



Promoting Accountability of Public Resources

## AUDITOR GENERAL'S REPORT



**On The Financial Statement Audit of  
the Liberia Land Administration  
Project (LLAP)**

**Grant No. IDA D2370**

**For the Period ended June 30, 2021**

**December, 2021**

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

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## **AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENT AUDIT OF LIBERIA LAND ADMINISTRATION PROJECT (LLAP) FOR THE PERIOD ENDED JUNE 30, 2021.**

We have audited the financial statements (Grant No. IDA D2370) of the Liberia Land Administration Project (LLAP), which comprise the statement of Cash Receipts and Payments for the period ended 30 June 2021, the Statement of Comparison Budget and Actual Amounts and a summary of significant accounting policies and other explanatory information.

### **Opinion**

In our opinion, the accompanying financial statements (Grant No. IDA D2370) 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 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's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor General's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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

**Monrovia, Liberia**  
December, 2021

**LLAP Financial Statement for the Period Ended June 30, 2021**

STATEMENT OF RECEIPTS AND PAYMENTS  
FOR THE PERIOD ENDED JUNE 30, 2021

<i>In United States Dollars</i>	Notes	2021 June	2020 June	Cummulative
<b>Receipt</b>				
IDA Grant	4	<u>1,485,528</u>	<u>759,833</u>	<u>3,532,936</u>
<b>Total Receipt</b>		<u>1,485,528</u>	<u>759,833</u>	<u>3,532,936</u>
<b>Payment</b>				
Support to the Liberia Land Authority	5	838,134	280,200	1,501,334
Support for Inventory & Analysis	6			
Development of a Land Adm. System	7	400,828	118,346	533,670
Project Coordination, M & E	8	<u>439,524</u>	<u>366,816</u>	<u>1,299,272</u>
<b>Total Payments</b>		<u>1,678,485</u>	<u>765,362</u>	<u>3,334,276</u>
<b>Excess of receipts over payments (payments over receipts)</b>		<b>(192,957)</b>	<b>(5,529.12)</b>	<b>(198,486.33)</b>
<b>Fund Balance as at beginning</b>		<u>391,617</u>	<u>397,146</u>	<u>397,146</u>
<b>Cummulative fund balance</b>		<u>198,660</u>	<u>391,617</u>	<u>198,660</u>

*The notes on pages 10 to 14 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
<b>A Fund Balance</b>			
Balance of Project Fund		391,617	397,146
Add: Total Receipts during the period		<u>1,485,528</u>	<u>759,833</u>
Total Fund available for operations		1,877,146	1,156,980
Less: Total Payments during the period		<u>1,678,485</u>	<u>765,362</u>
Balance of project fund at the end of the year		198,660	391,617
<b>B Cash Status:</b>			
Cash at Bank		<u>198,660</u>	<u>391,617</u>
Total Cash on hand and in bank		198,660	391,617
Difference between A and B		<u>          -</u>	<u>          -</u>

*The notes on pages 10 to 14 are integral part of these project financial reports*

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

Ananalysis of Variance

Activities Within Components	Project Allocation	Annual Budget	Year to date Expenditure	Variance
Uses of Funds By Activity Within Components	\$	\$	\$	\$
Support to the Liberia Land Authority	2,290,000	892,955	838,134	54,821
Support for Inventory & Analysis	1,120,000	120,000	-	120,000
Development of a Land Adm. System	1,570,000	666,833	400,828	266,005
Project Coordination, M & E	<u>2,020,000</u>	<u>443,337</u>	<u>439,524</u>	<u>3,813</u>
Grand Total	<u>7,000,000</u>	<u>2,123,125</u>	<u>1,678,485</u>	<u>444,640</u>

**Variance explanation**

The variances are due largely technical glitches regarding payments for Consultants for Organizational Management, Critical Regulations and for the balance payment for the renovation of the LLA Offices. Additionally, capacity development of staff which includes a sizable portion of this component is spanned over a longer period. Payment regarding capacity building at the Forestry Training Institute (FTI), Bluecrest and Upscaling Awareness activities on the Land Rights Acts is still pending. Some of the activities including CORS Station and networking of the LLA Headquarter is still pending. Procurement of the Primary Geodetic Network, GNSS network, and land use inventory are still pending.


*The notes on pages 10 to 14 are integral part of these project financial reports*

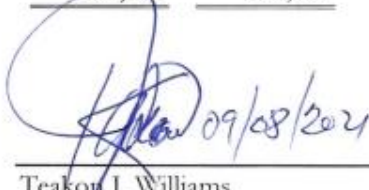


STATEMENT OF FINANCIAL POSITION  
 AS AT JUNE 30, 2021

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<i>In United States Dollars</i>	Notes	2021 June	2020 June
<b>Assets</b>			
Cash and cash equivalent		<u>198,660</u>	<u>391,617</u>
Total Assets		198,660	391,617
<b>Fund Balance</b>			
Grants		<u>198,660</u>	<u>391,617</u>
Accumulated Fund Balance		<u>198,660</u>	<u>391,617</u>

  
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 Leroy N. Fendor  
 Deputy Director, DFPs  
 PFMU, MFDP

  
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 Teakon J. Williams  
 Project Coordinator-LLAP  
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*The notes on pages 10 to 14 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 International Development Association; the Liberia Land Administration Project (LLAP)-project is to strengthen the institutional capacity of the Liberia Land Authority and establish a Land Administration System. The World Bank approved the LLAP project on October 27, 2017 with a grant amount of USD 7,000,000.00. The Project consists of the following parts:

