Management Letter

On the Financial Statements Audit of the Liberia Renewable Energy Access Project (LIRENAP)

For the period January 1, 2025-December 31, 2025

Promoting Accountability of Public Resources

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

Monrovia, Liberia
June 2026

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Acronyms/ Abbreviations

Acronyms/ Abbreviations	Meaning
AG	Auditor General
CFC	Certified Financial Consultant
CFIP	Certified Forensic Investigation Professional
FA	Financing Agreement
FAR	Fixed Asset Register
GAC	General Auditing Commission
GOL	Government of Liberia
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit In situations
LIRENAP	Liberia Renewable Energy Access Project
LRA	Liberia Revenue Authority
LR$	Liberian Dollar
RREA	Rural Renewable Energy Agency
PAR	Project Appraisal Report
PFM	Public Finance Management
PAP	Project Affected Person
PPC	Public Procurement and Concession Commission
RAP	Resettlement Action Plan
ToR	Terms of Reference
US$	United States Dollar
PAPs	Project Affected Persons

June 25, 2026

Hon. Samuel B. Nagbe
Executive Director
Rural Renewable Energy Agency (RREA)
Newport Street
Monrovia Liberia

Dear Hon. Nagbe:

Ref: MANAGEMENT LETTER ON THE FINANCIAL STATEMENTS AUDIT OF THE RURAL AND RENEWABLE ENERGY AGENCY (RREA) WITH PROJECT NAME LIBERIA RENEWABLE ENERGY ACCESS PROJECT (LIRENAP) FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

The Audit of the Financial Statements of the Rural and Renewable Energy Agency (RREA) with project name Liberia Renewable Energy Access Project (LIRENAP) for the fiscal year ended 31st December 2025, was commissioned by the Auditor-General (AG) under AG's mandate as provided for in Section 2.1.3 of the GAC Act of 2014 as well as the Audit Engagement Terms of Reference (ToR).

INTRODUCTION

The audit of the Rural and Renewable Energy Agency (RREA) with project name Liberia Renewable Energy Access Project (LIRENAP) year ended for January 1, 2025 to December 31, 2025 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 (ISSAI). 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 audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI). 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.

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

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

Key management personnel for fiscal year 2025

Name of Officials	Rank	Tenure
Samuel B. Nagbe	Executive Director	March 12,2024-present
Dehkontee Liles Wymon	Deputy Executive Director Finance & Adm.	May 2024 - present
Senesee Hemoh	Project Coordinator	Dec.1, 2024 - Present
Marthaline Horace	Finance Director	2021 - present
Boimah S. Barclay	Accountant	Dec.1, 2024 - present
Stephen Potter	Deputy Executive Director-Programs	Aug.1, 2010 - present

APPRECIATION
We would like to express our appreciation for the courtesy extended and assistance rendered by the staff of the project during the audit.

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

Monrovia, Liberia
June 2026

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Financial Issues

1.1.1 Irregularities Associated with Travel Expenditures

Criteria

1.1.1.1 Section 15 of the Revised GOL Travel Ordinance 2025 under the caption "states that no future domestic travel advance will be paid to any individual who fails to submit the prescribed domestic travel settlement form within five working days after returning from a previous journey. Heads of Ministries and Agencies must ensure their officials submit travel reports; otherwise, future travel requests may not be honored."

1.1.1.2 Additionally, according to GOL Revised Travel Ordinance 2025 section 11, "the maximum number of persons undertaken a domestic trip shall not exceed fifteen (15).

Observation

1.1.1.3 During the audit, we observed the following irregularities associated with travel expenditures:

- Incidental allowances were not duly retired/accounted for. **See Annexure 1A for details.**
- No evidence of travel activities reports for some travel expenditures.
- No evidence of authorization of travel by the relevant authorities. **See Table 1 for details.**
- Travel was facilitated above the allowed number of persons per the national travel ordinance. 29 staff were approved for travel above required threshold of 15 personnel. **See Annexure 1B for details**.

