



Management Letter

On Financial Statement Audit of the Liberia Investment, Finance and Trade Project (LIFT-P)

For The period November 12, 2022 to December 31, 2023



Promoting Accountability of Public Resources

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

Monrovia, Liberia
June 2024

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Acronyms/Abbreviations/Symbols

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
AG	Auditor General
APA	Assistant Project Accountant
BEP	Bid Evaluation Penal
CBL	Central Bank of Liberia
CERC	Contingent Emergency Response Component
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
CPA	Certified Public Accountant
FCCA	Fellow Member of the Association of Chartered Certified Accountants
ERTP	Economic Recovery and Transformation Project
GAC	General Auditing Commission
GoL	Government of Liberia
IDA	International Development Association
IPSAS	International Public Sector Accounting Standards
IUFR	Interim Unaudited Financial Reports
LIFT-P	Liberia Investment, Finance and Trade Project
M & E	Monitoring and Evaluation
MOCI	Ministry of Commerce and Industry
MSC	Ministerial Steering Committee
PAD	Project Appraisal Document
PC	Project Coordinator
PFM Act	Public Finance Management Act
PFMU	Project Financial Management Unit
PIU	Project Implementation Unit
POM	Project Operational Manual
PPA	Project Preparatory Advance
PPC Act	Public Procurement & Concessions Act
PPCC	Public Procurement and Concessions Commission
PV	Payment Voucher
SMEs	Small and Medium Enterprises
SMT	Senior Management Team
SPA	Senior Project Accountant
TC	Technical Committee
TIMAs	Technical Implementing Ministries and Agencies
US\$	United States Dollar
WB	World Bank

June 27, 2024

Hon. Amin Modad

Minister

Ministry of Commerce and Industry (MOCI)

EJS Ministerial Complex

Monrovia, Liberia

Dear Hon. Modad,

Management Letter on the Financial Statements of the Liberia Investment, Finance and Trade Project (LIFT-P) for the period November 12, 2022 to December 31, 2023.

The audit of the Financial Statements of the **Liberia Investment, Finance and Trade Project (LIFT-P)** for the period November 12, 2022 to December 31, 2023 was commissioned by the Auditor-General (AG) under the AG's mandate as provided for in Section 2.1.3 of the General Auditing Commission (GAC) Act of 2014 as well as the Audit Engagement Terms of Reference (ToR).

Introduction

The audit of the LIFT-Project for the period ended December 31, 2023 has been completed and the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

Audit Scope and Methodology

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) as well as the Engagement (Audit) Terms of Reference. These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the annual Financial Statements.

An audit includes:

- Examination on a test basis of evidence supporting the amounts and disclosures in the financial statements;
- Assessment of the accounting principles used and significant estimates made by management; and
- Evaluation of the overall financial statement presentation.

The audit also includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to our attention and are applicable to financial matters.

The matters mentioned in this letter are therefore those that were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.

The financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the LIFT-P Management. Our responsibility is to express our opinion on these financial statements.

Key Members of The Project Coordinating Unit

No.	Name	Position
1.	Joseph Y. Howe	Project Coordinator
2.	Joseph T. Hinneh	Financial Officer
3.	Julius M. Vanyanbah	Project Procurement Specialist
4.	Julius Yenwon Saye Keh-nel	SME Specialist
5.	Patrick E. Paye	Financial Sector Development Specialist

The audit findings which were identified during the course of the audit are included below.

APPRECIATION

We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the LIFT-P during the audit.

Monrovia, Liberia
June 2024

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



1 DETAILED AUDIT FINDINGS AND RECOMMENDATIONS

1.1 Financial Issues

1.1.1 Non-Explanation for Material Variance

Criteria

1.1.1.1 Part. 1.7.8 of the International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting (November 2017) states: "that an entity that makes publicly available its approved budget(s) shall present a comparison of the budget amount for which it is held publicly accountable and actual amounts either as a separate additional financial statement of an additional budget columns in the statement of cash receipts and payments. The comparison of budget and actual amount shall present separately for each level of legislative oversight:

- By way of note disclosure, an explanation of material differences between the budget for which the entity is held publicly accountable and actual amounts, unless such explanation is included in other public documents issued in conjunction with the financial statements, and cross-reference to those documents is made in the notes".

1.1.1.2 Additionally, part. 1.7.12 of the International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting (November 2017) states: an explanation of the material differences between actual amounts and the budget amounts will assist users in understanding the reasons for material departure from the approved budget for which the entity is held accountable.

Observation

1.1.1.3 During the audit, we observed that Management did not include explanatory notes to the financial statements on the material variances of US\$17,405,796.00 between the budget and actual amounts. **See Table 1 for details.**

Table 1: Non-Explanation for Material Variances

Components (Main)	Annual Budget	Actual Expenditure	Variance
	US\$	US\$	US\$
Investment Climate and Trade	6,628,632.00	143,342.00	6,485,290.00
SME to Market and Finance	5,186,928.00	19,058.00	5,167,870.00
Digital Financial Services Infrastructure	5,202,400.00	11,946.00	5,190,454.00
Project Management + CERC	1,397,315.00	835,133.00	562,182.00
Total	18,415,275.00	1,009,479.00	17,405,796.00

Risk

1.1.1.4 Failure to include notes or explanation for material variances between budgetary and actual amounts in the financial statements may deny users of the financial statement's information needed to make informed decision.

- 1.1.1.5 Full disclosure and fair presentation of the financial statements may be impaired.

Recommendation

- 1.1.1.6 Management should adjust the financial statements to include in the notes to the financial statements explanation for material variance(s) between the budget and actual amounts consistent with Part. 1.7.8 of the IPSAS Cash Basis of Accounting (November 2017). The adjusted financial statements should be submitted to the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.1.1.7 Going forward, Management should ensure that full and adequate disclosures are made for material variance(s) between the budget and actual amounts consistent with Part. 1.7.8 of the IPSAS Cash Basis of Accounting (November 2017).

Management's Response

- 1.1.1.8 *When the PIU first developed its AWP, the Fiscal Year was from July to June. The budget of 2023 was the first major AWP the PIU ever developed. By March 2023, the budget was still not touched because by then all the Terms of References have not been finalized and approved by the World Bank. By the end of April (26th -29th) 2023, the PIU held a combined World Bank Mission and TIMA Engagement Workshop in Ganta where ToRs were finalized 90%. The PIU started going to the markets by July 2023; this caused major procurement activities to run into the elections. By June-July 2023, the PIU and the WB agreed to realistically do a rough projection for spending judging from the upcoming elections and slow responses from some TIMAs. The Projection was made for Q1 (July 2023) to Q4 (June 2024) with the total amount of US\$9,205,154.76.*
- 1.1.1.9 *While procurement activities were ongoing, the elections results showed that there was an eminent transition to a new administration. The transition made it almost impossible to get cooperation from many outgoing heads of TIMAs. The transition set in from November almost to end of March 2024. This was so because for example, the Minister of the Commerce and Industry who doubles as Chairperson of the National Project Steering Committee (NPSC) was confirmed by the Liberian Senate on February 8, 2024. Since he needed time to acquaint himself with the Project and know what he was signing to, he could only sign pending commitments and salary for staff. You will observe that from this period, the PIU disbursement rating started going up in 2024. Note also that by mid-2023, the Ministry of Finance has instructed all donor funded projects that were using July-June Fiscal Year to transition to Jan-Dec Calendar Year, an instruction which was effected as of January 2023. These were the reasons why the PIU could not meet its budgeted target as planned, causing such a huge variance; it is hoped that we will do better in 2024.*

Auditor General's Position

- 1.1.1.10 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements.

