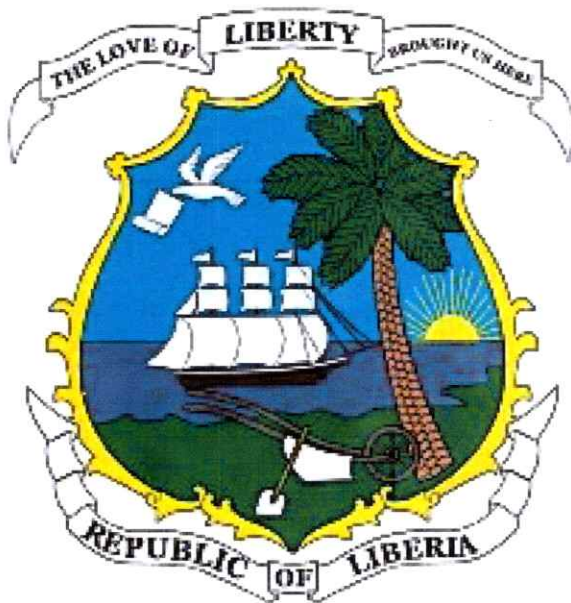




Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**ON THE FINANCIAL STATEMENTS AUDIT
OF THE GOVERNANCE REFORM AND
ACCOUNTABILITY TRANSFORMATION
PROJECT (GREAT-P) GREATP: P177478:
Grant No. IDA V4730 & IDA 75110**

**For the Period May 1, 2023 TO November 3
2024**

May 2025

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

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ACRONYM

Acronyms/Abbreviations/Symbol	Meaning
A/C#	Account Number
WB	World Bank
AG	Auditor General
APA	Assistant Project Accountant
BEP	Bid Evaluation Penal
CBL	Central Bank of Liberia
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
FCCA	Fellow Member of the Association of Chartered Certified Accountants
GAC	General Auditing Commission
GoL	Government of Liberia
IDA	International Development Association
GREAT-P	Governance Reform and Accountability Transformation Project (GREAT-P)
IPSAS	International Public Sector Accounting Standards
LRA	Liberia Revenue Authority
M & E	Monitoring and Evaluation
MSC	Ministerial Steering Committee
NSA	Non-State Actors
PFM Act	Public Finance Management Act
PFMU	Project Financial Management Unit
PMU	Project Management Unit
PPC Act	Public Procurement & Concessions Act
PPCC	Public Procurement and Concessions Commission
PV	Payment Voucher
SPA	Senior Project Accountant
TSF	Transition Support Facility
US\$	United States Dollar

June 26, 2025

Mr. Jim-Ngormoh Kamara

Project Implementation Team Lead

Governance Reform and Accountability Transformation Project (GREAT)

Project Management Unit (PMU)

Ministry of Finance and Development Planning (MFDP)

Monrovia, Liberia

AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE GOVERNANCE REFORM AND ACCOUNTABILITY TRANSFORMATION PROJECT (GREAT-P) FOR THE YEAR JANUARY 1, 2024 TO DECEMBER 31, 2024.

Opinion

We have audited the accompanying financial statements of the Liberia Urban Water Supply (GREAT-P) Project for the period ended November 30, 2024. These financial statements comprise the statement of Receipts and Payments, statement of financial performance, statement of financial position for the year then ended, and a summary of significant accounting Policies and other explanatory information.

In our opinion, the accompanying financial statements of GREAT-P (Project: (GREATP: P177478: Grant No IDA V4730 & IDA 75110) present fairly in all material respects, the Statement of Receipts and Payments as at November 30, 2024, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes for the fiscal year 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 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 Governance Reform and Accountability (GREAT) Project 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 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.

Other Matter

Management did not disclose the reconciliation between the programmatic classification and the economic classification or disclosure of a detailed composition of each programmatic classification utilized in the preparation of the approved budget and work plan. Our opinion is not modified by this matter.

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 GREAT-P 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.

Sincerely,



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

Monrovia, Liberia

June 2025

Statement of Responsibility

The Financial Statements as set out on pages 13 to 17 have been prepared in accordance with the provisions of the Public Financial Management Act of 2009 and in compliance with the Cash Basis International Public Sector Accounting Standards (Cash IPSAS), adopted by the Government of Liberia.

In accordance with the provisions of the Public Financial Management (PFM) Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the GOVERNANCE REFORM AND ACCOUNTABILITY TRANSFORMATION PROJECT implemented by the Liberia Water and Sewer Corporation.

Under the World Bank provisions (Financing Agreement) I am required to submit Annual Financial Statement to external auditors two months after the end of the financial year and Annual Audited Financial Statement to the IDA/ World Bank, six months after the end of the financial year to which it relates. However, the preparation of the annual financial statement has been delegated to the Financial Management Expert of the GOVERNANCE REFORM AND ACCOUNTABILITY TRANSFORMATION PROJECT. I am pleased to submit the required Fiscal Year Account of the GOVERNANCE REFORM AND ACCOUNTABILITY TRANSFORMATION PROJECT in compliance with the IDA/World Bank provisions and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations as may be required in connection with the financial statements presented therein.