Table 1: Travels Made without Evidence of Travel Authorization

No.	Name	Date	Voucher Number	Check Number	Amount US$
1.	Eric M. Jackson	7-Apr-25	0007290	00002213	407.00
2.	Theophilus A.T. Kambo	16-May-25	0007614	00002236	700.00
3.	Armah Z. Jallah	1-Oct-25	0007730	00002302	600.00
4.	Lisa N. Barlea	1-Oct-25	0007731	00002303	600.00
5.	George J. Davis	1-Oct-25	0007740	00002307	600.00
6.	Brilliance Karwee	24-Nov-25	0007873	00002320	400.00
Total					**3,307.00**

Risk

1.1.1.4 Non-compliant with the national travel ordinance or the entity's approved travel ordinance where applicable may lead to misappropriation of public funds. Travel expenditures may be disbursed above the approved rates.

1.1.1.5 Non-approval of travel expenditure by the relevant authority may facilitate illegitimate travel expenditures.

1.1.1.6 Travel expenditures not appropriately retired/accounted for may lead to misappropriation of the entity's funds.

1.1.1.7 In the absence of travel activities reports, travel expenditure may be utilized for unapproved activities.

Recommendation

1.1.1.8 Management should provide substantive justification why some travels were authorized beyond the required number of personnel and not authorized as required. Additionally, Management should submit travel expenditures report not made available for audit purposes to the Office of the Auditor General, as part of Management's Response to this Management Letter.

1.1.1.9 Management should ensure that all travels are approved by the relevant authority and within the approved provisions of the National Travel Ordinance before commencement of processing of travel expenditures.

1.1.1.10 Management should utilize the national travel ordinance for computation of all travel related expenditures. Alternatively, Management should utilize the approved travel ordinance of the entity where applicable.

1.1.1.11 All incidental allowances should be duly retired/accounted for through the filling and subsequent approval of the travel settlement form. The form should be accompanied by original copies of receipts and travel activities reports to justify the regularity of the transactions.

1.1.1.12 Evidence of all travel expenditures records including travel settlement forms, original copies of receipts and travel activities reports should be adequately documented and filed to facilitate future review.

Management's Response

1.1.1.13 Management notes the audit observation and wishes to clarify that the referenced travels were undertaken in connection with approved LIRENAP project activities, including project implementation support, field supervision, technical monitoring, safeguards oversight, stakeholder engagement, and other project coordination activities.

1.1.1.14 With specific reference to the Lofa mission involving more than fifteen (15) participants, Management clarifies that the mission was organized to enable staff supporting LIRENAP implementation to participate in the official groundbreaking ceremony for the 4.0 MWp Solar PV and 9.4 MWh BESS project in Lofa County. The event represented a major implementation milestone under the project and required the coordinated participation of relevant project management, technical, safeguards, finance, administrative, and stakeholder engagement *personnel.*

1.1.1.15 *The approved travel request and mission itinerary for the Lofa mission are attached for reference. Relevant supporting financial and administrative documentation, including relevant approvals, DSA computation, travel retirement records, receipts, and other applicable records for the sampled transactions.*

Auditor General's Position

1.1.1.16 Management's assertion did not adequately address the issues raised. Management did not provide substantive justification why some travels were authorized beyond the required number of personnel and not authorized as required. Additionally, Management also did not submit travel expenditures report not made available for audit purposes to the Office of the Auditor General, as part of Management's Response to this Management Letter. Therefore, we maintain our findings and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

1.1.2 Undisclosed Receivable

Criteria

1.1.2.1 Additionally, Paragraph 1.3.10 of the Cash Basis International Public Sector Accounting Standard (IPSAS) as adopted by the Government of Liberia states 1.3.11 Entities preparing general purpose financial statements in accordance with this standard may disclose such information in the notes to the financial statements where such information is likely to be useful to the users. Where such disclosures are made, they should be clearly described and readily understandable. If not disclose in the financial statements themselves, comparison with budget may also be included in the notes. part 2 of this standard encourages inclusion of information about non-cash assets and liabilities and a comparison with budget in general purpose financial statements.

1.1.2.2 Section 7.1.33 and 17.1.34 of Cash Basis International Public Sector Accounting Standard (IPSAS) as adopted by the Government of Liberia state," An entity is encouraged to disclose in the notes to the financial statements:1a) Information about the assets and liabilities of the entity; and 1b) If the entity does not make publicly available its approved budget, and comparison with national budgets".

