Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

On Financial Statements Audit of the Liberia Integrated Fisheries Sector Strengthening Project (LIFSSP)

OPEC FUND LOAN/GRANT No. 15809P

For The Period Ended December 31, 2025

June 2026

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

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Acronyms/Abbreviations /Symbol	Meaning
AG	Auditor General
CFIP	Certified Forensic Investigation Professional
FCCA	Fellow Member of the Association of Chartered Certified Accountants
GAC	General Auditing Commission
IPSAS	International Public Sector Accounting Standards
LIFSSP	Liberia Integrated Fisheries Sector Strengthening Project
M & E	Monitoring and Evaluation
PFM Act	Public Finance Management Act
PFMU	Project Financial Management Unit
US$	United States Dollar

Republic of Liberia

AUDITOR GENERAL'S REPORT

June 25, 2026

Hon. J. Cyrus Saygbe, Sr.
Director General
National Fisheries & Aquaculture Authority (NaFAA)
Bushrod Island
Montserrado, Liberia

AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS AUDIT OF THE LIBERIA INTEGRATED FISHERIES SECTOR STRENGTHENING PROJECT FOR THE FINANCIAL PERIOD ENDED DECEMBER 31, 2025.

Opinion

We have audited the accompanying financial statements of the Liberia Integrated Fisheries Sector Strengthening Project (LIFSSP): OPEC FUND LOAN/GRANT No. 15809P for period ended December 31, 2025 which comprise the Statement of Receipts and payments, Statement of Comparison of Budget and Actual Amounts and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Statement of Receipts and Payments as at December 31, 2025, the Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the period then ended in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting.

Basis for opinion

We conducted our audit in accordance with 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 Liberia Integrated Fisheries Sector Strengthening Project (LIFSSP) Implementing Unit (PIU) of National Fisheries and Aquaculture Authority (NaFAA) in accordance 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 Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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.

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, CFE
Auditor General, R. L.

Monrovia, Liberia
June 2026

LIFSSP FINANCIAL STATEMENTS DECEMBER 31, 2025

Liberia Integrated Fisheries Sector Strengthening Project (LIFSSP)

Financial Statement of OPEC Funded Project
For the Period ended December 31, 2025.
LIFSSP: OPEC Fund Loan/Grant No. 15809P

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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 Liberia Integrated Fisheries Sector Strengthening 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 period 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 Integrated Fisheries Sector Strengthening 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 Integrated Fisheries Sector Strengthening 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 period ended December 31, 2025, and of the Project's financial position as at that date. The PFMU and the Project Coordinator for Liberia Integrated Fisheries Sector Strengthening 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 Integrated Fisheries Sector Strengthening 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 period 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 Integrated Fisheries Sector Strengthening project on February 24th, 2026.

INFORMATION

PROJECT MANAGEMENT TEAM

Project Financial Management Unit:	Papin Daniels, CA, CPA Unit Director Project Financial Management Unit (PFMU) Leroy Fendor, CA, CPA Deputy Director Subozu Kollie, CFE, CA, CPA Project Internal Auditor
Registered Office:	Project Financial Management Unit (PFMU) Ministry of Finance Broad and Mechlin Street Liberia
Project Implementation Unit:	Austin Saye Wehye Project Coordinator Liberia Integrated Fisheries Sector Strengthening Project (LIFSSP)
Project Location:	National Fisheries & Aquaculture Authority (NaFAA) Bushrod Island Liberia
Banker:	EcoBank (Liberia) Limited 11th Street, Sinkor Monrovia

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

In United States Dollars	Notes	December 31, 2025	Cummulative
Receipt			
OPEC Funding Source	**4**	**2,000,000**	2,000,000
Total Receipt		**2,000,000**	2,000,000
Payment			
Improving Management and Governance of Fisheries	**5**	**11,450**	11,450
Improving Value-Addition of Fish and Fish Products	6	**82,222**	82,222
Support to Community and Women-led Fisheries Management	**7**	**6,135**	6,135
Project Management	**8**	**286,325**	286,325
Total Payments		**386,133**	386,133
Excess of receipts over payments (payments over receipts)		**1,613,867**	1,613,867
Fund Balance as at beginning		**-**	-
Cumulative fund balance		**1,613,867**	1,613,867