In preparing these Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgment and estimates. To the best of my knowledge and belief, these Financial Statements agree with the books of accounts, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain and their compliance with the IDA/World Bank provisions.



Papin J. Daniels

Coordinator

Project Management Unit



Date

Governance Reform and Accountability Transformation Project (GREATP)

Financial Statement of World Bank Funded
Project

for the period May 2023 to November 30, 2024.
GREATP: P177478: Grant No. IDA V4730 &
IDA 75110

Statement of Project Management Responsibility

The Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning and the Project Team Lead for Governance Reform and Accountability Transformation project (use the correct title designation) 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 financial periods from May 2023 to November 31, 2024.

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 Governance Reform and Accountability Transformation 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 Governance Reform and Accountability Transformation 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 periods from May 2023 to November 30, 2024, and of the Project's financial position as at that date. The PFMU and the Project Coordinator for Public Financial Management Reforms for Institutional Strengthening 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 Team Lead for Governance Reform and Accountability Transformation 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 Recovery of Economic Activity for Liberia Informal Sector Employment Project on _____ 2025.

**STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD MAY 2023 TO NOVEMBER 30, 2024**

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<i>In United States Dollars</i>	Notes	May 2023 to November 30, 2024
Receipt		
IDA grant & credit	4	860,833
Total Receipt		<u>860,833</u>
Payment		
Enhance Access to Selected Public Services	5	-
Raise Tax Revenues	6	-
Enhance the Capacity and Transparency of Accountability Institutions	7	-
Project implementation, change management, and capacity building	8	-
Project Preparatory Advance	9	543,660
Total Payments		<u>543,660</u>
Excess of receipts over payments (payments over receipts)		317,172
Fund Balance as at beginning		<u>-</u>
Cummulative fund balance		<u>317,172</u>

The notes on pages 13 to 17 are integral part of these project financial reports.

**STATEMENT OF FUND BALANCE AND CASH STATUS
FOR THE PERIOD MAY 2023 TO NOVEMBER 30, 2024**

3

<i>In United States Dollars</i>		May 2023 to November 30, 2024
A	Fund Balance	
	Balance of Project Fund	-
	Add: Total Receipts during the period	<u>860,833</u>
	Total Fund available for operations	860,833
	Less: Total Payments during the period	543,660
	Balance of project fund at the end of the year	317,172
B	Cash Status:	
	Cash at Bank	<u>317,172</u>
	Total Cash on hand and in bank	317,172
	Difference between A and B	<u><u>-</u></u>

The notes on pages 13 to 17 are integral part of these project financial reports.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD MAY 2023 TO NOVEMBER 30, 2024 4
Ananlysis of Variance

Activities Within Components	Project Allocation	Annual	Actual Expenditure	Variance
	US\$	US\$	US\$	US\$
Enhance Access to Selected Public Services	13,000,000	-	-	-
Raise Tax Revenues	6,400,000	-	-	-
Enhance the Capacity and Transparency of Accountability Institutions	7,600,000	-	-	-
Project implementation, change management, and capacity building	1,544,195	-	-	-
Project Preparatory Advance	1,455,805	543,660	543,660	-
Total	30,000,000	543,660	543,660	-


The notes on pages 13 to 17 are integral part of these project financial reports.


STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD MAY 2023 TO NOVEMBER 30, 2024

5

<i>In United States Dollars</i>	Notes	May 2023 to November 30, 2024
Assets		
Cash and cash equivalent		<u>317,172</u>
Total Assets		<u>317,172</u>
Fund Balance		
Grants		<u>317,172</u>
Accumulated Fund Balance		<u><u>317,172</u></u>

The notes on pages 13 to 17 are integral part of these project financial reports.


Feb 7, 2025
Papin Daniels, Jr
Director, Donor Financed Projects
PFMU, MFDP


Feb. 7, 2025
Jim-Ngormoh A. Kamara
Program Team Lead- GREAT
MFDP

NOTES TO FINANCIAL STATEMENTS

6

1. Background and Information of the Project

With support from the World Bank; the Governance Reform and Accountability Transformation Project-project is geared towards enhancing access to select digitally provided public services, raise tax revenues, and improve the openness of accountability institutions and also strengthening the use of country systems and sustainably building the capacity of civil servants to implement programs of reform. The GREAT project was approved by the World Bank on March 23, 2023, with a preparatory advance amount of **USD 1,455,850** and subsequently signed the main project which includes the project preparatory advance on June 12, 2024 in the amount of **US\$30 Million**. project preparatory advance The aims of the project are:

- i. To support the digitalization of selected Ministry services and enhance citizen access through the eLiberia Portal, strengthen the capacity of CSCs to provide citizen-support to access services, including access to online services, and support the rollout of National ID system and strengthen the capacity of NIR to improve access to online services
- ii. To support capacity building for the implementation of the VAT, strengthen interoperability and reach of tax systems, and support scale-up of the ongoing property tax pilot.
- iii. To build institutional capacity for a transparent follow-up action on audit report findings, rollout the e-GP system and enhanced transparency of public procurement transactions, launch the digitalized LACC asset declaration system and anti-corruption dashboard with public access to data, and strengthen IFMIS effectiveness and enhance compliance in budget execution.
- iv. To support the project implementation, change management, and capacity building.

