



## Management Letter

### On the Financial Statement Audit of the Ebola Emergency Response Project (EERP)

*For the Period July 1, 2020 to June 30, 2021*



**Promoting Accountability of Public Resources**

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

**Monrovia, Liberia**  
December 2021

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## Acronyms

Acronyms/Abbreviations/Symbol	Meaning
AFP	Audit Focal Person
AG	Auditor General
APA	Assistant Project Accountant
CBL	Central Bank of Liberia
CCC	Community Care Center
CFC	Certified Financial Consultant
CFE	Certified Fraud Examiner
CFIP	Certified Forensic Investigative Professional
CFC	Certified Financial Consultant
CPA	Certified Public Accountant
DSA	Daily Substance Allowance
EERP	Ebola Emergency Response Project
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
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
MOH	Ministry of Health
PFMU	Project Financial Management Unit
PIM	Project Implementation Manual
PPC	Public Procurement and Concessions Act
PIU	Project Implementation Unit
SPA	Senior Project Accountant
WHO	World Health Organization

December 30, 2021

Dr. Wilhelmina Jallah  
Minster  
Ministry of Health  
Congo Town  
Paynesville City, Liberia

Dear Dr. Jallah:

**Re: Management Letter on the Financial Statement Audit of the Ebola Emergency Response Project for the fiscal period ended June 30, 2021.**

The Financial Statements of the Ebola Emergency Response Project (EERP) for the fiscal period ended June 30, 2021 are subject to audit by the Auditor General (AG) consistent with the Auditor General's mandate as provided for under section 2.1.3 of the GAC Act of 2014 and the Audit Engagement Term of Reference.

**INTRODUCTION**

The audit of the EERP financial statements for the fiscal period ended June 30, 2021 has been completed; the purpose of this letter is to bring to your attention the findings that were revealed during the conduct of the audit.

**SCOPE AND DETERMINATION OF RESPONSIBILITY**

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). 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.

An audit also includes 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 financial statements, maintenance of effective control measures and compliance with laws and regulations are the responsibility of the Project Management. Our responsibility is to express our opinion on these financial statements.

*Management Letter on the Financial Statement Audit of the Ebola  
Emergency Response Project (EERP)  
For the Period July 1, 2020 to June 30, 2021*

**Appreciation**

We would like to express our appreciation for the courtesy extended and assistance rendered by the staffers of the Ebola Emergency Response Project (EERP) during the audit.



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

**Monrovia, Liberia**

December 2021

## 1 DETAILED FINDINGS AND RECOMMENDATIONS

### 1.1 Financial Issues

#### 1.1.1 Unpresented Checks

##### Observation

- 1.1.1.1 Section 6 paragraph 6.5.1 of the PFMU Financial Procedure Manual states, "the cash book shall be reconciled monthly to the bank statement within 10 working days of the month end. Difference deriving there from shall be investigated and resolved promptly. Unpresented checks will be written back in the project's books of account one month after the negotiable period of six (6) months has elapsed."
- 1.1.1.2 Additionally, Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 stipulates: "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".
- 1.1.1.3 During the conduct of the audit, it was observed that the EERP Project Management did not write back in the project's cash book sixteen (16) unpresented checks in the total amount of US\$21,260.95. These checks have been outstanding beyond the period of six (6) months. **See table 1 below for details**