Observation

1.1.2.3 During the audit, we observed no evidence that Management disclosed in the notes to the financial statements the amount of US$608,970.62 due from the Guaranty Trust Bank Liberia Limited (GTBLL) for an advanced payment guarantee (APG) issued by the bank on behalf of the contractor (ENCO JV Hydro Power) who did not perform satisfactorily under the APG.

1.1.2.4 As at close of reporting period, the amount remained uncollected while the project is expected to close by 30 June 2026.

Risk

1.1.2.5 Completeness and accuracy of revenue and receivables may not be assured. Therefore, the financial statements may be misstated.

1.1.2.6 A misstated financial statement may facilitate fraudulent financial reporting and mislead the users of the financial statements.

1.1.2.7 Management may not account for all revenue and receivables of the entity.

1.1.2.8 Fair presentation and full disclosure of the financial statements may be impaired.

Recommendation

1.1.2.9 Management should disclose the total value of the advanced payment guarantee amounting to US$608,970.62 due form GTBLL resulting from non-performance of the contractor. Subsequently, Management should adjust the financial statements and include in the notes to the financial statements the contingent receivables as part of Management's response to this Management Letter.

1.1.2.10 Further, Management should facilitate timely receipt of the total value of the advance payment guarantee or seek the required legal redress.

1.1.2.11 Going forward, Management should facilitate full disclosure of revenue and receivables from all sources by disclosing comprehensive and accurate balances of revenue and receivables on the face and in the notes to the financial statements as required (where applicable).

1.1.2.12 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. Management should facilitate payments to contractors consistent with the approved work plan and payment terms.

1.1.2.13 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.

1.1.2.14 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

1.1.2.15 Management acknowledges the auditor's observation regarding the advance payment guarantee amount associated with ENCO JV.

1.1.2.16 Management has revised the financial statements and appropriately disclosed the advance payment amount in the explanatory notes. Furthermore, as the advance payment guarantee *was fully recovered in June 2026, this progress will be disclosed in the subsequent unaudited financial statements.*

Auditor General's Position

1.1.2.17 We acknowledge Management's acceptance of our findings, recommendations and the subsequent adjustment of the financials statements.

1.2 Field Verification Findings

1.2.1 Deviation from Project Specifications

Criteria

1.2.1.1 According to the request for bids plant design, supply and instillation procurement of Supply and Installation of 33/0.4Kv Distribution Network for Lofa County Mini Grid – page 148 section VII – Employer's Requirements count 1 states that Galvanized Steel Tubular Poles shall be 12m & 11m primarily for the 33kV express (transmission) lines in open country (between towns and villages). The use of steel poles is to protect the lines against bush fires which is rampant in the area. Count 2 states that Wood Poles are for 11m & 12m poles for the 33kV express and distribution lines within the towns and villages where bush fires are not expected.

Observation

1.2.1.2 During the audit, we observed that transmission lines erected from Voinjama to Foyah and Voinjama to Kaihai were mounted on wooden poles rather than steel tubular poles as required.

Risk

1.2.1.3 The usage of wooden poles to string power lines in the rural areas may expose the infrastructure to fire vandalism due to regular burning of cultivated farms by community dwellers.

1.2.1.4 The absence of regulation and prescribed punishment for burning of poles may impair value for money and lead to non-achievement of the project objectives.

Recommendation

1.2.1.5 Management should develop a strong communication strategy between the project implementors (Contractors) and community members to create more awareness about care and protection of project infrastructure.

1.2.1.6 The Community Outreach personnel should engage all community dwellers in periodic community dialogue sections informing them of the consequences of not caring for and protecting project infrastructure.

1.2.1.7 Going forward, Management should consider the erection of concrete or metal poles rather than wooden poles due to threat from fire hazards owing to cultivation of farm lands in the project areas.

1.2.1.8 Management should develop, approve and operationalize a work plan to facilitate the smooth implementation of service for all contractors. The work plan should be discussed and agreed with the contractors and included as supplementary documentation to the approved contracts.

1.2.1.9 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.

1.2.1.10 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

1.2.1.11 Management notes the audit observation and wishes to clarify that the contract for the Supply and Installation of the 33/0.4kV Distribution Network for the Lofa County Mini Grid provides for the use of both galvanized steel tubular poles and wood poles, depending on the route classification, location, and approved design requirements.

