Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

On the Financial Statement Audit of the Health Security Program in West Africa (HeSP) Project ID: P179078 HeSP: Grant No IDA 74490

For the period ended December 31, 2025

June 2026

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

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ACRONYMS USED

Acronyms/Abbreviations/Symbol	Meaning
A/C	Account
AFP	Audit Focal Person
AG	Auditor General
CERC	Contingency Emergency Response Component
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigative Professional
CGMA	Certified Global Management Accountant
CPA	Certified Public Accountant
DMA	Deputy Minister for Administration
FCCA	Fellow of the Chartered Certified Accountant
F/S	Financial Statements
GoL	Government of Liberia
IDA	International Development Association
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
CERC	Contingency Emergency Response Component
NO.	Number
PCO	Project Coordination Office
PFM	Public Financial Management
PFMU	Public Financial Management Unit
PIM	Project Implementation Manual
PIU	Project Implementing Unit
POM	Project Operational Manual
PPC	Public Procurement & Concessions
QPR	Quarterly Progress Report
SOE	Statement of Expenditures
ToR	Term of Reference
USD/US$	United States Dollars

June 24, 2026

Hon. Louise M. Kpoto, MD
Minister
Ministry of Health (MOH)
J.N. Togba, Sr, Building
P.O. Box 10-0-9009, Congo Town
Monrovia, Liberia

RE: AUDITOR GENERAL'S REPORT ON THE FINANCAL STATEMENT AUDIT OF THE HEALTH SECURITY PROGRAM IN WEST AFRICA (HeSP): P179078 HeSP: Grant No IDA 74490 for the year ended December 31, 2025

Opinion

We have audited the accompanying financial statements of the Health Security Project for the period ended December 31, 2025 financed by IDA Grant No. 74490 which comprises the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes.

In our opinion, the accompanying financial statements IDA Grant No. 74490 present fairly, in all material respects, the Statement of Receipts and Payments for the period ended December 31, 2025, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the period ended December 31, 2025 in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

Basis for Opinion

We conducted our audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Health Security Project in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Management's Responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS Cash Basis, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

The Health Security Project Management is responsible for overseeing the Project's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Monrovia, Liberia
June 2026

Statement of Project Management Responsibility

The Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning and the Project Coordinator for Health Security Program in Western and Central Africa Project (HsSP) project are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for and as at the end of the financial year ended on December 31, 2025.

This responsibility includes (i) maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period, (ii)maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project, (iii)designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud,(iv) safeguarding the assets of the project, (v)selecting and applying appropriate accounting policies and (v)making accounting estimates that are reasonable in the circumstances.

The PFMU and the Project Coordinator for Health Security Program in Western and Central Africa Project (HeSP) project accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The PFMU and the Project Coordinator for Health Security Program in Western and Central Africa Project (HeSP) project are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year ended December 31, 2025, and of the Project's financial position as at that date. The PFMU and the Project Coordinator for Health Security Program in Western and Central Africa Project (HeSP) project further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.

The PFMU and the Project Coordinator for Health Security Program in Western and Central Africa Project (HeSP) project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project Financial Statements

The project financial statements were approved by the Project Finacial Management Unit and the project Coordinator for Health Security Program in Western and Central Africa project (HeSP) on February 24, ______, 2026

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP)
STATEMENT OF RECEIPTS AND PAYMENTS 2
FOR THE PERIOD ENDED JUNE 01 TO DECEMBER 31, 2025

In United States Dollars	Notes	December 31, 2025	Cummulative
Receipt			
IDA Grant & Credit	4	**1,000,274**	1,000,274
Total Receipt		**1,000,274**	1,000,274
Payments			
Investment Climate and Trade	5	**10,006**	10,006
SME Access to Markets and Finance	6	**207,019**	207,019
Digital Financial Services Infrastructure	7	**54,346**	54,346
Project Management + CERC	8	**107,551**	107,551
Total Payments		**378,922**	378,922
Excess of receipts over payments (payments over receipts)		**621,352**	621,352
Fund Balance as at beginning		-	-
Cummulative fund balance		**621,352**	621,352

