



Promoting Accountability of Public Resources

AUDITOR GENERAL'S REPORT

**On The Financial Statement Audit of the Liberia
Technical and Capacity Building Assistance
Project (TCBAP) Grant No.: 5900155014451**

For the Fiscal Period 2021/2022

June 2023



P. Garswa Jackson, Sr., ACCA, CFIP, CFC

Auditor General, R. L.

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June 30, 2023

Hon. Samuel D. Tweah, Jr.
Minister
Ministry of Finance and Development Planning
Corner of Broad and Mechlin Streets
Monrovia, Liberia

**Ref: AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF THE
LIBERIA TECHNICAL AND CAPACITY BUILDING ASSISTANCE PROJECT (TCBAP)**

Opinion

We have audited the accompanying financial statements of the Liberia Technical and Capacity Building Assistance Project (TCBAP) financed by the AfDB: Grant Receipt No. 5900155014451 for the fiscal period ended December 31, 2022, which comprise 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 of Grant Receipt No. 5900155014451 present fairly in all material respects, the Statement of Receipts and Payments as at December 31 2022, 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. 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 Responsibility for the Statement of Receipts and Payments

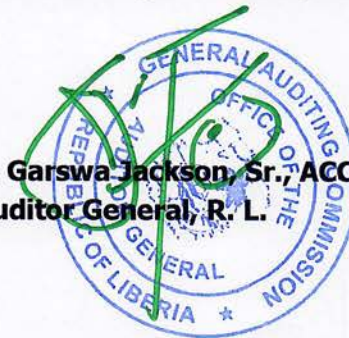
Management is responsible for the preparation and fair presentation of the Statement of Receipts and Payments in accordance with International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting and for such internal control as Management determines is necessary to enable the preparation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

Auditor's Responsibility

Our responsibility is to express an opinion on Statement of Receipts and Payments based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI) and the World Bank Guidelines. Those standards and the applicable World Bank guidelines required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement of Receipts and Payments are free of material misstatement.

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

**STATEMENT OF RECEIPTS AND PAYMENTS
 FOR THE PERIOD ENDED JUNE 30, 2022**

<i>In United States Dollars</i>	Notes	2022 June	2021 June	Cumulative
Receipt				
AfDB Grant	4	263,800	736,200	1,400,000
Total Receipt		263,800	736,200	1,400,000
Payment				
Support For The Preparation Of The National Development Strategy (PAPD)	5	6,186	20,992	117,970
Strengthening Macroeconomic Planning & Analyses	6	13,700	72,163	296,418
Development Of Special Economic/Agro Processing Zones	7	(9,922)	213,161	203,239
Others	8	419,079	184,775	643,047
Total Payments		429,043	491,091	1,260,674
Excess of receipts over payments (payments over receipts)		(165,243)	245,109	139,326
Fund Balance as at beginning		331,328	86,219	-
Cumulative fund balance		166,085	331,328	139,386

The notes on pages 8 to 13 are integral part of these project financial reports.

**STATEMENT OF FUND BALANCE AND CASH STATUS
 FOR THE PERIOD ENDED JUNE 30, 2022**

<i>In United States Dollars</i>				
			2022 June	2021 June
A	Fund Balance			
	Balance of Project Fund		331,327	86,219
	Add: Total Receipts during the period		263,800	736,200
	Total Fund available for operations		595,128	822,419
	Less: Total Payments during the period		(429,043)	(491,091)
	Balance of project fund at the end of the year		166,085	331,328
B	Cash Status:			
	Cash at Bank		166,085	331,328
	Total Cash on hand and in bank		166,085	331,328
	Difference between A and B		-	-

The notes on pages 8 to 13 are integral part of these project financial reports.

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


Activities within components	Project Allocation	Budget	Actual Expenditure	Variance
Support to the preparation of the national development strategy (PAPD)	539,000	6,400	6,186	214
Strengthening Macroeconomic Planning and analysis	525,000	15,500	13,700	1,800
Development of special economic agro processing zones	252,000	10,000	(9,922)	78
Others	84,000	464,100	419,079	45,021
Grand Total	1,400,000	496,000	429,043	66,957

The notes on pages 8 to 13 are integral part of these project financial reports.

**STATEMENT OF FINANCIAL POSITION
 AS AT JUNE 30, 2021**

In United States Dollars

	Notes	FY July 2021 / June 2022	FY July 2020 / June 2021
Assets			
Cash and cash equivalent		166,085	331,327
Total Assets		166,085	356,114
Fund Balance			
Grants		166,085	331,327
Accumulated Fund Balance		166,085	331,327


 June 30, 2022
 Papin Daniels, Jr.
Director, Donor Financed Projects
 PFMU, MFDP


 Vee Musa Fofana
Project Manager
 MFDP

The notes on pages 8 to 13 are integral part of these project financial reports.