1.1.2 Delay in Project implementation

Criteria

- 1.1.2.1 According to the LIFT Project Implementation Document and the financial statements, the project was approved by the World Bank on September 21, 2021, and became effective on January 1, 2022. The development objectives of the project are to improve the investment climate, strengthens firm capacities, expand sustainable access to finance and help MSMEs recover from the impact of the COVID-19 pandemic.

Observation

- 1.1.2.2 During the audit, we observed that Management did not implement various subcomponents amounting to US\$4,521,182.46 outlined in the budget/work plan during the period under audit. **See Table 2 for details.**

Table 2: Subcomponents not implemented

Subcomponents	Annual Budget	Expenditure	Variance
	US\$	US\$	US\$
Investment Climate and Trade			
Business Registration: One Stop Shop	642,000.00	0	642,000.00
Trade: National Single Window	3,103,632.46	0	3,103,632.46
Subtotal 1	3,745,632.46	0	3,745,632.46
Digital Financial Services Infrastructure			
Credit Registry	775,550.00	0	775,550.00
Subtotal 2	775,550.00	0	775,550.00
Grand Total (1+2)	4,521,182.46	0	4,521,182.46

Risk

- 1.1.2.3 Untimely achievement of project deliverable may lead to additional expenditure (fixed costs) of the project.
- 1.1.2.4 Project objective may not be achieved in the absence of effective project implementation and coordination.
- 1.1.2.5 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables.

Recommendation

- 1.1.2.6 Management should provide substantive justification why project deliverables catalogued in table 2 above were not implemented within approved timelines consistent with approved work plan and budget.
- 1.1.2.7 Going forward, Management should facilitate timely implementation of project deliverables consistent with approved work plan and budget. The work plan should comprehensively catalog phases of deliverables and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and

agreed with all stakeholders/contractors and included as supplementary documentation to the approved contracts. Management should facilitate timely disbursement of funds consistent with approved work plan and budget to ensure that project deliverables are implemented in a timely manner.

- 1.1.2.8 Management should facilitate periodic monitoring and evaluation of project activities to ensure that services paid for are performed in a timely manner consistent with approved work plans and contracts.
- 1.1.2.9 Evidence of approved work plans, budget, remittances of payments and periodic monitoring and evaluation activities reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.2.10 *As per the time mentioned, the PIU was not in existence. By January 2022, the Ministry of Commerce and Industry was still in the PPA stage and at the same time launching the recruitment for key staff of the project as part of the effectiveness condition. The Project's effectiveness conditions was lifted on October 28, 2022 after MOCI set up the PIU, recruited 7 key staff and developed the Project Operation Manual. All 7 key staff started work in October 2022 and their main task by then was to develop the first AWP. The President by then, H. E. George M. Weah launched the Project on March 7, 2023 leading the way for full implementation. Slow implementation could be attributed to the fact that the PIU was not yet established; other reasons for delayed were cited under Count 1.1.1. The PIU notes this and takes the recommendations very serious to improve implementation.*

Auditor General's Position

- 1.1.2.11 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.3 Discrepancies with the Interim Financial Reports

Criteria

- 1.1.3.1 Section 4.11.5 of the PFMU Financial Procedure manual states "at the end of every quarter, interim financial report shall be prepared for all projects by the PFMU within 45 days which will include Budget Report. The Budget report shall comprise of the expenditure for the quarter as well as the accumulated figures, the latter figures being further compared with the corresponding budget figures, and deviations between budgeted amounts and actual expenditure stated, both in amount (absolute) and percentage".
- 1.1.3.2 Section 4.5 of the LIFT Project Operations Manual states "the Recipient shall ensure that Interim Unaudited Financial Reports (IUFR) for the Project are prepared and furnished to

the World Bank not later than 45 days after the end of each fiscal quarter, covering the quarter, in form and substance satisfactory to the World Bank. The Recipient shall prepare annual Financial Statements for the Project, which shall be audited in accordance with the provisions of the Grant/Credit Agreement. The project shall prepare its financial reports bearing in mind the following principles so that the Financial Reports will provide the Bank with sufficient information to establish whether:

- Funds disbursed to projects are being used for the purpose intended;
- Project implementation is on track, and Budgeted costs are likely to be exceeded”.

Observation

- 1.1.3.3 During the audit, we observed that the general-purpose financial statements for the period audited are inconsistent with the Interim financial reports submitted to the World Bank (Donor).
- 1.1.3.4 Additionally, we observed no evidence that Management prepared the fourth Quarter Interim Financial Report (IFR) as required.
- 1.1.3.5 Further, we observed a variance of US\$3,000.00 between the second quarter closing cash balance and the third quarter opening cash balance reported in the Interim Financial Reports (IFR). **See Table 5 for details**

Table 5: Variance between 2nd quarter closing balance and 3rd quarter opening balance

Closing Balance of 2nd Quarter ended June 30, 2023	Opening Balance of 3rd Quarter ended September 30, 2023	Variance
US\$ A	US\$ B	US\$ C=(A-B)
1,746,713.64	1,743,713.64	3,000.00

Risk

- 1.1.3.6 The absence of the Interim Financial Report (IFR) may impair the timely preparation and submission of the annual financial statements.
- 1.1.3.7 The completeness and accuracy of the financial statements may not be assured; therefore, the financial statements may be misstated.
- 1.1.3.8 A misstated financial statement may facilitate fraudulent financial reporting and mislead the financial statements users.
- 1.1.3.9 Management may not account for all activities of the project.

Recommendation

- 1.1.3.10 Management should submit the fourth quarter Interim Financial Report (IFR) to the Office of the Auditor General as part of Management’s response to this Management Letter. Management should account for the variance between the closing cash balance per the

2nd quarter IFR and the opening cash balance per the 3rd quarter IFR and adjust the financial statements where applicable. The adjusted financial statements should also be submitted to the Office of the Auditor General as part of Management's response to this Management Letter.

