



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**On the Financial Statement Audit of
the Liberia COVID – 19 Emergency
Response Project (IDA D6080 & IDA
66090)**

For the fiscal period ended June 30, 2021

December 2021

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



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ACRONYMS USED

Acronyms/Abbreviations/Symbol	Meaning
AFP	Audit Focal Person
AG	Auditor General
CFC	Certified Financial Consultant
CFE	Certified Fraud Examiner
CFIP	Certified Forensic Investigative Professional
CPA	Certified Public Accountant
DMA	Deputy Minister for Administration
F/S	Financial Statements
GoL	Government of Liberia
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
COVID	COVID-19
No.	Number
PCO	Project Coordination Office
PFM	Public Financial Management
PIM	Project Implementation Manual
POM	Project Operational Manual
PPC	Public Procurement & Concessions
QPR	Quarterly Progress Report
SOE	Statement of Expenditures
ToR	Term of Reference
USD/US\$	United States Dollars
PIU	Project Implementing Unit
PPE	Personal Protective Equipment
SOP	Standard Operating Procedures
POE	Points of Entry
EOC	Emergency Operations Centers
NRL	National Reference Laboratory

Dr. Wilhelmina Jallah

Minister

Ministry of Health

Congo Town

Republic of Liberia

December 31, 2021

Dear Hon. Jallah:

**RE: AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE
LIBERIA COVID-19 EMERGENCY RESPONSE PROJECT**

Opinion

We have audited the accompanying financial statements of the Liberia COVID-19 Emergency Response Project as at June 30, 2021 financed by (IDA D6080 & IDA 66090) 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 D6080 & IDA 66090) 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 Liberia COVID-19 Emergency Response Project 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 D6080 & IDA 66090
Liberia COVID-19 Emergency Response Project
Project Financial Management Unit (PFMU)
Statement of Receipts and Payments
For the Fiscal Period Ended June 30, 2021

	Note	FY 2020/2021 US\$	FY 2019/2020 US\$
Receipt			
IDA Grant	4	1,084,394	5,321,556
Total Receipt		1,084,394	5,321,556
Payment			
Emergency Preparedness Response	5	59,884	697,131
Supporting Preparedness through Laboratory System Strengthening	6	138,263	-
Case Management and Clinical Care	7	1,983,514	840,694
Human Resource Management for Effective Disease Surveillance & Epidemic Preparedness	8	35,085	-
Program Management and Coordination, Monitoring and Evaluation	9	278,203	76,630
Total Payments		2,494,949	1,614,455
Excess of Receipts over payments/ (Payments over Receipts)		(1,410,555)	3,707,101
Fund Balance at the beginning of the year		3,707,101	-
Cumulative fund balance at the end of the year		2,296,546	3,707,101

The notes on pages 9 to 17 are integral part of these project financial reports

GRANT NO: IDA D6080 & IDA 66090
Liberia COVID-19 Emergency Response Project
Project Financial Management Unit (PFMU)
Statement of Comparison of Budget and Actual Amounts
For the Fiscal Year Ended June 30, 2021

Activities within components	Note	Project Allocation US\$	Annual Budget US\$	Actual Expenditure US\$	Variance US\$	Percentage Variance %
Cash outflows						
Emergency Preparedness Response	12	1,000,000	101,920.00	59,884.00	42,036.00	41
Supporting Preparedness through laboratory system strengthening	12	1,022,744	884,480.00	138,263.00	746,217.00	84
Case Management and Clinical Care	12	3,491,689	1,891,689.00	1,983,514.00	(91,825.00)	(4.85)
Community Engagement, Risk communication and advocacy	12	1,037,521	244,450.00	35,085.00	209,365.00	85.65
Program Management and coordination, monitoring and evaluation	12	948,046	613,302.00	278,203.00	335,099.00	
Total		<u>7,500,000</u>	<u>3,735,841</u>	<u>2,494,949</u>	<u>1,240,892</u>	54.64

The notes on pages 9 to 17 are integral part of these project financial reports


GRANT NO: IDA D6080 & IDA 66090
Liberia COVID-19 Emergency Response Project
Project Financial Management Unit (PFMU)
Statement of fund balance and cash status
For the Fiscal Year Ended June 30, 2021

	FY 2020/2021	FY 2019/2020 US\$
A. FUND BALANCE		
Balance as at July 1, 2020	3,707,101	-
Add: Total Receipts during the period	1,084,394	5,321,556
Total fund available for operations	4,791,495	5,321,556
Less: Total expenditure for the period	2,494,949	1,614,455
Add: Undisbursed Claims	-	-
Balance as at June 30, 2021	2,296,546	3,707,101
B. CASH STATUS		
Cash on hand	1	-
Cash at bank	2,296,545	3,707,101
Total cash on hand and in bank	2,296,546	3,707,101
Different between A and B	-	-


