



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**On the Financial Statement Audit of the
Harmonizing and Improving Statistics in West
Africa (HISWA) Project**

HISWA Project: P169265

Loan No. IDA V3080, IDA D5830 & IDA 65770

For the Period January 1 to December 2022



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

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ACRONYMS

Acronyms	Meaning
ACCA	Association of Certified Chartered Accountant
AFS	Audited Financial Statements
AG	Auditor General
CFIP	Certified Forensic Investigation Profession
CFC	Chartered Financial Consultant
FAR	Fixed Asset Registry
DA	Designated Account
PFM	Project Financial Management Manual
GAC	General Auditing Commission
GOL	Government of Liberia
HISWA	Harmonizing and Improving Statistics in West Africa
IPSA	International Public Sector Accounting framework
INTOSAI	International Organization of Supreme Audit Institutions
ISAs	International Standards on Auditing
ISSAIs	International Standards of Supreme Audit Institutions
LISGIS	Liberia Institute of Statistics and Geo-Information Services
MFD	Ministry of Finance and Development Planning
PFMU	Public Financial Management Unit
PMT	Project Management Team
POM	Project Operational Manual
PPA	Project Preparation Advance
PIU	Project Implementation Unit (Same as PMT)
US\$	United States Dollar
WB	World Bank



AUDITOR GENERAL'S REPORT

June 30, 2023

Hon. Lawrence George

Acting Director General

Liberia Institute of Statistics and Geo-Information Services (LISGIS)

Executive Mansion Ground

Capitol Hill, Monrovia, Liberia

Dear Hon. Wreh:

AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE HARMONIZING AND IMPROVING STATISTICS IN WEST AFRICA (HISWA) PROJECT FOR YEAR ENDED DECEMBER 31, 2022.

Opinion

We have audited the accompanying financial statements of the Harmonizing And Improving Statistics In West Africa (HISWA) Project financed by Loan No. IDA V3080, IDA D5830 & IDA 65770 for the year ended December 31, 2022 which comprise the Statements 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 financial statements present fairly, in all material respects, the Statement of Receipts and Payments for year ended December 31, 2022, the Statement of Comparison of Budget and Actual Amounts and a summary of other accounting policies and other explanatory notes for the period then ended in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting.

Basis for opinion

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Harmonizing and Improving Statistics in West Africa (HISWA) Project Implementing Unit (PIU) of the Liberia Institute for Statistics & Geo-information Services (LISGIS) in accordance with the ethical requirements that are relevant to our audit of the



financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management Responsibility for the Financial Statements

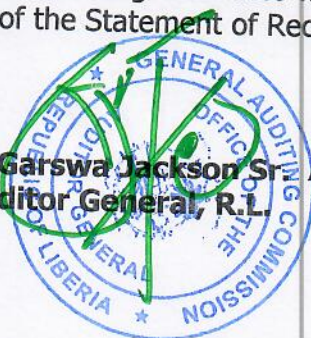
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS 2017) Cash Basis of Accounting and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement of Receipts and Payments. The procedures selected depends on the auditor's judgment, including the assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Statement of Receipts and Payments in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Statement of Receipts and Payments.

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



Monrovia, Liberia
June, 2023



GENERAL INFORMATION

PROJECT MANAGEMENT TEAM

Project Financial Management Unit:	Papin Daniels, CA, CPA, CFE Unit Director Project Financial Management Unit (PFMU)
	Leroy N. Fendor, CA, CPA Deputy Director
	Subozu Kollie, CFE, CA, CPA Project Internal Auditor
Registered Office:	Project Financial Management Unit (PFMU) Ministry of Finance Broad and Mechlin Street Monrovia - Liberia
Project Implementation Unit:	Francis F. Wreh Director General LISGIS Monrovia - Liberia
Project Location:	Liberia Institute for Statistics and Geo-information Services (LISGIS) Executive Mansion Ground Monrovia, Liberia
Banker:	Ecobank Liberia Limited 11 th Street Sinkor Monrovia

*Auditor General's Report on the Financial Statement Audit of the
Harmonizing and Improving Statistics in West Africa (HISWA) Project
For the Period March 3, 2020 to January 7, 2021.*

**STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2022**

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<i>In United States Dollars</i>	Notes	SPECIAL BUDGET YEAR			Cumulative
		December 31, 2022	July 1, 2021 - December 31, 2021	February 2021 to June 2021	
Receipt					
IDA Grant	4	5,053,278	3,862,058	3,281,511	12,696,846
Total Receipt		5,053,278	3,862,058	3,281,511	12,696,846
Payment					
Regional Component: Harmonization, Data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics	5	4,326,017	1,674,029	3,347,480	9,357,527
Country-Specific Component: Improving or modernizing physical and statistical infrastructure	6	97,826	-	-	97,826
Project Management and Monitoring and Evaluation (M&E)	7	930,691	1,432,703	304,166	2,777,548
Total Payments		5,354,534	3,106,732	3,651,647	12,232,902
Excess of receipts over payments (payments over receipts)		(301,257)	755,326	(370,136)	463,944
Fund Balance as at beginning		765,201	9,875	380,011	-
Cummulative fund balance		463,944	765,201	9,875	463,944



STATEMENT OF FUND BALANCE AND CASH STATUS
 FOR THE PERIOD ENDED DECEMBER 31, 2022

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	December 31, 2022	SPECIAL BUDGET YEAR	
		July 1, 2021 - Dec. 31, 2021	June 30, 2021
<i>In United States Dollars</i>			
A Fund Balance			
Balance of Project Fund	765201	9875	380011
Add: Total Receipts during the period	5,053,278	3,862,058	3,281,511
Total Fund available for operations	5,818,479	3,871,933	3,661,522
Less: Total Payments during the period	5,354,534	3,106,732	3,651,647
Balance of project fund at the end of the year	463,944	765,201	9,875
B Cash Status:			
Cash at Bank	463,944	765,201	9,875
Total Cash on hand and in bank	463,944	765,201	9,875
Difference between A and B	-	-	-



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022 4

1. Analysis of Variance	Project Allocation	Annual Budget	Year to date Expenditure	Variance	% of Variance
Activities Within Components	\$	\$	\$	\$	
Uses of Funds By Activity Within Components					
Regional Component: Harmonization, Data Collection, Quality improvement, Dissemination and Use of Core Social and Economic statistics	25,000,000	8,590,408	6,000,045	2,590,362	30.15
Country-Specific Component: Improving or modernizing physical and statistical infrastructure	3,000,000	150,446	97,826	52,620	34.98
Project Management and Monitoring and Evaluation (M&E)	2,000,000	2,524,238	2,363,394	160,843	6.37
Grand Total	30,000,000	11,265,092	8,461,266	2,803,825	24.89

The notes on pages 6 to 9 are integral part of these project financial reports

Variance Explanation


LISGIS Management note the variance during the implementation of the project and emphasize that during the Project implementation, those activities and its associated budget could not be executed as a results of the delay and changes in the Census schedule. Most of the implementation of these key surveys (HIES, Agriculture etc.) Indicators data rely on the completion of the National Population and Housing Census. Cognizant of these project activities LISGIS Management has recognized these deliverables and started preparatory activities thereby shifting most of the activities to the next quarter for implementation.

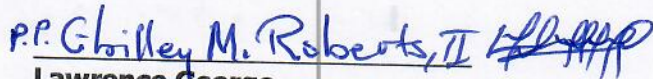


STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2022

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In United States Dollars	Notes	SPECIAL BUDGET YEAR		
		December 31, 2022	July 1, 2021 - December 31, 2021	June 30, 2021
Assets				
Cash and cash equivalent		463,944	765,201	9,875
Total Assets		463,944	765,201	9,875
Fund Balance				
Grants		463,944	765,201	9,875
Accumulated Fund Balance		463,944	765,201	9,875

 June 30, 2023
Papin Daniel, Jr.
 Director, Donor Financed Projects
 PFMU, MFDP


Lawrence George
 Acting Director General
 LISGIS



NOTES TO FINANCIAL STATEMENTS

1. Background and Information of the Project

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

The Project consists of the following components:

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

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

Component III: Project Management and Monitoring and Evaluation.

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:

Activities	Amount of grant allocated US\$
Component I	25,000,000
Component II	2,000,000
Component III	<u>3,000,000</u>
	<u>30,000,000</u>

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

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

NOTES TO FINANCIAL STATEMENTS

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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.

Credit/Loan Receipts

Credit/Loan from donors for the HISWA project is recognized and reported in the Statement of Receipt and Payment as income when received and held in a bank account called designated income account for disbursements purposes. All payments for the HISWA project and activities are made from the designated account.

Cash and bank balances

Cash consist of cash in hand and balance at bank.

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.