**Table 1: Checks outstanding for more than six (6) months**

#	Date	Description	# of months O/S	Amt. US\$
1	Aug. 18, 2020	General Revenue Account	11 Months	118.50
2	Sept. 07, 2020	General Revenue Account	10 Months	1,050.00
3	Oct. 06, 2020	General Revenue Account	9 Months	87.97
4	Oct. 18, 2020	General Revenue Account	9 Months	780.36
5	Oct. 21, 2020	General Revenue Account	9 Months	6,195.00
6	Oct. 21, 2020	General Revenue Account	9 Months	2,575.66
7	Oct. 22, 2020	General Revenue Account	9 Months	230.14
8	Oct. 22, 2020	General Revenue Account	9 Months	230.41
9	Oct. 26, 2020	General Revenue Account	9 Months	104.00
10	Nov. 16, 2020	General Revenue Account	8 Months	7,095.00
11	Nov. 18, 2020	General Revenue Account	8 Months	15.75
12	Nov. 20, 2020	General Revenue Account	8 Months	12.00
13	Nov. 27, 2020	General Revenue Account	8 Months	24.50
14	Dec. 10, 2020	General Revenue Account	7 Months	2,575.66
15	Dec. 10, 2020	General Revenue Account	7 Months	47.00
16	Dec. 29, 2020	General Revenue Account	7 Months	119.00
<b>Total</b>				<b>21,260.95</b>

##### Risk

- 1.1.1.4 Outstanding checks for over six months may lead to understatement of the cash book and the financial statements.

- 1.1.1.5 Preparation of checks for withholding taxes which are not subsequently remitted to the LRA may deny GoL of much needed tax revenue.
- 1.1.1.6 Management of the EERP may be in noncompliance with Section (905) J. of the Revenue Code of Liberia 2000, which may result in to penalties for late payment and failure to pay. Please see Section 52 of the Revenue Code of Liberia as reference above.

**Recommendation**

- 1.1.1.7 The EERP Management should ensure that all checks written for payment of withholding taxes should be deposited in the General Revenue Account in a timely manner.
- 1.1.1.8 The Management of the EERP should adjust the cash book by the total value of the unrepresented checks and restate the financial statements with the adjusted cash balance.

**Management's Response**

- 1.1.1.9 *Kindly note that a Tax Form is used to facilitate payment of taxes to GOL instead of Check as purported at the Auditor. This form DOES NOT become stale after 6 months like checks. Due to the delays encountered with tax payment combined with the protocol for tax payment, tax remittance forms are filled and subsequently sent to the banks where the projects accounts are kept. There are no expiry dates attached to the forms which allow them to be paid as and when they have been signed by the relevant signatories.*
- 1.1.1.10 *Hence, we cannot adjust our Cash Book because these tax remittance forms can be paid and cleared anytime by the Commercial Banks.*

**Auditor General's Position**

- 1.1.1.11 Tax remittance forms filled, signed and sent to the bank for payment of taxes is a rapid mode of payment intended to facilitate immediate payment of taxes. Therefore, had the Management instituted payment of withholding taxes using tax forms, all outstanding payments should have been cleared.
- 1.1.1.12 Section 1.2.2 of the cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the entity. Financial statements prepared under the cash basis IPSAS provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the financial statements is balances of cash and changes therein. Notes to the financial statement may provide additional information about liabilities, such as payable and borrowing, and some non-cash assets, such as receivables, investment and property, plant and equipment.
- 1.1.1.13 Regulation I.16. (1and2) of the PFM Act of 2009; states that:
  - 1) At the close of business of the last working day of each month or financial year, whichever is applicable, the accounts shall be balanced off.
  - 2) The receipts and payments that belong to a period or a financial year other than the reporting period or financial year, shall be shown in the accounts and the details shall be given in the notes to the accounts.

1.1.1.14 The outstanding payments of withholding taxes at the end of the period, for which the cashbook was initially credited, has resulted into the understatement of the cashbook and not balancing with the bank. The outstanding withholding tax payments should therefore be disclosed in the financial statements as a commitment. Therefore, we maintain our findings and recommendations.

## 1.1.2 Bank Errors

### Observation

1.1.2.1 Section 6.5.3 of the PFMU Financial Procedures Manual required that the PFMU Management shall ensure that all reconciliation differences are properly and promptly investigated with the view to regularizing them.

1.1.2.2 Additionally, Section 8.4.2 of the PFMU Financial Procedures Manual indicate that, there shall be reconciliation between the control accounts in the general ledger and the memorandum registers and any unusual account balance will also be investigated and resolved promptly.

1.1.2.3 During the conduct of the audit, it was observed that the EERP Bank Reconciliation Statement shows an added bank error on the face of the reconciliation statement dated June 30, 2021 in the amounts of US\$8,500. The amounts represent transfer from GTBank to CBL.

