



Promoting Accountability of Public Resources

# AUDITOR GENERAL'S REPORT

**On the Financial Statement Audit of the Ebola  
Emergency Response Project (EERP) (IDA  
D0080)**

**For the fiscal period ended June 30, 2021**

**December 2021**

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



## **Table of Contents**

Opinion.....	3
Basis for Opinion.....	3
Management's Responsibility .....	3
Auditor's Responsibility.....	4
Statement of Receipts and Payments.....	5
Statement of Comparison of Budget and Actual Amounts.....	6
Statement of Fund Balance and Cash Status .....	7
Statement of Financial Position .....	8
Project Designated Account Statement.....	9
NOTE TO FINANCIAL STATEMENTS.....	10

## **ACRONYMS USED**

<b>Acronyms/Abbreviations/Symbol</b>	<b>Meaning</b>
AFP	Audit Focal Person
AF	Additional Financing
AG	Auditor General
APA	Assistant Project Accountant
CCC	Community Care Center
CFC	Certified Financial Consultant
CFE	Certified Fraud Examiner
CFIP	Certified Forensic Investigative Professional
CPA	Certified Public Accountant
CRT	County Response Team
EERP	Ebola Emergency Response Project
ETU	Ebola Treatment Unit
EVD	Ebola Virus Disease
FS	Financial Statements
GAC	General Auditing Commission
GoL	Government of Liberia
HSSP	Health System Strengthening Project
IBRD	International Bank for Reconstruction And Development
IDA	International Development Association
IMS	Incident Management System
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
LCPS	Liberia College of Physicians and Surgeons
MOH	Ministry of Health
PDO	Project Development Objective
PFMU	Project Financial Management Unit
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PMT	Project Management Team
SPA	Senior Project Accountant

December 30, 2021

Dr. Wilhelmina Jallah  
**Minister**  
Ministry of Health  
Republic of Liberia

Dear Dr. Jallah:

**RE: AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE EBOLA EMERGENCY RESPONSE PROJECT (EERP).**

**Opinion**

We have audited the accompanying financial statements of the Ebola Emergency Response Project (EERP) as at June 30, 2021 financed by IDA D0080 which comprises the Statement of Receipts and Payments, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and explanatory notes.

In our opinion, the accompanying financial statements (IDA D0080) present fairly, in all material respects, the Statement of Receipts and Payments as at June 30, 2021, Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other 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 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'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 EERP Management is responsible for overseeing the Project's financial reporting process.

### **Auditor's Responsibility**

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



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

**Monrovia, Liberia**

December 2021

**FINANCIAL STATEMENTS**  
GRANT NO: IDA IDA D0080  
**EBOLA EMERGENCY RESPONSE PROJECT (EERP)**  
Project Financial Management Unit (PFMU)  
**Statement of Receipts and Payments**  
For the Fiscal Period Ended June 30, 2021

	Notes	FY 2020/ 2021 US\$	FY 2019/ 2020 US\$
<b>Receipts:</b>			
IDA Grant	4	605,634	2,991,545
Funds Returned IDA D0080			
<b>Total Receipts</b>		<b><u>605,634</u></b>	<b><u>2,991,545</u></b>
<b>Payments:</b>			
Fit for Purpose Human resource (Health Workforce Program)	5	423,263	2,224,379
Reengineering Health Infrastructure	6	719,132	2,460,412
Epidemic Preparedness & Response	7	4,233	-
Quality Service Delivery Systems Restored	8	8,705	-
Medicine Management & Logistic	9	5,700	-
Administrative & Program Management	10	510,853	432,049
Provision of essential public services	11	(1,514)	1,514
<b>Total Payment</b>		<b><u>1,670,372</u></b>	<b><u>5,118,354</u></b>
Excess of Receipts over pmts./(Pmts. over Receipts)		(1,064,738)	(2,126,809)
Fund Balance as at July 1,		2,444,552	4,571,361
<b>Cumulative fund balance as at June 30</b>		<b><u>1,379,814</u></b>	<b><u>2,444,552</u></b>

