



Promoting Accountability of Public Resources

# AUDITOR GENERAL'S REPORT



**Closeout Audit on the Financial Statements of the  
Public Financial Management Reforms for  
Institutional Strengthening Project (PFMRISP)  
P165000: Grant No. IDA D5060 & TF B3178**

**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 Responsibility for the Statement of Receipts and Payments ..... 3

Auditor’s Responsibility ..... 4

STATEMENT OF RECEIPTS AND PAYMENTS..... 5

STATEMENT OF FUND BALANCE AND CASH STATUS ..... 6

STATEMENT OF FINANCIAL POSITION..... 7

NOTES TO THE FINANCIAL STATEMENTS..... 8

## **Acronyms/Abbreviations/Symbols**

<b>Acronyms/Abbreviations/Symbol</b>	<b>Meaning</b>
A/C#	Account Number
AG	Auditor General
APA	Assistant Project Accountant
BEP	Bid Evaluation Penal
CAG	Comptroller and Accountant General
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
IAA	Internal Audit Agency
IDA	International Development Association
IPSAS	International Public Sector Accounting Standards
M & E	Monitoring and Evaluation
MFDP	Ministry of Finance and Development Planning
MSC	Ministerial Steering Committee
PFM Act	Public Finance Management Act
PFMRISP	Public Financial Management Reforms for Institutional Strengthening Project
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
US\$	United States Dollar



June 28, 2025

Hon. Augustine Kpehe Ngafuan  
Minister  
Ministry of Finance and Development Planning  
Corner of Broad and Mechlin Streets  
Monrovia, Liberia

## **AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE PUBLIC FINANCIAL MANAGEMENT REFORMS FOR INSTITUTIONAL STRENGTHEN- ING PROJECT (PFMRISP) FOR THE YEAR ENDED NDECEMBER 31, 2024**

### **Opinion**

We have audited the accompanying financial statements of the Public Financial Management Reforms for Institutional Strengthening Project (PFMRISP) financed by the World Bank PFMRISP: P165000: Grant No. IDA D5060 for the year ended December 31, 2024, which comprise 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 Statements of PFMRISP present fairly in all material respects, the Statement of Receipts and Payments as at December 31, 2024, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other 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 (ISSAI). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the World Bank guideline and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management Responsibility for the Statement of Receipts and Payments**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on Statement of Receipts and Payments based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI) and the World Bank Guidelines. Those standards and the applicable World Bank guidelines required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement of Receipts and Payments are free of material misstatement.

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



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

**Monrovia, Liberia**

June 2025

### **STATEMENT OF RESPONSIBILITY**

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

*In United States Dollars*

Notes

**Receipt**

IDA & Trust Fund	4	4,417,923	2,174,421	20,122,802
<b>Total Receipt</b>		<b><u>4,417,923</u></b>	<b><u>2,174,421</u></b>	<b><u>20,122,802</u></b>

**Payment**

Enhancement of Systems for Domestic Resource Mobilization	5	924,201	907,584	6,108,527
Stabilizing and Strengthening Financial Controls and Performance	6	739,943	211,428	4,470,052
Improved Oversight and Public-Sector Capacity	7	215,348	92,904	2,343,351
Improving Upstream and Downstream PFM Service Delivery Systems in Health and Education	8	1,984,935	950,243	4,104,695
Project Management & Just -in-Time Resources	9	628,628	410,747	2,325,056
<b>Total Payments</b>		<b><u>4,493,055</u></b>	<b><u>2,572,906</u></b>	<b><u>19,351,681</u></b>
Excess of receipts over payments (payments over receipts)		(75,132)	(398,486)	771,121
Fund Balance as at beginning		846,253	1,244,739	-
Cumulative fund balance		<b><u>771,121</u></b>	<b><u>846,253</u></b>	<b><u>771,121</u></b>

*The notes on pages 8 to 13 are integral part of these project financial reports.*




STATEMENT OF FUND BALANCE AND CASH STATUS		
FOR THE PERIOD ENDED DECEMBER 31, 2024		
<i>In United States Dollars</i>	December 31, 2024	December 31 2023
<b>A Fund Balance</b>		
Balance of Project Fund	846,253	1,244,739
Add: Total Receipts during the period	4,417,923	2,174,421
Total Fund available for operations	5,264,176	3,419,160
Less: Total Payments during the period	4,493,055	2,572,906
Balance of project fund at the end of the year	771, 121	846,253
<b>B Cash Status:</b>		
Cash at Bank	771,121	846,253
Total Cash on hand and in bank	771,121	846,253
Difference between A and B	-	-

The notes on pages 8 to 13 are integral part of these project financial reports.

STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2024

<i>In United States Dollars</i>	December 31, 2024	December 31, 2023
<b>Assets</b>		
Cash and cash equivalent	771,121	846,253
Total Assets	771,121	846,253
<b>Fund Balance</b>		
Grants	771,121	846,253
<b>Accumulated Fund Balance</b>	771,121	846,253

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

  
Feb 7, 2025  
Momo K. Lombeh  
Project Manager  
MFD

The notes on pages 8 to 13 are integral part of these project financial reports.



## **NOTES TO THE FINANCIAL STATEMENTS**

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

With support from the World Bank; the Public Financial Management Reforms for Institutional Strengthening -project is geared towards improving domestic revenue mobilization systems, and strengthen financial control and accountability in public finances. The PFMRIS project was approved by the World Bank on September 15, 2019, with a grant amount of USD 19 Million. The aims of the project are:

- i. To design to improve taxpayer service and compliance to mobilize sufficient resources for the delivery of public services
- ii. To design to finance the introduction of the IFMIS (including the Civil Service Module (CSM) in approximately 35 of the remaining 57 Ministries and Agencies 12, as well as stabilize and strengthen IFMIS implementation across MACs. It will also finance the integration of IFMIS and other IT systems, including the coverage of the Government's PFM systems and control for effective fiscal and financial accounting to allow for timely and accurate financial reporting.
- iii. Will boost internal and external oversight by strengthening core accountability and integrity institutions, as well as providing support for the ability of civil society to participate in evidence- based policy discussions.
- iv. To reduce the extent of existing core PFM-related bottlenecks within the chosen sectors that significant impede the goal of improved service delivery systems, a necessary precondition toward improving Liberia's human capital. The selected agencies-Ministry of Health (MoH) and Ministry of Education (MoE)-lack the administrative capacity to set realistic targets, evaluate results, and make use of performance assessments in their resource allocations and management decisions. The component will support strengthened coordination between various programs being implemented in the two sectors, including approaches and funding mechanisms. The component will help to streamline service delivery processes, avoid duplication, and prevent the increase of changes of corruption. It will also address the need to focus on key processes necessary to establish a planning and budgeting system that creates incentive to focus on and contribute to the improvement of service delivery outcomes
- v. To ensure the effective, proper management, and results-driven implementations of the project, as well as to provide the just-in0time interventions that may arise.

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

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

**STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

*In United States Dollars*

**Activities Within Components**

	Project Allocation	Annual	Actual Ex- penditure	Variance
	\$	\$	\$	\$
Enhancement of Systems for Domestic Resource Mobilization	7,790,000	924,201	924,201	-
Stabilizing and Strengthening Financial Controls and Performance	6,266,491	1,036,216	739,943	296,273
Improved Oversight and Public-Sector Capacity	3,020,000	215,348	215,348	-
Improving Upstream and Downstream PFM Service Delivery Systems in Health and Education	4,300,000	1,984,935	1,984,935	-
Project Management & Just -in-Time Resources	2,941,960	639,411	628,628	10,783
<b>Total</b>	<b>24,318,451</b>	<b>4,800,111</b>	<b>4,493,055</b>	<b>307,056</b>

**Variance Explanation**

Variances in expenditure are as a result of project commitments that were completed on or before October 31, 2024 but are yet to be paid in the disbursement window period up to February 28, 2025.

*The notes on pages 8 to 13 are integral part of these project financial reports.*



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

<b>Category</b>	<b>Amount of grant allocated Expressed in US\$</b>	<b>% of Ex- penditure to be fi- nanced</b>
Enhancing Domestic Revenue Mobilization Source and Systems	7,790,000	100
Stabilizing and Strengthening Performance of Financial Controls and Systems	6,266,491	100
Improving Public-Sector Capacity for Enhanced Oversight and Accountability	3,020,000	100
Improving Upstream and Downstream PFM Systems in Selected Sectors	4,300,000	100
Project Management	2,941,960	100
<b>Total</b>	<b>24,318,451</b>	

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

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

### **Tax**

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

## **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 PFMRISP'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 the donors for the PFMRISP 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 in to another bank account called the designated account. All payments for the PFMRISP project and activities are made from the designated account.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Cash and bank balances

Cash consist of cash in hand and balance at bank.

