GENERAL AUDITING COMMISSION
Est. 1972
Republic of Liberia

**Promoting Accountability of Public Resources**

# AUDITOR GENERAL'S REPORT

**On the Financial Statements Audit of the Liberia Urban Resilience Project (LURP)**

**For the Year Ended December 31, 2025**

| | |
|---|---|
| **Grant Number:** | **LURP-P169718** |
| **Credit Number:** | **IDA V3930** |

THE LOVE OF LIBERTY BROUGHT US HERE
REPUBLIC OF LIBERIA

**June 2026**

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

# Table of Contents

## Acronyms

| Acronyms | Meaning |
|---|---|
| AG | Auditor General |
| ASU | Accounting Service Unit |
| CFC | Certified Financial Consultants |
| CFIP | Certified Forensic Investigation Professional |
| COSO | Committee of Sponsoring Organization of the Treadway Commission |
| FCCA | Fellow Member of the Association of Chartered Certified Accountants |
| GAC | General Auditing Commission |
| GOL | Government of Liberia |
| IPSAS | International Public Sector Accounting Standard |
| ISSAI | International Standards of Supreme Audit Institutions |
| IT | Information Technology |
| USD | United States Dollars |

June 26, 2026

Hon. Roland Layfette Giddings
**Minister**
Ministry of Public Works
Lynch Street
Monrovia, Liberia

**Ref: AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS AUDIT OF LIBERIA URBAN RESILIENCE PROJECT (LURP), Grant Number: LURP- P169718; Credit Number: IDA V3930 FOR THE YEAR ENDED DECEMBER 31, 2025**

**Opinion**
We have audited the accompanying financial statements of the Liberia Urban Resilience Project (LURP), Grant Number: LURP- P169718; Credit Number: IDA V3930 for the year ended December 31, 2025, which comprise Statements of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of significant accounting policies and explanatory information.

In our opinion, the accompanying Statements of LURP present fairly in all material respects, the Statement of Receipts and Payments as at December 31, 2025, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.

**Basis for opinion**
We conducted our audit in accordance with International Standards of Supreme Audit Institutions. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the World Bank guideline and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

**Auditor's Responsibility**

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

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

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

**Monrovia, Liberia**
June 2026

**Liberia Urban Resilience Project (LUR) Financial Statements for the year ended December 31, 2025**

# Liberia Urban Resilience Project (LURP)

Financial Statement of World Bank Funded Project
for the year ended December 31, 2025.
LURP: P169718:
Credit No. IDA 7122C, IDA E0410 & IDA V3930

Ministry of Finance & Dev't Planning
*Project Financial Management Unit (PFMU)*

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**Statement of Project Management Responsibility**

The Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning and the Project Coordinator for Liberia Urban Resilience 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 Liberia Urban Resilience 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 Liberia Urban Resilience 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 Liberia Urban Resilience 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 Liberia Urban Resilience project confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project Financial Statements

The Project financial statements were approved by the Project Financial management Unit and the Project Coordinator for Liberia Urban Resilience project on February 24, 2026

## GENERAL INFORMATION

### PROJECT MANAGEMENT TEAM

| | |
|---|---|
| **Project Financial Management Unit:** | Papin Daniels, Jr, CA, CPA, CFE<br>Unit Director<br>Project Financial Management Unit (PFMU) |
| | Leroy N. Fendor, CA, CPA<br>Deputy Director |
| | Subozu Kollie, CFE, CA, CPA<br>Project Internal Auditor |
| **Registered Office:** | Project Financial Management Unit (PFMU)<br>Ministry of Finance<br>Broad and Mechlin Street<br>Liberia |
| **Project Implementation Unit:** | Gabriel S. Flaboe, Sr<br>Project Coordinator<br>Liberia Urban Resilience Project (LURP) |
| **Project Location:** | Ministry of Public Works<br>Paynesville<br>Liberia |
| **Bankers:** | Ecobank Liberia Limited<br>11th Street Sinkor<br>Monrovia |

**STATEMENT OF RECEIPTS AND PAYMENTS** 2
**FOR THE PERIOD ENDED DECEMBER 31, 2025**

| *In United States Dollars* | Notes | December 31, 2025 | December 31, 2024 | Cummulative |
|---|---|---|---|---|
| **Receipt** | | | | |
| IDA Funding Source | 4 | 6,398,260 | 2,908,990 | 11,881,909 |
| **Toptal Receipt** | | 6,398,260 | 2,908,990 | 11,881,909 |
| **Payment** | | | | |
| Climate Resilient Infrastructure and Urban Upgrading | 5 | 3,746,150 | 517,900 | 4,264,050 |
| Strengthening Integrated Resilient Urban Development Capac | 6 | 1,427,086 | 345,006 | 1,820,805 |
| Project Management | 7 | 826,933 | 687,519 | 2,269,437 |
| Project Preparatory Advance | 8 | - | - | 124,386 |
| Total Payments | | 6,000,169 | 1,550,426 | 8,478,678 |
| Excess of receipts over payments (payments over receipts) | | 398,092 | 1,358,564 | 3,403,231 |
| Fund Balance as at beginning | | 3,005,140 | 1,646,576 | - |
| Cummulative fund balance | | 3,403,231 | 3,005,140 | 3,403,231 |

