



INDEPENDENT AUDITOR'S REPORT

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

**INDEPENDENT AUDITOR'S REPORT**

**For the Period from 01 January 2021 to 31 December 2021**

**Project Title**

**Jordan Emergency Health Project - Additional Financing**

**Loan Number 9000-JO**

**GCCF TF Number TF0B0686**

**Implemented by**

**Ministry of Planning & International Cooperation (MOPIC)**

**Ministry of Health (MOH)**

**Funded by**

**World Bank (IBRD)**

**Global Concessional Financing Facility (GCCF)**

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

## Contents

ABOUT THE IMPLEMENTING PARTNERS   MOPIC & MOH .....	4
EXECUTIVE SUMMARY OF THE PROJECT .....	6
PROJECT INFORMATION .....	8
AUDIT METHODOLOGY .....	9
AUDIT PLANNING .....	10
AUDIT SAMPLING AND SELECTION OF EXPENDITURE ITEMS .....	10
AUDIT OBJECTIVE .....	11
AUDIT SCOPE OF WORK .....	12
AUDIT CERTIFICATION .....	15
SOURCE OF INFORMATION .....	15
STATEMENT OF ASSETS AND EQUIPMENT .....	15
AUDIT RESULTS .....	15
INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENT .....	17
SUMMARY OF FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES) .....	20
DETAILED FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES) for the year 2021 .....	21
DETAILED FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES) for the year 2020 .....	22
NOTES TO THE STATEMENT OF CASH RECEIPTS AND EXPENDITURES .....	23
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL STATEMENT .....	25

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | ABOUT THE IMPLEMENTING PARTNERS | MOPIC & MOH

### 1. Ministry of Planning & International Cooperation (MOPIC)

The Ministry of Planning and International Cooperation (**MOPIC**) endeavors to promote a culture of excellence, good governance, sustainable development and improvement in accordance with best practices, and activate its role and its desired goal in development, planning, and international cooperation, so as the interest of the country and the citizen. The ministry is also keen to maintain the strategic planning approach in order to keep up with the latest developments and meet challenges, in line with national priorities and to achieve national goals, which in turn will lead to outstanding performance and be reflected in the quality of service provided. This was translated through (King Abdullah II Award for Excellence in Government Performance and Transparency- the first position) that was awarded to the Ministry more than once, reflecting its excellence and leadership in adopting the procedures and regulations that would establish the collective participatory work system.

### 2. Ministry of Health (MOH)

**Health prosperity in Jordan passed several phases as follows:**

- The first ministry of health had been established On December 14th, 1950.
- MOH started its responsibilities in 1951, which considered the beginning of health prosperity in Jordan.
- Establishment of six departments in the kingdom districts, related to the central management of MOH, in which the head of each department was a physician.
- The first nursing college was opened in 1953.
- The physician union/association had been established in 1954.
- The central laboratory for medical tests had been established in 1955.
- Nursing college of Princess Mona had been established in 1962.
- The first health insurance system in the kingdom had been implemented among force army members In1963.
- The first civil health insurance system was implemented in the kingdom in 1965.
- A medicine faculty was established in Jordan University In 1970.
- Public health law number 43 for 1966 was replaced by public health law, number 21 for 1971.
- The medical Hussein City was inaugurated in 1973.
- Publish of high health council system, number 60, for 1977.
- The allied medical professions institute was inaugurated in Irbid in 1978.
- A pharmacy faculty was inaugurated in Jordan University In 1980.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

**The Ministry of Health undertakes all health affairs in the Kingdom and its tasks and duties include:**

- Maintaining public health by offering preventive, treatment and health control services.
- Organizing and supervising health services offered by the public and private sectors.
- Providing health insurance for the public within available means.
- Establishing and controlling the management of health educational and training institutes and centers according to relevant provisions of the legislations enacted.

