



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT



**ON THE FINANCIAL STATEMENT AUDIT OF
THE GLOBAL PARTNERSHIP FOR EDUCATION
– GETTING TO BEST PROJECT (GRANT NO.:
G2BEP: P162089, GRANT NO. TF A7093)**

**FOR THE PERIOD JULY 1, 2020 TO JUNE
30, 2021**

DECEMBER 2021

**P. GARSWA JACKSON SR., ACCA, CFIP, CFC
AUDITOR GENERAL, R. L.**

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December 31, 2021

Prof. D. Ansu Sonii, Sr.
Minister of Education
Ministry of Education
Ministerial Complex, Congo Town
Monrovia, Liberia

Dear Hon. Sonii:

AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF GLOBAL PARTNERSHIP FOR EDUCATION – GETTING TO BEST PROJECT (GPE-G2B) FOR THE FISCAL PERIOD ENDED JUNE 30, 2021.

Opinion

We have audited the accompanying financial statements of the Global Partnership for Education – Getting to Best Project (GPE-G2B) for the fiscal period ended June 30, 2021, 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 Statements (Grant No.: G2BEP: P162089, Grant No. TF A7093) 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 GPE-G2B 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

STATEMENT OF RECEIPTS AND PAYMENTS

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FOR THE PERIOD ENDED JUNE 30, 2021

<i>In United States Dollars</i>	Notes	2021 June	2020 June	Cumulative
Receipt				
IDA Grant	4	2,126,116	1,398,062	4,374,486
Total Receipt		<u>2,126,116</u>	<u>1,398,062</u>	<u>4,374,486</u>
Payment				
Improving the quality and access to ECE in targeted counties	5	638,073	457,268	1,159,189
Supporting teacher training and certification in targeted counties	6	202,019	411,959	638,422
Improving school management accountability and system monitoring	7	287,422	283,994	571,416
Achieving better learning through improved equity efficiency and accountability	8	-	-	220,000
Project management and sector program support and coordination	9	411,584	378,224	1,124,434
Total Payments		<u>1,539,098</u>	<u>1,531,445</u>	<u>3,713,462</u>
Excess of receipts over payments (payments over receipts)		587,018	(133,384)	661,024
Fund Balance as at beginning		74,005	207,389	-
Cumulative fund balance		<u>661,024</u>	<u>74,005</u>	<u>661,024</u>

The notes on pages 9 to 15 are integral part of these project financial reports

**STATEMENT OF FUND BALANCE AND CASH STATUS
 FOR THE PERIOD ENDED JUNE 30, 2021**

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<i>In United States Dollars</i>	Notes	2021 June	2020 June
A Fund Balance			
Balance of Project Fund		74,005	207,389
Add: Total Receipts during the period		2,126,116	1,398,062
Total Fund available for operations		2,200,121	1,605,450
Less: Total Payments during the period		1,539,098	1,531,445
Balance of project fund at the end of the year		661,024	74,005
B Cash Status:			
Cash at Bank		661,024	74,005
Total Cash on hand and in bank		661,024	74,005
Difference between A and B		-	-

The notes on pages 9 to 15 are integral part of these project financial reports

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Activities Within Components


	Note	Project Allocation US\$	Annual US\$	Actual Ex- penditure US\$	Variance US\$	% of Vari- ance
Improving the quality and access to ECE in targeted counties	12	3,050,000	966,330	638,073	328,257	33.97
Supporting teacher training and certification in targeted counties	12	1,600,000	634,278	202,019	432,259	68.15
Improving school management accountability and system monitoring	12	2,000,000	699,750	287,422	412,328	58.93
Achieving better learning through improved equity efficiency and accountability	12	3,570,000	1,486,000	-	1,486,000	100.00
Project management and sector program support and coordination		850,000	420,112	411,584	8,528	2.03
Total		11,070,000	4,206,470	1,539,098	2,667,372	

The notes on pages 9 to 15 are integral part of these project financial reports

STATEMENT OF FINANCIAL POSITION
 AS AT JUNE 30, 2021

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<i>In United States Dollars</i>	Notes	2021 June	2020 June
Assets			
Cash and cash equivalent		661,024	74,005
Total Assets		661,024	74,005
Fund Balance			
Grants		661,024	74,005
Accumulated Fund Balance		661,024	74,005