The notes on pages 9 to 17 are integral part of these project financial reports

GRANT NO: IDA D6080 & IDA 66090
Liberia COVID-19 Emergency Response Project
Project Financial Management Unit (PFMU)
Statement of Financial Position
For the Fiscal Year Ended June 30, 2021


	FY 2020/2021	FY 2019/2020 US\$
Assets:		
Cash and cash equivalent	2,296,546	3,707,101
Total Assets	2,296,546	3,707,101
Fund Balance		
Grants	2,296,546	3,707,101
Accumulated Fund Balance	2,296,546	3,707,101



Papin Daniel, Jr.
**Director, Donor Financed Projects
PFMU, MFD**



Sonpon Blama Sieh
**Technical Coordinator
COVID-19 Project
MOH**



Matthew T.K. Flomo
**Health Portfolio Manager
MOH**

The notes on pages 9 to 17 are integral part of these project financial reports

NOTES TO FINANCIAL STATEMENTS

1. Background and Information of the Project

With support from the International Development Association; the Liberia COVID-19 Emergency Response Project is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness. The specific objectives that the project will support include: To (i) mitigate and contain the transmission of COVID-19; (ii) ensure adequate management of severe COVID-19 disease; (iii) strengthen the laboratory network systems for COVID-19 detection; (iv) provide humanitarian and social support to healthcare workers and families affected by COVID-19; (v) strengthen project management and coordination, including partnerships for COVID-19 Response. The World Bank approved the COVID-19 project on April 10, 2020 with a grant amount of US\$7,500,000

The Project consists of the following components:

Component1: Emergency Preparedness Response

Support to National and sub-national, Preparedness and Response.

The sub-component will contribute to financing of : (i) activities needed to support relevant sectors jointly develop standard operating procedures (SOPs), coordinate and implement the Liberia COVID-19 preparedness and response plan such as stakeholder coordination meetings, development of counties contingency plans, development of Points of Entry (PoE) contingency plans and activities, conduct simulation exercise and training of rapid response teams; (ii) activities that country cross border actions plans, and support for both operations and after action reviews. The capacity for the integration of community center emergency care into the border healthcare system will be increased through support of community emergency care.

Support for case detection, confirmation, contact tracing, recording and reporting.

This sub-component will support costs related to: (i) the training and equipping point of entry (PoE) staff contact tracers, community Health Assistants/ hygiene promoters and community Animal Health Workers to support cross border surveillance, community surveillance/case detection and reporting at PoE; (ii) training and equipping of frontline health care workers in infection prevention, and control (IPC) (iii) strengthening of disease detection capacities through the provision of technical expertise to ensure prompt case finding and contact tracing consistent with WHO guideline in the strategy Response Plan; (iv) epidemiological investigations, cross border information sharing and coordination, and strengthening of risk assessments.

Support to the surveillance system to facilitate recording and on-time virtual sharing of information.

This sub-component will contribute to financing of (i) the roll out of the electronic data management system activities; (ii) training of data monitors; (iii) supervision of data collection at different levels of the response. This will complement the ongoing activities being rolled out through REDISSE.

**Component 2: Supporting Preparedness through Laboratory System Strengthening:
This component would support activities to strengthen disease surveillance systems in public health laboratories and epidemiological capacity for early detection and confirmation of cases.**

This component will finance the (i) strengthening of the sample transfer system at a national and county level; (ii) establishment of two satellite laboratories in prioritized countries to support the National Reference Laboratory (NRL), and ensure that the links between NRL and satellite laboratory are strengthened; (iii) training of laboratory staff and support laboratory surge capacity; (iv) Procurement of laboratory equipment, consumables and laboratory tests (including COVID-19 testing kits).

Component 3: Case Management and Clinical Care.

As COVID-19 would place a substantial burden on inpatient and outpatient health care services

This component would finance the strengthening of public health services to increase the capacity of the public health system for the response to COVID-19.

Strengthening of health facilities and service delivery:

This component will support financing of rehabilitation and equipping of prioritized primary health care facilities and hospitals in high transmission areas for the delivery of critical medical services. Moreover, it will increase the availability of isolation rooms, ambulatory areas for screening and address the immediate health system needs for medical supplies and medical equipment to treat several cases of COVID-19. It will support promoting the use of climate smart technologies including the use of solar power where possible. The sub-component will support the development of increased hospital bed availability through the repurposing of available bed capacity and ward space. This sub-component will also contribute financing to: (i) the development of intra-hospital infection control measures, (ii) as part of clinical care; it will support necessary improvements for water and oxygen management at selected health facilities to ensure safe water and basic sanitation. The subcomponent will also finance procurement of electric generators and WASH in health facilities and (iv) strengthening of medical waste management and disposal systems. Considerations will always be given to the procurement and mobilization of energy efficient equipment.