### Risk

1.1.2.4 Bank error resulting in to undue transfer of fund from the EERP Bank Account may lead to understatement of cash balances and liquidity issues.

1.1.2.5 Non adjustment of bank error affecting cash balances may impair the achievement of the project deliverables.

### Recommendation

1.1.2.6 The Management of the EERP should immediately liaise with the bank to have the error corrected.

1.1.2.7 Upon correction of the bank error, the Management of the EERP should adjust the cashbook by the total value of the error and restate the financial statements with the adjusted cash balance.

### Management's Response

#### **US\$8,500**

1.1.2.8 *In April 2020, a payroll was sent to GT Bank for the Payment of Faculty of the LPGMRP (Liberia Post Graduate Medical Residency Program) under the EERP for US\$ 49,300.00 as remuneration for the said month. One of the faculty said his account was not credited by the bank, so a letter was sent to GT Bank for US\$ 8,500.00 for the processing of said remuneration. The Bank without investigating went ahead and debited our account for the second time without reverting to the payroll. An email sent to the bank informing them of the debit and telling them to effect a reversal. GT Bank said they are investigating*



and will revert as soon as the investigation is over. The Bank Statement for the transaction is hereby attached.

### **Auditor General's Position**

1.1.2.9 We acknowledge Management's assertion. Going forward, the Project Management should ensure that error by the bank is promptly rectified.

### **1.1.3 Delay in the Construction project of the New Redemption Hospital**

#### **Observation**

1.1.3.1 Section 41 (1) (a) to (c) of the Amended and Restated Public Procurement and Concessions (PPC) Act of 2010 states that "The Procuring Entity shall be responsible for the administration and monitoring of contracts entered into by the Entity. The contract administration functions shall include at least the following:

- a) Ensuring that the contractor complies with the specifications and terms of the contract;
- b) Ensuring that the contract is being performed on schedule;
- c) Ensuring that, payments made to the contractors are in accordance with the terms of the contract."

1.1.3.2 On July 20th, 2018, a construction contract was initially awarded to West Construction Company and later to West-Kevcom JV Incorporated represented by its Country Manager, Abraham Bah for the construction of 155 bed capacity of the New Redemption Hospital and adjunct facilities in Caldwell at the total cost of US\$12,289,434.20.

1.1.3.3 The construction work was scheduled to be completed on August 17, 2020. The contract was extended from the effective date of August 17, 2020 to September 16, 2020. It was further observed during the physical verification of the New Redemption Hospital Construction Project on December 12, 2021 that the construction work on the facilities appeared unkept and abandon by the contract.

1.1.3.4 The Management of the EERP made a total payment of US\$6,211,774.45 to the contractor. This amount represents more than fifty (50) percent of the total contract value of US\$12, 289,434.20. **See details of the total payments in table 2 and photos of facility below:**

**Table 2: Schedule of total payments made to West-Kevcom JV Incorporated**

#	Description	Amount US\$
1	Advance Payment	1,843,415.13
2	Interim Payment#1	287,502.41
3	Interim Payment#2	201,960.00
4	Interim Payment#3	239,724.14
5	Interim Payment#4	158,195.03
6	Interim Payment#5	163,164.22
7	Interim Payment#6	493,088.23
8	Interim Payment#7	295,015.22
9	Interim Payment#8	163,614.91
10	Interim Payment#9	275,229.01

#	Description	Amount US\$
11	Interim Payment#10	152,667.14
12	Interim Payment#11	250,087.56
13	Interim Payment#12	208,860.19
14	Interim Payment#13	136,863.75
15	Interim Payment#14	200,961.82
16	Interim Payment#15	217,183.39
17	Interim Payment#16	175,840.74
18	Interim Payment#17	138,207.58
19	Interim Payment#18	280,936.01
20	Interim Payment#19	124,430.19
21	Interim Payment#20	204,827.78
<b>Total</b>		<b>6,211,774.45</b>

See photos below for details.



