



Management Letter

On the Financial Statements Audit of Rural Economic Transformation Project (RETRAP)

For the Year Ended December 31, 2024



Promoting Accountability of Public Resources

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

Monrovia, Liberia
May 2024

Table of Contents

1	DETAILED FINDINGS AND RECOMMENDATIONS	6
1.1	Governance.....	6
1.1.1	No Evidence of Periodic Activities and Performance Reports for Beneficiaries of Matching Grants	6
1.1.2	No Access to Essential Farm Supplies	8
1.2	Financial Reporting.....	11
1.2.1	Variances between the Interim Financial Reports and the Financial Statements (Receipts)	11
1.2.2	Inadequate Disclosure of Cash Balances.....	14
1.2.3	Inappropriate Accounting Treatments of Receipt.....	15
1.2.4	Irregularities Associated with Cash Received for Tricycles	17
1.3	Personnel Management	18
1.3.1	Lack of Required Personnel	18
1.4	Procurement Management	20
1.4.1	Irregularities Associated with Construction of Mechanization Centers and Warehouses .	20
1.4.2	Non-Functional Grantees' Businesses	24
1.4.3	Payment without Evidence of Functional Software.....	27
1.5	Expenditures Management.....	29
1.5.1	Transactions without Adequate Supporting Documents.....	29
1.6	Fixed Assets Management	31
1.6.1	Irregularities Associated with LACF Beneficiaries	31
1.7	Inventory Management	36
1.7.1	Irregularities Associated with Inventory Management	36
2	STATUS OF PRIOR YEAR'S AUDIT RECOMMENDATION	39

ACRONYMS USED

Acronym	Meaning
AG	Auditor General
FCCA	Fellow Member of the Association of Chartered Certified Accountant
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Practitioner
CoBit	Control Objectives for Information and Related Technology
COSO	Committee of Sponsoring Organization of the Treadway Commission
CPA	Certified Public Accountant
GAC	General Auditing Commission
GoL	Government of Liberia
IFMIS	Integrated Financial Management Information System
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standard of Supreme Audit Institutions
IT	Information Technology
MFDP	Ministry of Finance and Development Planning
MoA	Ministry of Agriculture
MoCI	Ministry of Commerce and Industry
PIM	Project Implementation Manual
PFM	Public Finance Management
PIU	Project Implementation Unit
LACF	Liberia Agricultural Commercialization Fund
PV	Payment Voucher
RETRAP	Smallholder Agriculture Transformation and Agribusiness Revitalization Project

June 28, 2025

Hon. J. Alexander Nuetah, PHD

Minister

Ministry of Agriculture

Ellen Johnson Sirleaf Ministerial Complex, Congo Town

Monrovia, Liberia

Dear Hon. Nuetah:

Management Letter on the Financial Statements Audit of the Rural Economic Transformation Project (RETRAP) for the Year ended December 31, 2024

The financial statements of RETRAP are subject to audit by the Auditor-General in terms of Section 2.1.3 of the New GAC Act of 2014 as well as the Engagement Terms of Reference.

INTRODUCTION

The audit of RETRAP for the year ended December 31, 2024 was completed and the purpose of this letter is to bring to your attention the findings that were revealed during the audit.

SCOPE AND DETERMINATION OF RESPONSIBILITY

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). 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 will also include 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 Project's Management at the Ministry of Agriculture (MoA). Our responsibility is to express our opinion on these financial statements.

Key Personnel of the Project

During the period under audit the following personnel managed the affairs of the STAR-P

Name		Tenue
J. Alexander Nuetah, PHD	Minister	2024-Present
Galah Toto	National Project Coordinator	2022-Present
Tarnue Jeke	Operation Manager	2022-Present
Henrique Nea Urey, CA,CISA CPA	Financial Management Specialist	2024-Present
Clark D. Geddeh	Project Accountant	2022-Present
Dean E. Kulah	Procurement Officer	2022-Present
Albert Harris	M&E Officer	2022-Present
G. Moses Zolue	Project Agronomist	2022-Present

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

Thank you as we strive to promote accountability, transparency, and good governance across the Government of Liberia.

APPRECIATION

We want to express our appreciation for the courtesy accorded and assistance rendered by the RETRAP Project Implementation Unit (PIU) staff of the Ministry of Agriculture (MoA) during the audit.

Sincerely,

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



1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Governance

1.1.1 No Evidence of Periodic Activities and Performance Reports for Beneficiaries of Matching Grants

Criteria

- 1.1.1.1 Section 9.1, Contract Preparation, of the Approved LACF Manual states: Once the FAC has given approval for a particular project to be funded, the FM will ensure that the grantee revises the Business Plan and includes all the recommendations of the Independent Investment Committee, the FAC, the World Bank and IFAD and any matters arising from the one-on-one sessions during the induction workshop. The FM will also review the documentation for consistency. The final figures for the total funding awarded will be agreed and the terms and conditions will be finalized. The contract commits the parties to the following:
- The Grantee will implement the project for which LACF funds have been made available in accordance with the approved Business Plan (and Annexes) plus any other obligations imposed by the IIC as a condition of funding:
 1. The Grantee will invest its own resources into the project as set out in the Business Plan;
 2. The Grantee will report on the progress and impact of the project as required by LACF; and
 3. The Grantee will sustain and further develop the project - if successful – following utilization of the LACF funds.
- 1.1.1.2 The principal features of each contract will include:
- Any special terms and conditions set either by the Independent Investment Committee or the FM.
 - The funding of the project from all sources including schedules for investment by LACF and the grantee.
 - The withholding of 10% of total awarded funds until the end of year 2 of project implementation, pending full and satisfactory reporting from the grantee.
 - The obligation of the grantee to supply regular monitoring reports and annual evaluation reports and to maintain financial statements, records, and other information on the Project for subsequent third-party evaluation.
 - The right of reasonable access to the Project and Project information on the part of the FM or his authorized representative.

Observation

- 1.1.1.3 During the audit, we observed no evidence of periodic activities and performance reports of beneficiaries of matching grants comprehensively cataloguing acquisition and utilization of farming inputs, harvest and production activities, financial performance of the business and personnel records etc. to validate the capacity development of grantees consistent with the project's objectives.

Risk

- 1.1.1.4 Significant activities, achievements, challenges and measures to mitigate challenges of grantees may not be adequately identified and documented. This may impair the performance measurement of grantees and the development of remediation strategy to address existing challenges and constraints.
- 1.1.1.5 Information to facilitate institutional memory, expedite learning curves and provision of current administrative and operational status of the project may not be available.

Recommendation

- 1.1.1.6 Management should facilitate the provision of technical assistance to aid grantee in the preparation of periodic activities and performance reports on a quarterly and annual basis. The reports should cover the approved goals for the matching grant activities, achievement against those goals, significant activities, challenges and measures to mitigate challenges in the near future. The report should also contain the grantee financial performance reports, bank statements and other relevant financial records to adequately inform stakeholders about the financial activities of the grantees.
- 1.1.1.7 The report should be submitted to the Fund Manager and the National Project Coordinator and should serve as a basis for the conduct of periodic monitoring and evaluation of grantees' administrative and financial performance. Discrepancies identified, upon revision of the reports by the Fund Manager and the National Project Coordinator should be investigated and resolved on a timely manner (where applicable). Evidence of periodic activities and performance reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.1.8 *"As part of their responsibilities under the LACF, grantees are required to submit quarterly reports detailing the implementation progress of their respective subprojects. To streamline this process and improve efficiency, we took the initiative to develop an online quarterly reporting platform. This replaced the previous manual, paper-based approach and was designed to support more consistent and accessible reporting."*
- 1.1.1.9 *The platform has been integrated into the Ministry of Agriculture's website, providing grantees with convenient access. It captures key project indicators such as employment data (permanent, casual, and youth employment), production figures, financial and sales records, challenges encountered, among others. This information, submitted quarterly by grantees, is automatically fed into a dedicated dashboard created for the Project Implementation Unit (PIU) Monitoring and Evaluation (M&E) team to support their oversight responsibilities."*
- 1.1.1.10 *We have actively supported both the grantees and project team in understanding and using the platform. We have conducted several orientation and training sessions to walk*

them through the reporting forms and how to interpret the dashboard. Additionally, full access to the dashboard has been granted to the PIU team as well as to the internal auditors to ensure transparency and facilitate monitoring.”