The notes on pages 6 to 11 are integral part of these project financial reports

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

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

	In United States Dollars	**December 31, 2025**
A	**Fund Balance**	
	Balance of Project Fund	**-**
	Add: Total Receipts during the period	2,000,000
	Total Fund available for operations	**2,000,000**
	Less: Total Payments during the period	**386,133**
	Balance of project fund at the end of the year	**1,613,867**
B	**Cash Status:**	
	OPEC Fund Account - Ecobank	**1,612,867**
	Petty Cash	**1,000**
	Total Cash on hand and in bank	**1,613,867**
	Difference between A and B	**-**

The notes on pages 6 to11 are integral part of these project financial reports

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR DECEMBER 31, 2025 **4**

Analysis of Variance

Activities Within Components	Project Allocation	Annual	Actual Expenditure	Variance
	US$	US$	US$	US$
Improving Management and Governance of Fisheries	4,760,000	450,000	11,450	438,550
Improving Value-Addition of Fish and Fish Products	4,500,000	350,000	82,222	267,778
Support to Community and Women-led Fisheries Management	9,780,000	1,290,000	6,135	1,283,865
Project Management	1,200,000	366,400	286,325	80,075
Total	**20,240,000**	**2,456,400**	**386,132**	**2,070,268**

The notes on pages 6 to 11 are integral part of these project financial reports

The variance between the approved FY2025 Annual Budget and the actual annual expenditure is primarily attributable to the mid-year project restructuring, which necessitated a temporary suspension of implementation activities and procurement processes. The restructuring, an unprecedented action at this stage of project execution was undertaken to realign project components and expenditure allocations with the priority interventions identified under Liberia's ARREST Agenda for Inclusive Development (AAID). As part of this process, all ongoing and planned procurement activities were placed on hold pending formal approval of the revised scope and results framework. Although the 2025 Annual Work Plan and Budget (AWPB) and associated Procurement Plan were approved on 14 May 2025, the Project was subsequently instructed in June 2025 to initiate a formal restructuring process to accommodate modifications to selected activities. This was required notwithstanding the submission and approval of a change request alongside the AWPB. The formal restructuring request was submitted in July 2025 and received approval on 8 October 2025.The period between May and October 2025 resulted in:

- A temporary procurement freeze, affecting bid issuance, evaluation, and contract award processes;
- Delays in contract signing and mobilization of service providers and suppliers;
- Deferred commitments and obligations, leading to lower-than-projected disbursement levels; and
- Slippage in the implementation schedule, with corresponding cash flow implications.

Consequently, planned expenditures were not executed within the fiscal period as originally forecasted, resulting in a variance between the approved budget and actual spending. The variance is therefore timing-related rather than performance-related, and reflects implementation delays arising from the restructuring process rather than budget absorption constraints or fiduciary inefficiencies. With restructuring approval secured in October 2025, procurement and implementation activities have resumed, and the deferred expenditures are expected to be realized in the subsequent implementation period in line with the 2026 work plan and disbursement projections.