**Photo delay in the construction work of New Redemption Hospital**



**Risk**

- 1.1.3.5 Failure to complete construction project on scheduled may lead to non-achievement of the project's objectives.
- 1.1.3.6 The absence of effective monitoring and evaluation of project deliverables may deny the achievement of value for money during the execution of the project.

1.1.3.7 The lack of adequate securities at the construction site could expose the project's assets to misappropriation and theft.

**Recommendation**

1.1.3.8 The Management of the EERP should provide justifications why the construction project has not been completed (September 16, 2020) as enshrined in the contract agreement.

1.1.3.9 The Management of the EERP should ensure that proper coordination, monitoring and evaluation of the project are implemented periodically during the execution of the project.

1.1.3.10 Subsequent disbursement should be aligned with the level of work completed.

1.1.3.11 The Management of the EERP should ensure that adequate securities is maintained at the facility to safe guide project assets.

**Management's Response**

1.1.3.12 *MOH notes the audit findings. However, there are various reasons which have contributed to the New Redemption Hospital Phase 1 Construction not being completed as enshrined in the contract:*

- *Mass Design Group (consultant management firm) informed the Ministry of Health about the continued delay of works and poor performance of West-Kevcon JV.*
- *Due to the COVID-19 outbreak, West-Kevcon invoked the force majeure clause in the contract which contributed to some of the delays in meeting the original completion deadlines.*
- *West-Kevcon (Contractor) wrote the Ministry of Health about errors in the bill of quantities including cost estimates and the construction designs and drawings. As a result, West-Kevcon claimed more materials, labors and time to complete concrete works in foundation, walls, columns, beams and floors labs.*
- *West-Kevcon (Contractor) requested the Ministry of Health and the World Bank to provide an independent evaluator to verify the work done to date to verify its claims, and determine actual bill of quantities required to do the work.*
- *The World Bank and the MoH requested Mass Design Group (consultant management firm) to review and reconcile the BOQ and drawings/designs with the contractor.*
- *Mass Design Group found it difficult to reconcile the bill of quantities and drawings/designs with the West-Kevcon (contractor) in a timeframe as agreed by the MOH and World Bank. The World Bank therefore requested the Ministry to end consultancy services relationship with Mass Design Group on account that there would be no additional financing of the consultancy using EERP funding.*

- On April 15, 2021, all construction works on site were suspended.
- West-Kevcon JV proposed a turnkey proposal to complete the project which was later rejected by both the MoH and the World Bank due to the fact that the proposed turnkey did not meet basic turnkey features.
- West-Kevcon JV. proposed termination of contract and the process is currently under review by all the parties and stakeholders.

1.1.3.13 The MOH notes the audit recommendations and is currently working to hire a consultancy management firm to evaluate the actual works done and to provide management and supervision to complete the remaining works.

1.1.3.14 All payments disbursed to West-Kevcon (Contractor) are aligned with the level of works completed and certified by Mass Design Group (consultant management firm). Following the granting of 'no objection' by the World Bank, the Management of MOH/EERP has concluded a procurement process and hired a security guard services firm to provide guard services and safeguard the project assets. However, the firm is yet to take over the premises of the project site because West-Kevcon is yet to hand over the site to the new security firm.

#### **Auditor General's Position**

1.1.3.15 We acknowledge Management's acceptance of our finding and recommendations. We will make a follow up during subsequent audit.

#### **1.1.4 Non remittance of withholding Taxes**

##### **Observation**

1.1.4.1 Section 905 (J) of the Revenue Code of Liberia Act of 2000 as amended in 2011 stipulates: "within 10 days after the last day of the month, payer described in (a) is required to remit to the tax authorities the total amount required to be withheld during the month", and (m) stipulates "a person who has a withholding obligation under this section and fails to withhold and remit the amount of tax required to be withheld is subject to Section 52 penalty for late payment and failure to pay".