- 1.1.3.11 Management should ensure that income and expenditure balances of the financial statements reconcile with the quarterly Interim Financial Reports.
- 1.1.3.12 Going forward, Management should ensure that the Interim Financial Statements are prepared in a timely manner consistent with Section 4.5 of the LIFT Project Operations Manual. Management should also ensure that financial statements are reviewed, approved and reconciled to the IFRs by Senior Management before submission of the financial statements.

Management's Response

- 1.1.3.13 *Kindly note that, the basis for preparing the unaudited annual financial statement is dependent on the final (4th quarter) interim financial report prepared, submitted and accepted by the World Bank. Therefore comparing only the first three quarters expenditures to an audited end of the period financial statement will not give the true picture of the project total expenditures for the reporting period. (4th quarter interim financial report attached).*
- 1.1.3.14 *Also, the project under referenced had a preparatory advance that ended November 11, 2022 was audited. The main project kick off and the expenditures for the main project began after that period. Therefore, the financial statement that was provided to the audit team reported from November 12, 2022 to December 31, 2023 giving an expenditure totaling US\$1,009,478.79.*

Auditor General's Position

- 1.1.3.15 We acknowledge Management's subsequent submission of the 4th quarter IFR after our audit execution. However, Management did not account for the variance between the 2nd quarter closing cash balance and the 3rd quarter opening cash balance. The financial statements were also not subsequently adjusted as recommended. Therefore, we maintain our recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.1.3.16 Further, Management provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document management. Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.4 Failure to Withhold and Remit Taxes

Criteria

- 1.1.4.1 Section 905 (j) of the Revenue Code of 2000 amended 2011 states: "Within 10 days after the last day of a month, a payor described in (a) is required to remit to the tax authorities the total amount required to be withheld during that month. Each remittance of tax under this section must be accompanied by a statement specifying the name and address of each resident to whom payment was made, the type and amount of each payment, and the amount of tax withheld (and, if the Minister requests, underlying documentation in accordance with Section 55, including contracts). The place for remittance is the payor's filing location (designated in Section 50)."
- 1.1.4.2 Additionally, Section 905 (f) (a) of the Revenue Code of 2000 amended 2011 states: "(f) Payments for Services Rendered. (a) If a payor makes a payment to a resident for services rendered, and the services are not the subject of a contract of employment, the payor is required to withhold tax at the rate of 10 percent of the amount of the payment".
- 1.1.4.3 Further, Section 806 (e) of the Revenue Code of 2000 amended 2011 states: "A payor who makes a payment to a nonresident for Liberian-source services rendered is required to withhold tax at the rate of 15 percent of the amount of the payment if payment is of a sort that, if made to a resident, would be includible in gross income under Section 201 (including Board fees, management fees, commissions, and the like)".

Observation

- 1.1.4.4 During the audit, we observed no evidence that Management remitted into GOL designated accounts through the Liberia Revenue Authority (LRA), personnel incomes as well as goods/services taxes withheld in the amount of US\$60,195.57 for the period under audit. **See Appendix 1 for details.**
- 1.1.4.5 Additionally, we observed no evidence that Management withheld and remitted into GOL designated accounts withholding taxes on goods/services in the amount of US\$5,827.44 for the period under audit. **See Appendix 2 for details.**

Risk

- 1.1.4.6 Failure to withhold and remit withholding taxes may deny GoL of much needed tax revenue.
- 1.1.4.7 Management may be non-compliant with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011, which may result in to penalties for late payment and failure to pay.
- 1.1.4.8 Non-remittance of withholding taxes may lead to an overstatement of the cashbook and subsequently the financial statements.

Recommendation

- 1.1.4.9 Management should provide substantive justification for not withholding and remitting (where applicable) withholding taxes to the LRA.
- 1.1.4.10 Management should facilitate full remittance of withholding taxes to the LRA in keeping with Sections 91 and 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011.
- 1.1.4.11 Going forward, Management should withhold taxes (where applicable) and facilitate full remittance of same to the General Revenue Account in keeping with Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011. Evidence of remittance of withholding taxes including original copies of flag receipts and other relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.4.12 *PFMU has worked and continue to engage with the stakeholders on this GOL flag receipts (evidence of tax payments) issue for taxes remitted. The LRA indicated that the PFMU is not regarded as one of her Collectorates that can issue flag receipt. Inspite of the challenges in remitting the relevant taxes, the PFMU continue to do so. However, some of the taxes are not remitted on a real time basis given the challenges encountered in the remittance process.*
- 1.1.4.13 *Notwithstanding, LRA has encouraged PFMU to ensure that tax payments are made on behalf of consultants and vendors to the General Revenue account either via the LRA tax remittance forms or via the issuance of a manager's checks which will be evidenced / captured by their system and the consultant or vendor can later claim their tax credit from the LRA system.*
- 1.1.4.14 *The taxes that have been highlighted by the auditor were paid by the project to the general revenue accounts and these payments can be confirmed on the bank statements for the period given to the auditor*

Auditor General's Position

- 1.1.4.15 We acknowledge Management's assertions and subsequent submission of bank statements as evidence of tax payments. However, we observed that monthly withholding taxes withheld were not remitted in a timely manner as required. We also observed some outstanding withholding tax payments for the period under audit. Therefore, we maintain our recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.5 Non-Retirement of Foreign Travel

Criteria

- 1.1.5.1 Section 3.3.8 (Para. 2 & 3) of LIFT-Project Operations Manual (POM) requires that all travel expense claims should be process through the financial management requirements indicated in the financial management arrangement stipulated in the project documents. PFMU should be consulted to provide disbursement advice related to all travel arrangements and costs to ensure compliance with requirement of the project proceed.
- 1.1.5.2 It is required that before any work-related travel is approved by the Project Coordinator (PC), the staff should prepare a travel request, in which the objective and cost of the travel are specified. On return, the staff is expected to produce a Back-To Office Report (BTOR) within 7 days of return and liquidate any travel expenses. The BTOR should spell out the objective of the travel, the period of the travel and a write up of the activities, particularly focusing on the relevance of the project. It must also include the statement of expenditure relating to the trip. The project will be responsible only for economy class air tickets for staff require to travel by aircraft. Exceptional clearance should be given by World Bank for Business class air travel in cases where officials at the highest level of governance are traveling and being sponsored by the project.

Observation

- 1.1.5.3 During the audit, we observed that Management facilitated travel in support of the development of the project activities amounting to US\$12,832.12. However, we observed no evidence of receipts for accommodation, travel authorization forms and Back-to-Office Reports (BTOR) as required. **See Table 6 for details**

Table 6: non-submission of supporting documents

Voucher/Reference #	Description	Amount US\$	Comment
2023/083	Air Tickets for Staff: Jos	10,587.92	Received after ML(receipt for accommodation, travel authorization forms and Back to office Report (BTOR))
2023/049	DSA and Hotel Accommodation	1,385.00	
2023/050	Travel Cost	859.2	
Total		12,832.12	

Risk

- 1.1.5.4 Failure to retire travel advances paid as DSA may lead to mismanagement of funds.
- 1.1.5.5 Expenditure may be misstated in the financial statements.
- 1.1.5.6 The authenticity of the transactions may be impaired.
- 1.1.5.7 Management may be in violation of GoL Revised Travel Ordinance.