#### **Part 1 Support to the Liberia Land Authority**

Provision of support to operationalize the LLA in carrying out its core responsibilities including:

- a. drafting of policies, laws, regulations and administrative procedures pertaining to land;
- b. establishment of business systems, plans and processes and developing a strategic investment strategy for LLA's financial sustainability;
- c. reviewing the findings of a 2015 training needs assessment for LLA staff and devising and implementing capacity building strategies based on said analysis;
- d. carrying out communication and awareness raising campaigns for the public and other stakeholders (including communities, vulnerable groups such as women, private surveyors, banks and microfinance institutions) to apprise them of the land law, land institutions, dispute resolution mechanisms and any other topic as needed;
- e. acquisition of office equipment, furniture, supplies and vehicles to enable LLA to discharge its responsibilities; and
- f. carrying out minor renovation of LLA's offices

#### **Part 2: Support for inventory and analysis of Tribal Land Certificates**

Establishing a central database and collecting, analyzing and in putting new and existing data on tribal land including Tribal Land Certificates in said database.

#### **Part 3: Development of a Land Administration System**

Provision of support to establish a Land Administration System including:

- a. supplying and installing the Geodetic Network and implementing activities for operation of said network;
- b. creating an inventory of existing maps and GIS data on the Recipient's
- c. territory;
- d. carrying out pilots and assessments for development of a long-term vision for the Recipient's work on land records, recording of land rights, valuation of land and land use planning; and
- e. developing a plan for decentralizing the LLA's services to the local level.

#### **Part 4: Project Coordination, Monitoring and Evaluation**

Strengthening the institutional capacity of the LLA for Project management and implementation support including:

- a. preparing Project reports;
- b. undertaking baseline studies, preparing social assessments and project evaluation studies;
- c. coordinating the various institutions participating in the Project;
- d. monitoring and evaluating Project progress and results; and
- e. the AMCU field supervision in connection with the Project all through provision of goods, works, technical advisory services, Training and Operating Costs.

### 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:

NOTES TO FINANCIAL STATEMENTS *(continued)*

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Amount of	grant allocated	% of
Category	expressed in	expenditure
	US\$	to be financed
Support to the Liberia Land Authority	2,290,000	100
Support for inventory and analysis of tribal land certificates	1,120,000	100
Development of a land administration system	1,570,000	100
Project coordination, monitoring and evaluation	2,020,000	100
<b>Total</b>	<b>7,000,000</b>	
	=====	

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

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

### 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.

*Auditor General's Report on the Financial Statement Audit of the  
Liberia Land Administration Project (LLAP)  
For the Period Ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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<i>In United States Dollars</i>	2021 <b>June</b>	2020 June	Cumulative
<b>4 Grant</b>			
IDA Grant A0929	1,485,528	759,833	3,532,464
Sale of Bid Document	-	-	472
	<u>1,485,528</u>	<u>759,833</u>	<u>3,532,936</u>
<b>5 Support to the Liberia Land Authority</b>	838,134	280,200	1,501,334
<b>6 Support for Inventory &amp; Analysis</b>	-	-	-
<b>7 Development of a Land Adm. System</b>	400,828	118,346	533,670
<b>8 Project Coordination, M &amp; E</b>	439,524	366,816	1,299,272
	<u>1,678,485</u>	<u>765,362</u>	<u>3,334,275.99</u>
<b>9 Cash receipts through grant and other Sources</b>			
IDA grant	1,485,528	759,833	3,532,936
<b>10 Cash paid</b>			
Support to the Liberia Land Authority	838,134	280,200	1,501,334
Support for Inventory & Analysis	-	-	-
Development of a Land Adm. System	400,828	118,346	533,670
Project Coordination, M & E	439,524	366,816	1,299,272
<b>Total Payments</b>	<u>1,678,485</u>	<u>765,362</u>	<u>3,334,276</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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**Ananalysis of Variance**

<b>Activities Within Components</b>	<b>Project Allocation</b>	<b>Annual Budget</b>	<b>Year to date Expenditure</b>	<b>Variance</b>	<b>% of Variance</b>
<b>Uses of Funds By Activity Within Components</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	
<b>Support to the Liberia Land Authority</b>	2,290,000	892,955	838,134	54,821	6.14
<b>Support for Inventory &amp; Analysis</b>	1,120,000	120,000	-	120,000	100.00
<b>Development of a Land Adm. System</b>	1,570,000	691,833	400,828	291,005	42.06
<b>Project Coordination, M &amp; E</b>	<u>2,020,000</u>	<u>418,337</u>	<u>438,903</u>	<u>(20,566)</u>	-4.92
<b>Grand Total</b>	<u><u>7,000,000</u></u>	<u><u>2,123,125</u></u>	<u><u>1,677,864</u></u>	<u><u>445,261</u></u>	20.97

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

Account Number: 00111002798901  
Account Type: Current Account  
Depository Bank: GN Bank (Liberia) Limited  
Address: Luke Building, Broad Street  
Monrovia, Liberia

Currency: United States Dollar

	<i>In United States Dollars</i>	
	2021 June	2020 June
Total Grant Received	<u>1,485,528</u>	<u>759,833</u>
Total grant income reported	1,485,528	759,833
Amount spent	1,678,485	765,362
Balance as at beginning	<u>391,617</u>	<u>397,146</u>
Balance as at June 30, 2021	<u>198,660</u>	<u>391,617</u>
Closing Balance Consist of:		
GN Bank (00111002798901)	198,171	391,617
Cash on Hand-Petty Cash	<u>489</u>	-
	<u>198,660</u>	<u>391,617</u>