The notes on pages 6 to 9 are integral part of these project financial reports

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP)
STATEMENT OF FUND BALANCEAND CASH STATUS 3
FOR THE PERIOD ENDED JUNE 01 TO DECEMBER 31, 2025

	In United States Dollars	Notes	December 31, 2025
A	**Fund Balance**		
	Balance of Project Fund		-
	Add: Total Receipts during the period		1,000,274
	Total Fund available for operations		1,000,274
	Less: Total Payments during the period		378,922
	Balance of project fund at the end of the year		621,352
B	**Cash Status:**		
	Cash at Bank-Designated Account-Ecobank		621,352
	Total Cash on hand and in bank		621,352
	Difference between A and B		-

The notes on pages 6 to 9 are integral part of these project financial reports

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP) 4

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD DECEMBER 31, 2025

Ananlysis of Variance

Activities Within Components	Project Allocation	Annual	Actual Expenditure	Variance
	US$	US$	US$	US$
Prevention of Health Emergencies	2,000,000	207,307	10,006	197,301
Detection of Health Emergencies	7,500,000	3,556,302	207,019	3,349,283
Health Emergency Response	5,000,000	675,346	54,346	621,000
Program Management and Insituitional Capacity	3,500,000	358,085	107,551	250,534
Total	**18,000,000**	**4,797,040**	**378,922**	**4,418,118**

The notes on pages 6 to 9 are integral part of these project financial reports

Variance Explanation

The total variance represents delays in preparation, submission and approval of concept notes for the implementation of various activities under the Health Security Program (HeSP). The variance is also attributed to some procurement activities that were not completed during the period. Please note that the project was effective on March 5, 2025, and actual implementation started around the last quarter of the year.

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

In United States Dollars	Notes	December 31, 2025
Assets		
Cash and cash equivalent		621,352
Total Assets		621,352
Fund Balance		
Grants		621,352
Accumulated Fund Balance		621,352

26/06/26

Papin Daniels, Jr.
Director, Donor Financed Project
PFMU,MFDP

06/26/2026

Harry F. Neufville
Acting Project Manager
MOH/PIU

NOTES TO FINANCIAL STATEMENTS 6

1. Background and Information of the Project

With the support from the International Development Association, the Health Security Program in Western and Central Africa Project (HeSP) was approved by the Bank on December 19, 2023, and signed on May 03, 2025, in the of US$18,000,000 and it became effective on March 05, 2025.

The development objective of the Health Security Program in Western and Central Africa Project for Cabo Verde, Guinea, Liberia is to increase regional collaboration and health system capacities to prevent, detect, and respond to health emergencies in Western and Central Africa. The project comprises of five components.

The first component, prevention of health emergencies focuses on strengthened planning and management of health security resources, as well as preventing and minimizing impacts of health threats such as zoonoses and antimicrobial resistance (AMR). It consists of following sub-components: (i) health security governance, planning, and stewardship; and (ii) scaling-up one health agenda and combatting AMR.

The second component, detection of health emergencies focuses on multisectoral surveillance systems and mechanisms for data sharing within and across borders, strong regional laboratory networks and multisectoral and integrated workforce required to enable early detection of health emergencies. It consists of following sub-components: (i) collaborative surveillance; (ii) laboratory quality and capacity; and (iii) multi-disciplinary human resources for health emergencies.

The third component, health emergency response will build and sustain capacities that can prevent and prepare for an outbreak from becoming an epidemic or pandemic, through a focus on disease control and effective health emergency response. It consists of following sub-components: (i) health emergency management; and (ii) health service delivery for health emergencies.

The fourth component, program management and institutional capacity will support the critical building blocks for strong implementation and coordination required for implementing a regional program.