**The Ministry, in coordination with concerned parties, works to achieve the following:**

- Encourage healthy patterns and behaviors including physical activities, healthy diets and anti-smoking campaigns and other practices scientifically proven to improve health.
- Raise public health standards by fighting diseases resulting from malnutrition through adding nutrients like iodine, iron and vitamins to foods, or by changing their components, or by banning marketing food
- substances that are hazardous to one's health.
- Encourage natural child nursing and ban promoting alternatives to breast-feeding. To this end, the Ministry has the right to stop commercials by any means of the media and control the production, design
- and publication of such materials.
- Provide necessary services for mother and child care during pregnancy, birth, pre- and post-natal periods and child growth. Along this line,
- the Ministry also administers vaccines and promotes family planning campaigns.
- Mandatory pre-marital medical testing. Terms and conditions of this test are determined by the acts issued according to provisions of this law. Failing that, no marriage contract will commence.
- The Ministry also works to:
- Provide preventive health services to children in public schools' kindergartens and nurseries.
- Provide and extend health services to some non-government schools, kindergartens and nurseries or enforce offering them under the supervision of the Ministry.
- Implement and control health programs for the old and supervise health conditions of senior citizens 'homes and institutes.
- Control the professional environment and health conditions of workers at factories and industrial institutes to ensure their health and safety.
- Implement health programs and activities to fight non-contagious spreading diseases such as heart diseases, cancer, diabetes and other similar diseases constituting a threat to public.

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | EXECUTIVE SUMMARY OF THE PROJECT

### Project Background and Rationale

The Project development objective (PDO) is to support the Government of Jordan in maintaining the delivery of primary and secondary health services to poor uninsured Jordanian and Syrian refugees at Ministry of Health facilities, the activities under the Additional Financing are the same under the parent project. The total amount of the additional financing is USD 200 million, consisting of the following:

- Non-concessional portion of the Loan financed by World Bank (IBRD) USD 141.1 million
- Concessional portion of the Loan financed by Global Concessional Financing Facility (GCFF) USD 58.9 million.

### The Projects Consists of The Following Two Components:

1. **Component 1:** Results-based financing to deliver health care services at primary and secondary care facilities of MOH for the target population for an amount of USD 190 million, which is funded by a USD 133.946 million IBRD loan and a USD 56.054 million GCFF grant.
  - This component is reimbursing the GOJ through results-based financing for health services provided to Syrian refugees and poor uninsured Jordanians at primary and secondary MOH health care facilities nationwide.
  - The services covered include the package of primary and secondary inpatient and outpatient health care services delivered by the MOH.
  - Funds under this component were disbursed against the delivery of health services verified by an independent Utilization Verification Entity (UVE).
2. **Component 2:** Improving coverage and quality of the primary health care services for an amount of USD 9.647 million, which is funded by a USD 6.801 million IBRD loan and USD 2.846 million GCFF grant.
  - **Subcomponent 2.1:** Supporting MOH in strengthening Primary Health Care services by incorporating a family health model and emphasizing human resource development, through inter alia, a comprehensive assessment of gaps in human resources and skills needed to incorporate a national family health services model based on WHO's recommendations (USD9 million)
  - **Subcomponent 2.2:** Providing technical assistance and capacity building to strengthen the institutional capacity of Jordan; and financing the cost of an independent verification of the services utilized by the target population at MOH facilities (USD 0.647 million)

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Non-Concessional Portion (Loan) USD	Concessional Portion (Grant) USD	Percentage of Expenditures to be financed (Inclusive of Taxes USD)
1. Health Care Service Delivery Expenditures under Part 1 of the Project	133,946,135	56,053,865	100%
2. Eligible Expenditures Program under Part 2.1 of the Project	6,344,817	2,655,183	100% of each DLI Amount set out in Schedule 4 (or such lesser percentage as represents the total Eligible Expenditures incurred by the Borrower under the Eligible Expenditure Program)
3. Goods, non-consulting services, and consulting services and Training for Part 2.2 of the Project	456,298	190,952	100%
4. Front-end Fee	352,750	NA	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
<b>Total</b>	<b>141,100,000</b>	<b>58,900,000</b>	

