



Promoting Accountability of Public Resources

# AUDITOR GENERAL'S REPORT

**On the Financial Statements Audit of the  
Harmonizing and Improving Statistics in  
West Africa (HISWA) Project  
HISWA Project: P169265  
Loan No. IDA V3080**

**For the Period Ended January 7, 2021**

**June 2021**

**Yusador S. Gaye, CPA, CGMA  
Acting Auditor General, R. L.**



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<b>Acronyms/Abbreviations</b>	<b>Meaning</b>
CGMA	Chartered Global Management Accountant
CPA	Certified Public Accountant
DA	Designated Account
PFM	Project Financial Management Manual
GAC	General Auditing Commission
GOL	Government of Liberia
HISWA	Harmonizing and Improving Statistics in West Africa
IPSA	International Public Sector Accounting framework
INTOSAI	International Organization of Supreme Audit Institutions
ISAs	International Standards on Auditing
ISSAIs	International Standards of Supreme Audit Institutions
LISGIS	Liberia Institute of Statistics and Geo-Information Services
MFD	Ministry of Finance and Development Planning
PFMU	Public Financial Management Unit
PMT	Project Management Team
POM	Project Operational Manual
PPA	Project Preparation Advance
PIU	Project Implementation Unit (Same as PMT)
SOE	Statement of expenditure
US\$	United States Dollar
WB	World Bank

## **AUDITOR GENERAL'S REPORT**

June 18, 2021

Hon. Francis F. Wreh

### **Director General**

Liberia Institute of Statistics and Geo-Information Services (LISGIS)  
Executive Mansion Ground  
Capitol Hill, Monrovia, Liberia

Dear Hon. Wreh:

### **AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS AUDIT OF THE HARMONIZING AND IMPROVING STATISTICS IN WEST AFRICA (HISWA) PROJECT FOR THE PERIOD MARCH 3, 2020 TO JANUARY 7, 2021.**

#### **Opinion**

We have audited the accompanying financial statements of the Harmonizing and Improving Statistics in West Africa (HISWA) Project for the period ended January 7, 2021. These financial statements comprise the Statement of Receipts and Payments as at January 7, 2021, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes for the period then ended, and a summary of significant accounting Policies and other explanatory information.

In our opinion, the accompanying financial statements of HISWA (Project: P169265; Loan No. IDA V3080) present fairly in all material respects, the Statement of Receipts and Payments as at January 7, 2021, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes for the fiscal period 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 (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 Harmonizing and Improving Statistics in West Africa (HISWA) 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

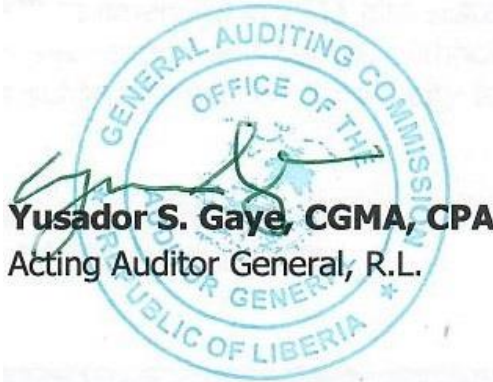
necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to 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 HISWA 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.



**Yusador S. Gaye, CGMA, CPA**  
Acting Auditor General, R.L.



**Monrovia, Liberia**

June 2021

**FINANCIAL STATEMENTS**  
**Harmonizing and Improving Statistics in West Africa (HISWA) Project**  
**Statement of Receipts and Payments**  
**For the 11 months ended January 7, 2021**

**In United States Dollars:**

	<b>Notes:</b>	<b>1-Mar-20 1-Jan-21 US\$</b>
<b>RECEIPTS:</b>		
IDA Grant	<b>4</b>	500,000
Total Receipt		<b>500,000</b>
<b>PAYMENTS:</b>		
Regional Component: Harmonization, data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics	<b>5</b>	20,001
Country-Specific Component: Improving or modernizing physical and statistical infrastructure	<b>6</b>	-
Project Management and Monitoring and Evaluation ( M&E)	<b>7</b>	311,368
Total Payment		<b>331,369</b>
Excess of receipts over payments (payments over receipts)		168,631
Fund Balance as at beginning		-
Cumulative fund balance		<b>168,631</b>