- 1.1.5.8 Failure to adequately retire travel expenditure with the provision of invoices and reports may impair accountability of public funds.

Recommendation

- 1.1.5.9 Management should ensure that all travel advances are adequately retired with the original copies of receipts and activities reports to justify the regularity of the transactions.
- 1.1.5.10 Evidence of travel retirement forms, original copies of receipts and travel activities reports should be adequately documented and filed to facilitate future review.
- 1.1.5.11 Management should ensure that all travel expenditures are adequately accounted for as required by the travel ordinance. Upon return from abroad staff should retire with evidence of invoices for foreign travels and justification for additional days stay.

Management's Response

- 1.1.5.12 *All the auditor's assertions relative to the above query are incorrect and misleading. Firstly, two of the payments (PV#:049-Jos Travel & Tours-\$10,587.92 and PV#:050-Destiny Travel Services-\$859.20) were payments for airline tickets. All relevant documents relative to these payments (including the air tickets issued to all approved persons) are attached to the payment requests submitted to the auditor.*
- 1.1.5.13 *Also, the payment for DSA and hotel accommodation given to Mr. Yates as travel advance had all the necessary documents (ie. Approval from the Bank and request by the project coordinator, copy of boarding pass, hotel receipts, back-to-office report, etc). (See attached Exhibit IV: Payment Vouchers with Supporting Documents and Travel Retirement for Mr. Yates)*

Auditor General's Position

- 1.1.5.14 We reviewed the documents subsequently submitted by Management after our audit execution. However, Management submission of documents after our review does not guarantee Management effective control of expenditure liquidation and document management. Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.6 Payment made without Evidence of Tax Clearance and Business Registration

Criteria

- 1.1.6.1 Part V Section 62 (2) of the Public Procurement and Concession (PPC) Act of 2005 amended and restated in 2010 states that "Bids which are not complete, not signed, not accompanied by a bid security in the prescribed form, if one is required, or not accompanied by essential supporting documents such as business registration certificates, business licenses and tax receipts, or are substantially non-responsive to the technical

specifications or contract conditions or other critical requirements in the bidding documents, shall be rejected and excluded from further evaluation and comparison”.

- 1.1.6.2 Regulations P.9 (2) of the Public Finance Management (PFM) Act of 2009 states “payments expect for statutory transfers and debt service shall be supported by invoices, bills and other documents in addition to the payment vouchers”.

Observation

- 1.1.6.3 During the audit, we observed that Management authorized payments amounting to US\$6,002.50 to Saksouk Shopping Center for communication cards without evidence of business registration & tax clearance for the period under audit.

Risk

- 1.1.6.4 Management’s failure to obtain valid Tax Clearance & Business Registration Certificates from vendors may deny Government of the needed tax revenues.
- 1.1.6.5 Management may be non- Compliant with Part V Section 62 (2) of the Public Procurement and Concession (PPC) Act of 2005 amended and restated in 2010.
- 1.1.6.6 In the absence of valid business registration and tax clearance certificates, payment may be made to illegitimate vendors leading to loss of much needed tax revenue.

Recommendation

- 1.1.6.7 Management should ensure that for all transactions involving procurement of goods and services, valid Tax Clearance and Business Registration Certificates are obtained as required by Part U.9. (4) of the Public Financial Management (PFM) Regulation of 2010 and Part V Section 62 (2) of the Public Procurement and Concession (PPC) Act of 2005 amended and restated in 2010.
- 1.1.6.8 Evidence of valid business registration and tax clearance certificates should be adequately documented and filed to facilitate future review.

Management’s Response

- 1.1.6.9 *The aforementioned payment was made with all the requisite supporting documents, including a valid Business Registration and Tax Clearance Certificate. In the event where the auditor did not see a supporting document, it was either as a result of an inadvertent omission or documents dropping off payment vouchers during the compilation of these documents (See attached **Exhibit V: Business Registration and Tax Clearance Certificate for Saksouk**)*

Auditor General’s Position

- 1.1.6.10 We reviewed the documents subsequently submitted by Management after our audit execution. However, Management’s provision of documents after our review, does not guarantee Management effective control of expenditure liquidation and document

management.

- 1.1.6.11 Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

1.1.7 Payments without Supporting Documentation

Criteria

- 1.1.7.1 Regulations P.9 (1) and (2) of the PFM Act of 2009 states (1) "All disbursements or payments of public moneys shall be properly supported by pre-numbered payment vouchers. (2) Payments except for statutory transfers and debt service shall be supported by invoices, bills and other documents in addition to the payment vouchers".
- 1.1.7.2 Additionally, Section 8.3.2 of the PFMU Financial Procedure Manual states: "A good filing system must be maintained at the PFMU and the Implementing Units to keep custody of the records. Therefore, the main objective of a filing system is to ensure that accounting documents are filed in logical sequence, so as to facilitate retrieval, support financial reports and help to establish a clear audit trail and provide feedback regarding the accuracy of the financial reports. All accounting records shall be kept at the PFMU in a safe storage and only removed from the storage for audit and legal purposes. The PFMU shall maintain a register to monitor the movement of such record. Separate files will be maintained in the PFMU in respect of payment vouchers showing the following details:
- Voucher number, (specifying range i.e. from – to -)
 - Period – (month)
 - Financial year,
 - Name of project / program"
- 1.1.7.3 Further, Section 3.4.5 (79) of the Project Operations Manual states: "The PIU shall be responsible for filing and document management of all project implementation and technical related documents, in accordance with their roles and responsibilities as outlined in Section 3.2 of this POM. This will include:
- All Project Contracts
 - Consultant Deliverables
 - Payment Authorizations
 - Project and Financial Reports
 - Procurement and tender documents including advertisements, TORs, evaluation and contract negotiation documentation;
 - Documentation relation to PSC, TC and other Implementation mechanisms, such as Meeting Agendas, Meeting Papers, Minutes of Meetings etc.
 - Annual Work Plan and Budgets
 - Environmental and Social Risks and Impacts Management Documents
 - All formal correspondence and WB responses;
 - All NOLs received from World Bank".

Observation

- 1.1.7.4 During the audit, we observed that Management facilitated payments amounting to US\$14,061.61 without evidence of supporting documents such as payment vouchers, local purchase orders, invoices/receipts, contracts, delivery notes/job completion certificates, liquidation reports, etc. (where applicable) to validate the legitimacy of the transactions.