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | PROJECT INFORMATION

<b>Name Of the Project</b>	Jordan Emergency Health Project - Additional Financing
<b>Implementing partners</b>	Ministry of Planning & International Cooperation Ministry of Health
<b>Project Funded by</b>	World Bank (IBRD) Global Concessional Financing Facility (GCF)
<b>Agreement Date</b>	29 July 2019
<b>Agreement Reference</b>	Loan number 9000-JO GCF TF number TF0B0686
<b>Audit Period</b>	January 01,2021 To December 31, 2021
<b>Total Project Amount</b>	200,000,000 USD 141.1M USD Non-Concessional portion 58.9M USD Concessional portions
<b>Receipts Audited And Certified</b>	50,191,890 USD
<b>Expenditures Audited And Certified</b>	50,191,896 USD
<b>Borrower Contribution</b>	-
<b>Auditors /Audit Firm:</b>	Audit Firm <b>SFAI Jordan</b> Auditors Names & Titles: Mutaz Altarifi – Audit Partner Belal alqawasmi – Audit Manager Ahmad Hammad – Semi Senior Auditor



**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | AUDIT METHODOLOGY

Our Audit methodology ensures that we are on the right track to understand the objectives of the audit services and achieve the overall project audit objectives which were managed across the dimensions depicted below:

<b>Understand the client</b>	We Determined who is our client "MOP & MOH" and directly ascertain their audit expectations for our performance. Then obtaining an understanding of the client's business and controls environment. While obtaining an understanding of the client in this stage of the audit process, we also identified any risks that the client's accounts expose to.
<b>Plan the audit</b>	Developed an audit plan which meet the implementing partners and the funders audit expectations based on the assessment of project related risks and controls, these objectives enable us to fulfill our professional responsibilities toward the funders, satisfy the funders' needs, and exceed their expectations. Prepare an appropriate audit plan to achieve the funders' objectives.
<b>Execute the audit</b>	We executed the developed audit plan in a manner, which ensures commitments toward audit requesting parties are met, potential problems anticipated and surprises avoided. Moreover, this step of audit process is where we gather audit evidence by testing various audit assertions of the MOPIC's accounts. Substantive audit procedures include substantive analytical procedures and tests of details.
<b>Communications</b>	<ul style="list-style-type: none"> <li>- We establish effective communications, both internal and external, to enhance the client perceptions of the value and quality of our services.</li> <li>- We Provide the management with insights on the current condition of audit process and meaningful suggestions for improvement and meet the audit objectives.</li> <li>- We ensure that any professional, technical, or client-service problem is resolved promptly with timely consultation in an environment of mutual respect.</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>- Audit report for the years 2020-2023 in Accordance with ISA.</li> <li>- A Management Letter, which should report any significant accounting and control issues arising from the audit, as identified during the internal control mechanisms review together with the related risk. The letter, with management responses, and recommendation to address the situation and insufficiencies, should be made available to related parties in time.</li> </ul>
<b>Performance Assessment</b>	Obtaining from the Implementing Partners, formally and informally, a regular assessment of our performance.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

**Furthermore, we performed our audit in accordance with:**

- The International Standards of Auditing (ISA) namely the standards on auditing promulgated by the international Federation of Accountants (IFAC).
- The IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors with regard to integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviors and technical standards .
- Guidelines, rules and regulations for reporting, accounting and auditing of project Funded by the IBRD and GCF.
- Our professional judgment.

**We have undertaken the following activities, among others:**

- Consult with relevant parties as necessary.
- Perform test-checks on accounts and related documents.
- Write the audit report **"in accordance with ISA"**.

## | AUDIT PLANNING

Our audit planning process includes a risk assessment of the district and review of the control environment so that an effective audit can be performed. We started with a pre-planning meeting to ensure that the project management's expectations and our expectations are communicated prior to commencing the audit. We confirmed our understanding of the engagement deadlines and ensure these are met timely.

After we received the information that we required during the planning phase, including the risk assessment process, the following has been determined:

- The type of transactions to be audited and the audit methods (full audit or sample selections);
- The type of physical counts or examination and the sites to be selected;
- The number of site visits to be planned.

## | AUDIT SAMPLING AND SELECTION OF EXPENDITURE ITEMS

We applied the principles and criteria set out below when planning and performing the specific verification procedures for selected expenditure. Value should be the principal factor used to select expenditure items or classes of expenditure items for verification. Selecting high-value expenditure items to ensure an appropriate coverage of expenditure.