Auditor General’s Position

- 1.1.1.11 Management’s assertions were not supported by documentary evidence. During our physical verification at the grantees’ businesses, we obtained no evidence that grantees maintained records/ reports cataloguing acquisition and utilization of farming inputs, harvest and production activities, financial performance of the business and personnel records. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.1.2 No Access to Essential Farm Supplies Criteria

- 1.1.2.1 Section 2.4, Project Components, of the approved Project Implementation Manual (PIM) states: “Sub-component 2.2: Support to agribusinesses and business development service enterprises The objective of this window is to establish linkages along the value chains of the selected commodities between farmers and agribusinesses and BDSPs. Support will be provided through window 3 of the LACF to the agribusinesses and BDSPs to develop business proposals that links smallholder farmers with commercial markets.”
- 1.1.2.2 Section 2.5.1, Project Implementation, of the approved Project Implementation Manual (PIM) states: “Sub-component 1.3: Capacity Building for selected Private Sector and non-State Institutions. The Agri-business and Business Development Officer will lead the PIU team under the overall guidance of the Project Coordinator to oversee the implementation of this sub-component. The team will engage the services of technical specialist to provide training and capacity strengthening activities for selected private sector and non-state actors. The following specific activities will be undertaken.
- Capacity building to agribusinesses with good business linkage plans with smallholder farmers focusing on SMEs and large firms providing upstream and downstream services such as mechanization, logistics, packaging and distribution in targeted value chains;
 - Technical assistance and training to umbrella bodies representing the value chain actors such as the Liberia Business Association (LIBA), the Farmers’ Union Network (FUN), and the Agribusiness Investment Network (AIN);
 - Support for establishing and/or institutionalizing rice and oil palm value chain stakeholder forum;
 - Capacity building for Agribusiness focusing on investing in farmer resilience. The project will promote an approach called “Resilient Supply Chains” as a means to leverage action through public-private partnerships.”

Observation

- 1.1.2.3 During the audit, we observed no evidence that Management facilitated the creation of a value chain system to enhance access to market and aid farmers in identifying

potential suppliers and customers consistent with the project's objectives. As a result, many farmers have experienced minimal access to upstream services: farming inputs such as seedling, fertilizers, feeds for livestock, farming equipment, etc. and downstream services: farming outputs such as milled rice, palm oil, chicken and pig products, etc. For instance, we observed that many Farmers in the piggery and poultry sectors were have difficulties sourcing feeds for their livestock.

Risk

- 1.1.2.4 Limited access to markets and potential suppliers and customers may impair the production of commodities and sales of agri-product of farmers. This may impair grantee activities and subsequently the achievement of the project's objectives.
- 1.1.2.5 Value for money may not be achieved and project resources may not be optimized.

Recommendation

- 1.1.2.6 Management should facilitate the creation of a comprehensive market information system cataloging information on providers of upstream and downstream commodities and services. The database should be made accessible in real-time on a mobile application to enhance accessibility to all stakeholders, improve access to markets and identification of potential suppliers and customers.
- 1.1.2.7 Management should perform a comprehensive value-chain survey for upstream and downstream commodities/service, identify areas of scarcity in commodities /services, and demand for existing commodities/services. Subsequently, Management should diversify and increase investment in areas of scarcity in commodities /services and reduce investments in commodities/services with low demand.
- 1.1.2.8 Management should facilitate periodic monitoring and evaluation of the value chain system for upstream and downstream commodities/services. Discrepancies identified should be investigated and utilize to inform future investment portfolio.
- 1.1.2.9 Management should facilitate the conduct of periodic trade fairs, seminars and conferences for stakeholders to enhance visibility amongst stakeholders, disseminate information about emerging business opportunities and technology (including the proposed market information system, results of value chain survey, discrepancies identified from periodic monitoring and evaluation and to provide a platform for international market opportunities.
- 1.1.2.10 Evidence of the market information system, value-chain survey for upstream and downstream commodities/service, periodic monitoring and evaluation reports and, activities report from the periodic trade fairs, conferences and seminars should be adequately documented and filed to facilitate future review.

Management's Response

- 1.1.2.11 *"We acknowledge the concerns raised by the audit team regarding the challenges faced by farmers in the piggery and poultry sectors in sourcing feed for their livestock, as well as the difficulties rice farmers encounter in finding buyers for milled rice. To provide accurate context and clarification, we offer the following insights.*
- 1.1.2.12 *Historically, Liberia had two formal poultry hatcheries, both of which ceased operations due to management failures. As a result, these hatcheries remain closed, requiring the project to source chicks from Côte d'Ivoire and Germany to support farmers. Additionally, Liberia currently has one major animal feed production facility, UCI.*
- 1.1.2.13 *To address these challenges, the project has undertaken significant initiatives to strengthen the poultry and piggery sectors. These efforts include establishing a model piggery farm and launching the Livestock Farmers Field School Platform, which promotes improved pig production practices—such as the development of nutritionally balanced pig feed using locally available raw materials. These initiatives are being implemented through a public-private partnership involving the Ministry of Agriculture, RETRAP, Nimba Livestock Cooperative, and the College of Agriculture and Food Sciences at Nimba University. Furthermore, the project has extended support through a grant scheme to enhance the capacity of SHED Liberia, a commercial poultry feed production and distribution company. This initiative aims to alleviate the challenges associated with accessing high-quality poultry feed in the country. Additionally, the project through one of its beneficiaries, Passion Poultry Farm, has initiated discussion with the Koudjis Group to establish seamless means through which livestock farmers can source animal feed by consolidating request through a single and registered business. These results were derived from various public private dialogues organized and supported by the project through a TA (Nextier) hired for a one-year period.*
- 1.1.2.14 *Regarding market access for rice farmers, the project organized three PPD meetings to identify the challenges and possible solution to the pricing issue with local rice. The dialogue focused on the causes for high production cost which is affecting the market. The PPD led to an agreed price for paddy rice from the producers and agreed price for milled rice from the processors. Most of these processors have a huge market with WFP and Mary's Meal under the home-grown school feeding project. They have not been able to meet the demands of the programs due to multiple other reasons which are beyond the scope of the project. We are currently in discussion with WFP to bring them together with the processors to resolve some of the issues raised including transportation cost because the processors are responsible to transport the supplies to individual schools which drive their cost high."*

Auditor General's Position

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

1.2 Financial Reporting

1.2.1 Variances between the Interim Financial Reports and the Financial Statements (Receipts)

Criteria

- 1.2.1.1 Paragraph 1.3.0 of the IPSAS Cash Basis of Accounting requires that the Statement of Cash Receipts and Payments present the following amounts for the reporting period: (a) Total cash receipts of the entity showing separately a sub classification of total cash receipts using a classification basis appropriate to the entity's operations; (b) Total cash payments of the entity showing separately a sub classification of total cash payments using a classification basis appropriate to the entity's operations; and (c) Beginning and closing cash balances of the entity.

Observation

- 1.2.1.2 During the audit, we observed no evidence that cash receipt amounting to US\$606,837 were disclosed on the face or in the notes to the financial statements (where applicable). **See Table 1 for details**

Table 1: Variances between the Interim Financial Reports and the Financial Statements (Receipts)

Description	Qtr. 2 (Apr-Jun) US\$ B	Total for 4 Quarters (IFRs) US\$ E=A+B+C+D	Year-to-date as Reported in Q4 IFR US\$ F	Financial Statements (2024) US\$ G	Variance US\$ H=E-G	Variance US\$ J=(E-F)
Receipts:						
DA-B Ecobank Liberia Limited	5,244,420.48	5,244,420	5,244,420	5,244,420	-	-
PPA Funds	606,837	606,837			606,837	606,837
RETRAP Additional Financing	9,570,650	9,570,650	9,570,650	9,570,650	-	-
LACF Operational (Direct Payment)	5,038,015	5,038,015	5,038,015	5,038,015	-	-
Total Receipts	20,459,923	20,459,923	19,853,086	19,853,086	606,837	606,837



Risk

- 1.2.1.3 The completeness and accuracy of receipts/revenue may not be assured; therefore, the financial statements may be misstated. Management may not account for all of its transactions.
- 1.2.1.4 Non-disclosure of refunds from third parties in the notes to the financial statements may impair fair presentation and full disclosure of the financial statements.

Recommendation

- 1.2.1.5 Management should adjust the financial statements to include on the face and in the notes to the financial statements cash receipts from the Bank amounting to US\$606,837, with details catalogued in Table 1 above. The adjusted financial statements should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter.
- 1.2.1.6 Going forward, Management should facilitate full and adequate disclosure of receipts/revenue on the face and in the notes to the financial statements (where applicable).
- 1.2.1.7 All periodic financial statements should be prepared and reviewed by personnel with the relevant qualifications, experience and seniority to ensure that the financial statements are adequately prepared including the relevant disclosures as required.
- 1.2.1.8 Management should conduct periodic reconciliation between the Interim Financial Reports and the annual financial statements. Variances identified should be investigated and adjusted where applicable in a timely manner. Evidence of periodic reconciliation reports should be adequately documented and filed to facilitate future review.
- 1.2.1.9 All approved periodic Interim Financial Reports and annual financial statements along with all relevant supporting records should be adequately documented and filed to facilitate future review.