**STATEMENT OF FUND BALANCE AND CASH STATUS  
FOR THE PERIOD ENDED JANUARY 07,2021**

<b>In United States Dollars</b>	<b>Notes</b>	<b>1-Mar-20 1-Jan-21 US\$</b>
<b>A Fund Balance</b>		
<b>Balances of Project Fund</b>		-
Add: Total Receipts during the period		<u>500,000</u>
Total Fund available for operations		500,000
Less: Total Payments during the period		331,361
<b>Balance of project fund at the end of the year</b>		<u><b>168,631</b></u>
 <b>B Cash Status:</b>		
Cash at Bank		<u><b>168,631</b></u>
 <b>Total Cash on hand and in bank</b>		<b>168,631</b>
 <b>Difference between A and B</b>		<u>-</u>

**STATEMENT OF COMPARASION OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JANUARY 7, 2021**

Activities of Variance

**Note 17**

Activities within Components	<b>Project Allocation</b>	<b>Budget</b>	<b>Actual Expenditure</b>	<b>Variances</b>	<b>%of Variance</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	
uses of Funds By Activity Within Components					
Regional Component: Harmonization, data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics	25,000,000	880,000	20,001	859,999	97.73
Country-Specific Component: Improving or modernizing physical and statistical infrastructure	3,000,000	-	-	-	-
Project Management and Monitoring and Evaluation ( M&E)	2,000,000	320,000	311,368	8,632	2,70
Grand Total	<b>30,000,000</b>	<b>1,200,000</b>	<b>331,369</b>	<b>868,631</b>	<b>72.39</b>



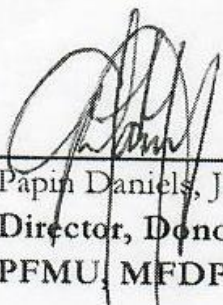
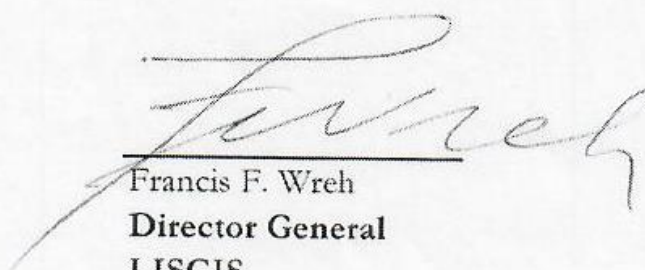


**STATEMENT OF FINANCIAL POSITION  
AS AT JANUARY 7, 2021**

**In United State Dollars**

**Notes**     **1-Mar-20**  
                  **7-Jan-21**  
                  **US\$**

<b>Cash and Cash Equivalent</b>	<b><u>168,631</u></b>
	168,631
Total Assets	168,631
	168,631
Funds Balance	
Grants	
<b>Accumulated Fund Balance</b>	<b><u><u>168,631</u></u></b>

 <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <p>Papin Daniels, Jr.  Director, Donor Financed Projects  PFMU, MFDP</p>	 <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <p>Francis F. Wreh  Director General  LISGIS</p>
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**PROJECT DESIGNATED ACCOUNT STATEMENT  
FOR THE FISCAL YEAR ENDED JANUARY 7, 2021**

Account Number: 6101700412  
Account Type Current Account  
Depository Bank(s) Eco Bank (Liberia) Limited  
Address: 11<sup>th</sup> Street & Ashmun Street  
Monrovia, Liberia  
Currency: United State Dollars

	Notes	1-Mar-20 7-Jan-21 US\$
Total Grant Received		500,000
<b>Total Grant income reported</b>		<b><u>500,000</u></b>
<b>Amount spend</b>		331,369
<b>Balance as at beginning</b>		-
<b>Balance as at June 30, 2020</b>	<b>9</b>	<b><u>168,631</u></b>
<b>Closing Balance Consist of:</b>		
HISWA_PPA _Eco bank -IDA V3080		168,631
		<b><u>168,631</u></b>

## NOTES TO FINANCIAL STATEMENTS

### 1. Background and Information of the Project

With supported from the International Development Association; the Harmonizing and Improving Statistics in West Africa Project is to Strengthen the statistical systems of Participating Countries and regional Bodies in Africa to harmonize, produce, disseminate and enhance the use of core economic and social statistics. The World Bank approved the HISWA project on February 13, 2020 with a grant amount of USD 30,000,000.00.