Verification and verification coverage of expenditure items does not necessarily mean a complete and exhaustive verification of all the expenditure items that are included in a specific expenditure heading or subheading. We can ensure a systematic and representative verification. Depending on certain conditions we may obtain sufficient verification results for an expenditure heading or subheading by looking at a limited number of selected expenditure items.

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

We utilized both statistical and non-statistical sampling techniques as described in the **AICPA's Audit Sampling Guide**, depending on the type of testing being performed. Internal control, substantive and compliance testing samples are generally selected using nonstatistical techniques. Sample sizes are determined by risk assessment and nature of the population. We used statistical sampling to assist with forensic testing in areas which have a higher risk of misstatement due to fraud. We examined whether 'populations' (i.e., expenditure subheadings or classes of expenditure items within expenditure subheadings) are suitable and sufficiently large (i.e., are made up of large numbers of items) for effective statistical sampling.

**| AUDIT OBJECTIVE**

Auditing Services for the project “**Jordan Emergency Health Project - Additional Financing**” implemented by the ministry of health in coordination with the Ministry of Planning & International Cooperation (MOPIC) and funded by the World Bank (IBRD) and Global Concessional Financing Facility (GCFF) for the year 2021.

The objective of this audit service is in accordance with the International Standard on Auditing (ISA) as promulgated by the International Federation of Accountants (IFAC), and the IFAC Code of Ethics for Professional Accountants, developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors with regard to integrity, objectivity, independence, professional competence and due care, confidentiality, professional behavior and technical standards. And the issued auditor's report is in accordance with **ISA**.

The audit covered these Project Accounts:

Bank Account	Beneficiary	Transactions Nature
01-3660-3235	MOPIC	Account dedicated in MOPIC to pay project expenses such as consulting, audit, advertising.
01-3660-3234	MOF	Account dedicated in MoF to receive main projects transfers from IBRD & GCFF
01-3660-3267	MOPIC	Account dedicated in MOPIC to receive main projects transfers from IBRD & GCFF.
01-3100-0001*	MOF	Account dedicated in MoF to receive main projects transfers from IBRD & GCFF

The audit provides the assurances that the project financial statement reliably set out the financial transactions and accounting balances related to the execution of the financial year 2021.

\* The amounts transferred from the WB and GCFF into this account (01-3100-0001) during the period from 01 January 2021 to 31 December 2021 have been audited only by reviewing payments advice since the bank account statement is under the control of the ministry of finance and were not available at the implementing partners.

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | AUDIT SCOPE OF WORK

Auditing the Project "Jordan Emergency Health Project- Additional Financing" Implemented by **MOPIC / MOH** and financed by the **IBRD and GCF** for:

1. **Component 1:** Results-based financing to deliver health care services at primary and secondary care facilities of MOH for the target population for an amount of USD 190 million, which is funded by a USD 133.946 million IBRD loan and a USD 56.054 million GCF grant.
  - This component is reimbursing the GOJ through results-based financing for health services provided to Syrian refugees and poor uninsured Jordanians at primary and secondary MOH health care facilities nationwide.
  - The services covered include the package of primary and secondary inpatient and outpatient health care services delivered by the MOH.
  - Funds under this component were disbursed against the delivery of health services verified by an independent Utilization Verification Entity (UVE).
2. **Component 2:** Improving coverage and quality of the primary health care services for an amount of USD 9.647 million, which is funded by a USD 6.801 million IBRD loan and USD 2.846 million GCF grant.
  - **Subcomponent 2.1:** Supporting MOH in strengthening Primary Health Care services by incorporating a family health model and emphasizing human resource development, through inter alia, a comprehensive assessment of gaps in human resources and skills needed to incorporate a national family health services model based on WHO's recommendations (USD9 million)
  - **Subcomponent 2.2:** Providing technical assistance and capacity building to strengthen the institutional capacity of Jordan; and financing the cost of an independent verification of the services utilized by the target population at MOH facilities (USD 0.647 million)