Management's Response

- 1.2.1.10 *The US\$606,837 recorded in Quarter 2 2024, IFR as receipts and payments, does not represent actual expenses incurred in 2024. Instead, this amount reflects an adjustment for the PPA (project preparation advance) payments made at the project's inception, which has been incorporated into the project's cumulative expenses following the bank's FMS recommendation. Consequently, we chose not to present this amount on the financial statement, as it does not impact on the income and expenses for the year ending December 2024.*

Auditor General's Position

- 1.2.1.11 We acknowledge Management's assertion for the non-inclusion of the Project

Preparatory Advance in the current year financial statements because these transactions were previously recorded in the prior year financial statements. However, recording these transactions in quarter 2 Interim Financial Report to adjust for the non-inclusion of these transactions in the prior year Interim Financial Reports impairs the completeness, accuracy, fair presentation, and effective review and reconciliation of the Interim Financial Reports. Management should therefore adjust the quarter 2 Interim Financial Report to reverse the transaction and restate the prior year Interim Financial Reports to reflect the actual timing of the receipts.

- 1.2.1.12 Evidence of restated Interim Financial Reports and corresponding authorized journal vouchers should be submitted to the Office of the Auditor General, within 30 days upon the issuance of the Auditor General's Report to the National Legislature.

1.2.2 Inadequate Disclosure of Cash Balances

Criteria

- 1.2.2.1 Paragraph 1.3.8 of IPSAS Financial Reporting Under Cash Basis of Accounting, November 2017, states: "Notes to the financial statements include narrative descriptions or more detailed schedules or analyses of amounts shown on the face of the financial statements, as well as additional information. They include information required and encouraged to be disclosed by this standard and can include other disclosures considered necessary to achieve a fair presentation and enhance accountability."

Observation

- 1.2.2.2 During the audit, we observed that the financial statements did not disclose in the notes the financial statements the details of all bank accounts, constituting the closing cash balance in the bank. We observed no evidence of disclosure of the following details such as bank account titles, banking institution at which the accounts were domiciled, and the individual account balances. Specifically, Note 4: Cash and Cash Equivalents only disclosed the bank balance in aggregate (as a bulk figure).

Risk

- 1.2.2.3 Fair presentation and full disclosure of closing cash balance in the financial statements may be impaired.
- 1.2.2.4 The non-disclosure of the details of closing cash balances may deny stakeholders information useful for informed decision making.

Recommendation

- 1.2.2.5 Management should adjust the financial statements to include in the notes to the financial statements for each closing cash balance: details such as bank account titles, banking institution at which the accounts were domiciled, and the individual account balances. The adjusted financial statements should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter.

- 1.2.2.6 Going forward, Management should ensure that full and adequate disclosures are made in the financial statements consistent with Part 1.3.8 of the Revised Cash Basis IPSAS (November 2017). The details of bank account titles, banking institution at which the accounts were domiciled, and the individual account balances should be disclosed for closing balances in the notes to the financial statements.

Management's Response

- 1.2.2.7 *Following the audit's recommendations, full disclosure has been made in note 4 of the financial statements, as detailed below: Cash comprises the following allocations:*
- *RETRAP designated account (6101858212) for original financing: US\$9,758.00*
 - *RETRAP Operational account (6101850132): US\$8,713,889.28*
 - *RETRAP LACF account (6101895892): US\$4,450,599.00*
 - *RETRAP Additional Financing Designated Account (6101932422): US\$78.00*
 - *Petty cash: US\$63.00*
 - *Advance payment to Aminata & Sons for fuel: US\$59,650.53.*
- 1.2.2.8 *The balance of the advance payment to Aminata & Sons is maintained by the vendor, who provides fuel on a monthly or quarterly basis for operational needs. The total amount of cash and cash equivalents at year-end is US\$13,234,038.81 (Thirteen million two hundred thirty-four thousand thirty-eight and 81/100 United States dollars)*

Auditor General's Position

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

1.2.3 Inappropriate Accounting Treatments of Receipt Criteria

- 1.2.3.1 1.3.27 of the IPSAS Financial Reporting under the Cash Basis of Accounting states that: "Financial Statements shall present information that is:
- a. Understandable
 - b. Relevant to the decision-making and accountability needs of users;
 - c. A faithful representation of the cash receipt, cash payments, and cash balance of the entity and other information disclosed in the financial statement in that it is:
 - i. Complete;
 - ii. Neutral, and
 - iii. Free from material error;
 - d. Comparable;
 - e. Timely; and
 - f. Verifiable

Observation

- 1.2.3.2 During the audit, we observed that Management received claims of US\$3,920.00 from

Sunu Assurance for one of its insured motorbikes involved in an accident. However, this receipt was recognized as a reduction(credit) of expenditures in the Machinery, Furniture & Transport Equipment account (312201) rather than recognizing the claim as a receipts/revenue in the accounting system.

Risk

- 1.2.3.3 The completeness and accuracy of revenue and expenditures may not be assured; therefore, the financial statement may be misstated.
- 1.2.3.4 Fair presentation and full disclosure of closing cash balance in the financial statements may be impaired.

Recommendation

- 1.2.3.5 Management should adjust the financial statements to reverse the incorrect recognition of the claims as an expenditure, credit the receipt account and disclose on the face and in the notes to the financial statements receipts from claims under the caption Other Receipts. The adjusted financial statements should be submitted to the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.2.3.6 Going forward, Management should ensure that full and adequate disclosures are made in the financial statements consistent with Part 1.3.8 of the Revised Cash Basis IPSAS (November 2017). The details of all cash receipts should be adequately disclosed on the face and in the notes to the financial statements where applicable.
- 1.2.3.7 Management should ensure that financial statements are prepared and reviewed by personnel with the relevant qualifications, experience and seniority to ensure that financial statements are adequately prepared reflective of the comprehensive transactions of the projects.

Management's Response

- 1.2.3.8 *Management has addressed the query concerning the adjustment of the financial statement to categorize the US\$3,920 insurance claims from Sunu Assurance for the motorbike involved in the accident as other income. Additionally, we have modified the asset expense reduction to reflect an increase instead of a decrease. By the audit's recommendations, the required adjustments have been made to the financial statements, and the final version has been signed and approved by Management. For further information, please refer to the attached document.*

Auditor General's Position

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

1.2.4 Irregularities Associated with Cash Received for Tricycles

Criteria

- 1.2.4.1 1.3.27 of the IPSAS Financial Reporting under the Cash Basis of Accounting states that:
"Financial Statements shall present information that is:
- g. Understandable
 - h. Relevant to the decision-making and accountability needs of users;
 - i. A faithful representation of the cash receipt, cash payments, and cash balance of the entity and other information disclosed in the financial statement in that it is:
 - iv. Complete;
 - v. Neutral, and
 - vi. Free from material error;
 - j. Comparable;
 - k. Timely; and
 - l. Verifiable

Observation

- 1.2.4.2 During the audit, we observed that Management received in total US\$320,000.00 from the distribution of tricycles to project beneficiaries. However, this receipt was not disclosed in the notes to the financial statements.
- 1.2.4.3 We also observed that the funds were deposited into a bank account maintained and controlled by the Ministry of Agriculture. However, we observed no evidence of an MOU, budget and work plan that outlined the purpose of the funds, the nature of activities and internal controls for the financial management of the funds.
- 1.2.4.4 In addition, we observed no evidence of a written resolution from the National Project Steering Committee that substantiates the authorization of the transfer of the funds to the Ministry of Agriculture.

Risk

- 1.2.4.5 The completeness and accuracy of revenue may not be assured; therefore, the financial statements may be misstated.
- 1.2.4.6 Deposits of project funds in bank accounts not controlled by the project may impair accountability and facilitate misappropriation of project funds.

Recommendation

- 1.2.4.7 Management should account for receipts/revenue from distribution of tricycles and adjust the financial statements to include the receipts in the notes to the financial statements. The adjusted financial statements should be submitted to the Office of the Auditor General, as part of Management's response to this Management Letter.

- 1.2.4.8 Going forward, Management should ensure that full and adequate disclosures are made in the financial statements consistent with Part 1.3.8 of the Revised Cash Basis IPSAS (November 2017). The details of all cash receipts should be adequately disclosed in the notes to the financial statements where applicable.
- 1.2.4.9 Management should liaise with the National Project Steering Committee to formulate a proposal for the usage of the funds from the sales of tricycles. Evidence of the approved proposal and subsequent usage of the funds should be adequately documented and filed to facilitate future review.

Management Response

- 1.2.4.10 *a. Management acknowledges the observation and has included the receipt in the notes to the financial statements.*
- 1.2.4.11 *b. Based on advice received, the project team used an existing Ministry of Agriculture (MOA) account for depositing the tricycle matching contribution. The team is working with MOA senior management to determine the appropriate use of the funds. Upon reaching a decision, an MOU will be developed to formalize the arrangement. The implementation plan will be incorporated into the project's FY2026 Annual Work Plan and Budget (AWP&B), subject to approval by the National Steering Committee (NSC).*
- 1.2.4.12 *c. The National Steering Committee (NSC) serves as the project's governing body and approves all annual work plans and budgets. Accordingly, the use of the tricycle matching contribution funds will be reflected in the FY2026 AWP&B and implemented upon NSC approval.*

Auditor General's Position

- 1.2.4.13 We acknowledge Management's acceptance of our findings, recommendations and subsequent adjustment of the financial statements. We will follow-up on the implementation of our recommendations during subsequent audit.