See table 7 for details

Table : Inadequate Supporting Documents

Transaction Date	Transaction Reference	Description	Base Amount	Comment
			US\$	
4/30/2023	2023/046	Printing Cost	756.00	
4/24/2023	2023/042	DSA, Transpor allow-J.Nel	635.00	
9/19/2023	2023/080	DSA and Allowances	10,454.00	
9/18/2023	2023/078	Dennis H. Yollah Business Center	2,216.64	Document provided after ML
	Total		14,061.61	

Risk

- 1.1.7.5 In the absence of adequate supporting documents, the validity, occurrence and accuracy of payments may not be assured. This may lead to misappropriation of the project's funds.
- 1.1.7.6 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.
- 1.1.7.7 Management may override the procurement processes by completing disbursement without utilizing the required procurement processes.

Recommendation

- 1.1.7.8 Management should account for transactions without adequate supporting documents catalogued in table 7 above.
- 1.1.7.9 Going forward, Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations.
- 1.1.7.10 Documentation such as contracts, invoices, goods received notes, job completion certificates, purchase orders, payment vouchers etc. should be prepared and approved for the procurement of goods and services where applicable.
- 1.1.7.11 All relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.7.12 *All the aforementioned payments were made with all the requisite supporting documents. In the event where the auditor did not see a supporting document, it was either as a result of an inadvertent omission, wrongly filed document due to the large volume of transaction or documents dropping off payment vouchers during the compilation of these documents for submission to the Auditor by our support staff or oversight by the auditor who received them but included them in the Management letter. We are again re-submitting all these documents for your review. (See attached Exhibit VI: PVs with Supporting Documents)*

Auditor General's Position

- 1.1.7.13 We reviewed the documents subsequently submitted by Management, after our audit execution. Therefore, we have adjusted the transactions without supporting documents to (US\$14,061.61 – US\$2,216.64) US\$11,844.97 to be accounted for by Management.
- 1.1.7.14 We therefore maintain our recommendations. We will follow up on the implementation of our recommendation during subsequent audit.

1.1.8 Irregularities Associated with Fuel Consumption

Criteria

- 1.1.8.1 Regulations A.3 of the Public Financial Management (PFM) Act of 2009 as amended and restated 2019 states: "any public officer concerned with the conduct of financial matters of the Government of Liberia, or the receipt, custody and disbursement of public and trust moneys, or for the custody, care and use of government stores and inventories shall keep books of accounts and proper records of all transactions and shall produce the books of accounts and records of the transactions for inspection when called upon to do so by the Auditor General, the Comptroller General, the relevant internal auditor or any officers authorized by them, by the Minister".
- 1.1.8.2 During the audit, we observed the following irregularities associated with fuel management:
- No evidence of fuel management policy.
 - No evidence of fuel consumption logs/reports for fuel purchased amounting to US\$58,011.80 for period under audit.

Risk

- 1.1.8.3 In the absence of an approved fuel management policy, fuel may be procured and distributed on a discretionary basis. This may lead to misappropriation of fuel and gasoline.
- 1.1.8.4 Fuel procured may not be based on actual consumption.

- 1.1.8.5 Management may spend above budgeted allocation and fuel may be subjected to misappropriation or theft. Also, fuel procured may not be delivered.

Recommendation

- 1.1.8.6 Management should ensure that the draft fuel management policy is approved by the Project Coordinator as required by the POM.
- 1.1.8.7 Going forward, Management should ensure that fuel procured are based on actual consumption.
- 1.1.8.8 Management should maintain a fuel consumption and distribution log to aid the project manage cost and inform future purchase.
- 1.1.8.9 Evidence of approved fuel management policy, fuel consumption and distribution logs and utilization reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.8.10 *A detailed and accurate fuel distribution log was presented. All the fuel procured was accounted for.*

Auditor General's Position

- 1.1.8.11 Management's assertion was not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.2 Compliance Issues

1.2.1 Irregularities Associated with the Management of the Project Assets

Criteria

- 1.2.1.1 Regulation V.4 (1 and 2) of the PFM Act 2009 as restated in 2019 states: "(1) Furniture, and equipment issued for Government quarters or offices or vehicle and other fixed asset shall be brought on a master inventory of the Government Agency. (2) The master inventory shall record under each category of item: (a) the date and other details of the voucher or other document on which the items were received or issued; their serial numbers where appropriate; and (c) their distribution to individual locations and the total quantity held".
- 1.2.1.2 Section 4.2.1 Paragraph (2) the LIFT-Project Operations Manual (POM) states: "the project Management should maintain a fixed Asset Register to record the historical cost of the Assets, the year of acquisition and supplier to facilitate the calculation of the depreciation if the policy calls for it".

Observation

- 1.2.1.3 During the audit, we observed the following irregularities associated with the project fixed assets management system:
- The fixed assets register did not contain all the relevant columns.
 - The fixed assets register was not regularly updated. For instance, we observed that several vehicles reassigned to staff were not recorded in the register as such.
 - There was no evidence that thirty (30) fixed assets including laptops, printers, air conditioners, small icebox, water dispenser, executive chair, and wooden chair were coded. **See Appendix 4 for details.**
 - There was no evidence of periodic physical verification of fixed assets.
 - There was no evidence that twenty-seven (27) assets including Dell computer Systems, router, bookshelf, small size tables etc. had historical price/value cost listed in the asset register. **See Appendix 5 for details.**
 - There was no evidence an asset movement log to keep track of assets assigned or transferred to various offices within the entity.

Risk

- 1.2.1.4 Fixed Assets may be misstated (Over/understated).
- 1.2.1.5 Fixed Assets may be damaged or impaired but their values are still on the books.
- 1.2.1.6 Fixed Assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.
- 1.2.1.7 The lack of asset movement log may make it difficult to keep track of assigned or transferred assets, which may lead to misuse, loss or theft of assets without being noticed.
- 1.2.1.8 Failure to properly account for fixed assets may lead to theft and misapplication of equipment/materials. This may result in the non-achievement of the project's objectives.
- 1.2.1.9 Fixed Assets not coded may be susceptible to theft or diverted to personal use.

Recommendation

- 1.2.1.10 Management should ensure that the fixed assets register is updated to reflect the following; description, class, code, location, condition, cost, depreciation expense, accumulated depreciation and net book value of the asset.
- 1.2.1.11 Management should initiate/enforce a systematic fixed assets coding system to ensure all fixed assets are uniquely identified. This control will facilitate the efficient and effective

periodic fixed asset verification exercises. Discrepancies in coding identified during verification should be updated in a timely manner.

- 1.2.1.12 Management should conduct periodic fixed assets count and /or verification to determine the current condition and location of the assets. Evidence of physical verification should be adequately documented and filed to facilitate future review.
- 1.2.1.13 The Fixed Assets Register should be updated periodically to reflect all the project's assets.
- 1.2.1.14 Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.
- 1.2.1.15 A movement of Asset Form should be filled and authorized before assets are moved from one location to another. The Fixed Asset Register should be updated to reflect the change in location of assets.