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

**STATEMENT OF FUND BALANCEAND CASH STATUS** 3
**FOR THE PERIOD ENDED DECEMBER 31, 2025**

| | *In United States Dollars* | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| A | **Fund Balance** | | |
| | **Balance of Project Fund** | 3,005,140 | 1,646,576 |
| | Add: Total Receipts during the period | 6,398,260 | 2,908,990 |
| | Total Fund available for operations | 9,403,400 | 4,555,565 |
| | Less: Total Payments during the period | 6,000,169 | 1,550,426 |
| | **Balance of project fund at the end of the year** | 3,403,231 | 3,005,140 |
| B | **Cash Status:** | | |
| | Cash at Bank | 3,402,433 | 3,004,489 |
| | Petty Cash | 798 | 651 |
| | **Total Cash on hand and in bank** | 3,403,231 | 3,005,140 |
| | **Difference between A and B** | - | - |

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

**5STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR DECEMBER 31 4**

**Ananlysis of Variance**

| Activities Within Components | Project Allocation | Annual | Actual Expenditure | Variance |
|---|---|---|---|---|
| | US$ | US$ | US$ | US$ |
| Component 1 | 30,000,000 | 9,816,330 | 3,746,150 | 6,070,179 |
| Component 2 | 6,000,000 | 3,204,471 | 1,427,086 | 1,777,385 |
| Component 3 | 4,000,000 | 859,520 | 826,933 | 32,587 |
| **Total** | **40,000,000** | **13,880,321** | **6,000,169** | **7,880,152** |

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

**Variance Explanation**

Under Component 1,some of the initial investment works activities stopped due to the rain. These include the urban road rehabilitation (pot holes patching) and solar strrets lights installation. there were also direct payments made that are included in the above payments. Additionally, there were delays in procuring the storm water drainage clearing equipment and sewer clearing equipment. Under component 2, some of the equipment for the MCC Emergency Solid Waste Management (SWM) equipment for Whein Town has not been delivered.

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

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| *In United States Dollars* | Notes | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalent | | **3,403,231** | 3,005,140 |
| Total Assets | | **3,403,231** | 3,005,140 |
| **Fund Balance** | | | |
| Grants | | **3,403,231** | 3,005,140 |
| **Accumulated Fund Balance** | | **3,403,231** | 3,005,140 |

30/06/26

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

30/06/26

Gabriel S. Flaboe, Sr.
**Project Coordinator-LURP**
**MPW**

## NOTES TO FINANCIAL STATEMENTS 6

### 1. Background and Information of the Project

With support from the World Bank (WB); the Liberia Urban Resilience -project is to enhance urban living conditions and climate resilience in Greater Monrovia, and to strengthen municipal and institutional capacities for integrated urban management. The LUR project was approved by the World Bank on November 2, 2021 with a Preparatory advance amount of USD 2 Million. The aims of the project are:

i. To improve basic infrastructure and services in selected poor and vulnerable neighborhoods and markets and strengthen flood and climate resilience. An area-based approach will be implemented that takes a multisectoral and comprehensive resilient urban upgrading approach, considering the interconnected needs of the target neighborhoods and markets. Infrastructure to be upgraded will be designed to meet climate resilient standards and incorporate adaptation and mitigation benefits where possible;
ii. To support capacity building of municipalities and institutions associated with resilient urban development and flood risk management in the Greater Monrovia Area. Capacity building activities are intended to contribute to better planning, increasing fiscal space, and improved coordination, which in turn are intended to contribute to improved management, operation, and maintenance of infrastructure. The component will finance technical assistance to review and update the 2009 Master Plan and will be based on analytical work from the Bank10 and others to assist in identifying short, medium, and long-term resilient investments in the city;
iii. To finance the Project Management Unit (PMU) activities related to project coordination, safeguards implementation, M&E, procurement, etc. Operational costs to support efficient management of the project will be included.
iv. To mitigate situations of urgent need and allows for the rapid reallocation of funding in the event of a natural disaster or crisis that has caused, or is likely to imminently cause, a major adverse economic and/or social impact.

### 2. Use of Grant Proceeds

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

| Category | Amount of grant allocated expressed in US$ | % of expenditure to be financed |
|---|---|---|
| Resilient Urban Upgrading in Greater Monrovia | 30,000,000 | 100 |
| Strengthening Integrated Resilient Urban Development Capacity | 6,000,000 | 100 |
| Project Management | 4,000,000 | 100 |
| **Total** | **40,000,000** | |

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

| | % of Expenditure |
|---|---|
| IDA | 100 |
| **Total** | **100** |

## 3. Significant Accounting Policies

### Basis of accounting

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

### Reporting currency

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

### Loan Receipts

Loan from donors for the LURP 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 LURP 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.