STATEMENT OF FINANCIAL POSITION **5**
AS AT DECEMBER 31, 2025

In United States Dollars	Notes	**December 31, 2025**
Assets		
Cash and cash equivalent		**1,613,868**
Total Assets		**1,613,868**
Fund Balance		
Loans/Grants		**1,613,868**
Accumulated Fund Balance		**1,613,868**

29/06/26

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

29/06/26

Austin Saye Wehye
Project Coordinator-LIFSSP
NAFAA

The notes on pages 6 to 11 are integral part of these project financial reports

NOTES TO FINANCIAL STATEMENTS 6

1. Background and Information of the Project

With support from the OPEC Fund; the Liberia Integrated Fisheries Sector Strengthening Project (IFSSP) - is to contribute to the country's food security and poverty alleviation by improving fisheries management and productivity, thereby enhancing the livelihood and income of Project beneficiaries. The OPEC approved the IFSSP project on December 29, 2023 with a loan amount of USD 20,000,000.00 and a Grant amount of USD 240,000.00. The Project consists of the following parts:

Improving Management and Governance of Fisheries

This component will finance the:

(i) construction of a fishery's competent laboratory for post-harvest quality assurance, to enable the country export fish produce to international markets, as well as the provision of materials, equipment, chemicals, reagents and all the necessary growth mediums. The laboratory will also contribute to the monitoring of fish stocks, for fisheries and fish stock management;

(ii) design and supervision details for the laboratory; and

(iii) development of the legal and regulatory framework for the establishment of the laboratory, as well as the relevant processes for the accreditation of the laboratory and export validation, including staff training.

(iv) Established Co-management Associations (CMAs) in Maryland, Montserrado, Bomi and Rivercess, and strengthened the existing CMAs.

Improving Value-Addition of Fish and Fish Products

This component will finance:

(i) The construction and equipment of a modern fish processing factory to ensure high efficiency, hygiene, sustainability, and compliance with food safety regulations.

(ii) Technical assistance on fisheries trade and investment to provide expertise to help enhance the fisheries sector's efficiency, sustainability, and profitability, with a focus on trade and investment opportunities.

(iii) Conduct a study tour to inform the development of the specifications and terms of reference for the proposed fish processing factory.

Support to Community and Women-led Fisheries Management

This component will finance:

(i) *Fish Landing Sites:* The construction of two integrated fish landing platforms in Maryland and Grand Bassa Counties, equipped with: (A) solar-powered sea water supply, liquid and solid waste treatment facilities, solar cooler boxes for ice storage, and solar photovoltaic (PV) panels for lighting; (B) stainless steel work benches; and (C) chill storage.

(ii) *Construction of the Klay Aquaculture Hatchery:* Covering the revamping of one of the government-managed hatcheries at Klay. The specific activities under this sub-component will depend on the outcome of the economic and financial feasibility studies to be conducted during the implementation phase of the Project. This activity has now been to "*Design private sector-led programs for the development of aquaculture to enhance productivity in the sector*" because the

NOTES TO FINANCIAL STATEMENTS *(continued)* **7**

LSMFP is constructing Klay Hatchery as originally planned in its Project Appraisal Document (PAD).

(iii) The design and supervision details for the landing sites and the onshore facilities.

(iv) *Support Focused on Women Entrepreneurs:* Covering: (A) provision of matching grants to women entrepreneurs in fisheries; (B) funding for capacity building through training in post-harvest value systems, as well as development of women entrepreneurship through business development and financial management; and (C) support to narrow the prevailing gender gaps in women's access to finance.

Project Management

This component will cover costs related to implementation, management, coordination and oversight of the Project, including: (i) establishing and implementing a simple and smart monitoring and evaluation system; and (ii) administrative and ESG training costs associated with the Project Implementation Unit (PIU) and the Project Financial Management Unit (PFMU).

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**
Improving Management and Governance of Fisheries	4,760,000	100
Improving Value-Addition of Fish and Fish Products	4,500,000	100
Support to Community and Women-led Fisheries Management	9,780,000	100
Project Management	1,200,000	100
Total	**20,240,000**	

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

	% of Expenditure
OPEC Fund loan/grant	100
Total	**100**

NOTES TO FINANCIAL STATEMENTS *(continued)* 8

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) and in the manner required by the Project Grant Agreement as required by the OPEC'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/Grant Receipts

Loan/Grant from donors for the IFSSP 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 disbursement purposes. All payments for the IFSSP 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 OPEC Fund.