*The notes on page 10 to 16 are integral parts of these reports*

Ebola Emergency Response Project (EERP)  
**Statement of Comparison of Budget and Actual Amounts**  
For the fiscal period ended June 30, 2021

Activities within components	Note	Project Allocation US\$	Annual Budget US\$	Actual Expenditure US\$	Variance US\$	Percentage (%) Variance %
Fit for purpose Human Resources (Health Workforce Program)	14	15,994,684	621,715	423,263	198,452	31.92
Reengineered Health Infrastructure	14	31,070,000	7,235,316	719,132	6,516,184	90.06
Epidemic Preparedness & Response	14	12,878,611	534,375	4,233	530,142	99.20
Quality Service Delivery System Restored	14	1,672,333	437,400	8,705	428,695	98
Medicine Management & Logistics	14	500,000	198,287	5,700	192,587	97.12
Admin & Program Management	14	4,550,000	898,071	510,853	387,218	43.11
Provision of Essential Public Services	14	276,957	90,433	(1,514)	88,919	101.67
<b>Total</b>		<b>66,942,585</b>	<b>10,015,597</b>	<b>1,670,372</b>	<b>8,342,197</b>	

*The notes on page 10 to 16 are integral parts of these reports*

GRANT NO: IDA D0080  
EBOLA EMERGENCY RESPONSE PROJECT (EERP)  
Project Financial Management Unit (PFMU)  
**Statement of Fund Balance and Cash Status**  
For the Fiscal Year Ended June 30, 2021


	<b>FY 2020/ 2021</b>	<b>FY 2019/ 2020</b>
	<b>US\$</b>	<b>US\$</b>
<b>A. FUND BALANCE</b>		
Balance as at July 1, 2020	2,444,552	4,571,361
<b>Add:</b> Total Receipts during the period	605,634	2,991,545
Total fund available for operations	3,050,186	7,562,906
Less: Total payments during the period	1,670,372	5,118,354
<b>Balance as at June 30, 2021</b>	<b><u>1,379,814</u></b>	<b><u>2,444,552</u></b>
<b>B. CASH STATUS</b>		
Cash on hand		
Cash at bank	1,379,814	2,444,552
<b>Total cash on hand and in bank</b>	<b><u>1,379,814</u></b>	<b><u>2,444,552</u></b>
<b>Different between A and B</b>	<b><u>-</u></b>	<b><u>-</u></b>

*The notes on page 10 to 16 are integral parts of these reports*



GRANT NO: IDA D0080  
EBOLA EMERGENCY RESPONSE PROJECT (EERP)  
Project Financial Management Unit (PFMU)  
**Statement of Financial Position**  
For the Fiscal Year Ended June 30, 2021

	<b>FY 2020/ 2021</b>	<b>FY 2019/ 2020</b>
	<b>US\$</b>	<b>US\$</b>
<b>Assets</b>		
Cash and cash equivalent	1,379,814	2,444,552
<b>Total Assets</b>	<b><u>1,379,814</u></b>	<b><u>2,444,552</u></b>
 Fund Balance		
Grant	1,379,814	2,444,552
Salary Control (Unpaid health workers)		
Accumulated Fund Balance	<b><u>1,379,814</u></b>	<b><u>2,444,552</u></b>

  
\_\_\_\_\_  
Papin Daniel, Jr.  
**Director, Donor Financed Projects**  
**PFMU, MFDP**

  
\_\_\_\_\_  
Matthew T.K. Flomo  
**Project Coordinator-EERP**  
**MOH**

*The notes on page 10 to 16 are integral parts of these reports*

EBOLA EMERGENCY RESPONSE PROJECT (EERP)  
GRANT NO IDA D0080

**Project Designated Account Statement**

For the Fiscal Year Ended June 30, 2021

Account No. 1102006271 (Central Bank of Liberia)  
0313804/002/0001/000 (GT Bank)  
Account Type: Current Accounts  
Depository Bank: Central Bank of Liberia & GT Bank Ashmun Street & 13<sup>th</sup> street  
Monrovia, Liberia