<i>In United States Dollars</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>Cumulative</b>
<b>4 a Finds Received in</b>			
IDA D5060		-	1,985,000
TF B3178			
IDAD5060	1,755,414	2,172,778	15,472,925
TF B8901	2,662,509	-	2,662,509
Sale of bids	-	<b>1,643</b>	2,368
<b>Total funds received in DA</b>	<b><u>4,417,923</u></b>	<b><u>2,174,421</u></b>	<b><u>20,122,802</u></b>
<b>4 b Third Party Payments</b>			
IDA D5060 -Direct payment	-	-	-
TF B3178-Direct payment	-	-	2,499,744
IDAD5060-Direct Payment	205, 836	-	
TF B8901 -Direct payment	-	329,338	329,338
	<b><u>205,836</u></b>	<b><u>329,338</u></b>	<b><u>2,829,082</u></b>
<b>5 Enhancement of Systems for Domestic Resource Mobilization</b>			
Improve Tax Policy		105,354	609,659
Capacity Development and Strengthening the Technological Basis of Tax Administration		802,230	
	924,201		5,498,868
	<b><u>924,201</u></b>	<b><u>907,584</u></b>	<b><u>6,108,527</u></b>
<b>6 Stabilizing and Strengthening Financial Controls and Performance</b>			
IFMIS Improvement & Rollout Support	174,000	125,515	2,847,473
Enhancing the Budget Framework	42,170	900	511,439
Preparing for Modernization of Procurement Systems in the Public Sector	435,841	81,774	973,087
Open Data	87,931	3,240	138,053
	<b><u>739,943</u></b>	<b><u>211,428</u></b>	<b><u>4,470,052</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7 Improved Oversight and Public-Sector Capacity

Improving Parliamentary, Internal  
and External Oversight Effectiveness

Institutional Capacity Building

206,337	63,694	1,654,938
9,011	29,210	688,414
<b>215,348</b>	<b>92,904</b>	<b>2,343,351</b>

### Improving Upstream and Downstream PFM Service

### 8 Delivery Systems in Health and Education

Strengthening Foundations for Improved PFM Systems in the  
Health and Education Sectors

Improving PFM Systems in the Health and Education Sectors

Improving PFM Systems in the health and Education sectors

21,969	441,485	-
972,283	712,682	-
990,684	237,561	1,728,244
<b>1,984,935</b>	<b>950,243</b>	<b>4,104,695</b>

### 9 Project Management & Just -in-Time Resources

Project Management and Establishment of the PMU

628,628	410,747	2,325,056
<b>628,628</b>	<b>410,747</b>	<b>2,325,056</b>

### 10 Cash receipts through grant and other Sources

IDA grant

<b>4,417,923</b>	<b>2,174,421</b>	<b>20,122,802</b>
------------------	------------------	-------------------

### 11 Cash paid

Enhancement of Systems for Domestic Resource  
Mobilization

Stabilizing and Strengthening Financial Controls and  
Performance

Improved Oversight and Public-Sector Capacity

Improving Upstream and Downstream PFM Service

Delivery Systems in Health and Education

Project Management & Just -in-Time Resources

**Total Payments**

924,201	907,584	6,108,527
739,943	211,428	4,470,052
215,348	92,904	2,343,351
1,984,935	950,243	4,104,695
628,628	410,747	2,325,056
<b>4,493,055</b>	<b>2,572,906</b>	<b>19,351,681</b>

The third-party payments of US\$205,836.39 which are direct payments have been extracted from the total funds receipt and the total payments made. These payments are available for review upon request by the auditors.

**NOTES TO THE FINANCIAL STATEMENTS (Continue)**

**PROJECT DESIGNATED ACCOUNT STATEMENT**

**Account Number:** 6101714182, 6101672542 & 6101829452  
**Account Type:** Current Account  
**Depository Bank:** Eco Bank Liberia Ltd.  
**Address:** 11th Street, Sinkor  
Monrovia, Liberia

**Currency: United States Dollar**

	<i>In United States Dollars</i> <b>December 31, 2024</b>	<i>In United States Dollars</i> <b>December 31, 2023</b>
Total Fund Received	<b>4,417,923</b>	<b>2,174,421</b>
<b>Total funds received in DA</b>	<b>4,417,923</b>	<b>2,174,421</b>
Amount spent	<b>(4,493,055)</b>	<b>(2,572,906)</b>
Balance as at beginning	<b>846,253</b>	1,244,739
<b>Balance as at December 31, 2024</b>	<b>771,121</b>	<b>846,253</b>
<b>Closing Balance Consist of:</b>		
Petty Cash- PMU		
Petty Cash- RCU		
Petty Cash- IFMIS		
Petty Cash- GRPB-NUC		
IDA Designated a/c - Eco Bank	<b>725,183</b>	<b>523,124</b>
AF Designated a/c - Eco Bank	<b>753</b>	<b>1,053</b>
1053IDA DLI a/c - Eco Bank	<b>45,185</b>	<b>322,076</b>
	<b>771,121</b>	<b>846,253</b>