1.3 Personnel Management

1.3.1 Lack of Required Personnel

Criteria

- 1.3.1.1 Section 2.5, Project Implementation and Targeting, of the Approved Project Implementation Manual state: "Advisory services, under Component 1, will be available to eligible beneficiaries to prepare investment proposals and ensure the applicant has the capacity to implement the proposed investment.
- 1.3.1.2 The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Controls Framework requires that "management should interpret the

regulations and procedures and develop into its own human resources policies and procedures. The human resource policy should regulate matters such as orientation, training, promotions, and compensation. This policy also explains the minimum qualification and experience criteria for recruiting skilled and competent staff, training and continuous development of employees, skills retention and monitoring of the competency of staff in place to ensure that skilled and competent staff is retained and assessed."

Observation

- 1.3.1.3 During the audit, we observed that the beneficiaries of the matching grant did not establish or maintain the required governance structure or employ the required number of staff as outlined by the LACF matching grant redemption contract guidelines. For instance, we observe no evidence of staff for key position such as accountant/book keeper, secretary or cashier responsible for overseeing and managing project funds.

Risk

- 1.3.1.4 Non-recruitment of key staff may impair segregation of duties and checks and balances in project operations. This may lead to non-achievement of project deliverables and objectives.
- 1.3.1.5 Beneficiaries may not have the required workforce needed to effectively and efficiently implement the project objectives and deliverables.

Recommendation

- 1.3.1.6 The Fund Manager and the PIU should liaise with the beneficiaries to facilitate the recruitment and maintenance of the required staff appropriate for the effective operations and growth of the beneficiary's entity.
- 1.3.1.7 The Fund Manager and the PIU should facilitate training and technical assistance for beneficiaries on good business practices to ensure the growth of beneficiary entities. Management should perform periodic monitoring and evaluation of the beneficiaries' operations to ensure that beneficiary entities are fully compliant with the Matching Grant Redemption Contracts.

Management's Response

- 1.3.1.8 *"The governance structure of grantees has emerged as a significant concern observed, during our 2024 and 2025 Use of funds field exercise. We have advised grantees on the importance of establishing an effective governance structure to ensure sound business management practices. These governance issues can be found in Environmental Social and Governance (ESG) Assessment Reports that was undertaken by the fund manager."*

Auditor General's Position

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

1.4 Procurement Management

1.4.1 Irregularities Associated with Construction of Mechanization Centers and Warehouses

Criteria

- 1.4.1.1 Section 41 (1) (a) to (c) of the Amended and Restated Public Procurement and Concessions (PPC) Act of 2010 states that "The Procuring Entity shall be responsible for the administration and monitoring of contracts entered into by the Entity. The contract administration functions shall include at least the following:
- Ensuring that the contractor complies with the specifications and terms of the contract;
 - Ensuring that the contract is being performed on schedule;
 - Ensuring that payments made to the contractors are in accordance with the terms of the contract.

Observation

- 1.4.1.2 During the audit, we observed the following irregularities associated with the construction of the markets and the mechanization Centers:

Construction of the Mechanization Center in Lofa:

- Infrastructure & Procurement Consultant Liberia Limited was awarded a contract of US\$338,754.50 to construct two (2) mechanization centers in Lofa (Voinjama and Foyah) County. Per the contract, the construction period was for 120 days, effectively commencing on January 16, 2024, and ending May 16, 2024.
- As of December 31, 2024, US\$248,613.76, representing 73% of the contract value, were paid to the contractor. However, none of the centers were completed at the time of our physical verification.
- The center being constructed in Foyah has been abandoned. We observed no evidence of construction activity (no construction workers or equipment were seen on site) during our physical verification. **See Table 2A for details.**

Table 2A: Payments for the Construction of Mechanization Centers in Lofa

No.	REF	Date	Payee	Description	Amount US\$
1	PV - 1544	2/22/2024	Infrastructure & Procurement Consultant Lib. Ltd	35% Pmt. for the completion the milestone for Lot-4	96,683.13
2	PV - 1639	4/17/2024	Infrastructure & Procurement Consultant	Pmt. for the completion of the second milestone	96,683.13

No.	REF	Date	Payee	Description	Amount US\$
			Lib. Ltd		
3	PV - 1752	7/1/2024	Infrastructure & Procurement Consultant Lib. Ltd	20% pmt. lot4 Foyah Center	55,247.50
Total					\$248,613.76

Construction of the Mechanization Centers in Nimba:

- MOABEL was awarded a contract of US\$387,470.94 to construct three (3) mechanization centers in Nimba, Bong, and Bomi Counties. Per the contract, the construction period was for 120 days, effectively commencing on January 16, 2024, and ending May 16, 2024.
- As of December 31, 2024, US\$294,602.22, representing 76% of the contract value, were paid to the contractor. However, only the center in Bong County of the three (3) centers was almost completed at the time of our physical verification. **See Table 2B for details.**

Table 2B: Payments for the Construction of Mechanization Centers in Nimba

No.	REF	Date	Payee	Description	Amount US\$
1	PV - 1548 CK#832	2/22/2024	MOABEL Inc.	35% Payment for the completion of the first milestone of works for Nimba Mechanization center	41,699.04
2	PV - 1547 CK#831	2/22/2024	MOABEL Inc.	35% Payment for the completion of the first milestone of works for Bong Mechanization center	40,972.27
3	PV - 1603 CK#892	4/3/2024	MOABEL Inc.	Pmt. for 35% completion of the Lot #2 Bong Mechanization Center.	40,972.27
4	PV - 1602 CK#893	4/3/2024	MOABEL Inc.	Pmt. for 35% completion of the Lot #3 Nimba Mechanization Center.	41,699.04
5	PV - 1681	5/17/2024	MOABEL Inc.	Pmt. for 35% completion of the first milestone of works completion for LOT 1 BOMI Mechanization Center	41,009.42
6	PV - 1749 - CK#992	6/28/2024	MOABEL Inc.	20% Payment for the completion of the third milestone covering 85% of works Completion	23,412.73
7	PV - 1750 CK#993	6/28/2024	MOABEL Inc.	20% Payment for the completion of the third milestone covering 85% of works Completion	23,828.03
8	PV - 1896	9/2/2024	MOABEL Inc.	Pmt. for the completion of the second milestone 70% of five centers	41,009.42
Total					\$294,602.22

Construction of Grantees' Warehouses:

- We observed that RETRAP/LACF made payments amounting to US\$76,827.66 for

the construction of warehouses. However, as at the time of our physical verification, none of these warehouses were completed. In addition, we observed no evidence of contracts, that established the duration of the construction. **See Table 2C below for details.**

Table 2C: Payments for Warehouses

No.	Beneficiary Names	Location	Value Chain	Approved Disbursement US\$
1	Rural Women and Girls Promotion	Nimba	Cassava	13,372.88
2	New Vision Integrated Farm Inc.	Bong	Animal Feed Production	11,752.36
3	Agro Animals Innovation Liberia	Montserrado	Piggery	37,658.50
Total				62,783.74

Risk

- 1.4.1.3 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.4.1.4 Project deliverables may not be implemented within the approved timelines. This may lead to increased overhead costs and non-achievement of project objectives.
- 1.4.1.5 Payments may be made for service not performed and value for money may be impaired.
- 1.4.1.6 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

- 1.4.1.7 Management should provide substantive justification why project deliverables were not completed within approved timelines and not performed consistent with approved specifications.
- 1.4.1.8 Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the outstanding and uncompleted markets and mechanization centers and update the Office of the Auditor General as part of Management's response to this Management Letter.
- 1.4.1.9 Going forward, Management should develop, approve and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should comprehensively catalog phases of deliverable and corresponding payments required to implement each phase of approved deliverables. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts.