	<b>FY 2020/ 2021</b>	<b>FY 2019/ 2020</b>
	<b>US\$</b>	<b>US\$</b>
<b>Grant Received</b>	<b>605,634</b>	<b>2,991,545</b>
<b>Total Grant Income Reported</b>	<b>605,634</b>	<b>2,991,545</b>
Amount spent	1,670,372	5,118,354
Add balance at the beginning of the year	2,444,552	4,571,361
<b>Balance as at June 30, 2021</b>	<b>1,379,814</b>	<b>2,444,554</b>
<b>Closing Balance Consist of:</b>		
02/206/300030/03 (Central Bank of Liberia)	378,091	378,091
0313804/002/0001/000(GT-Bank Liberia)	1,000,163	2,064,962
Cash on Hand Petty Cash	1,560	1,500
	<b>1,379,814</b>	<b>2,444,552</b>

*The notes on page 10 to 16 are integral parts of these reports*

## NOTE TO FINANCIAL STATEMENTS

### 1. Background and Information of the Project

With support from the International Development Association the Project is aimed at contributing in the short-term to the control of the Ebola Virus Disease (EVD) outbreak in Liberia. The EERP was approved (EVD) by the world Bank on September 17, 2014.

### 2. Used 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:

<b>Activities</b>	<b>Amount of grant Allocated US\$</b>
Fit for Purpose Human Resource (Health Workforce Program	15,994,684
Reengineered Health Infrastructure	31,070,000
Epidemic Preparedness & Response	12,878,611
Quality Service Delivery Systems Restored	1,672,333
Medicine Management & Logistics	500,000
Admin. & Program Management	4,550,000
Provision of Essential Public Services	276,957
<b>Total</b>	<b><u>66,942,585</u></b>

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

	<b>% of Expenditure</b>
IDA grant	100
<b>Total</b>	<b><u>100</u></b>

### **3. Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) 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. 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**

The EERP 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 the transactions. Balances denominated in other currencies are translated into United States Dollars at the rate of exchange prevailing on the reporting date.

#### **Background and Information of the Project**

The World Bank along with the International Development Association agreed a grant of US\$167,000,000 (one hundred sixty-seven million United States dollars) to fund the Ebola Emergency Response Project (EERP). The EERP was approved by the World Bank on September 17, 2014. However, US\$61,912,322 was provided to the Liberian Government as direct support for the Ebola Emergency Response Project implementation. The funds have been managed by the Project Implementation Unit (PIU) at the Ministry of Health and the Project Financial Management Unit at the Ministry of Finance and Development Planning (MFDP). The audit covers July 1, 2019 to June 30, 2020.

## Restructuring of the Project

The restructuring proposes the following changes to the EERP Additional Financing (AF) (Grant No. D0080). Since the original grant (Grant No. IDA- D0080) was fully disbursed; the changes in the original grant will be limited to the reallocation of funds across disbursement categories to adjust the category allocation to actual spending.

The proposed change reflects the change in span of control of Ebola from short-term to a more extended period in case Ebola outbreaks reoccur, and the need to recover essential health services. It also drops the portion of the PDO related to the Socio-economic impact of EVD since the associated activities (i.e., food distribution to quarantined population) were targeted for the immediate response phase, were completed and the related PDO indicator achieved. Therefore, these activities will not continue during the transition phase.

## Project Objective

The Project development objective is to contribute in the short term to the control of the Ebola Virus Disease (EVD) outbreak in Liberia and the availability of selected essential health services, and mitigate the socio-economic impact of EVD in Liberia.

## Grant

Grant from donors for the EERP is recognized and reported in the Statement of Receipts and Payments as income received and held in a bank account when received and are only recognized in the Project's income statement when utilized.