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



 Joe Gbassakollie
Project Coordinator – G2B
MOE

The notes on pages 9 to 15 are integral part of these project financial reports

NOTES TO FINANCIAL STATEMENTS

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1. Background and Information of the Project

With support from the World Bank; the Getting to Best in Education-project is geared towards improving equitable access to early childhood education, teacher quality in early childhood education (ECE), and primary education in targeted disadvantaged counties, and strengthening national school accountability systems. The GTBE project was approved by the World Bank on June 19, 2018 with a grant amount of USD 11.070 Million. The aim of the project is

- i. To improve the quality of and access to ECE in targeted counties through : (i) ECE school improvement grants; and (ii) community-based ECE;
- ii. Supporting teacher training and certification in targeted counties aims to increase the number and proportion of certified primary and ECE teachers in targeted counties through: (i) in-service ECE C certificate teacher training for unqualified ECE teachers in targeted counties; and (ii) accelerated in-service C certificate teacher training for unqualified primary-level teachers in targeted counties;
- iii. Improving school management, accountability, and systems monitoring will improve school quality through strengthened school-based management (SBM) and more robust school support, monitoring, and accountability systems through: (i) school quality standards, school monitoring, and inspection; and (ii) school management and quality improvement through principal training;
- iv. Achieving better learning through improved equity, efficiency, and accountability will address essential dimensions of the education system, namely equity, efficiency, and learning outcomes - using a results-based financing (RBF) modality;
- v. Project management and sector program support and coordination will ensure effective project management and key sector support, capacity building, and coordination.

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
Goods, non-consultant services, consultant services, operating cost, etc	4,480,000	100
School improvement Grants under Part A of the project	2,660,000	100
Eligible Expenditure Programs under the part D of the project	3,570,000	100
Total	11,070,000 =====	

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

	% of Expenditure
IDA	100
Total	100 =====

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) as adopted by the Government of Liberia 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.

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 Receipts

Loan from donors for the G2BE 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 G2BE 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 World Bank.

Tax

The project is 100 percent inclusive of tax. Taxes are withheld on consultants and vendors.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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<i>In United States Dollars</i>	2021	2020	Cumulative
	June	June	
4 Grant Receipt			
IDA Credit 59690	2,126,116	1,398,062	4,374,486
	2,126,116	1,398,062	4,374,486
5 Improving the quality and access to ECE in targeted counties			
ECE School Improvement grants	516,479	350,205	930,532
Training school management committees	-	-	-
Verification of activities by independent agents	-	107,063	107,063
Training of Caregivers	121,594	-	121,594
Annual subsidies for caregivers to start/work in community based ECE	-	-	-
	638,073	457,268	1,159,189
6 Supporting teacher training and certification in targeted counties			
ECE in-service teacher training	199,920	240,184	441,748
Service provider	1,209	8,891	29,648
Primary in-service teacher training	890	139,028	140,038
Service provider	-	23,857	26,989
	202,019	411,959	638,422
7 Improving school management accountability and system monitoring			
Piloting of SQA	4,560	98,320	102,880
Collection and maintenance of SQA tools and database	99,420	1,764	101,184
Development of national school quality standards	-	-	-
DEO annual training(two days annual training at regional level)	-	1,000	1,000
DEO visit operational cost (Year 1)	-	-	-
DEO visit operational cost (Year 2)	-	-	-
DEO visit operational cost (Year 3)	-	-	-
DEO visit operational cost (Year 4)	-	-	-
Baseline and end-line survey and impact evaluation	-	-	-
Principal training	183,442	182,910	366,352
Evaluation after one year of pilot implementation	-	-	-
	287,422	283,994	571,416

NOTES TO THE FINANCIAL STATEMENTS

9

	2021 June	2020 June	Cumulative
	<i>In United States Dollars</i>		
4			
Grant Receipt			
IDA Credit 59690	2,126,116	1,398,062	4,374,486
	<u>2,126,116</u>	<u>1,398,062</u>	<u>4,374,486</u>
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Verification of activities by independent agents	-	107,063	107,063
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	<u>638,073</u>	<u>457,268</u>	<u>1,159,189</u>
6			
Supporting teacher training and certification in targeted counties			
ECE in-service teacher training	199,920	240,184	441,748
Service provider	1,209	8,891	29,648
Primary in-service teacher training	890	139,028	140,038
Service provider	-	23,857	26,989
	<u>202,019</u>	<u>411,959</u>	<u>638,422</u>
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Improving school management accountability and system monitoring			
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Collection and maintenance of SQA tools and database	99,420	1,764	101,184
Development of national school quality standards	-	-	-
DEO annual training (two days annual training at regional level)	-	1,000	1,000
DEO visit operational cost (Year 1)	-	-	-
DEO visit operational cost (Year 2)	-	-	-
DEO visit operational cost (Year 3)	-	-	-
DEO visit operational cost (Year 4)	-	-	-
Baseline and end-line survey and impact evaluation	-	-	-
Principal training	183,442	182,910	366,352
Evaluation after one year of pilot implementation	-	-	-
	<u>287,422</u>	<u>283,994</u>	<u>571,416</u>