- 1.4.1.10 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. Evidence of approved work plans, contracts and periodic monitoring and evaluation reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.4.1.11 **Mechanization Center in Lofa:** *There were several issues associated with delay in the timely completion of the Agriculture Mechanization Center in Foyah, Lofa County.*
- 1.4.1.12 **Transportation Challenge Due to Poor Road Conditions:** *The project started at the end of the dry season and transitioned into the rainy season, worsening already poor roads in Lofa and other parts of Liberia. This made the delivery of essential materials like sand and crushed rocks extremely difficult, causing repeated delays in construction and overall project completion for nearly all the sites.*
- 1.4.1.13 **Land Ownership Dispute:** *During the early stages of civil works and ministry officials' site inspections in Foyah, disputes arose over land ownership. Since construction could not proceed without resolving legal property rights, work was immediately halted until the matter was settled, leading to indefinite delays. However, the issue was resolved several months after and the contractor has resumed work and is expected to complete the construction on July 30, 2025.*
- 1.4.1.14 **Late Approval of Change Orders:** *Adjustments to the original contract, requested during a bank mission review, were delayed in getting approval by the ministry. This prevented timely modifications and slowed overall project progress. However, with approval of change orders, the contractor has remobilized labour and materials, aiming to complete the project within three months (ending July 30, 2025), as per the amended timeline.*
- 1.4.1.15 *Additionally, a new work schedule and strategy has been provided, including increased workforce and extended working hours to accelerate progress and meet completion timeline. Also, the team has strengthened site supervision through enhanced monitoring and frequent inspections to ensure continuous construction activities and prevent further abandonment. The project has instituted liquidated damages to all contractors of the Market project against delays.*
- 1.4.1.16 **Mechanization Center in Nimba:** *The key issue that led to the delay in the completion of the center was the late approval of change orders which was recommended by the world bank during one of its implementation support mission. The Bank requested that a chain-linked fence be built around all the mechanization centers. A change orders were prepared to incorporate the change to the site conditions but were delayed for approval by the ministry. The delay was due to thorough review of the*

change order and full understanding of the project by the new management team of the ministry. The delay in the change orders affected Bong, Nimba and Bomi sites.

- 1.4.1.17 *Since the approval of change orders, the contractors remobilized labour and materials, aiming to complete the project within the specified time, as per the amendment. Additionally, new completion work schedules developed to complete each site of the project. Supervision has been strengthened at all sites through improved monitoring and frequent inspections to ensure continuous construction activities and prevent further abandonment.*

Auditor General's Position

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

1.4.2 Non-Functional Grantees' Businesses

Criteria

- 1.4.2.1 Section 2.4, Project Components, of the approved Project Implementation Manual (PIM) states: "Sub-component 2.2: Support to agribusinesses and business development service enterprises The objective of this window is to establish linkages along the value chains of the selected commodities between farmers and agribusinesses and BDSPs. Support will be provided through window 3 of the LACF to the agribusinesses and BDSPs to develop business proposals that links smallholder farmers with commercial markets."
- 1.4.2.2 Section 2.5.1, Project Implementation, of the approved Project Implementation Manual (PIM) states: "Sub-component 1.3: Capacity Building for selected Private Sector and non-State Institutions. The Agri-business and Business Development Officer will lead the PIU team under the overall guidance of the Project Coordinator to oversee the implementation of this sub-component. The team will engage the services of technical specialist to provide training and capacity strengthening activities for selected private sector and non-state actors. The following specific activities will be undertaken.
- Capacity building to agribusinesses with good business linkage plans with smallholder farmers focusing on SMEs and large firms providing upstream and downstream services such as mechanization, logistics, packaging and distribution in targeted value chains;
 - Technical assistance and training to umbrella bodies representing the value chain actors such as the Liberia Business Association (LIBA), the Farmers' Union Network (FUN), and the Agribusiness Investment Network (AIN);
 - Support for establishing and/or institutionalizing rice and oil palm value chain stakeholder forum;

- Capacity building for Agribusiness focusing on investing in farmer resilience. The project will promote an approach called "Resilient Supply Chains" as a means to leverage action through public-private partnerships."

Observation

- 1.4.2.3 During the audit, we observed no evidence of business operations/ activities at the premise of the various grantees who had received matching grants funds during the period under audit. **See Table 3 for details.**

Table 3: Non-Functional Grantees' Businesses

No.	Beneficiary Names	Location	Value Chain	Status of Entity	Approved Disbursement US\$
1	Zean Gbondia Multipurpose farmers	Nimba	Cassava	Production/operations is yet to begin; Lack of Storage facility and No riders for the Tricycles.	31,549.82
2	New Vision Integrated Farm Inc.	Bong	Animal Feed Production	Production/operations yet to begin. Constructing is ongoing.	75,354.36
3	Quelu Farm	Montserrado	Poultry	No Operation/ production, the cold room was locked	261,518.00
4	Grain Coast	Montserrado	Piggery	Equipment are still in the Freeport of Monrovia; insufficient funds to clear from port of entry.	145,275.00
5	Ma Yassah Poultry Farm	Montserrado	Poultry	No evidence of Birds/chicken seen on the farm; the poultry was empty	66,448.00
6	Kodak Liberia Chicken	Montserrado	Poultry	Cold room was empty	115,505.94
7	P.M Mary D. Bordolo Poultry Farm	Montserrado	Poultry	No evidence of Birds seen on the farm and the farm CEO is currently ill.	32,260.00
9	JACOBI Agriculture and Fishing Farm	Grand Bassa	Piggery	Equipment were not seen or installed/ equipment stored in different location; no 'fixed' office/ production site.	148,349.90
10	Agro Rubber Industries Ltd.	Margibi	Rubber	Due to unfinished Electrical Work.	93,052.00
Total Disbursed					969,313.02

Risk

- 1.4.2.4 Payments may be made for goods not delivered or services not performed.
- 1.4.2.5 Failure of project management to ensure that services paid for are delivered on time, may lead to non-achievement of project objectives.

- 1.4.2.6 The absence of effective monitoring and evaluation during the project may impair the achievement of value for money and the implementation of project deliverables. Project deliverables may not be achieved up to approved specifications.

Recommendation

- 1.4.2.7 Management should provide substantive justification why the grantees businesses were not fully operationalized consistent with the LACF Redemption Contracts.
- 1.4.2.8 Management should assess the current status of the work performed, the grantee's capacity to establish functional business activities as required and update the Office of the Auditor General, as part of Management's response to this Management Letter.
- 1.4.2.9 Going forward, Management should establish a mechanism to evaluate the existence of the grantees' contributions before disbursement of the project contributions to the Fund Manager for onward remittance to the beneficiaries. This control will ensure that the required resources are available to facilitate the smooth implementation of the project deliverables. Evidence of existence of grantees' contribution should be adequately documented and filed to facilitate future review.
- 1.4.2.10 Management should facilitate the provision of technical assistance to aid grantee in the preparation of periodic activities and performance reports on a quarterly and annual basis. The reports should cover the approved goals for the matching grant activities, achievement against those goals, significant activities, challenges and measures to mitigate challenges in the near future. The report should also contain the grantee financial performance reports, bank statements and other relevant financial records to adequately inform stakeholders about the financial activities of the grantees.
- 1.4.2.11 The report should be submitted to the Fund Manager and the National Project Coordinator and should serve as a basis for the conduct of periodic monitoring and evaluation of grantees' administrative and financial performance. Discrepancies identified, upon revision of the reports by the Fund Manager and the National Project Coordinator, should be investigated and resolved in a timely manner (where applicable). Evidence of periodic activities and performance reports should be adequately documented and filed to facilitate future review.

Management's Response

- 1.4.2.12 *"A joint team (both project and fund manager) will be set up to follow up with the grantees to inquire why there are no operational activities ongoing. Some of the beneficiaries stop operations due to construction work ongoing. However, the team will ascertain from all the beneficiaries the specific issues affecting their operations."*

Auditor General's Position

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

1.4.2.14 Further, Management should submit to the Office of the Auditor General, a comprehensive report for the proposed follow up activities scheduled. The report should be submitted to the Office of the Auditor General for validation within 3 months upon the issuance of the Auditor General's Report to the National Legislature.

1.4.3 Payment without Evidence of Functional Software

Criteria

1.4.3.1 5.5.8, Payment Procedures, of the PIM, states: "Payments shall be recorded using the PV instrument to capture relevant data on the transaction from Invoices, Claims or Certificates submitted for payment. The claim for payment should be accompanied by a short letter/minute signed by the approving officer (in this case the Project coordinator confirming that:

- The work has been performed, the goods have been supplied, and/or the services have been rendered;
- The price charged is in accordance with the contract or if not specified by the contract, is reasonable;"
- Where payment is to be made before the completion of the work, delivery of the goods, or the rendering of the service, that the payment is by the contract and is secured or that it is a part/progress payment on a contract;
- The Claim is in order, according to the terms and conditions of the contract; and
- The amount claimed is accurate.

Observation

1.4.3.2 During the audit, we observed that Management made payments to Oracle Corporation UK limited and Softype Inc. amounting to US\$36,079.31 for financial reporting software and annual subscription. However, we observed no evidence of a functional Oracle powered financial reporting software or the occurrence of Information Technology Service Management activities in 2024. **See Table 4 below for details.**

1.4.3.3 In addition, we observed no evidence of a "No Objection" from the Donors for the procurement of the software.

Table 4: Payment without Evidence of Functional Software

No	Date	Voucher#	Payee	Description	Amount \$US
1	3/29/2024	Pv-1592	Oracle Corporation	Payment for annual subscription for financial management software	21,710.70
2	4/5/2024	PV 1604	Oracle Corporation UK Limited	arrears payment for annual subscription for financial software	3,831.30
3	3/29/2024	PV 1594	Softype Inc.	Consultancy for financial software management & implementation	10,537.31
Total					36,079.31

Risk

- 1.4.3.4 Failure of project management to ensure that services paid for are delivered in a timely manner, may lead to non-achievement of project objectives.
- 1.4.3.5 Payment may be made for goods not delivered or services not performed. Goods delivered or services performed may not meet the approved specification. This may lead to misappropriation of project funds.