1.2.1.12 The Employer's Requirements indicate that 11 meters galvanized steel tubular poles are intended primarily for 33kV express/transmission lines in open country, particularly between towns and villages, due to bushfire risks. The same requirements also allow the use of 11meters and 12 meters wood poles for 33kV express and distribution lines within towns and villages, or in sections where bushfire exposure is not expected. Accordingly, the presence of wood poles is not, by itself, a contractual deviation; this depends on the specific route section and the approved design classification.

1.2.1.13 Management also notes the concern regarding bushfire and vandalism risks. RREA will continue to strengthen community sensitization, stakeholder engagement, and asset-protection measures along the network corridor to reduce the risk of damage to poles, conductors, transformers, and other project infrastructure.

Auditor General's Position

1.2.1.14 Management's assertions did not adequately address the issues raised. The deviations mentioned in our finding above were related to the erection of wooden poles along the Voinjama to Foyah and Voinjama to Kaihai transmission routes rather than steel tabular poles non-consistent with the terms and conditions of the contract. Therefore, we maintain our finding and recommendations. We will follow up on the implementation of our recommendations during subsequent audit.

ANNEXURES

Annexure 1A: Irregularities Associated with Travel Expenditures

No.	Name	Date	Voucher No.	Check No.	Amount USD
1.	Theophilus A.T. Kambo	2/6/2025	0008022	00002183	217.00
2.	Stephen V. Porter	2/6/2025	0008024	00002185	217.00
3.	Famata K. Sasey	2/6/2025	0008025	00002186	217.00
4.	Joseph Y. Fobay	2/6/2025	0008026	00002187	217.00
5.	Peter D. Mulbah	2/6/2025	0008031	00002192	407.00
7.	Theophilus A.T. Kambo	7-Apr-25	0007289	00002212	457.00
8.	Timothy T. Seequeh	3-Mar-25	0007225	00002205	692.00
9.	Eric M. Jackson	3-Mar-25	0007224	00002204	692.00
10.	Peter D. Mulbah	9-May-25	00007388	00002228	312.00
11.	Varney K. Garpue	7-Apr-25	0007293	00002216	407.00
12.	Abraham Bility	9-May-25	0007389	00002229	312.00
13.	Theophilus A.T. Kambo	9-May-25	0007390	00002230	337.00
14.	Joseph Y. Fobay	16-May-25	0007613	00002235	490.00
15.	Theophilus A.T. Kambo	6-Jun-25	0007682	00002244	450.00
16.	Johnny D.W. Browne	6-Jun-25	0007683	00002245	400.00
17.	Eric M. Jackson	6-Jun-25	0007684	00002446	280.00
18.	Eric T. Tulay	12-Aug-25	0007110	00002256	280.00
19.	Theophilus A.T. Kambo	12-Aug-25	0007111	00002257	450.00
20.	Johnny D.W. Browne	12-Aug-25	0007112	00002258	200.00
21.	Joseph Y. Fobay	8-Sep-25	0007442	00002263	350.00
22.	William M. Sherman	8-Sep-25	0007443	00002264	500.00
23.	Theophilus A.T. Kambo	8-Sep-25	0007444	00002265	500.00
24.	Lisa N. Barlea	8-Sep-25	0007477	00002269	700.00
25.	Joseph Y. Fobay	22-Sep-25	0007478	00002270	490.00
26.	Samuel B. Nagbe	1-Oct-25	0007702	00002274	800.00
27.	Ronnell B. Tugboe	1-Oct-25	0007703	00002275	400.00
28.	Christopher N. Henshaw	1-Oct-25	0007704	00002276	400.00
29.	John S. Toto	1-Oct-25	0007705	00002277	280.00
30.	Theophilus A.T. Kambo	1-Oct-25	0007706	00002278	500.00
31.	George B. Cooper	1-Oct-25	0007707	00002279	400.00
32.	Varney K. Garpue	1-Oct-25	0007708	00002280	400.00
33.	William M. Sherman	1-Oct-25	0007709	00002281	400.00
34.	Eric T. Tulay	1-Oct-25	0007710	00002282	280.00
35.	Ronnell B. Tugboe	1-Oct-25	0002283	00002283	990.00
36.	Stephen V. Porter	1-Oct-25	0007712	00002284	450.00
37.	Roseline W. Ben	1-Oct-25	0007713	00002285	375.00
38.	Debbie D. Lankah	1-Oct-25	0007714	00002286	300.00
39.	J. Zorlagbeh Mahsuah	1-Oct-25	0007715	00002287	210.00
40.	Patrick Zumoh	1-Oct-25	0007716	00002288	375.00
41.	Elsie N. Kpateh	1-Oct-25	0007717	00002289	300.00
42.	Augustine Moore	1-Oct-25	0007718	00002290	375.00
43.	Peter D. Mulbah	1-Oct-25	0007719	00002291	210.00
44.	Stanley McCauley	1-Oct-25	0007720	00002292	300.00