The fifth component, contingency emergency response component (CERC) will facilitate access to rapid financing by allowing for the reallocation of uncommitted project funds in the event of a public health emergency (PHE) in a country, either by a formal declaration of a national emergency or upon a formal request from the respective government of a Participating Country.

2. Use of Grant Proceeds

The table below sets out the activities to be financed out of the grant proceeds, the allocation of the amounts of the grant to each activity is shown below:

Activities	**Amount of grant allocated US$**
Prevention of Health Emergencies	2,000,000
Detection of Health Emergencies	7,500,000
Health Emergency Response	5,000,000
Program Management and Institutional Capacity	3,500,000
	18,000,000

NOTES TO FINANCIAL STATEMENTS *(continued)* 7

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

	% of Expenditure
IDA grant	100
Total	**100**

3. Significant Accounting Policies

Basis of accounting

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

Reporting currency

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

Grant Receipts

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

Cash and bank balances

Cash consist of cash in hand and balance at bank.

Recognition of expenditure

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

Tax

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

Comparative Analysis

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

In United States Dollars	December 31, 2025	Cummulative
4 Funds Received in DA		
IDA 74490	**1,000,000**	1,000,000
Sale of Bids	**274**	274
	1,000,274	1,000,274
5 Prevention of Health Emergencies		
Health Security Governance, Planning and Stewardship		
Operating Costs	**9,600**	9,600
Goods	**256**	256
	9,856	9,856
Scaling -Up One Health Agenda and Combating Antimicrobial Resistance (AMR)		
Operating Costs	**150**	150
	150	150
	10,006	10,006
6 Detection of Health Emergencies		
Collaborative Surveillance		
Consulting Services	**19,170**	19,170
Operating Costs	**186,344**	186,344
	205,514	205,514
Laboratory Quality and Capacity		
Consulting Services	-	-
Training	-	-
Operating Costs	-	-
	-	-
Multi - Disciplinary Human Resources for Health Emergencies		
Consulting Services	-	-
Goods	**1,505**	1,505
Operating Costs	-	-
	1,505	1,505
	207,019	207,019

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP)
NOTES TO THE FINANCIAL STATEMENTS *(continued)* 9

In United States Dollars	December 31, 2025	Cummulative
7 **Health Emergency Response**		
Health Emergency Management		
Goods	**1,578**	1,578
Operating Costs	**28,280**	28,280
	29,858	29,858
Health Service Delivery for Health Emergencies		
Goods	**1,179**	1,179
Training	**780**	780
Operating Costs	**22,530**	22,530
	24,489	24,489
	54,346	54,346
8 **Program Management and Insituitional Capacity**		
Program Management and Insituitional Capacity		
Consulting Services	**38,682**	38,682
Operating Costs	**54,607**	54,607
Goods	**515**	515
Training	**13,747**	13,747
	107,551	107,551
9 **Cash receipts through the Designated Account**		
IDA grant & credit	**1,000,274**	1,000,274
10 **Cash paid**		
Prevention of Health Emergencies	**10,006**	10,006
Detection of Health Emergencies	**207,019**	207,019
Health Emergency Response	**54,346**	54,346
Program Management and Insituitional Capacity	**107,551**	107,551
Total Payments	**378,922**	378,922

HEALTH SECURITY PROGRAM IN WESTERN AND CENTRAL AFRICA (HeSP)
PROJECT DESIGNATED ACCOUNT STATEMENT

10

Account Number: 121971522630102
Account Type: Current Account
Depository Bank (s): International Bank (Liberia) Limited
Address: 11th Street, Sinkor
Monrovia, Liberia

Currency: United States Dollar

	December 31, 2025
Total Funds Received	1,000,274
Total funds received in DA	**1,000,274**
Amount spent	378,922
Balance as at beginning	-
Balance as at December 31, 2025	**621,352**
Closing Balance Consist of:	
Petty Cash	-
Designated A/c-Ecobank	621,352
	621,352