1.1.4.2 During the conduct of the audit, it was observed that the EERP Management withheld the total amount of US\$225,048.56 as withholding taxes from staffers without evidence that the amount was remitted to the LRA. **See table 3,4, 5 and 5 below for details:**

**Table 3: Taxes withheld from Project implementation Unit staffers**

No	Position	# of Months (A)	Monthly Tax (B) US\$	Annual Withholding Tax (C)=(A*B) US\$
1	Project Manager	12	650	7,800.00
2	Deputy Project Manager	12	388.89	4,666.68
3	Admin. & Finance Officer	12	250	3,000.00
4	Program Officer	12	277.78	3,333.36
5	Health Infrastructure Specialist	12	408.46	4,901.52

**Table 3: Taxes withheld from Project implementation Unit staffers**

No	Position	# of Months (A)	Monthly Tax (B) US\$	Annual Withholding Tax (C)=(A*B) US\$
6	Procurement Officer	12	250	3,000.00
7	Driver No.1	12	150	1,800.00
8	Driver No.2	12	30	360.00
9	Infrastructure Analyst (MDU)	12	30	360.00
<b>Total</b>			<b>2,435.00</b>	<b>29,221.56</b>

**Table 4: Taxes withheld from Liberia College of Physicians and Surgeons staffers**

No.	Faculty/Staff	Position	# of months (A)	Monthly Tax (B) US\$	Annual Withholding Tax (C)=(A*B) US\$
1	Sunday Chinenye	Consultant	12	1,170.00	14,040.00
2	Readon C. Ideh	Consultant	12	885	10,620.00
3	Magdalene E. Odunvbun	Consultant	12	900	10,800.00
4	Etedafe P. Gharoro	Consultant	12	1,170.00	14,040.00
5	Williams O. Odunvbun	Consultant	12	900	10,800.00
6	Shamsuddeen Muhammad	Consultant	12	900	10,800.00
7	Edet E. Ikpi	Consultant	12	1,170.00	14,040.00
<b>Total</b>				<b>7,095.00</b>	<b>85,140.00</b>

**Table :5 Taxes withheld from the Post Graduate Medical Education staffers**

Position	# of Month	Monthly Tax US\$	Annual Withholding Tax US\$
Consultant Services	12	1,500	18,000.00
Consultant Services	12	1,500	18,000.00
Consultant Services	12	1,050	12,600.00
Consultant Services	12	1,050	12,600.00
Consultant Services	12	1,500	18,000.00
Consultant Services	12	1,050	12,600.00
Consultant Services	12	1,050	12,600.00
<b>Total</b>		<b>8,700.00</b>	<b>104,400.00</b>

**Table 6: Taxes withheld from Vendors**

Date	PV #	Payee	Description	Amount US\$
18-Aug-20	043	Electro City	Payment for the supply of computer laptop for PFMU at MFDP	640
6-Jul-20	215	West-Kevcon	Consultant Services	1,520.00
6-Jul-20	221	West-Kevcon	Consultant Services	1,520.00
27-Oct-20	103	West-Kevcon	Consultant Services	1,520.00
24-03-21	135	Devine Destiny Spare parts	Maintenance of PIU Vehicle	150.00
21-12-20	094	United Motor Corporation	Payment for the delivery of one unit of Toyota Hilux Pickup	937.00
<b>Total</b>				<b>6,287.00</b>

**Risk**

- 1.1.4.3 Failure to remit taxes withheld, could deny GoL of much needed tax revenue.

**Recommendation**

- 1.1.4.4 The Management of the EERP should facilitate full remittance of withholding taxes to the LRA in keep with Section 905 (J) of the Revenue Code of Liberia Act of 2000.
- 1.1.4.5 The EERP Management should ensure that all checks written for payment of withholding taxes should be deposited in the General Revenue Account in a timely manner.
- 1.1.4.6 Management of the EERP may be in noncompliance with Section (905) J. of the Revenue Code of Liberia 2000, which may result in to penalties for late payment and failure to pay. Please see Section 52 of the Revenue Code of Liberia as reference above.