Recommendation

- 1.4.3.6 Management should provide substantive justification for payment made to Oracle Corporation UK limited and Softype Inc. amounting to US\$36,079.31 without evidence of software acquisition.
- 1.4.3.7 Management should immediately liaise with the vendor to ensure that the software applications and associated services paid for are delivered in a timely manner consistent with the terms and conditions of the contract.
- 1.4.3.8 Going forward, Management should facilitate the approval of annual procurement plan by the National Project Steering Committee (NPSC) and IDA and IFAD. All unplanned procurement activities should be subsequently submitted for approval and the IDA/IFAD "No Objection" should be obtain before execution.
- 1.4.3.9 Management should ensure that all goods and services paid for are received in a timely manner consistent with approved specifications.
- 1.4.3.10 Management should ensure that delivery notes are received for all goods procured to validate those goods paid for including the required specifications were delivered to the end user. (The delivery note should be uniquely coded to reflect the specific transactions).
- 1.4.3.11 Delivery orders should be signed by the vendors, the procurement officer, storeroom officer and an internal auditor/assurance officer.
- 1.4.3.12 Management should ensure that job completion certificates are submitted by vendors/consultants upon the completion of all services. Management should facilitate the timely review of all completed services against approved specifications/contracts and approve the job completion certificates accordingly.
- 1.4.3.13 Evidence of delivery notes for all goods received and job completion certificates for all services performed should be adequately documented and filed to facilitate future review.

Management Response

- 1.4.3.14 *"The National Project Steering Committee approved the FY24 Annual Work Plan and Budget which included the payment for the new software. With two projects (STAR-P and RETRAP) being managed by the World Bank, the Ministry of Agriculture decided to initiate joint procurement of the software under RETRAP. This was a joint and planned procurement which was for both projects, initiated under RETRAP and to be paid for by both projects.*
- 1.4.3.15 *Given that the World Bank did not provide an explicit "no objection" but a verbal authorization to incur expenditures, the Bank recommended that the financial management specialist (FMS) submit a report to the World Bank to explain the above expenditures. The report was submitted, and the PIU is awaiting feedback from the Bank.*
- 1.4.3.16 *In addition, the project realized that after the inception report which was deliverable under the contract was submitted and paid for under the contract, the data sets for both STAR-P and RETRAP would have been commingled and that would have been a clear violation of privacy concerns for both projects. Hence, the data migration process could not take place. The contract expired and the project did not extend the contract.*
- 1.4.3.17 *Please see attachments for Copies of the Inception Report and the Contract between the Ministry of Agriculture and Softype Inc."*

Auditor General's Position

- 1.4.3.18 Management's assertion did not adequately address the issues raised. Therefore, we maintain our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.

1.5 Expenditures Management

1.5.1 Transactions without Adequate Supporting Documents Criteria

- 1.5.1.1 Section 7.7.9 of the PFMU Financial Procedures Manual of 2020 requires that, before releasing a check to the payee, the administrative assistance should ensure that the beneficiary signs the check release, the Payment Voucher, and the check issue register. Further, an official receipt should be obtained for all payment before the check is released.

Observation

- 1.5.1.2 During the audit, we observed no evidence of adequate supporting documents such as payment receipts, quotations, goods received notes, delivery notes, etc. for various expenditures amounting to US\$140,965.75. **See Table 5 below for details.**

Table 5: Transactions without Adequate Supporting Documents

Grantee	Description	Amount in Disbursement Report US\$ (A)	Transaction supported US\$ (B)	Outstanding Amount US\$ (C=A-B)
Grain Coast	Renovation Of Building and Processing Equipment	145,275.00	4,309.25	140,965.75

Risk

- 1.5.1.3 Payments may be made for goods not delivered or services not performed. Goods delivered or services performed may not meet the approved specifications.
- 1.5.1.4 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.
- 1.5.1.5 The absence of adequate supporting documentation for transactions may also lead to fraudulent financial management practices, through the processing and disbursement of illegitimate transactions.
- 1.5.1.6 Management may override the procurement processes by completing disbursement without utilizing the required procurement methods.

Recommendation

- 1.5.1.7 Management should fully account for expenditure made without adequate supporting documents.
- 1.5.1.8 Going forward, Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations. Documentation such as contracts, payment receipts, quotations, goods received notes, delivery notes, photos copy of recipient ID card and acknowledgement of the purchase order by the vendor, job completion certificates, approved purchase orders, payment vouchers etc. should be prepared and approved for the procurement of goods and services where applicable. All relevant supporting records should be adequately documented and filed to facilitate future review.
- 1.5.1.9 Additionally, Management should facilitate the operationalization of the electronic document management system by ensuring that all relevant source and supporting documents are scanned, attached to the transaction (in the accounting software for financial transactions), archived and maintained to facilitate future review.

Management's Response

- 1.5.1.10 "Regarding the payment without supporting documentation, we have received receipts totaling \$4,309.25 from Grain Coast. Despite several follow-ups on 28/11/2024,

2/12/2024, 3/12/2024, 18/12/2024 and 16/01/2025 respectively, no additional receipts have been provided. As a result, the grantee's name was included in the list submitted to the PIU for further action. From previous engagements with the grantee, we understand that many of their payments were processed through online vendors. We also have purchase orders on file in favor of the grantee for some of these transactions. (see link attached)

- 1.5.1.11 Regarding delivery notes, the grantee has informed us that the procured equipment has not been cleared at the Freeport of Liberia. In a meeting held on November 12, 2024, attended by the RETRAP Operations Manager (OM), the FM, and the grantee at the LACF office, the grantee mentioned that he had engaged the Customs Commissioner. The Commissioner expressed a willingness to work with the Ministry of Agriculture to facilitate clearance of the goods, which are currently in customs custody after being removed from demurrage. During the meeting, the OM advised the grantee to formally reach out to the Ministry of Agriculture to assist with the clearance, as this issue had not been previously raised until our visit during the use of funds verification exercise."

Auditor General's Position

- 1.5.1.12 Management's assertions did not adequately address the issues raised. Management did not account for the transactions without supporting documentation amounting to US\$140,965.75 catalogued in Table 5 above.
- 1.5.1.13 Therefore, we maintain our finding and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.5.1.14 Further, Management should submit to the Office of the Auditor General, the outstanding supporting documentation for the transaction catalogued in Table 5. The outstanding supporting records should be submitted to the Office of the Auditor General for validation within 3 months upon the issuance of the Auditor General's Report to the National Legislature.

1.6 Fixed Assets Management

1.6.1 Irregularities Associated with LACF Beneficiaries

Criteria

- 1.6.1.1 Regulation V.1 (2) of the Public Finance Management (PFM) Act of 2009 states that "The Head of Government Agency must take full responsibility for assets assigned to him by the General Services Agency and ensure that proper control systems exist for assets and that:(a) preventive mechanisms are in place to eliminate theft, losses, wastage, and misuse; And (b) inventory levels are at an optimum and economical level".

1.6.1.2 Section 5.5.8, Payment Procedures, of the approved Project Implementation Manual, states: "Payments shall be recorded using the PV instrument to capture relevant data on the transaction from Invoices, Claims or Certificates submitted for payment. The claim for payment should be accompanied by a short letter/minute signed by the approving officer (in this case the Project coordinator confirming that:

- The work has been performed, the goods have been supplied, and/or the services have been rendered;
- The price charged is in accordance with the contract, or if not specified by the contract, is reasonable."

Observation

1.6.1.3 During the Audit, we observed the following irregularities with the assets procured for beneficiaries through the Matching Grant/ LACF:

- Several assets including Harvesting Equipment, Vehicles, Manufacturing and production Machineries and construction of warehouses and production plants, were acquired for beneficiaries of the Matching Grant /LACF. However, the Fund Manager did not provide a comprehensive fixed assets register for the assets procured.
- No evidence that assets amounting to US\$99,000.00 were insured. **See Table 6A for details**

Table 6A: Assets not Insured

No.	Grantee (Beneficiary)	County	Assets	Asset Code	Amount US\$
1	Zean Gbondia Multipurpose farmers	Nimba	Tricycles, Motorbike,	None	27,400.00
2	Barkollie Business Venture	Montserrado	Tricycles, Truck	MoA-RETRAP-02-04-BBVI-MT	71,600.00
Total					99,000.00

- Assets amounting to US\$241,777.68 procured for beneficiaries were not made available for verification during our physical verification exercise. **See Table 6B for details.**

Table 6B: Unverified Grantees Assets.