Management's response

- 1.2.1.16 *The updated FAR (Fixed assets Registry) presents no such irregularities as claim, the audit team was accompanied at the various agencies of government to verify the said assets.*

Auditor General's Position

- 1.2.1.17 Management's assertions did not adequately address the issues raised and were not supported by documentary evidence. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.2.2 Performance Evaluation/Appraisal

Criteria

- 1.2.2.1 Part 2 of the consultant's contracts for Specialists' and project Coordinator states that "Consultants shall perform the services during the periods of five (5) years. The consultant's performance appraisal for contract renewal shall be done every two years to determine continuation of contract based on results and or performance.
- 1.2.2.2 Additionally, Part 2 of the consultant's contracts for administrative staff states that "Based on satisfactory performance report to be conducted within for the six (6) months after which performance appraisal shall be done every two years to determine continuation of contract based on results and or performance.

Observation

- 1.2.2.3 During the audit, we observed no evidence of annual performance appraisal for staff of the project. However, we observed that the staff/consultants' employment contract

requires that performance evaluation/appraisal is performed once every two (2) year which may impair continuous development.

Risk

- 1.2.2.4 The lack of periodic performance appraisal may lead to unnoticed and/or consistent poor performance by the project's staff thus impairing the objectives of the project.
- 1.2.2.5 In the absence of a documented performance evaluation system, employees' development plan may not be achieved thereby impairing the achievement of the project's objectives.
- 1.2.2.6 Employees may be promoted or demoted on a discretionary basis.

Recommendation

- 1.2.2.7 Management should facilitate the conduct of periodic performance evaluations for all staff. Performance goals should be clearly defined and documented for all positions.
- 1.2.2.8 Employees should be familiarized with performance goals and be given the opportunity to periodically evaluate themselves against set goals. Subsequently, performance managers/supervisors should evaluate the performance of assigned employees against set goals and update the employees about the result of the evaluation including areas of targeted development.
- 1.2.2.9 Management should solicit post feedback from employees about the fairness of the performance evaluation system and make adjustments where applicable.
- 1.2.2.10 Documentation for performance evaluation should be adequately filed to facilitate future review.

Management's Response

- 1.2.2.11 *As stated in the audit report, performance evaluation is conducted once every two year; no one staff on the project has exceeded 2 years since the PIU was established; the first set of contracts was signed in October 2022; therefore, staff evaluation couldn't have been conducted during the period of the audit.*

Auditor General's Position

- 1.2.2.12 Management's assertion did not adequately address the issue raised. Annual appraisal is essential to the effective monitoring of personnel's productivity. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.2.3 Non-Recruitment of Key Staff

Criteria

- 1.2.3.1 Section 3.3.1 of the Project operations Manual (POM) requires that the PIU will consist of the following roles: Project Coordinator, Environmental Specialist, Social Specialist, Technical Specialists (at least one per component and technical area) and including: Private Sector Development Specialist, SME Development Specialist, Financial Sector Development Specialist, Procurement Specialist, M & E Specialist, Climate Change Specialist, Communication Specialist, Finance Officer.
- 1.2.3.2 Additionally, Section III (12) of the Project Appraisal Document (PAD) requires that A Project Implementing Unit (PIU) within the Ministry of Commerce and Industry (MOCI) will provide project implementation support and lead day-to-day management of the project. The PIU will consist of the following: Project Coordinator, Procurement Specialist, Financial Management (FM) Specialist, Safeguards Specialists (Environmental and Social/Gender), two Technical Specialists (SME, Financial Sector Development), Climate Change Specialist, as well as M&E and Communication Specialists. The PIU team will be in place before project effectiveness. As with all Bank projects in Liberia, the Procurement and FM Specialists of this project will work closely with their peers at the Project Fiduciary Management Unit (PFMU) which sits at the Ministry of Finance and Development Planning (see paragraph below). The Technical specialists of the PIU will work directly with the Technical Implementing Ministries and Agencies (TIMAs) to ensure that each TIMA is provided with the technical, financial and procurement support required to achieve desired outcomes for the project.

Observation

- 1.2.3.3 During the audit, we observed that Management had not recruited staff in the following key positions as required by the POM and the PAD:
- Monitoring and Evaluation (M & E) Specialist
 - Climate Change Specialist
 - Administrative Assistant
- 1.2.3.4 Additionally, two staff (Social Specialist and Environmental Specialist) resigned from the project during the period under audit and were not replaced to ensure smooth operation of the project:
- Social Specialist
 - Environmental Specialist

Risk

- 1.2.3.5 Management Failure to timely recruit project staff may lead to project objectives not being achieved.

- 1.2.3.6 Delay in the replacement of key staff who resigned may lead to non-achievement of project deliverables.

Recommendation

- 1.2.3.7 Management should provide justification for not recruiting key staff for the project.
- 1.2.3.8 Management should facilitate competitive recruitment of key staff and ensure that all vacancies are filled consistent with the project's organogram. Evidence of competitive recruitment and placement of key staff including job advertisements, interview questions, interview panel reports, approved term of reference and all other relevant human resource records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.3.9 *The procurement process is ongoing, since they are classified as key staffs it is a prior review activity that must receive no objection from the world Bank at every stage.*

Auditor General's Position

- 1.2.3.10 We acknowledge Management's assertions that the procurement process for the recruitment of the staff is ongoing. We will follow-up on the implementation of our recommendation during subsequent audit.

1.2.4 No Risk Management Policy

Criteria

- 1.2.4.1 Regulation A.15 (1) of the PFM Act of 2009 Amended and Restated 2019 states: "the head of government agency must exercise all reasonable care to prevent and detect unauthorized, irregular, fruitless and wasteful expenditure, and must for this purpose implement clearly defined processes, identify risk associated with these processes and institute effective internal control to mitigate these risks".
- 1.2.4.2 Paragraph 17 of the Internal Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) indicates that in most cases, the Steering Committee of the project is ultimately responsible for determining whether management has implemented effective internal control including monitoring. The institution makes this assessment by (a) understanding the risks the organization faces and (b) Gaining an understanding of how senior management imagines or mitigates those risk that are meaningful to the organization objectives. Obtaining this understanding includes determining how management supports its beliefs about the effectiveness of the internal control system in those areas.

Observation

- 1.2.4.3 During the audit, we observed no evidence that Management had developed a risk management policy nor performed periodic risk assessment to guide internal and external

risks that may impair the achievement of the project's objectives.

Risk

- 1.2.4.4 The absence of a Risk Management Policy/risk assessment exercise may lead to management not being aware of potential risks that may impair the achievement of the project's objectives.
- 1.2.4.5 Potential risk to the project may not be identified, assessed and mitigated/prevented in a timely manner thereby leading to the non-achievement of the project's objectives.