Moreover, it will support the strengthening of clinical care capacity through the financing of plans for establishing specialized units in selected hospitals, treatment guidelines, clinical training of health workers and hospital infection control guidelines. The project will also support more stringent triage for admission, and earlier discharge with follow-up by home health care personnel.

Strengthening of the human resource surge

This sub-component will support costs related to the mobilization of additional health personal to support the surge response, training, and provision of hazard/indemnity payments and standardized health and life insurance for those directly involved in surveillance and case management, consistent with the government's applicable policies. This sub-component will also support activities aimed at minimizing risks for patients and health personnel, including training of health facilities staff and front-line workers on risk mitigation measures, and providing them with the appropriate protective equipment and hygiene materials, including personal protective equipment (PPE) kits. This component will also support for psycho-social activities as part of comprehensive response to care for COVID-19 affected patients and their families.

Logistics and emergency ambulance services

This sub-component will cover costs related to logistics for COVID-19 management, and the procurement of ambulance services or ambulances as the case maybe for transportation of COVID-19 patients. This will also support dead body management.

Component 4: Community Engagement, Risk Communication, and Advocacy:

Community engagement: this component remains one of the keys pillars for both mitigation and containment of the COVID-19 epidemic.

Support will be provided to develop systems for community-based disease surveillance and multi-stakeholder engagement. This component would support rebuilding community and trust that can be eroded during crises, through engagement with local traditional leaders, political and religious leaders. The project would support training for animal health workers, extension professionals and paraprofessionals who would receive hands-on training in the detection of clinical signs of COVID-19. The project would also provide basic biosecurity equipment such as sprayers and protective equipment. This component will also support the procurement of IPC materials and kits.

Risk communication and advocacy:

This sub-component will finance activities including, but not limited to: developing and testing messages and materials to be used in the COVID-19 disease outbreak, and further enhancing infrastructures to disseminate information from national to counties and local levels, and between the public and private sectors. Communication activities would include support for cost-effective and sustainable methods such as marketing of "hand washing" through various communications channels via mass media, counseling, schools, and workplaces. Risk engagement for awareness of social distancing measures, seen as an effective way to prevent contracting the COVID-19, as well as risk communication training of country education officers and superintendents, will be supported for implementation to impact on immediate term response.

Support will also be provided for information and communication activities to increase the attention and commitment of government, private sector, and civil society, and to raise awareness, knowledge, and understanding among the general population about the risk and potential impact of the COVID-19 pandemic and to develop multi-sectorial strategies to address it.

Social and community support: while understanding that this would be a challenging area to support effectively, this project will support activities that relieve the impact of COVID-19 on communities.

This sub-component will provide social support activities, including mechanisms to eliminate financial barriers for families who seek and utilize needed health services. Moreover, under this component, the provision of food and basic supplies to quarantined populations in isolation, treatment, and precautionary observation centers will be supported. Given the nature of COVID-19 disease, all suspected and patients under treatment are regarded high risk. Given the negative impact of the disease on families and the economy, the onus is on government to ensure those that are in isolation centers, quarantine and treatments centers are supported adequately in terms of food and psychosocial counseling. The component as case maybe supported for the provision of a discharge package for patients from COVID-19 treatment centers. The project seeks an authorization for food expenditures from IDA financing to support vulnerable people that are affected by COVID-19 be provided with food package and or as case may be provided with resources to purchase food.

**Component 5: Project Management and Coordination, Monitoring and Evaluation:
Project Management**

The project will provide support for the strengthening of public structures for the coordination and management of the GOL's project coordination efforts. Existing coordination structures operating through the REDISSE II Project will be utilized to ensure the project is ready at effectiveness. The current REDISSE II project implementing unit (PIU) structure will be strengthened through the recruitment of additional staff/consultants responsible for overall administration, procurement, and financing management. To this end, this subcomponent will finance the activities that support project coordination. The project will support the following activities under this project management strengthen the capacities of national institutions to efficiently perform core project management functions including operational planning, financial management, procurement arrangements, and environmental and social safeguards policies, in accordance with the WGB guidelines and procedures.

Monitoring and Evaluation (M&E)

The project will work to strengthen the existing M&E arrangements under the REDISSE II Project. The project will support the monitoring and evaluation of prevention and preparedness. Specific activities will include, but not limited to: building capacity for clinical and public health research, including veterinary, and joint-learning across and within countries, training in participatory monitoring and evaluation at all administrative levels, evaluation workshops, and development of an action plan for M&E and replication of successful models.