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.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

In United States Dollars	**December 31, 2025**	Cumulative
4 Funds Received in DA		
OPEC Fund Loan/Grant No. 15809P	**2,000,000**	2,000,000
Total funds received in DA	**2,000,000**	2,000,000
5 Improving Management and Governance of Fisheries		
Construction of a fisheries competent laboratory for post-harvest quality assurance, to enable the country export fish produce to international markets, as well as the provision of materials, equipment, chemicals, reagents and all the necessary growth mediums. The laboratory will also contribute to the monitoring of fish stocks, for fisheries and fish stock management		
Operating Costs	**11,450**	11,450
	11,450	11,450
Development of the legal and regulatory framework for the establishment of the laboratory, as well as the relevant processes for the accreditation of the laboratory and export validation, including staff training	-	-
	11,450	11,450
6 Improving Value-Addition of Fish and Fish Products		
The construction and equipment of a modern fish processing factory to ensure high efficiency, hygiene, sustainability, and compliance with food safety regulations	**-**	-
Technical assistance on fisheries trade and investment to provide expertise to help enhance the fisheries sector's efficiency, sustainability, and profitability, with a focus on trade and investment opportunities		
Operating Costs	**1,358**	1,358
	1,358	1,358
Conduct a study tour to inform the development of the specifications and terms of reference for the proposed fish processing factory		
Operating Costs	**19,980**	19,980
Training	**60,884**	60,884
	80,864	80,864
	82,222	82,222

NOTES TO THE FINANCIAL STATEMENTS *(continued)* 10

In United States Dollars	December 31, 2025	Cumulative
7 Support to Community and Women-led Fisheries Management		
The construction of two integrated fish landing platforms in Maryland and Grand Kru Counties, equipped with: (A) solar-powered sea water supply, liquid and solid waste treatment facilities, solar cooler boxes for ice storage, and solar photovoltaic (PV) panels for lighting; (B) stainless steel work benches; and (C) chill storage		
Operating Costs	**6,135**	6,135
	6,135	6,135
Design a private sector led programs for the development of aquaculture to enhance productivity in the sector	**-**	-
Support Focused on Women Entrepreneurs: Covering: (A) provision of matching grants to women entrepreneurs in fisheries; (B) funding for capacity building through training in post-harvest value systems, as well as development of women entrepreneurship through business development and financial management; and (C) support to narrow the prevailing gender gaps in women's access to finance	**-**	-
	6,135	6,135
8 Project Management		
Implementing and monitoring environmental and safeguard instruments	**-**	-
Management Support (PFMU & NaFAA)		
Consultant Services	**30,000**	30,000
Operating Costs	**38,204**	38,204
	68,204	68,204
Annual Audit (GAC	**-**	-
Equipment (two cars and one bus), computers, and others)		
Operating Costs	**17,441**	17,441
Goods	**124,166**	124,166
	141,607	141,607
Staff Costs Project Implementation Unit (Environmental Specialist, Social Specialist, M&E Specialist and Administrative Officer)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS *(continued)* **11**

In United States Dollars	**December 31, 2025**	Cumulative
Allowance for NaFAA staff managing the project (Fuel and Communication only)		
Consultant Services	**12,150**	12,150
Operating Costs	**35,202**	35,202
	47,352	47,352
Aid Management Unit	**-**	-
Operations and Administrative Cost		
Operating Costs	**20,537**	20,537
	20,537	20,537
Communication for development		
Operating Costs	**8,624**	8,624
	8,624	8,624
Monitoring and Evaluation	**-**	-
	286,325	286,325
Funds received in DA		
OPEC grant	**2,000,000**	2,000,000
Cash paid		
Improving Management and Governance of Fisheries	**11,450**	11,450
Improving Value-Addition of Fish and Fish Products	**82,222**	82,222
Support to Community and Women-led Fisheries Management	**6,135**	6,135
Project Management	**286,325**	286,325
Total Payments	**386,133**	**386,133**