The audit is considered as a special purpose audit engagement for which, in addition to compliance with international standards as explained below, the Auditor needs to take into consideration the effectiveness of internal controls over financial reporting, and ensures compliance with the laws, regulations, guidelines and provisions governed by the Loan/Grant agreements such as the World Bank Reporting requirements, Disbursement guidelines, and Procurement Guidelines in order to provide assurance on the financial management and procurement arrangements of the projects. Accordingly, we reviewed and assessed the conclusions drawn from the audit evidence during the engagement as the basis for the expression of a clear written audit opinion. Moreover, we obtained from management a representation letter as evidence of management's assertions in the project financial statements in accordance with **ISA 580**.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

The audit has been carried out in accordance with International Standards on Auditing (**ISAs**), having regard to relevant Loan/Grant agreements and WB requirements. The audit provides assurance on the effectiveness of the internal controls surrounding statements of expenditure. The scope of the audit procedures is aligned with the World Bank scope requirements to ensure compliance with the engagement.

Planning and conducting the audit has been carried out in accordance with a risk-based framework and a detailed and documented audit work program. The audit coverage will consider the risk of material misstatement as a result of error or fraud. A description of the nature, timing, and extent of the planned risk assessment procedures sufficient to assess the risk of material misstatement has been properly documented. A documentation of the assessment and determining of the audit materiality (**ISA 320**) and its relationship with audit risk when conducting an audit has been done. The audit program includes procedures, which are designed to provide reasonable assurance that material misstatements were detected. Last but not least, the audit scope includes procedures aimed at detecting potential fraud. Accordingly, we considered fraud in the audit of the project financial statements as defined in ISA 240.

We also obtained an understanding of the accounting and control systems in order to assess their adequacy as a basis in preparing the project financial statements. Also, we considered the following matters, in order to certify and report on any aspect to which we were not satisfied:

- All funds disbursed under the Project are eligible and have been used, accounted for and classified in accordance with the relevant agreements and all the disbursements made on behalf of the project are in accordance with the world bank disbursement guidelines, laws, regulations, guidelines, and the provisions governed by Loan/ Grant agreements;
- The financial statements are prepared in accordance with the International Public Sector Accounting Standards, under the cash basis of accounting and give a true and fair view of the financial operations of the project within the year. Any material deviations from those standards and the impact of such departures on the project financial statements as presented would be stated;
- An assessment of the effectiveness of the internal controls over financial reporting involved in the preparation of replenishments, direct payments, payments through special commitments, and reimbursements i.e., expenditures reimbursed on the basis of Statements of Expenditures can be relied upon to support the related withdrawals;
- Ensure compliance of procurement processing as covered in the project operational manual latest updated version.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

- All necessary copies of supporting documents, records, and accounts have been kept in respect of all projects. Clear linkages should exist between the books of account and the project financial statements (PFS) presented to the Bank;
- Where Designated Accounts have been used, they have been maintained in accordance with the provisions of the relevant agreements;
- Project expenditures as reported by the Governing Body are reconciled with the amounts withdrawn from Designated Account and the amounts deposited to the Designated account are reconciled with the amounts disbursed from the Loan/Grant agreements;
- Eligibility of expenditures claimed under Statement of Expenditures submitted to the MOH for replenishment. This is in addition to substantiation of these expenditures;
- Ensure that the fixed assets financed by the project are purchased in accordance with contracts and payment documents, are used for the purpose for which they were acquired and are physically existent;
- Verify that checks are signed by those authorized by management and negotiated by the intended payee under a specific contract and as required under the terms of the agreements;
- Verify Cash flow forecast for two quarters (six months), and to be provided with the quarterly financial statements.
- We performed a field visits several times in order to prepare financial audit reports

Also, we reviewed all correspondences with the world bank in relation to the Project including copies of the aide memoires, mission reports, and assess progress on all financial issues. We pay special attention to any specific risk area as mentioned in the project documents (such as PAD, etc.)

We may select and apply other necessary procedures that we may consider necessary in the professional execution of the financial audit engagement.