NOTES TO THE FINANCIAL STATEMENTS

1. Background and Information of the Project

With support from the African Development Bank (AfDB); the TCBA-project is geared towards helping to address the weak human and institutional capacity constraints; and building more resilience to strengthen the Government of Liberia's capacity. The TCBA project was approved by the African Development Bank on December 06, 2018 with a grant amount of USD 1.400 Million. The aims of the project are

- i. Support the preparation of the Government of Liberia New National Development plan (PAPD);
- ii. Strengthen the macroeconomic planning and analyses with the MFDG through staff exchanges, short courses and study tours to enhance GoL's capacity for an effective delivery of the PAPD; and
- iii. Undertake studies to support the development of special economic/Agro processing Zones

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
Support for preparation of the National Development Strategy (PADP)	539,000	100
Strengthening Macroeconomic Planning & Analyses	525,000	100
Development of Special Economic/Agro Processing Zones	252,000	100
Others	84,000	100
Total	<u>1,400,000</u>	

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

	% of Expenditure
AfDB	100
Total	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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) 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

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

<i>In United States Dollars</i>	FY July 2021 / June 2022	2020 July- 2021 June	Cumulative
4. Grant			
Grant form TCB-MFDB is held in a deferred income account when received and are only recognized in the Project's income statement when utilized.			
Grant Receipt			
ADF No. 200155034068	263,800	736,200	1,400,000
Other	-	-	-
	263,800	736,200	1,400,000
Support for the Preparation of the national development strategy			
5. (PAPD)			
Develop energy sector strategy & program under PAPD & prepare an action Plan	-	647	647
Development Agriculture sector strategy & programs under PAPD	-	-	-
Development Transport sector strategy & programs under PAPD	-	-	-
Consultant to advance on governance policies & programs at GAC under PAPD	-	-	-
Support the EPA to integrate green growth, environmental resilience and adaptation into the PAPD	-	20,881	62,626
Capacity building in Project Management, Project Appraisal and Monitoring and Evaluation of Development Projects for effective delivery	-	-	7,200
Develop the capacity of RCU, PMU and PFMU in Project Planning & Management of Development Projects for effective delivery	6,186	111	47,497
	6,186	20,992	117,970

NOTES TO THE FINANCIAL STATEMENTS (continued)

In United States Dollars

	FY July 2021 / June 2022	2020 July- 2021 June	Cumulative
6. Strengthening Macroeconomic Planning & Analyses			
Conduct training for 10 staff in economic research analyses, modeling report writing and use of statistical packages (EView, apss, stata, r, and MAT LAB)	-	-	94,166
Procure statistical packages for macroeconomic analyses for the Economic Management Department	-	-	-
10 staff to undertaking study tours to other countries to acquire best practice and experience in economic management	12,330	-	12,330
Procure the necessary working tools (computers, and survey tablets) to enhance productivity	-	-	25,577
Undertake macroeconomic planning and management training for Senior Management	1,370	-	16,675
Undertake secondment program of 6 staff to Ghana & Rwanda	-	-	32,362
Deploy technical staff within the EMD to provide hands on training for staff Of MFDP in macroeconomic planning and analyses	-	-	-
Revamp and relocate the program Delivery Unit within the MFDP	-	8,279	35,229
Procure 1 projector to be used for representation	-	-	-
Procure 2 printers to be used in the EMD	-	-	1,973
Purchase a result tracking/M&E software and conduct training on the use of the software	-	-	12,249
	13,700	8,279	230,562

7. Development of Special Economic/Agro Processing Zones

Conduct feasibility studies on the creation of special economic/Agro Processing Zones-including the scope, public and private participation, land Use, benefits, complementary policies and institutional framework	(9,922)	39,661	29,739
Carry on a staple foods value chain analysis and develop a comprehensive report with recommendations	-	-	-
	9,922	39,661	29,739

NOTES TO THE FINANCIAL STATEMENTS (continued)

<i>In United States Dollars</i>	FY July 2021 / June 2022	2020 July- 2021 June	Cumulative
8. Other			
Operations and Project Audit	419,079	422,158	830,860
Contingency	-	-	-
	419,079	422,158	830,860
	429,043	491,090	1,209,131
9. Cash receipt through grant and other sources			
IDA grant	263,800	736,200	1,400,000
10. Cash paid			
Support for the Preparation of the national development strategy (PAPD)	6,186	20,992	117,970
Strengthening Macroeconomic Planning & Analysis	13,700	8,279	230,562
Development of Special Economic/Agro Processing Zones	(9,922)	39,661	29,739
Others	419,079	422,158	830,860
	429,043	491,090	1,209,131

NOTES TO THE FINANCIAL STATEMENTS (Continue)

PROJECT DESIGNATED ACCOUNT STATEMENT

Account Number: 6100063542
Account Type: Current Account
Depository Bank: Ecobank Liberia
Address: 11th Street, Sinkor
 Monrovia, Liberia

Currency: United States Dollars

	June 2022	June 2021
Total Grant received	263,800	736,200
Total grant income reported	263,800	736,200
Amount spent	(429,043)	(491,091)
Balance as at beginning	331,328	86,218
Balance as at June 30, 2021	166,085	331,328
Closing Balance Consist of:		
02/205/300002/04 (Central Bank of Liberia)-ADF	157,584	330,828
	8,000	-
Petty Cash	500	500
	166,084	331,328