## IDA Grant

### 4. Grant Receipt

	<b>FY 2020/ 2021 US\$</b>	<b>FY 2019/ 2020 US\$</b>
Funds Returned -IDA D0080	-	-
Other receipts from IDA EERPAF/MFDP/011-IDA D0080	-	-
	605,634	2,991,545
	<b>605,634</b>	<b>2,991,545</b>

	<b>FY 2020/ 2021 US\$</b>	<b>FY 2019/ 2020 US\$</b>
<b>5. Fit for Purpose Human Resources (Health Workforce Program)</b>		
Postgraduate Medical Education (LCPS)	403,297	1,773,587
Medical Education (AMD)	-	329,561
Management & Policy (HRH unit, TA M&E)	19,966	121,231
Support to CHW Program	-	-
Health Professional Association	-	-
<b>Sub total</b>	<b><u>423,263</u></b>	<b><u>2,224,379</u></b>
<b>6. Reengineered Health Infrastructure</b>		
Redemption Hospital	689,294	2,346,173
National Diagnostic center at JFK	-	-
Support to Staff Housing Units	28,098	114,239
Health Facility rehabilitation	1,740	-
	<b><u>719,132</u></b>	<b><u>2,460,412</u></b>
<b>7. Epidemic Preparedness &amp; Response</b>		
Support to National EOC (HR and Logistics support)	4,233	-
Animal Human surveillance	-	-
<b>WFP</b>	-	-
<b>Subtotal</b>	<b><u>4,233</u></b>	<b><u>-</u></b>
<b>8. Quality Service Delivery Systems Restored</b>		
County based primary service delivery	8,705	-
`MDSR/CRWS	-	-
Leadership and governance	-	-
<b>Sub total</b>	<b><u>8,705</u></b>	<b><u>-</u></b>

### 9. Medicine Management & Logistics

Supply Chain System (LMHRA)	5,700	-
Supplementary equipment and supplies for procured equipmen	-	-
Fleet management (including ambulance)	-	-
<b>Sub total</b>	<b>5,700</b>	<b>-</b>

### 10. Administration & Program Management

Conference Facility Rehabilitation	-	-
Minister's Delivery Unit	-	-
Health Financing Unit/IHP+ Support	130,777	3,942
Administrative Support Cost (e.g., OFM)	-	-
PFMU	70,992	20,509
Project-implementation-of-Unit(Coordination-of-Project-activities/staffing)	283,676	135,727
Operational & Logistical Support to the PIU and health services unit	25,408	271,870
<b>Sub total</b>	<b>510,853</b>	<b>432,048</b>

### 11. Provision of Essential Public Services

Ministry of Gender	-	-
Ministry of Agriculture	(1,514)	1,514
Ministry of Education	-	-
<b>Sub total</b>	<b>1,514</b>	<b>1,514</b>

## 12. Cash receipts through grant and other sources

IDA Grant	<b>605,634</b>	<b>2,991,545</b>
-----------	----------------	------------------

## 13. Cash Paid

Fit for Purpose Human resource (Health Workforce Program)	423,263	2,224,379
Reengineering Health Infrastructure	719,132	2,460,412
Epidemic Preparedness & Response	4,233	-
Quality Service Delivery Systems Restored	8,705	-
Medicine Management & Logistic	5,700	-
Administrative & Program Management	510,853	432,049
Provision of essential public services	(1,514)	1,514
<b>Total Payments</b>	<b><u>1,670,372</u></b>	<b><u>5,118,354</u></b>



**Note 14: Narrative on variance analysis**

The 31.92% is attributed to balances on unexpired contracts for LCPS faculty who did not take up assignment as expected and those whose contracts rolled over to the current year.

The 90.06% variance is attributed to outstanding balance on the West-Kevcon EERP JV contract for the new Redemption Hospital Phase-1. A new procurement process is ongoing to evaluate the work completed and hire new contractor to complete the assignment. Minimum milestones were achieved during FY20/21.

The 99.20% variance is attributed to inadvertent inclusion of annual allocation.

The 98% variance is result of contract for the procurement of dialysis kits, other medical supplies and maintenance cost. Commitment was made but minimum actual expenditure incurred during the period.

The 97.12 % variance is attributed to results from a stalemate in identifying and concluding a suitable supplier to supply specific medical equipment and reagents for use by the LMHRA. The procurement process is being concluded in FY22.

The 43.11% variance is attributed to outstanding amount on unexpired contracts and operational costs not utilized as projected in FY 20/21.

The 101.67% variance is attributed to error in making provision on this budget line as actual activities have since ended.