The project consists of the following components:

**Component I:** Harmonization, data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics

**Component II:** Improving or Modernizing Physical and Statistical Infrastructure: Improve physical and statistical infrastructure, through the purchase and installation of equipment and services and Minor Works necessary to NSO for its operation; and

**Component III:** Project Management and Monitoring and Evaluation (M&E)

### 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:

Category	Amount of grant allocated expressed in,	% of expenditure to be financed
Component I	25,000,000	100.00
Component II	2,000,000	100.00
Component III	3,000,000	100.00
<b>Grand Total</b>	<b><u>30,000,000</u></b>	

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

	% of Expenditure to be financed
IDA Grant	100
<b>Total</b>	<b><u>100</u></b>

## **NOTES TO FINANCIAL STATEMENTS (continual)**

### **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) and in the manner required by the Project Grant Agreement as required by the African Development Bank Operating Policies and Procedures and PFMU's Financial Management manual. This implies that all expenditures are expensed whether they are revenue or capital in nature and income is recognized when funds are received from the World Bank.

#### **Reporting Currency**

Financial reports have been presented in United States Dollars. Transactions in other currencies are translated into United States Dollars and recorded at the rate of exchange ruling at the date of the transaction(s). Balances 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 HISWA project is recognized and reported in the Statement of Receipt and Payment as income when received and held in a bank account called deferred income account for transitory purpose.

Amounts approved for disbursement are transferred from the deferred account into another bank account called the designated account. All payments for the HISWA project and activities are made from the designated account.

#### **Cash and bank balances**

Cash consist of cash in hand and balance at bank.

#### **Project expenditure (capital and revenue)**

#### **Tax**

The project is 100 percent inclusive of tax

**NOTES TO FINANCIAL STATEMENTS (continual)**  
**Funds received under the Harmonizing and Improving Statistics in West Africa  
(HISWA) Project For the twelve (11) months ended January 7, 2021**

**March 1, 2020  
To  
January 7, 2021  
US\$**

In United States Dollars  
IDA Grant

**Budget**  
500,000

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**500,000**

**Total**

**Expenditures incurred under the Harmonizing and Improving Statistics in West Africa  
(HISWA) Project  
For the twelve (11) months ended January 7, 2021**

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

**March 2020  
to  
January 2021  
US\$**

**In United States Dollars**

**4 Grant**

Grant from HISWA is held in a deferred income account when received and are only recognized in the Project's income statement when utilized.

**Grant Receipt**

IDA V3080

500,000  
**500,000**

**5 Regional Component: Harmonization, data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics**

Support to Household-based Surveys at the national level using harmonized methodologies (Household Surveys)

Support to the Core set of Economics Statistics at national level using harmonized methodologies (Economics Statistics)

-

Support the modernization of the CPI at the national level using harmonized methodologies (consumer Price Index)

-

Support to the Improvement of administrative data sources (Administrative Data)

10,001

Enhanced data accessibility and dissemination (Data Dissemination)

-

Institutional reforms and enhance human capital

10,000

**20,001**

**Country- Specific Component: Improving or modernizing physical and statistical infrastructure**  
**Improving Physical and Statistical infrastructure**

**6 (Country Specific Components)**

-

**March 2020  
to  
January 2021  
US\$**

<b>7</b>	<b>Project Management and Monitoring and Evaluation (M&amp;E)</b>	
	Project management and M&E	
		<u>311,368</u>
		<b><u>311,368</u></b>
<b>8</b>	<b>Cash receipts through grant and other Sources</b>	
	IDA grant	
		<u>500,000</u>
		<b><u>500,000</u></b>
<b>9</b>	<b>Cash paid</b>	
	Regional Component: Harmonization, data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics	20,001
	Country-Specific Component: Improving or modernizing physical and statistical infrastructure	-
	Project Management and Monitoring and Evaluation ( M&E)	311,368
	<b>Total Payments</b>	<b><u>331,369</u></b>

**Note 9. Cash at the end of the year**

The total fund balance is US\$ 168,631 reported as Cash balance; while US\$168,631 reported as HISWA\_PPA \_Eco bank -IDA V3080.

**Note 10. Statement of Comparison of Budget and Actual Amount**

On February 13, 2020 the World Bank approved grant amount of US\$30million, geared towards Harmonizing and Improving Statistics in West Africa Project is to strengthen the statistical systems of Participating Countries and regional Bodies in Africa to harmonize, produce, disseminate and enhance the use of core economic and social statistics

The total Grant amount approved by the World Bank for the above-mentioned project, covering the period under audit was US\$1,200,000 the actual amount disbursed to the Harmonizing and Improving Statistics in West Africa (HISWA) Project US\$331,369 with a variance of US\$868,631 representing 72.39% for the fiscal year ended January 7, 2021.

**Note 11** The emergence of the COVID-19 Virus disrupted the PPA implementation mainly with those activities that required gathering like workshops, training etc., resulted to a significant variance of 72.39% between budgeted and actual amounts. Cognizant of this emergence LISGIS management, brought forward those activities in the main project annual work plan for implementation.