No.	Beneficiary Names	Location	Value Chain	Items	Amount US\$
1	Agro Animals Innovation Liberia	Montserrado	Piggery	Truck & Motorbike	23,200.00
2	Samuel Dakana Rubber Farm	Montserrado	Rubber	Truck & Tricycle	44,000.00
3	Ma Yassa Poultry Farm	Montserrado	Poultry	Pickup	25,500.00
4	New Vision Integrated Farm Inc.	Bong	Animal Feed Production	Truck	27,000.00

No.	Beneficiary Names	Location	Value Chain	Items	Amount US\$
5	FALAMA Inc.	Bomi	Cassava	Solar Dryer and Starch & Powder Processing Machine	26,433.44
6	Grain Coast	Montserrado	Piggery	All Assets	95,644.24
Total					241,777.68

Risk

- 1.6.1.4 Fixed Assets may be misstated (Over/understated).
- 1.6.1.5 Fixed Assets may be damaged or impaired but their values are still on the books.
- 1.6.1.6 Fixed Assets may be removed from the entity's premises without authorization, misappropriated, subjected to personal use or theft.
- 1.6.1.7 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.
- 1.6.1.8 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.

Recommendation

- 1.6.1.9 Management should account for fixed assets not made available for physical verification catalogued in Table 6B above.
- 1.6.1.10 Going forward, Management should develop, approve and operationalize a fixed asset management policy to regulate fixed assets activities of the grantees.
- 1.6.1.11 Management should develop a fixed assets register and facilitate comprehensive recording of all fixed assets procured for grantees. The fixed assets register should include the following columns: date of acquisition, description, class, code, location, condition, and cost.
- 1.6.1.12 Management should 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. All fixed assets should be coded before subsequent distribution to the grantees.
- 1.6.1.13 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.

- 1.6.1.14 The Fixed Assets Register should be updated periodically to reflect all the grantees' assets.
- 1.6.1.15 Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.
- 1.6.1.16 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.
- 1.6.1.17 Management should ensure that all project assets are insured against theft, fire and / or flood; naming the project as beneficiary.

Management's Response

- 1.6.1.18 *The PIU has coded all of the fixed assets procured under the matching grant. The asset registers are maintained at the county level with the county staff and by the entities themselves. Our county teams usually reconcile the register with the beneficiaries when new assets are acquired or when there are changes. However, we note the recommendation of the audit and will do accordingly.*
- 1.6.1.19 *Regarding the vehicle insurance, it is important to note that it is paid for only when the grantee allocates funds from their grant amount to cover the comprehensive insurance expense. We do not prescribe how grantees utilize their funds or mandate specific vendors or services. However, we do offer guidance and recommendations to grantees who are receptive, particularly on matters such as insurance coverage. In such cases, we collaborate with the grantee to revise their work plan accordingly. This ensures that funds are allocated within the current or subsequent grant years to accommodate the insurance expense. There are also instances where grantees such as Barkollie Business Venture cover the cost of insurance on their own to retain more flexibility or have enough funds available to implement other key subproject activities. It is also important to highlight that the fund manager conducts use of funds assessments on a bi-annual basis. Following our engagement with the respective grantees, we would like to provide the following clarifications regarding the unverified grantees assets:*
1. **Zean Gbondia:** *During our engagement, the grantee confirmed that the two tricycles and the motorbike have not yet been insured. However, they have held meetings with the cooperative's leadership and plan to complete the insurance process by the end of next week. Additionally, we have encouraged them to work with us to reallocate funds to cover the insurance costs from their outstanding balance with the LACF.*
 2. **Barkollie:** *The grantee reported that the vehicle insurance had expired at the time of the auditors' visit. Following the auditors' comments, the renewal process was initiated immediately.*

3. **Argo Animals:** The grantee mentioned that the auditors called at 11:29 PM the night before their visit the next morning. At the time of the visit, the truck was in town, as it is only stationed at the farm when needed for specific activities. Similarly, the motorbike had been sent on errands and was not on-site during the visit.
4. **Samuel Dakana:** Based on our discussions with the grantee, we understand that the truck had been taken for servicing at the time of the auditors' visit. However, the tricycles were present on-site. The grantee added that during the auditors' visit, the primary focus of the conversation was on the truck, and this remained the case until the auditors concluded their visit.
5. **Ma Yassa:** The grantee stated that the truck was in the possession of the driver during the visit. We understand that the driver interacted with the auditors directly. The grantee also informed us that the driver has been diagnosed with Mpox and has been under quarantine for approximately two to three weeks.
6. **New Vision:** The grantee informed us that he was contacted by the auditors at 6:00 AM on the day of their visit and was told they would arrive within an hour. As he is based and working in Montserrado aside the farm business, he was unable to reach the project site within that time frame. He further explained that, at the time of the auditors' visit, the project truck had been dispatched to transport wood for ongoing construction activities.
7. **Falama:** The grantee explained that the equipment, specifically the starch and powder processing machines, were shipped in April 2025. They are currently awaiting the bill of lading from the vendor or shipper. As for the solar dryer, it was delivered by the vendor, but the trays provided were not made of food-grade stainless steel. Consequently, the trays were returned to the vendor for replacement. This issue was explained to the auditors during their site visit.
8. **Grain Coast:** Based on our engagements with the grantee we understand that the equipment procured have not been cleared from the Freeport of Liberia. In a meeting held on 12th November 2024 with the grantee, the RETRAP Operations Manager (OM) and the FM at the LACF office, the grantee communicated that he has engaged the Customs-Commissioner, who communicated their willingness to collaborate with the Ministry of Agriculture to facilitate the clearance of the goods which is currently in customs custody, following its removal from demurrage. During the meeting, the OM advised the grantee to write directly to the Ministry of Agriculture to help facilitate the clearance processes as the issue was not brought to our attention until our visit for the use of funds verification exercise.

Auditor General's Position

- 1.6.1.20 We acknowledge Management's acceptance of our findings and recommendations. We will follow-up on the implementation of our recommendations during subsequent audit.
- 1.6.1.21 Further, Management should facilitate the conduct of physical verification for the assets not made available during our physical verification exercise. The report from the proposed physical verification should be submitted to the Office of the Auditor General for validation within 3 months upon the issuance of the Auditor General's Report to the National Legislature.

1.7 Inventory Management

1.7.1 Irregularities Associated with Inventory Management

Criteria

- 1.7.1.1 Regulation U.7 (2) of the PFM Act of 2009 as amended and restated 2019 requires that notwithstanding sub-regulation (1), a head of Government Agency is responsible for the general management of government inventories held within the Government Agency and for the due performance of the duties of subordinate staff in relation to the government inventories.

Observation

- 1.7.1.2 During our review, we observed the following irregularities associated with the inventory management system:
- No evidence of manual or automated inventory management system comprehensively cataloguing the following: goods ordered, goods received, goods requested, goods distributed, current running balance and buffer (minimum request before reordering) inventories/ stationery & supplies level established for each class of inventory/ stationery & supplies.
 - No evidence of periodic physical verification of inventories/stock take.
 - We observe a variance of US\$8,315 between the quantity delivered by the vendor and the quantity distributed to beneficiaries for poultry material procured. **See Table 7 for details**

Table 7: Irregularities Associated with Inventory Management

PV. #	Date	Payee	Description	Amount US\$ (A)	Validated by Distribution Reports US\$ (B)	Variance US\$ (C=A-B)
PV - 1851	8/12/2024	Med Agro Solution	Pmt. for supply and delivery of poultry materials for RETRAP	25,449.00	17,134.00	8,315.00

Risk

- 1.7.1.3 Inventories may be procured, stored, distributed and reported on a discretionary basis in the absence of a policy.
- 1.7.1.4 Inventory may not be duly accounted for in the absence of a comprehensive inventory management system and non-performance of periodic physical verification.

1.7.1.5 Inventory may be misappropriated leading to decline in operational activities.

Recommendation

- 1.7.1.6 Management should develop, approve and operationalize an inventory management policy to regulate inventory management of the project. The policy should comprehensively catalog provisions for ordering, storing, distributing and recording of inventories/ stationery & supplies and the nature and timing of stock-take/ physical verification of inventories/ stationery and supplies.
- 1.7.1.7 Management should develop and operationalize an automated inventory management system to facilitate and ensure accurate records of inventories such as; purchases, distribution, current stock balance, reordering level, stock-out level etc.
- 1.7.1.8 Inventory should be stored in secured custody/warehouse protected by a metallic door and access granted only to authorized personnel at all times.
- 1.7.1.9 Inventory should be systematically arranged on shelves, comprehensively and systematically labeled to facilitate effective monitoring, evaluation and recording of inventories.
- 1.7.1.10 Management should perform periodic physical verification of inventory and review of systems and records. Appropriate adjustments should be made where applicable.
- 1.7.1.11 Evidence of approved policy, and all other inventory records including records of periodic stock takes, should be adequately documented and filed to facilitate future review.