**Management's Response**

- 1.1.4.7 *PFMU has worked and continue to engage with the stakeholders regarding the provision of GOL flag receipt as evidence of tax payment. The LRA has indicated that the PFMU is not regarded as one of her Collectrates that can issue flag receipt. The issuance of flag receipts will have to go through various approvals levels and in their wisdom, the PFMU cannot issue a flag receipt for the reasons given above.*
- 1.1.4.8 *Notwithstanding, LRA has encouraged PFMU to ensure that tax payments are made on behalf of consultants and vendors to the General Revenue account via the LRA tax remittance forms which will be captured by their system and the consultant or vendor can later claim their tax credit from the LRA system.*

**Auditor General's Position**

- 1.1.4.9 Management's assertions are not supported by Section 806 (e) and Section 905 (j) of the Revenue Code of Liberia Act of 2000 as amended in 2011. Further, the PFMU Management should ensure that the withholding taxes are paid within ten days after the last day of the month as stipulated by the 2011 Amended Revenue Code of Liberia. All receipts should also be obtained and filed for future reference. Therefore, we maintained our findings and recommendations.

**1.1.5 Bank Reconciliation Report**

**Observation**

- 1.1.5.1 Section 6.5 (3) of the PFMU Financial Manuel delegates the preparation and review responsibilities to the Assistant Project Accountant (APA) and the Internal Auditor respectively.
- 1.1.5.2 During the conduct of the audit, it was observed that monthly bank reconciliation reports prepared by the PFMU did not show the titles of the preparer, reviewer and approver on the monthly bank reconciliation statements for the period under review.

**Risk**

- 1.1.5.3 The lack of the title of the preparer, reviewer, and the person responsible for approval of bank reconciliation statement could make it difficult to determine their level of experience and seniority of the preparer, reviewer and approver.

**Recommendation**

- 1.1.5.4 The Management should indicate the titles of the preparer, reviewer and approver of the bank reconciliation statement in line with the PFMU Financial Procedure Manual.

**Management's Response**

- 1.1.5.5 *The PFMU is in full compliance with sections 6.5.3 and 7.1.1(f) of the Financial Procedures Manual. Anyone including GAC reviewing Bank Reconciliation Statements (BRSs) from PFMU will know that BRS are prepared by Accountants, reviewed by Auditors and approved by the Senior Project Accountant who happens to be the Deputy Director of PFMU. The risk stated by GAC in this instance is non – existent.*
- 1.1.5.6 *Moreover, GAC was provided signature specimen of Groups Accountants, Internal Auditors, Unit Head / Director - PFMU and Senior Project Accountant / Deputy Director – PFMU in relations to Payment vouchers processing. The same signature specimen applies for Bank Reconciliations Statements.*

**Auditor General's Position**

- 1.1.5.7 Management's assertion does not address the issue raised. Going forward, management should ensure that the titles of the preparer, reviewer and approver are displayed on the Bank Reconciliation Statements.

**Status of prior year recommendation**

<b>NO.</b>	<b>Prior year Finding</b>	<b>Recommendation</b>	<b>Status of Recommendation</b>
1.	During the conduct of the audit, it was observed that the EERP Bank Reconciliation Statement shows an added bank errors on the face of the reconciliation statement dated November 21, 2018 in the amount of US\$126,511.27. The amount represent transfer from GTBank to CBL. .	Management should ensure that error by the bank is promptly rectified.	Partially implemented