No.	Name	Date	Voucher No.	Check No.	Amount USD
45.	Leroy A. Flomoteh	1-Oct-25	0007721	00002293	300.00
46.	Emmanuel M. Morris	1-Oct-25	0007722	00002294	300.00
47.	Joseph Y. Fobay	1-Oct-25	0007723	00002295	210.00
48.	Eric M. Jackson	1-Oct-25	0007724	00002296	210.00
49.	Decontee S. Gray	1-Oct-25	0007725	00002297	300.00
50.	Decontee L. Wymon	1-Oct-25	0007727	00002299	450.00
51.	Elizabeth F. Samolah	1-Oct-25	0007726	00002305	375.00
52.	George J. Davis	1-Oct-25	0007740	00002307	600.00
53.	Armah Z. Jallah	1-Oct-25	0007730	00002302	600.00
54.	Lisa N. Barlea	1-Oct-25	0007731	00002303	600.00
55.	George J. Davis	1-Oct-25	0007740	00002307	600.00
56.	Peter D. Mulbah	23-Oct-25	0007768	00002310	700.00
57.	Eric T. Tulay	28-Oct-25	0007777	00002314	350.00
58.	Lisa N. Barlea	24-Nov-25	0007870	00002317	400.00
59.	Peter D. Mulbah	24-Nov-25	0007872	00002319	280.00
60.	Brilliance Karwee	24-Nov-25	0007873	00002320	400.00
61.	Theophilus A.T. Kambo	24-Nov-25	0007875	00002322	500.00
62.	Amara Kamara	24-Nov-25	0007877	00002324	280.00
63.	Famata K. Sasey	24-Nov-25	0007878	00002325	400.00
64.	Orther Bundoo She	24-Nov-25	0007871	00002328	400.00
65.	Emmanuel Lawrence	9-Dec-25	0007930	00002332	500.00
66.	Muniru Balloh	9-Dec-25	0007931	00002333	1,500.00
67.	Edward J. Howard	9-Dec-25	0007932	00002334	500.00
68.	Peter D. Mulbah	9-Dec-25	0007933	00002335	350.00
69	Amara Kamara	18-Dec-25	0007965	00002341	700.00
70.	Emmanuel Lawrence	22-Dec-25	0007984	00002344	1,000.00
71.	Korsor Y. Roberts	22-Dec-25	0007985	00002345	700.00
Total					**30,824.00**