Management's Response

- 1.7.1.12 *This activity is part of the Peri-urban intervention managed by the Ministry of Agriculture, under the oversight of the Assistant Minister for Technical Services. The procurement involved both goods and livestock, specifically country chickens. The vendor successfully supplied all items except for the livestock component, which consists of three hundred thirty-three (333) country chickens, valued at US\$8,325. Unfortunately, the vendor faced several challenges in constructing the cages for the chicks and in transporting them to the homes of the beneficiaries, which led to a significant delay in the delivery of the chickens. Nonetheless, the vendor has provided a good note for the remaining three hundred thirty-three (333) chicks, amounting to US\$8,325. Attached is a good note for your review.*
- 1.7.1.13 *Management acknowledges the recommendation. The project is transitioning to a new web-based TOMPRO software platform that will comprise an automated/ computer-based inventory system. We hope this system will be utilized to properly account for the perpetual inventory system; while ensuring that a regular physical verification of the inventory of the project is conducted and documented.*

Auditor General's Position

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

2 STATUS OF PRIOR YEAR'S AUDIT RECOMMENDATION

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
2023	1.1.1.2	Financial Issues PRA	Inadequate Disclosure of Project Expenditures	The notes to the financial statement should fully disclose the nature of expenditures of each Project Component.	Fully Implemented. This was addressed in the previous audit and is now fully resolved.
2023	1.1.2.3	Financial Issues PRA	The Signing Date of the Financial Statements not Specified	Management should adjust the financial statements to include the date of preparation of the financial statements adjacent to the signatures of the authorizers.	Fully Implemented. This was addressed in the previous audit and is now fully resolved.
2023	1.1.3.2	Financial Issues PRA	Inadequate Disclosure of Information	Management should fully disclose in the notes to the financial statements the precise and clear description of the project's objectives, components, activities, and jurisdictions in which the project activities are implemented.	Fully Implemented. The financial statements include detailed notes that provide a clear and precise description of the project's objectives, components, activities,
2022	1.1.4.2	Financial Issues PRA	No Memorandum of Understanding Between STAR-P and RETRAP	Management should ensure that all expenditures are adequately planned for and approved per the approved financing agreement. The World Bank should ensure that funds are made available in a timely manner to facilitate effective implementation of project activities.	Fully Implemented. All expenditures are budgeted and approved, and the World Bank has consistently provided funding on a timely basis based on withdrawals Application.
2022	1.1.5.2	Governance Issues PRA	Renovated MOA in Robertsport, Grand Cape Mount, Abandoned and Out of Use	Management should provide substantive justification why facilities renovated by project funds have been abandoned and made dilapidated. Going forward, Management should	Not Implemented

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
				adequately maintain all assets acquired and used by the project to facilitate effective operations of the project.	
2022	1.1.6.2	Financial Issues PRA	NASSCORP Contribution not Paid	Management should provide substantive justification for not withholding and remitting Social Security Contributions for the period under audit. A Payment plan should be developed and agreed upon between the project management, and NASSCORP Management for full settlement of all arrears.	Not Implemented
2022	1.1.7.2	Internal Control Issues PRA	Irregularities with Employees Attendance	Management should ensure that personnel attendance records are regularly monitored by a designated staff and that employees should be reprimanded in line with the PIM for failing to record attendance.	Fully Implemented. Employees are signing in and out of the attendance book every workday, and this process is monitored by the Administrative Assistant.
2023	1.1.8.2	Financial Issues PRA	Misclassification of Expenditure Also, we observed that Home Satisfaction Catering Services was not found on the Project Contract Tracker.	Management should adjust the financial statement accordingly consistent with the budget and the approved chart of accounts. Management should ensure that the project tracker is regularly updated to reflect all vendor transactions	Fully Implemented. This was addressed in the previous audit and is now fully resolved.
2023	1.1.9.3	Financial Issues PRA	Transaction Without Supporting Documentation	Management should provide the database of farmers created by NIR to the Office of the Auditor General for validation.	Fully Implemented. This was addressed in the previous audit and is now fully

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
				Management should ensure that all payments to NIR are supported by the requisite supporting documents	resolved Fully Implemented,
2023	1.1.10.2	Compliance Issues PRA	No Back-to-Office Report	Management should institute the preparation of a Back-to-office Report for all travel made consistent with Section 3.4.4 of the Project Implementations Manual. The report should be submitted within a week upon the staff's return to the office.	all transactions are fully supported by documentation
2023	1.1.11.2	Governance Issues PRA	Lack of Coordination between Internal Audit and National Project Steering Committee Additionally, the internal audit report was not part of the agenda of the National Steering Committee meeting minutes provided for review.	The National Project Steering Committee should meet with internal audit and appropriately address recommendations from internal audit reports. Such meetings should be documented accordingly. Management should also draft and agree on a schedule of timelines for implementation of Internal Audit recommendations.	Fully Implemented. Both the Back to Office Report (BTOR) and Travel Authorization (TA) are attached to all vouchers for field trips or travel.
2023	1.1.12.2	Governance Issues PRA	Internal Audit Activities Plan Not Adequately Executed	Management should provide the requisite resources and logistics to ensure that Internal Audit performs all interventions approved by the NPSC.	Partially Implemented
2023	1.1.13.3	IT Issue Issues PRA	IT Backup Exercises not Independently Verified	Management should periodically verify the data backed up by IT. In addition, Management should identify and store back-up data of the	Partially Implement Management acknowledge the recommendation and will work fully on establishing

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
				project at an appropriate offsite location.	offsite backup storage at the MOA Head office
2023	1.1.1.4	Financial Issues PRA	Payments Without Evidence of Adequate Supporting Documents	Management should fully account for expenditures made without adequate supporting documents. Going forward, Management should ensure all transactions are supported by the requisite supporting documents	Partially Implemented
2023	1.1.2.3	Financial Issues PRA	Irregularities with Beneficiary Asset The structure physically identified was an uncompleted building containing five (5) rooms without bathrooms and kitchens. In addition, we observed no evidence of Agriculture Produce Processing Corporation's quarterly project report to LACF.	Management should provide substantive justification why project deliverables were not completed within approved timelines and not performed consistent with approved specifications. Management should assess the current status of the work performed, the contractor's capacity to complete the construction of the farmers' residence quarters	Internal Audit plans are usually not fully implemented due to staffing issues. However, the IA Unit has collaboration with the MoA IA Unit to support audit work at the PMU. This will help bridge the existing gap.
2023	1.1.3.3	Internal Control Issues PRA	Irregularities Associated with the Management of the Project Assets <ul style="list-style-type: none"> • The Fixed Assets Register was not updated • There was no evidence of periodic physical verification of fixed assets • The fixed assets register did not contain all the 	Management should ensure that the fixed assets register is updated Management should conduct periodic fixed assets count and /or verification The Fixed Assets Register should be updated periodically to reflect all Project's assets. Fixed assets within a particular vicinity should be clearly displayed as required	Partially Implement Management acknowledge the recommendation and will work fully on establishing offsite backup storage at the MOA Head office

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
			<p>relevant columns;</p> <ul style="list-style-type: none"> • No evidence of assets movement form. • Fixed assets within a given vicinity were not displayed as required by the PFM Act. • There was no specified timing documented for the conduct of periodic physical verification of fixed assets per the Project Implementation Manual. • we could not physically identify assets amounting to US\$1,930 	<p>by the PFM Act. 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.</p>	
2023	1.1.4.2	Compliance Issues PRA	No Back-to-Office Report	Management should institute the preparation of Back-to-office Report for all travel made consistent with Section 3.4.4 of the Project Implementations Manual.	Fully Implemented. Management has established robust measures to ensure that all payments and transactions are accompanied by the necessary supporting documents
2023	1.1.5.2	Financial Issues PRA	Beneficiaries Payments Without Supporting Documentations	Management should ensure all transactions are supported by the requisite supporting documents consistent with the financial management regulations.	Not Implemented
2023	1.1.6.3	Financial Issues PRA	Failure to Remit Taxes	Management should facilitate full remittance of withholding taxes to the LRA in keeping with Sections 91 and 905 (J) of the Revenue Code of	Implemented

Audited Period	SOURCE (PARAGRAPH)	FINDING TYPE	AUDIT FINDINGS	AUDIT RECOMMENDATIONS	IMPLEMENTATION STATUS
				Liberia Act of 2000 as amended in 2011.	
2023	1.2.1.6	Compliance Issues PRA	Irregularities Associated with LACF Fund Manager Deliverables	Management should provide substantive justification why approved project deliverables: Project Risk Register, Technical Assistance Mobile App, Project Result Framework and LACF Log Frame have not been implemented within the approved timeline.	Implemented
2023	1.2.2.4	Governance Issues PRA	No Independent Review of Grantees' Activities	The Fund Manager should facilitate the timely conduct of an independent audit of the grantee's project activities and corresponding financial statements by a qualified independent external auditor consistent with Section 14, Project Audit Guidelines, of the Approved LACF Manual.	Fully Implemented. Management has established robust measures to ensure that all payments and transactions are accompanied by the necessary supporting documents.