8	Achieving better learning through improved equity efficiency and accountability			
	DLI 1 To increase in the proportion of qualified ECE and primary teachers, in the targeted counties	-	-	-
	DLI 2.1 To improve system of teacher payroll management	-	-	-
	DLI 2.2 Improve the quality of the teaching workforce	-	-	220,000
	DLI 3. Establish a national primary student learning assessment system	-	-	-
		-	-	220,000
9	Project management and sector program support and coordination			
	Project Delivery Team	411,584	311,373	969,882
	Technical assistance for national learning assesment Communication	-	66,851	123,577
	Technical assistance for school leadership program development	-	-	30,975
	Independent verification agent	-	-	-
		411,584	378,224	1,124,434
10	Cash receipts through grant and other Sources			
	IDA grant	2,126,116	1,398,062	4,374,486
11	Cash paid			
	Improving the quality and access to ECE in targeted counties	638,073	457,268	1,159,189
	Supporting teacher training and certification in targeted counties	202,019	411,959	638,422
	Improving school management accountability and system monitoring	287,422	283,994	571,416
	Achieving better learning through improved equity efficiency and accountability	-	-	220,000
	Project management and sector program support and coordination	411,584	378,224	1,124,434
	Total Payments	1,539,098	1,531,445	3,713,462

Prior period Adjustment for June 30, 2020 financial statement.

The US\$4,620 is as a result of bank charges moving from Service provider to Project management.

12 Variance Explanation

- Improving the quality and access to ECE in targeted counties: The final 20% of School Grant was disbursed in the first quarter of the 2021/2022 fiscal year because the management deemed it necessary to conclude a compliance monitoring of previous 80% grant disbursed to ensure adequate compliance with the School Grant guidelines. This action was also in line with the GAC recommendations in the Year2 audit report. Additionally, the closure of ECE schools across the country delayed disbursement under the community-based ECE subproject.
- Supporting teacher training and certification in targeted counties: The disbursement under this component delayed due to technical and administrative issues related to the three Rural Teacher Training Institutes (RTTIs) the project needed to address following a decision to transition the training programs to the RTTIs. Following the resolution of the issues mentioned, the RTTIs developed a comprehensive training plan and budget that the World Bank approved. The disbursement was completed in the first quarter of the fiscal year 2021/2022.
- Improving school management accountability and system monitoring: Large part of the projected disbursement for this component was tied to principal training, which was delayed for the reasons already stated for the teacher training program. However, all the issues were resolved, and disbursement was on track as at the first quarter of 2021/2022.
- Improving better learning through improved equity, efficiency and accountability: There was delay in verifying the DLI results achieved by the MoE due to COVID-related restrictions. When the verification was finally completed in June 2021, the World Bank did not have sufficient time to validate the IVA report in the audit year; hence, validation of the IVA report and subsequent disbursement could only happen in the 2021/2022 fiscal year. Additionally, payments against some results achieved could not happen until the project is restructured. The restructuring process has fast advanced.

NOTES TO THE FINANCIAL STATEMENTS (continued)
PROJECT DESIGNATED ACCOUNT STATEMENT

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Account Number: 001USD21322308401
Account Type: Current Account
Depository Bank (s): LBDI
Address: 9th Street, Sinkor
 Monrovia, Liberia

Currency: United States Dollar

	2021 June	2020 June
Total Grant Received	2,126,116	1,398,062
Total grant income reported	2,126,116	1,398,062
Amount spent	1,539,098	1,531,445
Balance as at beginning	74,005	207,389
Balance as at June 30, 2021	661,024	74,005
Closing Balance Consist of:		
Petty Cash	-	2,300
OPER A/C LBDI	661,024	71,705
	661,024	74,005