## EERP PROJECT AUDIT 2020/2021

### 2 STATUS OF PRIOR YEAR (2019/2020) AUDIT RECOMMENDATIONS

No.	Finding	Observation	Recommendation	Status of Prior Year Audit Recommendations
1.	1.1.1 West-Kevcon JV Inc Taxes	1.1.1.3 During the conduct of the audit, it was observed that the EERP Management withheld the total amount of US\$12,160 as taxes from West Kevcon in connection with the construction of the New Redemption Hospital in Caldwell without evidence that the amount was remitted to the LRA.	1.1.1. The PFMU Management should ensure that withholding taxes are paid within ten days after the last day of the month as stipulated by the 2011 Amended Revenue Code of Liberia. All receipts, evident by a flag receipt, should also be obtained and filed for future reference.	Implemented
2.	1.1.1 Preparation of Bank Reconciliation Statements	1.1.2.3 During the conduct of the audit, it was observed that the Project Financial Management Unit did not ensure that the bank reconciliations were timely done for the EERP's Bank Accounts in the first ten (10) working days of the following months.	1.1.2.5 The EERP Management should ensure that the bank reconciliation statements are prepared consistent with the timeframe stated in the PFMU Procedure Manual.	Implemented
3.	1.1.2 Construction of New Redemption Hospital	1.1.3.5 During the conduct of the audit, it was observed that the contract between the MoH and West-Kevcom JV Inc has expired since July 19, 2020 without evidence of extension, while the contractors continue to work. Further, the construction work on the Hospital was observed to be behind schedule, contrary to the contract agreement.	1.1.3.11 Management should ensure that the contract is extended to a reasonable date for the achievement of the project objective and avoid future litigation.	Implemented
4.	1.1.3 Withholding Taxes	1.1.4.2 During the conduct of the audit, it was observed that the EERP Management withheld the total amount of US\$203,238 as taxes from staffers without evidence that	1.1.4.7 The PFMU Management should ensure that withholding taxes are paid within ten days after the last day of the month as stipulated by the 2011 Amended	

No.	Finding	Observation	Recommendation	Status of Prior Year Audit Recommendations
		the amount was remitted to the LRA.	Revenue Code of Liberia. All receipts, evident by a flag receipt, should also be obtained and filed for future reference.	Implemented
5.	1.1.4 Unremitted Taxes withheld from businesses	1.1.4.2 During the conduct of the audit, it was observed that the Management of the EERP withheld the total amount of US\$4,865.89 as taxes from businesses without evidence that the amount was remitted to the LRA.	1.1.5.8 The PFMU Management should ensure that withholding taxes are paid within ten days after the last day of the month as stipulated by the 2011 Amended Revenue Code of Liberia. All receipts, evident by a flag receipt, should also be obtained and filed for future reference.	Implemented
6.	1.1.5 Installment Payments	1.1.6.2 During the conduct of the audit, it was observed from analysis of the EERP drill down and payment vouchers that the thirteenth (13 <sup>th</sup> ) and second (2 <sup>th</sup> ) payments to West-kevcon JV Inc. and Mass Design Group Ltd respectively appeared be doubled.	1.1.6.7 Going forward, the project management should ensure that the descriptions on the payment vouchers represent the activities for which the payments are being made.	Implemented
7.	1.1.6 Mass Design Group Ltd	1.1.6.7 During the conduct of the audit, it was observed that the Management of the EERP did not provide evidence that the insurance coverage was taken on the contract price.	1.1.7.16 The project management should ensure that an addendum contract is consummated and insurance coverage is taken by the contractor. We therefore maintain our findings	Implemented
8.	1.1.7 Bank Reconciliation	1.1.7.1 During the conduct of the audit, it was observed that monthly bank reconciliation Statements prepared by the Project Management did not show the titles of the preparer, reviewer and approver on the monthly bank	1.1.8.4 The Management of the Project Management should ensure that positions or titles of the staffers responsible to prepare, review and approve the monthly bank reconciliation are	Not implemented

*Management Letter on the Financial Statement Audit of the Ebola  
Emergency Response Project (EERP)  
For the Period July 1, 2020 to June 30, 2021*

<b>No.</b>	<b>Finding</b>	<b>Observation</b>	<b>Recommendation</b>	<b>Status of Prior Year Audit Recommendations</b>
		reconciliation statements.	displayed on the reconciliation statements.	
9.	Bank Error	1.1.1.3 During the conduct of the audit, it was observed that the EERP Bank Reconciliation Statement shows an added bank errors on the face of the reconciliation statement dated November 21, 2018 in the amount of US\$126,511.27. The amount represent transfer from GTBank to CBL .	1.1.1.6 The Project Management should ensure that errors by the bank are promptly rectified.	Partially implemented