2. Use of Grant/Credit 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	Amount of grant allocated expressed in US\$	% of expenditure to be financed
Enhance Access to Selected Public Services	13,000,000	100
Raise Tax Revenues	6,400,000	100
Enhance the Capacity and Transparency of Accountability Institutions	7,600,000	100
Project implementation, change management, and capacity build	3,000,000	100
Total	30,000,000 =====	

NOTES TO FINANCIAL STATEMENTS (continued)

7

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

	% of Expenditure
IDA	100
Total	100
	=====

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. This implies that all expenditures are expensed whether they are revenue or capital in nature and income is recognized when funds are received from the World Bank.

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 GREAT project is recognized and reported in the Statement of Receipt and Payment as income when received and held in a bank account called deferred income account for transitory purposes. Amounts approved for disbursement are transferred from the deferred account into another bank account called the designated account. All payments for the GREAT project and activities are made from the designated account.

Cash and bank balances

Cash consist of cash in hand and balance at bank.

Tax

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

Comparative Analysis

This is the project first year in operation and thus there is no comparatives

Reporting Period

The reporting period is seventeen (17) months because during the first eight months of the preparatory the project did not disburse after its first drawdown and therefore was unable to be audited in the previous audit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8

May 2023
to
November
30, 2024

In United States Dollars

4 Funds Received in DA

IDA V4730

858,443

Others- Miscellaneous

2,390

860,833

5 Enhance Access to Selected Public Services

Support the digitalization of selected Ministry services and enhance citizen access through the eLiberia portal

-

Strengthen the capacity of CSCs to provide citizen-support to access services, including access to online services

-

Support the Rollout of the National ID System and

Strengthen the Capacity of NIR to Improve Access to Online Services

-

-

6 Raise Tax Revenues

Launch the LITAS VAT module and build capacity to implement the VAT, once legislation is brought into effect

-

Strengthen Interoperability and Reach of Tax Systems

-

Support the scale-up of the ongoing property tax pilot

-

-

7 Enhance the Capacity and Transparency of Accountability Institutions

Build institutional capacity for a transparent follow-up action to audit report findings

-

Roll-out the e-GP procurement system and enhanced transparency of public procurement transactions

-

Launch the LACC asset declaration system with public access to compliance data

-

Strengthen IFMIS effectiveness and enhance compliance in budget execution

-

-

8 Project implementation, change management, and capacity building

Project implementation and change management

-

-

9 Project Preparatory Advance

Preparation of Relevant safe guards documents, operations manual project procurement strategy for development, annual workplan and budget document for the project, and training of the recipient's staff for the establishment of its fiscal board

74,683

NOTES TO THE FINANCIAL STATEMENTS (continued)

9

May 2023
to
November
30, 2024

In United States Dollars

Undertaking analytical and technical assessment, including studies to: (a) determine the feasibility of using middleware to achieve interface with the integrated tax administration system; (b) revise the design of the county service centers' management model, and financing mechanism, and analyze possible performance incentive models; (c) streamline the processes of selected documentation and licensing services and to develop technical specifications for digitization; (d) improve design of the county treasuries management model and staffing incentives; (e) collect and collate baseline data on anti-corruption indicators, identifying priority areas for engagement to improve the indicators and establish a national anti-corruption dashboard to measure performance; and (f) carry out preparatory work to digitize the Recipient's laws, which includes conducting assessments, and formulating procedures for collection, review, editing, and uploading of content.

Provision of Training and Operating Costs for the purpose of Project preparation

80,300

388,678

543,660

7 Cash receipts through the Designated Account

IDA grant & credit

860,833

8 Cash paid

Enhance Access to Selected Public Services

-

Raise Tax Revenues

-

Enhance the Capacity and Transparency of Accountability Institutions

-

Project implementation, change management, and capacity building

-

Project Preparatory Advance

543,660

Total Payments

543,660

PROJECT DESIGNATED ACCOUNT STATEMENT

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Account Number: 6101935902
 Account Type: Current Account
 Depository Bank (s): Ecobank
 Address: 11th Street, Sinkor
 Monrovia, Liberia

Currency: United States Dollar

	May 2023 to November 30, 2024
Total Funds Received in the DA	860,833
Total funds income reported	860,833
Amount spent	543,660
Balance as at beginning	-
Balance as at December 31, 2024	317,172
Closing Balance Consist of:	
GREAT PPA Account	317,172
	317,172