Annexure 1B: Travel above Required Threshold

No.	Description	Payee	Date	Voucher Number	Check Number	Amount US$
1	Payment representing DSA to Lofa	Samuel B. Nagbe	1-Oct 25	0007702	00002274	800.00
2	Payment representing DSA to Lofa	Ronnell B. Tugboe	1-Oct-25	0007703	00002275	400.00
3	Payment representing DSA to Lofa	Christopher N. Henshaw	1-Oct-25	0007704	00002276	400.00
4	Payment representing DSA to Lofa	John S. Toto	1-Oct-25	0007705	00002277	280.00
5	Payment representing DSA to Lofa	Theophilus A.T. Kambo	1-Oct-25	0007706	00002278	500.00
6	Payment representing DSA to Lofa	George B. Cooper	1-Oct-25	0007707	00002279	400.00
7	Payment representing DSA to Lofa	Varney K. Garpue	1-Oct-25	0007708	00002280	400.00
8	Payment representing DSA to Lofa	William M. Sherman	1-Oct-25	0007709	00002281	400.00
9	Payment representing DSA to Lofa	Eric T. Tulay	1-Oct-25	0007710	00002282	280.00
10	Payment representing DSA to Lofa	Ronnell B. Tugboe	1-Oct-25	0002283	00002283	990.00
11	Payment representing DSA to Lofa	Stephen V. Porter	1-Oct-25	0007712	00002284	450.00
12	Payment representing DSA to Lofa	Roseline W. Ben	1-Oct-25	0007713	00002285	375.00
13	Payment representing DSA to Lofa	Debbie D. Lankah	1-Oct-25	0007714	00002286	300.00
14	Payment representing DSA to Lofa	J. Zorlagbeh Mahsuah	1-Oct-25	0007715	00002287	210.00
15	Payment representing DSA to Lofa	Patrick Zumoh	1-Oct-25	0007716	00002288	375.00
16	Payment representing DSA to Lofa	Elsie N. Kpateh	1-Oct-25	0007717	00002289	300.00
17	Payment representing DSA to Lofa	Augustine Moore	1-Oct-25	0007718	00002290	375.00
18	Payment representing DSA to Lofa	Peter D. Mulbah	1-Oct-25	0007719	00002291	210.00

No.	Description	Payee	Date	Voucher Number	Check Number	Amount US$
19	Payment representing DSA to Lofa	Stanley McCauley	1-Oct-25	0007720	00002292	300.00
20	Payment representing DSA to Lofa	Leroy A. Flomoteh	1-Oct-25	0007721	00002293	300.00
21	Payment representing DSA to Lofa	Emmanuel M. Morris	1-Oct-25	0007722	00002294	300.00
22	Payment representing DSA to Lofa	Joseph Y. Fobay	1-Oct-25	0007723	00002295	210.00
23	Payment representing DSA to Lofa	Eric M. Jackson	1-Oct-25	0007724	00002296	210.00
24	Payment representing DSA to Lofa	Decontee S. Gray	1-Oct-25	0007725	00002297	300.00
25	Payment representing DSA to Lofa	Decontee L. Wymon	1-Oct-25	0007727	00002299	450.00
26	Payment representing DSA to Lofa	Armah Z. Jallah	1-Oct-25	0007730	00002302	600.00
27	Payment representing DSA to Lofa	Lisa N. Barlea	1-Oct-25	0007731	00002303	600.00
28	Payment representing DSA to Lofa	Elizabeth F. Samolah	1-Oct-25	0007726	00002305	375.00
29	Payment representing DSA to Lofa	George J. Davis	1-Oct-25	0007740	00002307	600.00
Total						**11,690**

Prior Year Audit Recommendations Implementation Status

Reference Paragraph	Finding	Observation	Recommendation	Implementation Status
1.1.1.2	Lack of Senior Management Meeting Minutes	During the audit, we observed no evidence of Senior Management meeting minutes to facilitate oversight and review of Management functions.	Management should facilitate the conduct of periodic Senior Management meetings. Senior Management meeting minutes should comprehensively detail activities discussed, actions to implement planned activities and approved timelines. Meetings' minutes should be subsequently documented and filed to facilitate future review.	Not Implemented
1.1.2.3	Non-Functional Audit Committee	During the audit, we observed no evidence of a functional audit committee, evidenced by the absence of meeting minutes and periodic activities reports.	Management should liaise with the relevant authority to establish a functional audit committee. Evidence of periodic meetings minutes and activities reports should be adequately documented and filed to facilitate future review.	Fully implemented
1.2.1.4	Discrepancies Associated with the Presentation of the General Ledger, Trial Balance and Financial Statements	During the audit, we observed that the general ledger and the financial statements were prepared using economic classifications, while the trial balance was prepared using programmatic classifications.	Going forward, Management should prepare the general ledger, trial balance and the financial statements utilizing a unique basis of classification: economic or programmatic. Alternatively, Management should include in the notes to the financial statements a reconciliation between the programmatic classification and the economic classification or at least disclose a detailed composition of each programmatic classification utilized in the preparation of the trial balance.	Implemented
1.3.1.3	Non-Retirement of Domestic Travel	During the audit, we observed that transactions amounting to US$16,830.00 were paid as DSA to staff for domestic travel without evidence of retirement as required. See annexure 1 in the report	Going forward, Managements should ensure that all travel advances are adequately retired with the original copies of receipts and activities reports to justify the regularity of the transactions.	Not Implemented