Changes in Reporting and Comparative

This report consists of a special budget year for 6 months which runs from July 2021 to December 31, 2021. The special budget year came about when the GOL transitioned from fiscal year to the calendar year which started in 2022. Therefore comparison should be made between budget year 2022 (January - December 2022) and Fiscal Year June 30, 2021.

NOTES TO THE FINANCIAL STATEMENTS (continued)

SPECIAL BUDGET YEAR

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<i>In United States Dollars</i>	December 31, 2022	July 1, 2021 - December 31, 2021	February 2021 to June 2021	Cumulative
4 Grant				
Grant Receipt				
IDA V3080	-	1,878,387	-	2,378,387
IDA D5830	5,051,978	1,983,471	2,089,213	9,124,661
Direct Payments				
IDA 65770	-	-	1,192,298	1,192,298
Sales of Bids (Others)	1,300	200	-	1,500
	5,053,278	3,862,058	3,281,511	12,696,846
Regional Component: Harmonization, Data Collection, Quality Improvement, Dissemination and Use of Core				
5 Social and Economic Statistics				
Support to Household-based Surveys at the national level using harmonized methodologies (Household Surveys)				
HIES	10,000	-	-	10,000
Census	3,853,682	1,465,730	3,249,669	8,569,081
	3,863,682	1,465,730	3,249,669	8,579,081
Support to the Core Set of Economic Statistics at National Level using harmonized methodologies (Economic Statistics)				
Enterprise censuses (NEC)	22,140	-	-	22,140
Enterprise surveys (NAAS)	-	183,174	55,910	239,083
Ag Census	3,200	-	3,000	6,200
Ag Surveys	57,233	-	-	57,233
2008 SNA and Rebase	-	16,400	-	16,400
Informal Trade	1,440	-	-	1,440
	84,013	199,574	58,910	342,497
Support the modernization of the CPI at the national level using harmonized methodologies (Consumer Price Index)	29,351	-	-	29,351
Support to the Improvement of administrative data sources (Administrative Data)	6,478	-	-	16,479
	35,828	-	-	45,829
Institutional Reforms				
UL	11,340	8,725	22,000	42,065
CBST	304,493	-	7,736	312,229
On the Job Training for Data Production	26,660	-	-	26,660
	342,493	8,725	38,902	390,120
	4,326,017	1,674,029	3,347,480	9,357,527

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NOTES TO THE FINANCIAL STATEMENTS <i>(continued)</i>	SPECIAL BUDGET YEAR			9
	December 31, 2022	July 1, 2021 - December 31, 2021	February 2021 to June 2021	Cumulative
<i>In United States Dollars</i>				
6 Country-Specific Component: Improving or modernizing physical and statistical infrastructure				
Improving Physical and Statistical infrastructure (Country Specific Components)	97,826	-	-	97,826
	97,826	-	-	97,826
7 Project Management and Monitoring and Evaluation (M&E)				
Project Management and M&E	930,691	1,432,703	304,166	2,777,548
	930,691	1,432,703	304,166	2,777,548
8 Cash receipts through grant and other Sources				
IDA grant	5,053,278	3,862,058	3,281,511	12,696,846
9 Cash paid				
Regional Component: Harmonization, Data Collection, Quality Improvement, Dissemination and Use of Core Social and Economic Statistics	4,326,017	1,674,029	3,347,480	9,357,527
Country-Specific Component: Improving or modernizing physical and statistical infrastructure	97,826	-	-	97,826
Project Management and Monitoring and Evaluation (M&E)	930,691	1,432,703	304,166	2,777,548
Total Payments	5,354,534	3,106,732	3,651,647	12,232,902

PROJECT DESIGNATED ACCOUNT STATEMENT

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Account Number: 6101700412
 Account Type: Current Account
 Depository Bank: Ecobank (Liberia) Limited
 Address: 1th Street, Sinkor
 Monrovia, Liberia

Currency: United States Dollar

	SPECIAL BUDGET YEAR		
	December 31, 2022	July 1, 2021 - December 31, 2021	February 2021 to June 2021
Total Grant Received	5,053,278	3,862,058	3,281,511
Total grant income reported	5,053,278	3,862,058	3,281,511
Amount spent	5,354,534	3,106,732	3,651,647
Balance as at beginning	765,201	9,875	380,011
Balance as at December 31, 2022	463,944	765,201	9,875
Closing Balance Consist of:			
HISWA_PPA_Ecobank - IDA V3080	-	-	-
Petty Cash	-	-	683
Designated A/C - IDA D5830	463,944	765,201	9,192
	463,944	765,201	9,875