18,416,897</b>
<b>Third Party Payment</b>			
TF B2994-Direct Payment	570,570	1,520,704	2,091,274
<b>5 Construction of Cheesemanburg Regional Landfill</b>			
Technical studies & preparation for the tender documents for the new Cheesemanburg landfill	105,296	218,177	928,336
Construction of Cheesemanburg landfill & related facilities	-	-	-
Water Supply - Boreholes & Extension Road Access	-	-	-
Partial closure of Whein Town landfill	12,150	18,947	1,192,361
Permanent closure of the Whein Town site	-	-	-
Construction Minor rehabilitation and Upgrade Work	-	-	343,670
	<b>117,446</b>	<b>237,124</b>	<b>2,464,368</b>
<b>6 Waste Collection and Disposal</b>			
Supply & Delivery of Garbage Collection Equipment	33,697	198,101	2,608,051
Waste Collection & Disposal Services	704,842	1,149,909	6,557,229
Waste Collection Services (GPRBA)	456,395	833,564	1,293,320
	<b>1,194,933</b>	<b>2,181,574</b>	<b>10,458,600</b>
<b>Institutional Capacity Strengthening and Technical Assistance</b>			
<b>7 Assistance</b>			
Capacity building of SWM staff at MCC & EPA	-	-	44,181
Preparation of a long-term Waste Mgt Strategy	-	-	-
Public awareness and citizens engagement activities	11,061	58,175	151,775
Technical Assistance for study to improve Urban Mgt	-	-	-
Project Management	142,306	394,334	3,210,523
Monitoring and Evaluation (GPRBA)	201,954	542,745	800,505
Performance Subsidies (MCC & PCC) to 4 Communities	1,238	-	1,238
COVID-19 Response Plan	-	-	771,104
	<b>356,559</b>	<b>995,255</b>	<b>4,979,327</b>



<i>In United States Dollars</i>	December 31, 2023	December 31, 2022	Cummulative
<b>8 Cash receipts in Designated Accounts</b>			
IDA grant	1,972,418	2,791,460	18,416,897
<b>9 Cash paid</b>			
Construction of Cheesemanburg Regional Landfill	117,446	237,124	2,464,368
Waste Collection and Disposal	1,194,933	2,181,574	10,458,600
Institutional Capacity Strengthening and Technical Assistance	356,559	995,255	4,979,327
<b>Total Payments</b>	<b>1,668,938</b>	<b>3,413,953</b>	<b>17,902,295</b>

**Note:**

The third party payments which are direct payments have been extracted from the total funds receipt and total payments made. These are payments made on behalf of the project by the World Bank and thus required disclosures. These payments are available for review upon request by the auditors

# PROJECT DESIGNATED ACCOUNT STATEMENT

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**Account Number:** 11202584701, 11202584703, 10102584702 & 00111202584704  
**Account Type:** Current Account  
**Depository Bank (s):** SI Bank  
**Address:** Broad Street  
 Monrovia, Liberia

**Currency:** United States Dollar

	December 31, 2023	December 31, 2022
Total Grant Received	1,972,418	2,791,460
<b>Total grant income reported</b>	<b>1,972,418</b>	<b>2,791,460</b>
Amount spent	1,668,938	3,413,953
Balance as at beginning	211,102	833,595
<b>Balance as at December 31, 2023</b>	<b>514,582</b>	<b>211,102</b>

## Closing Balance Consist of:

Petty Cash	1	1,047
IDA Grant -TF A5269	450,706	117,226
GPRBA -TF B2864	18,745	85,902
Govt of Liberia Funding - USD	16,213	(3,158)
Govt of Liberia Funding - LD	28,918	10,085
	<b>514,582</b>	<b>211,102</b>

Account Title	Expectecte d Amount @ 187.6295	Actual amount per system	Difference
Government of Liberia - LD Account	4,479.56	28,918.41	(24,438.85)