Reference Paragraph	Finding	Observation	Recommendation	Implementation Status
		for details.	All incidental allowances should be duly retired/accounted for through the filling and subsequent approval of the travel settlement form. The form should be accompanied by original copies of receipts and travel activities reports to justify the regularity of the transactions.	
1.4.1.2	Irregularities Associated with Fixed Assets Management System	During the audit, we observed the following irregularities associated with the Fixed Assets Management System: • The fixed assets register did not contain all the relevant columns. • There was no evidence of periodic physical verification of assets to validate existence, condition and location of assets. • There was no evidence of assets movement log/form • Fixed Assets within a given vicinity were not displayed as required by the PFM. • Most of the assets were not coded • The fixed assets register was not regularly updated	Management should ensure that the fixed assets register is updated to reflect the following; description, class, code, location, condition, cost, depreciation expense, accumulated depreciation and net book value of the asset. Management should initiate/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. 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. Fixed Assets within a particular vicinity should be clearly displayed as required by the PFM Act.	Fully Implemented Partially Implemented Partially Implemented Fully implemented

Reference Paragraph	Finding	Observation	Recommendation	Implementation Status
			Management should update the current fixed asset management policy to include threshold for assets value to be recorded, developed and maintained.	Not implemented
1.5.1.2	No Risk Assessment Policy and Process	During the audit, we observed no evidence that Management had developed a risk management policy nor performed periodic risk assessment to guide internal and external risks that may impair the achievement of the project's objectives.	Management should develop, approve and operationalize a risk management policy that identifies strategies for mitigating internal and external risks that may impair the achievement of the project's objectives. Subsequently, Management should facilitate the conduct of periodic risk assessment and take corrective action for gaps identified. Periodic Risk Assessment reports should be adequately documented and filed to facilitate future review.	Not Implemented Fully implemented Fully implemented
1.6.1.2	Discrepancies Associated with Project Deliverables	During the audit, we observed no evidence of an approved work plan comprehensively cataloguing the number of homes to be connected and supplied electricity in Lofa County. The contract obtained for audit purposes indicated the installation of 33/o.4KV distribution lines to facilitate the supply of electricity to three (3) districts in Lofa County: Voinjama, Kolahun and Foyah. However, the contract did not indicate the number of homes to be electrified in each district or the County. Management only provided a listing of total homes that received service lines. As a	Management should submit a copy of the approved work plan to the Office of the Auditor General, as part of Management's response to this Management Letter.	Partially Implemented

Reference Paragraph	Finding	Observation	Recommendation	Implementation Status
		result, we could not validate as to whether the services were provided to the approved number of targeted beneficiaries and the full implementation of project deliverables.		
1.6.1.3	Discrepancies Associated with Project Deliverables			
'1.6.2.4	Misuse of Project Infrastructure by Community Dwellers	During the audit, we observed that some of the electrical poles facilitating power distribution along the Voinjama and Kolahum high way were damaged by fire.	Management should develop, approve and operationalize a stakeholder sensitization strategy comprehensively cataloging safety and protection measures and procedures to safe guide project assets including distribution lines, electrical wooden poles, transformers and sub-stations. The strategy should include sensitization against hazardous activities which poses threats to sustainability of project assets, including igniting fires around project assets, lack of controls of fire from farm lands and awareness for power lines and electrical equipment. The strategy should be supported by jingles and announcements in local vernaculars/dialects, community sensitization forums and engagements and the creation of graphical representations, including infographics and pictures in the vicinity of power lines and	Not Implemented

Reference Paragraph	Finding	Observation	Recommendation	Implementation Status
			equipment to facilitate precise interpretations of potential danger from hazardous activities.	
			Evidence of stakeholder sensitization strategy, and the conduct of periodic community sensitization engagement activities should be adequately documented and filed to facilitate future review.	Not Implemented