Recommendation

- 1.2.4.6 Management should develop, approve and operationalize a risk management policy that identifies strategies for mitigating internal and external risks that may impair the achievement of the project's objectives.
- 1.2.4.7 Subsequently, Management should facilitate the conduct of periodic risk assessment and take corrective action for gaps identified.
- 1.2.4.8 Evidence of approved risk management policy and periodic risk assessment reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.4.9 *This assertion by the auditor is incorrect as a comprehensive risk assessment process is conducted during the year with a risk assessment report developed each year for all projects. This report normally guides the internal and external risks that may impair the achievement of the project objectives. This approved report is fully being operationalized and is consistent with the approved risk management policy. Normally, during the start of the audit, one of the documents requested by the audit team is the risk assessment report. However, the current audit team did not request for the risk assessment report as was done during the past audit. (See attached Exhibit VII: Risk Assessment Report).*

Auditor General's Position

- 1.2.4.10 The risk assessment report was item seventeen (17) on the list of the initial document request made by the audit team on February 9, 2024, but was not initially made available. However, we acknowledge Management subsequent submission of the risk assessment report after our audit execution.
- 1.2.4.11 Further, Management's provision of documents after our review, does not guarantee Management effective control of document management. Going forward, Management should ensure that requested documents for audit purposes are submitted in a timely manner.

STATUSES ON THE IMPLEMENTATION OF PRIOR YEAR AUDIT RECOMMENDATIONS

Audit Period.	Audit Findings	Recommendations	Status of Implementation	Comment
January to November, 2022	Inappropriate Disclosure of Reporting Period	Management should ensure that the financial statements have adequate disclosure notes on the reporting period for preparation and presentation of financial statements.	implemented	
January to November, 2022	No Detailed Explanatory Notes about Figures on the face of the Financial Statements	Management should ensure that the nature of all transactions on the face of the financial statements are fully disclosed in the notes to the financial statements as required by the standards.	Partially	Partially implemented
January to November, 2022	Non-remittance of Withholding Taxes	Management should adjust the cash book by the total value of the non-remitted withholding taxes and restate the financial statements with the adjusted cash balance.	Not implemented	Similar issue was raised
January to November, 2022	Non-Preparation of Bank Reconciliation Statements	Management should facilitate the preparation of monthly bank reconciliation statements for all its bank accounts. Monthly bank reconciliation statements should be prepared, reviewed and approved by senior level staff with the required qualification and competence.	implemented	
January to November, 2022	Financial statements Balance Not Reconciled with the Interim Financial Report Balance	Management should adjust the Financial Statements with the variance observed between the Financial Statements and IFRs.	Partially	Partially implemented
January to November, 2022	Trial Balance Code Not Traceable to General Ledger	Management should ensure that the codes in the general ledger are consistent with the code on the trial balance to facilitate understandability, comparability, reconciliation, accountability and fair presentation.	Partially	Partially implemented
January to November, 2022	Payments Made on Expired Tax Clearance & Business	Management should ensure that for all transactions involving procurement of goods and services, valid	implemented	

Audit Period.	Audit Findings	Recommendations	Status of Implementation	Comment
	Registration Certificates	Tax Clearance and Business Registration Certificates should be obtained as required by Part U.9. (4) of the Public Financial Management (PFM) Regulation of 2010 and Part V Section 62 (2) of the Public Procurement and Concession (PPC) Act of 2005 amended and restated in 2010.		
January to November, 2022	Fixed Assets Irregularities	Management should develop, approve and operationalize a fixed asset management policy to regulate fixed assets activities of the entity.	Not implemented	Similar issue was raised
January to November, 2022	No Fuel/Gasoline Consumption Reports/Logs	Management should develop, approve and operationalize a policy on fuel purchased, distribution/consumption, and ensure that proper records are maintained.	<i>Not implemented</i>	Similar issue was raised
January to November, 2022	Sequential Numbering in Payment Voucher	Management should provide justification for the inconsistencies in the numbering of payment vouchers.	implemented	
January to November, 2022	No Risk Management Policy	Management should develop risk management policy and perform risk assessment procedures, in order to identify and mitigate and/or manage risk that could negatively impact the project ability to achieve its objectives.	Partially	Partially implemented

APPENDIX

Appendix 1: Non-Remittance of Withholding Taxes

Year & Month	Description	Gross Amount US\$	Rate	Tax Withheld US\$
A. Non-Remittance of Withholding Tax on Personnel Income (resident)				
22-Dec	Income Tax for the Month of December 2022	30,000.00	10%	3,000.00
23-Jan	Income Tax for the Month of January 2023	30,000.00	10%	3,000.00
23-Feb	Income Tax for the Month of February 2023	30,000.00	10%	3,000.00
23-Mar	Income Tax for the Month of March 2023	30,000.00	10%	3,000.00
23-Apr	Income Tax for the Month of April 2023	30,000.00	10%	3,000.00
23-May	Income Tax for the Month of May 2023	30,000.00	10%	3,000.00
23-Jun	Income Tax for the Month of June 2023	30,000.00	10%	3,000.00
23-Jul	Income Tax for the Month of July 2023	31,500.00	10%	3,150.00
23-Aug	Income Tax for the Month of August 2023	31,500.00	10%	3,150.00
23-Sep	Income Tax for the Month of September 2023	26,205.56	10%	2,620.56
23-Oct	Income Tax for the Month of October 2023	32,205.56	10%	3,220.56
23-Nov	Income Tax for the Month of November 2023	32,205.56	10%	3,220.56
23-Dec	Income Tax for the Month of December 2023	33,440.29	10%	3,344.03
Sub Total 1				39,705.71
Payee	Description	Gross Amount US\$	Rate	Tax Withheld US\$
B. Non-Remittance of Withholding Tax for Foreign Consultants				
Seth A. Larmine	Consultancy fees	12,000.00	15%	1,800.00
Ahmed A. Elayyan	Consultancy fees	8,750.00	15%	1,312.50
Ahmed A. Elayyan	Consultancy fees	8,750.00	15%	1,312.50
Opolot Jerry Collins	Consultancy fees	3,529.41	15%	529.41
Sub Total 2				4,954.41
Payee	Description	Gross Amount US\$	Rate	Tax Withheld US\$
C. Non-Remittance of Withholding on Goods/Services (GST)				
Saksouk Shopping Center	Payment for the supply and delivery of scratch cards	2,646.00	2%	52.92
New Era Publishing Limited	Payment for Advertisement for REOI	1,440.00	4%	57.60
Heritage Communication System	Payment for REOI for Hiring Consultancy Services	2,880.00	4%	115.20
Heritage Communication System	Payment for REOI for Hiring Consultancy Services	720	4%	28.80
Lilly Novelties Inc.	Payment for Printing Services	3,505.50	10%	350.55
K3 Events	Payment for Event planning and Management Service	6,750.00	10%	675.00
Modern Aluminum Factory	Expenditure for partitioning LIFT PIU Office	6,272.00	2%	125.44
Heritage Communication System	Payment for Advertisement for REOI	2,232.00	4%	89.28