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:

Amount of grant Activities	allocated
US\$	
Emergency Preparedness Response	1,000,000
Supporting Preparedness through Laboratory System Strengthening	1,000,000
Case Management and Clinical Care	3,000,000
Community Engagement, Risk Communication, and Advocacy	1,750,000
Project Management and Coordination, Monitoring and Evaluation	750,000
Total	<u>7,500,000</u>

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

% of expenditure	
IDA Grant	<u>100</u>
Total	<u>100</u>

3. Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) Cash Basis 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 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 transaction(s). Balances denominated 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 COVID-19 project is recognized and reported in the Statement of Receipts and Payments as income when received and held in a bank account when received and are only recognized in the Project's income statement when utilized.

Amounts approved for disbursement are transferred from the deferred account into another bank account called the designated account. All payments for the COVID-19 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 the Financial Statements (continued)

	FY 2020/2021 US\$	FY 2019/2020 US\$
4. Grant Receipt		
IDA 66090	-	2,660,778
IDA D6080	-	2,660,778
Total receipts	-	
DIRECT PAYMENTS		
IDA 66090	542,197	-
IDA D6080	542,197	-
Total	<u>1,084,394</u>	<u>5,321,556</u>
5. Emergency Preparedness Response		
Support for case detection, confirmation, contact tracing, recording and reporting	-	240,000
Support to the surveillance system to facilitate recording and on-time virtual sharing of information	59,884	457,131
Total	<u>59,884</u>	<u>697,131</u>
6. Supporting Preparedness through Laboratory System Strengthening		
Supporting Preparedness through Laboratory System Strengthening	<u>138,263</u>	<u>-</u>
7. Case Management and Clinical Care		
Strengthening of health facilities and service delivery	1,686,726	823
Strengthening of the human resource surge	209,711	-
Logistics and emergency ambulance services	87,077	839,871
Total	<u>1,983,514</u>	<u>840,694</u>

**8.Human Resource Management for Effective Disease
Surveillance & Epidemic Preparedness**

Community Engagement	500	-
Risk communication and Advocacy	1,167	-
Social and Community Support	33,418	-
Total	35,085	-

**9.Program Management and Coordination, Monitoring
and Evaluation**

Project Management	257,855	66,130
Monitoring and Evaluation (M&E)	20,348	10,500
Total	278,203	76,630

10.Cash receipts through grant and other sources

IDA grant	1,084,394	5,321,556
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11. Cash paid

Emergency Preparedness Response	59,884	697,131
Supporting Preparedness through Laboratory System Strengthening	138,263	-
Case Management and Clinical Care	1,983,514	840,694
Community Engagement, Risks Communication & Advocacy	35,085	-
Program Management & Coordination, Monitoring & Evaluation	278,203	76,630
Total Payments	2,494,949	1,614,455

Note 12 variance analysis

Emergency Preparedness Response

- Supported by other partners due to delay
- Supported by other partners due to delay
- Responders' payment linked to UNFPA due to No objection from the Bank. Annual budget allocation was linked to CERC.

Supporting preparedness through laboratory System Strengthening

- USAID had already procured. Avoid duplication
- Price was hiked during implementation due to travel restrictions. However, No objection was obtained.
- Implementation delay due to infrastructure and architectural layout
- Delay due LC establishment by designated bank

Case Management and Clinical

- Price was hiked during implementation due to travel restrictions. However, No objection was obtained.
- Allocation was for indemnity payment. Case management and Laboratory Surge Team was provided remuneration under this line with No Objection.
- Expenditure is heavily weighted on Component 3.1 (Strengthening of health facilities and service delivery)

Community Engagement, Risk Communication, and Advocacy

- Due to delay in the approval process. Duplication avoided.
- Targeted only two counties. Could not cover the entire country during implementation due to delay of approval
- Targeted only two counties. Could not cover the entire country during implementation due to delay of approval

Program Management and Coordination, Monitoring and Evaluation

- Focus was to ensure adherence to the ESS guideline. Development and printing of ESS guidelines was delayed.
- Variance due to delay in the implementation of activity
- Delay in hiring of project support staff.
- Restriction on movement to avoid increase in transmission. Field level visits were stalled.

GRANT NO: IDA D6080 & IDA 66090
Liberia COVID-19 Emergency Response Project
Project Financial Management Unit (PFMU)
Project Designated Account Statement
For the Fiscal Year Ended June 30, 2021

Account No. 53030030025560
Account Type: Current Accounts
Depository Bank: UBA
Address: Broad /Nelson Street
Monrovia, Liberia
Currency: United States Dollar

	FY	FY
	2020/2021	2019/2020
	US\$	US\$
Total Grant Received	1,084,394	5,321,556
Total Grant Income Reported	<u>1,084,394</u>	<u>5,321,556</u>
Total expenditure during the period	2,494,949	1,614,455
Add balance at the beginning of the year	3,707,101	-
Balance as at June 30, 2021	<u>2,296,546</u>	<u>3,707,101</u>
balance consist of: IDA Designated a/c- UBA	<u>2,296,546</u>	<u>3,707,101</u>