



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**On the Financial Statements Audit of the
Regional Emergency Solar Power Intervention
Project (RESPITE)**

For the year ended December 31, 2024

May 2025

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

Table of Contents

Opinion 3

Basis for opinion 3

Management’s Responsibility..... 3

Auditor’s Responsibility 4

Financial Statements 5

June 26, 2025

Hon. Mohammed Sherif
Chief Executive Officer (CEO)
Liberia Electricity Corporation (LEC)
Water Side
Monrovia, Liberia

**AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS AUDIT OF THE
LIBERIA REGIONAL EMERGENCY SOLAR POWER INTERVENTION PROJECT (RESPITE)
FOR THE YEAR ENDED DECEMBER 31, 2024**

Opinion

We have audited the accompanying financial statements of the Regional Emergency Solar Power Intervention Project (RESPITE) P179267 and IDA 72640 for the year ended December 31, 2024, which comprises the Statement of Cash 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 material respects, the Statement of Cash Receipts and Payments of RESPITE as at December 31, 2024 and its Statement of Comparison of Budget and Actual Amounts and a summary of significant accounting policies and other explanatory information for the 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 for Supreme Audit Institutions. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the World Bank guideline and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion which is stated below:

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 RESPITE 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



Financial Statements

Regional Emergency Solar Power Intervention Project (RESPITE)

Financial Statement of World Bank Funded Project
for the period December 31, 2024.

RESPITE: P179267: IDA 72640

Statement of Project Management Responsibility

The Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning and the Project Coordinator for Regional Emergency Solar Power Intervention 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, 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 Regional Emergency Solar Power Intervention 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 Regional Emergency Solar Power Intervention 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, 2024, and of the Project's financial position as at that date. The PFMU and the Project Coordinator for Regional Emergency Solar Power Intervention 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 Regional Emergency Solar Power Intervention 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 Regional Emergency Solar Power Intervention project on Feb 7, - 2025

GENERAL INFORMATION

PROJECT MANAGEMENT TEAM

Project Financial Management Unit:	Papin Daniels, Jr, CA, CPA, CFE Unit Director Project Financial Management Unit (PFMU)
	Leroy N. 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:	William D. Hakin Project Manager Regional Emergency Solar Power Intervention Project (RESPITE)
Project Location:	Old Chevron Building 15 th Street, Sinkor, Monrovia Liberia
Bankers:	Ecobank Liberia Limited 11 th Street, Sinkor Monrovia

**STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD DECEMBER 31, 2024**

2

<i>In United States Dollars</i>	Notes	December 31, 2024
Receipt		
IDA grant & credit	4	<u>2,471,847</u>
Total Receipt		<u><u>2,471,847</u></u>
Payment		
Component 1: Construction of Solar PV, BESS and Grid Connections	5	-
Component 2: Expansion of Mt. Coffee Hydro Power Plant and Dam Safety Enhancement	6	-
Component 4: Regional Coordination, Institutional Strengthening, and Implementation Support	7	<u>1,777,018</u>
Total Payments		<u><u>1,777,018</u></u>
Excess of receipts over payments (payments over receipts)		694,828
Fund Balance as at beginning		<u>-</u>
Cummulative fund balance		<u><u>694,828</u></u>

The notes on pages 6 to 8 are integral part of these project financial reports

**STATEMENT OF FUND BALANCE AND CASH
STATUS
FOR THE PERIOD DECEMBER 31, 2024**

3

	<i>In United States Dollars</i>	December 31, 2024
A	Fund Balance	
	Balance of Project Fund	-
	Add: Total Receipts during the period	<u>2,471,847</u>
	Total Fund available for operations	2,471,847
	Less: Total Payments during the period	1,777,018
	Balance of project fund at the end of the year	694,828
B	Cash Status:	
	Cash at Bank	<u>694,828</u>
	Total Cash on hand and in bank	694,828
	Difference between A and B	<u><u>-</u></u>

The notes on pages 6 to 8 are integral part of these project financial reports

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD DECEMBER 31, 2024 4

Activities Within Components	Project Allocation	Annual	Actual Expenditure	Variance
	US\$	US\$	US\$	US\$
Component 1: Construction of Solar PV, BESS and Grid Connections	21,500,000	14,333,333	-	14,333,333
Component 2: Expansion of Mt. Coffee Hydro Power Plant and Dam Safety Enhancement	61,000,000	1,000,000	-	1,000,000
Component 4: Regional Coordination, Institutional Strengthening, and Implementation Support	13,500,000	6,233,802	1,777,018	4,456,783
Total	96,000,000	21,567,135	1,777,018	19,790,116


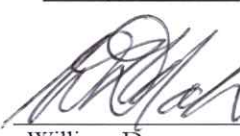
The notes on pages 6 to 8 are integral part of these project financial reports

Variance Explanation

There was no activity under this component during the period under the review as the procurement processes were on-going; No movement in component 2 because there the procurement process was on-going for this activity and under component 4, activities in the project operations started at a very low scale in 2024, therefore did not incur a lot of spending as planned.

STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD DECEMBER 31, 2024

5

<i>In United States Dollars</i>	Notes	December 31, 2024
Assets		
Cash and cash equivalent		<u>694,828</u>
Total Assets		<u>694,828</u>
Fund Balance		
Grants		<u>694,828</u>
Accumulated Fund Balance		<u>694,828</u>
 Papin Daniels, Jr. Director, Donor Financed Projects PFMU, MFD		 William D. Hakin Project Coordinator RESPITE

7 Feb 2025

The notes on pages 6 to 8 are integral part of these project financial reports

NOTES TO FINANCIAL STATEMENTS

6

1. Background and Information of the Project

With support from the World Bank; the Regional Emergency Solar Power Intervention-project is geared towards the rapidly increase grid-connected renewable energy capacity and strengthen regional integration in the participating countries. The RESPITE project was approved by the World Bank on January 31, 2023 with a credit and grant amount of USD 96.0 Million. The aims of the project are:

- i. installation of solar and hydropower generation and battery storage capacity with near-term (about 3-year) O&M contracts for the provision of solar supply;
- ii. necessary grid connection infrastructure;
- iii. grid modernization and upgrades to ensure effective penetration of variable solar generation, and
- iv. capacity building among the implementing agencies and technical assistance for greater regional integration.

2. Use of Grant Proceeds

The table below sets out the categories of items to be financed out of the credit 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
Construction of Solar PV with Battery energy storage systems (BESS) and Grid Connection	21,500,000	100
Expansion of Mt. Coffee Hydro Power Plant and Dam Safety Enhancement	61,000,000	100
Regional Coordination, Institutional Strengthening, and Implementation Support	13,500,000	100
Total	96,000,000 =====	

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

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

NOTES TO FINANCIAL STATEMENTS *(continued)*

7

3. Significant Accounting Policies

Basis of accounting

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

Reporting currency

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

Grant/Credit/Loan Receipts

Grant/Credit/Loan from donors for the RESPITE project is recognized and reported in the Statement of Receipt and Payment as income when received and held in a bank account called designated income account for disbursements purposes. All payments for the RESPITE 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. Taxes are withheld on consultants and vendors.

Comparative Analysis

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

8

<i>In United States Dollars</i>		December 31, 2024
4	Funds Received in DA	
	IDA 72640	2,471,847
		2,471,847
	Third Party Payment	
	IDA 72640	3,469,695
5	Component 1: Construction of Solar PV, BESS and Grid Connections	
	Sub-Component 1A: Construction of 20MWp/16 MWac Solar PV power plant on Mount Coffee Island in Liberia	-
		-
6	Component 2: Expansion of Mt. Coffee Hydro Power Plant and Dam Safety Enhancement	
	Sub-Component 2A: Expansion of Mt. Coffee Hydro Power Plant with the installation two new turbines	-
	Sub-Component 2B: Dam Safety Enhancement for Mount Coffee Hydro Power Plant	-
		-
7	Component 4: Regional Coordination, Institutional Strengthening, and Implementation Support	
	Sub-Component 4B: Regional Coordination & Institutional Strengthening	-
	Sub-Component 4C: Implementation Support to National PIUs	
	Consultant Services	777,197
	Goods	102,410
	Operating Costs	289,286
	Training	2,250
		1,171,143
	Sub-Component 4D: Technical Assistance for establishment of river basin management agency and preparation of new hydro projects in Liberia	
	Operating Costs	605,875

605,875

1,777,018

8 Cash receipts through the Designated Account

IDA grant & credit 2,471,847

9 Cash paid

Construction of Solar PV, BESS and Grid Connections -

Expansion of Mt. Coffee Hydro Power Plant and Dam Safety Enhancement -

Regional Coordination, Institutional Strengthening, and Implementation Support 1,777,018

Total Payments 1,777,018

Note:

The third party payments of **US\$3,469,694.54** which are direct payments have been extracted from the total funds receipt and the 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

10

Account Number: 6101965512
Current
Account Type: Account
Depository Bank (s): Ecobank
11th Street,
Address: Sinkor
Monrovia,
Liberia

*Currency: United States
Dollar*

	December 31, 2024
Total Funds Received in the DA	<u>2,471,847</u>
Total funds income reported	2,471,847
Amount spent	1,777,018
Balance as at beginning	<u>-</u>
Balance as at December 31, 2024	<u>694,828</u>
Closing Balance Consist of:	
RESPITE Account	691,518
Petty Cash -PIU	<u>3,310</u>
	<u>694,828</u>