Year & Month	Description	Gross Amount US\$	Rate	Tax Withheld US\$
Elite Bar & Restaurant	Payment for Launch for Guests	14,400.00	10%	1,440.00
Saksouk Shopping Center	Payment for the Supply of scratch cards	6,272.00	2%	125.44
Realty Management Corporation	Advance Annual Renai payment	49,760.00	10%	4,976.00
The Kitchen, Inc	Expenditure for Catering Services	1,056.00	4%	42.24
Cyntheo Guest House	payment for Hall Reantal and Catering Services	1,152.00	4%	46.08
Lalefette Services Incorporated	Payment for Catering Services	1,850.00	2%	37.00
Dennis H. Yollah Business Center	Expenditure for the supply of building Materials	2,216.64	4%	88.67
United Motor Company	Payment for nine (9) Assorted Vehicles	381,269.00	2%	7,625.38
Petro Trade	Representing the supply and delivery of fuel at 5.891 as per documents	57,731.80	2%	1,154.64
Sub Total 3				15,535.45
Grand Total (1+2+3)				60,195.57

Appendix 2: No Evidence of Tax Withheld and Remitted for Goods/Services

Payee	Description	PV #	Amount / PV
Truly Blessed Logistics Services	Payment for Printing Services	LIFTP/2023/51	866.64
Jungle Water Group	Expenditure for Hall Rental and Catering Services	LIFTP/2023/045	3,880.80
Brooklyn Group of Companies	Payment for vehicle Rental	LIFTP/2023/044	1,080.00
Total			5,827.44

Appendix 4: Fixed Assets not Coded

No.	Date Received	Asset Description	Unit	Identification Code	Location	Value/Cost US\$
1	9-May-22	Laptop Computer	1	Not Yet Marked	MOCI HR Office	1,250.00
2	9-May-22	Laptop Computer	1	Not Yet Marked	MOCI HR Office	1,250.00
3	9-May-22	Laptop Computer	1	Not Yet Marked	MOCI HR Office	1,250.00
4	18-Jan-24	Camara	1	Not Yet Marked	PIU	1,025.00
5	9-May-22	Printer	1	Not Yet Marked	Senior Advisor	100
6	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
7	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
8	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
9	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
10	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
11	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
12	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
13	9-May-22	APC UPS (650 Watts)	1	Not Yet Marked	MOCI Warehouse	140
14	9-May-22	Voltage Regulator	1	Not Yet Marked	MOCI Warehouse	75

No.	Date Received	Asset Description	Unit	Identification Code	Location	Value/Cost US\$
		(1000 Watts)				
15	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
16	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
17	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
18	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
19	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
20	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
21	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
22	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
23	9-May-22	Voltage Regulator (1000 Watts)	1	Not Yet Marked	MOCI Warehouse	75
24	2-May-24	Air Conditioner (12000 BTU)	1	Not Yet Marked	PIU	475
25	2-May-24	Air Conditioner (24000 BTU)	1	Not Yet Marked	PIU	800
26	13-Apr-22	Internet Modem	1	Not Yet Marked	PIU/MOCI	1,500.00
27	13-Apr-22	Internet Modem	1	Not Yet Marked	PIU/MOCI	1,500.00
28	9-May-22	Small Ice Box 91 liter	1	Not Yet Marked	MOCI Controller's Office	195
29	20-May-22	Executive chair	1	Not Yet Marked	PIU/MOCI	450
30	20-May-22	Wooden shelve	1	Not Yet Marked	PIU/MOCI	450
TOTAL						12,115.00

Appendix 5: No evidence of Historical Cost/Value cost of Fixed Assets

No.	Date Received	Asset Description	Unit	Identification Code	Location	Value/Cost
1	2-May-24	Dell Computer	1	LIFT-P/WB/MOCI-PIU-20.01	NBC	-
2	2-May-24	Dell Computer	1	LIFT-P/WB/MOCI-PIU-20.02	NBC	-
3	2-May-24	Dell Computer	1	LIFT-P/WB/MOCI-PIU-20.03	NBC	-
4	2-May-24	Dell Computer	1	LIFT-P/WB/MOCI-PIU-20.04	NBC	-
5	2-May-24	Dell Computer	1	LIFT-P/WB/MOCI-PIU-20.05	NBC	-
6	2-May-24	Paper Shredder	1	LIFT-P/WB/MOCI-PIU-05.05	PIU	-
7	2-May-24	Paper Shredder	1	LIFT-P/WB/MOCI-PIU-05.06	PIU	-
8	2-May-24	Paper Shredder	1	LIFT-P/WB/MOCI-PIU-05.07	PIU	-
9	2-May-24	Paper Shredder	1	LIFT-P/WB/MOCI-PIU-05.08	PIU	-
10	2-May-24	Banding Machine	1	LIFT-P/WB/MOCI-PIU-21.03	PIU	-
11	2-May-24	Paper Cutting	1	LIFT-P/WB/MOCI-PIU-22.01	PIU	-
12	2-May-24	Perforator	1	LIFT-P/WB/MOCI-PIU-30.01	PIU	-
13	2-May-24	Heavy Duty Stipples	1	LIFT-P/WB/MOCI-PIU-26.01	PIU	-
14	2-May-24	Heavy Duty Stipples	1	LIFT-P/WB/MOCI-PIU-26.02	PIU	-
15	2-May-24	Markup Board	1	LIFT-P/WB/MOCI-PIU-25.01	PIU	-

No.	Date Received	Asset Description	Unit	Identification Code	Location	Value/Cost
						-
16		Router	1	LIFT-P/WB/MOCI-PIU-23.04	PIU	
17		Router	1	LIFT-P/WB/MOCI-PIU-23.05	PIU	
18		Router	1	LIFT-P/WB/MOCI-PIU-23.06	PIU	
19	13-Apr-22	5U Wall Mount Rack Enclosure Server Cabinet	1	LIFT-P/WB/MOCI-PIU- 14.01	PIU	
20	2-May-24	5U Wall Mount Rack Enclosure Server Cabinet	1	LIFT-P/WB/MOCI-PIU- 14.02	PIU	
21	2-May-24	Small Size Table	1	LIFT-P/WB/MOCI-PIU-27.02	PIU	
22	2-May-24	Small Size Table	1	LIFT-P/WB/MOCI-PIU-27.03	PIU	
23	18-Jan-24	Small size Table	1	LIFT-P/WB/MOCI-PIU-27.04	PIU	
24	18-Jan-24	Round Office Table	1	LIFT-P /WB/MOCI-PIU-10.01	PIU	N/A
25	18-Jan-24	Book Shelf	1	LIFT-P /WB/MOCI-PIU-11.01	PIU	N/A
26	18-Jan-24	Book Shelf	1	LIFT-P /WB/MOCI-PIU-11.02	PIU	N/A
27	18-Jan-24	Book Shelf	1	LIFT-P /WB/MOCI-PIU-11.03	BCWGS	