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* 8

| *In United States Dollars* | December 31, 2025 | December 31, 2024 | Cummulative |
|---|---|---|---|
| **4 Funds Received in DA** | | | |
| IDA Grant No. E0410 | - | 2,908,990 | 5,090,049 |
| IDA 71220 | 6,398,260 | - | 6,398,260 |
| IDA Grant No. E0410 - PPA | - | - | 393,600 |
| **Total funds received in DA** | 6,398,260 | 2,908,990 | 11,881,909 |
| **Third Paty Payments** | | | |
| IDA Grant No. E0410 | 388,817 | - | 388,817 |
| IDA 71220 | 151,207 | - | 151,207 |
| | 540,024 | - | 540,024 |
| **5 Climate Resilient Infrastructure and Urban Upgrading** | | | |
| **Climate Risk Management Infrastructure** | | | |
| Consultant Services | 3,050,084 | 472,315 | 3,522,399 |
| Operating Costs | 67,084 | 2,778 | 69,862 |
| Training | - | 5,928 | 5,928 |
| Works | 628,983 | 36,879 | 665,862 |
| | 3,746,150 | 517,900 | 4,264,050 |
| **Climate Resilient Community and Market Upgrading** | - | - | - |
| | 3,746,150 | 517,900 | 4,264,050 |
| **6 Strengthening Integrated Resilient Urban Development Capacity** | | | |
| **Resilient Urban Planning and Development Control** | | | |
| Consultant Services | 412,817 | 70,245 | 483,062 |
| Operating Costs | 29,252 | 38,160 | 67,412 |
| Training | 56,984 | 29,303 | 98,529 |
| Goods | 52,422 | - | 52,422 |
| Works | 51,744 | - | 51,744 |
| | 603,220 | 137,708 | 753,170 |
| **Solid Waste Management Operations and Financing** | | | |
| Consultant Services | 823,866 | 207,261 | 1,060,778 |
| Operating Costs | - | 38 | 4,905 |
| Training | - | - | 1,952 |
| | 823,866 | 207,299 | 1,067,635 |
| | 1,427,086 | 345,006 | 1,820,805 |
| **7 Project Management** | | | |
| Consultant Services | 697,481 | 550,660 | 1,730,014 |
| Operating Costs | 129,451 | 135,723 | 369,768 |
| Goods | - | 1,136 | 119,136 |
| Works | - | - | 50,519 |

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



| *In United States Dollars* | December 31, 2025 | December 31, 2024 | Cummulative |
|---|---|---|---|
| | **826,933** | 687,519 | 2,269,437 |
| 8 **Project Preparatory Advance** | | | |
| Consultant Services | - | - | 67,910 |
| Operating Costs | - | - | 56,476 |
| | - | - | 124,386 |
| | **826,933** | 687,519 | 2,393,822 |
| **Funds received in DA** | | | |
| IDA grant | **6,398,260** | 2,908,990 | 11,881,909 |
| **Cash paid** | | | |
| Climate Resilient Infrastructure and Urban Upgrading | **3,746,150** | 517,900 | 4,264,050 |
| Strengthening Integrated Resilient Urban Development Capacity | **1,427,086** | 345,006 | 1,820,805 |
| Project Management | **826,933** | 687,519 | 2,269,437 |
| Project Preparatory Advance | - | - | 124,386 |
| **Total Payments** | **6,000,169** | **1,550,426** | **8,478,678** |

**Note:**
The third party payments of US$540,023.55 which are direct payments have been extracted from the total funds receipt and the total payments made.These are payments made on behalf of the project by the World Bank and thus required disclosures. These payments are available for review upon request by the auditors

| **Third Paty Payments** | amt |
|---|---|
| CDR Int'l B.V & EarthTime Inc: Dir Pymt 20% | 270,011.78 |
| CDR Int'l B.V & EarthTime Inc: Dir Pymt 20% | 118,805.18 |
| CDR Int'l B.V & EarthTime Inc: Dir Pymt 20% | 151,206.59 |
| **Total** | **540,023.55** |

## PROJECT DESIGNATED ACCOUNT STATEMENT 10

| | |
|---|---|
| **Account Number:** | 6101845892 |
| **Account Type:** | Current Account |
| **Depository Bank (s):** | Ecobank |
| **Address:** | 11th Street, Sinkor<br>Monrovia, Liberia |

***Currency: United States Dollar***

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Total Grant Received | 6,398,260 | 2,908,990 |
| **Total grant income reported** | 6,398,260 | 2,908,990 |
| Amount spent | 6,000,169 | 1,550,426 |
| Balance as at beginning | 3,005,140 | 1,646,576 |
| **Balance as at December 31, 2025** | 3,403,231 | 3,005,140 |
| **Closing Balance Consist of:** | | |
| PPA Designated A/C - Ecobank | - | - |
| Designated A/C - Ecobank | 3,402,433 | 3,004,489 |
| Petty Cash | 798 | 651 |
| | 3,403,231 | 3,005,140 |