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | AUDIT CERTIFICATION

During our audit of the project, we reviewed the following aspects. If appropriate, the audit report confirm and certify that:

- The expenditures/disbursements are made in accordance with the activities and budgets of the project agreements.
- The expenditures are supported by adequate documentation.
- The financial statement is fairly and accurately presented in compliance with accounting standards.
- An appropriate management structure, internal controls and record-keeping systems are maintained and functioning.
- The cash position reported by the project is accurate.
- The status of assets and equipment held by the project.
- The procurement procedures applied by the Implementing partners are in accordance with the funder's requirements.

## | SOURCE OF INFORMATION

The report set out information provided to us by MOPIC in response to specific questions or as obtained and extracted from MOPIC accounts and records.

## | STATEMENT OF ASSETS AND EQUIPMENT

During our course of audit, we have found that there were no assets and equipment were purchased from funds for the project.

## | AUDIT RESULTS

### • Major Findings Related to The Financial Audit

The result of our audit did not disclose any material misstatements that in our opinion could affect the presentation of the financial statement and cash position.

### • With Regard to the Effectiveness and Conformity of The Expenditures

The result of tests performed on the effectiveness and conformity of the expenditures pertaining to functions of: Project operations, Procurement, Finance and Cash Management, General administration disclose that the Implementing Partners employed the project's financial resources effectively, economy and efficiently, where:

- All the resources have been employed in accordance with the provisions of the Project agreement, with the basic Project documents,
- The total expenditure does not exceed the budget lines of the financing plan, as set out in the agreements.
- There is documentary evidence of expenditure and it complies and is consistent with what was approved.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

- There is consistency between the operating expenditure charged against the program funds and the actual consumption of the implementing structures.
  - There is compliance of the expenditure management, execution and control procedures applied under the Project, compared to national procedures and those set out in the Procedures Manual.
  - There is consistency and regularity of the documentary evidence, and that the circulation, control and archiving procedures for documents have been respected.
  - No ineligible, irregular, unjustified or insufficiently justified expenditure.
- **With Regard to Procurement Procedures**

The result of our tests performed on the Project procurement procedures disclose that it is in compliance with procurement procedures manual and the Implementing Partners adhered to the funder's Agreements, and the national procedures conditions.
  - **Assessment of existence, adequacy and effectiveness of the Internal Control System (ICS).**

The result of tests performed on internal controls pertaining to functions of: Project operations, Human Resources, Procurement, Finance and Cash Management, Assets Management & General administration disclose that no major findings are related to the internal control system.



**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## | INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENT

**To: The World Bank (IBRD), Global Concessional Financing Facility (GCFF)  
Ministry of Planning & International Cooperation (MOPIC)**

### Unqualified Opinion

On the funders Standard Terms of Reference, we have audited the accompanying Financial Statement (Cash Receipts and Expenditures) for the project "**Jordan Emergency Health Project - Additional Financing**" for the period from 01 January 2021 to 31 December 2021 with the total Receipts amount of USD (50,191,890) whereas the amount of the total expenditures of USD (50,191,896) and the notes to the financial statement including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statement (Cash Receipts and Expenditures) for the project **Jordan Emergency Health Project - Additional Financing** for the period from 01 January 2021 to 31 December 2021 was prepared in all material respects, in accordance with the accounting policies described in the notes and comply with the requirements of the funders standard terms of reference were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; and (iii) supported by properly approved vouchers and other supporting documents.

### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report.

We are independent of the **MOPIC** and **MOH** in accordance with the ethical requirements that are relevant to our audit of the Financial Statement in (Cash Receipts and Expenditure), 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.

### Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

- Without modifying our opinion, we draw attention to the accompanying financial statement for the period from 01 January 2021 to 31 December 2021 was prepared in accordance with the accounting policies described in the notes, and in compliance with the requirements of the funders standard terms of reference and for the purposes set out above. As a result, the financial statement and the related auditor's report may not be suitable for other purposes. Our report is intended solely for the Implementing Partners and the project Funders, and should not be distributed to or used by parties other than these parties.

---

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

---

## **Responsibilities of Management and Those Charged with Governance for the Financial Statement**

MOPIC Management is responsible for the preparation and fair presentation of the financial statement. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimate that are reasonable in the circumstances.

## **Auditor's Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain a reasonable assurance about whether the financial statement as a whole is 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 conduct in accordance with ISA's 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 statement.

As part of an audit in accordance with ISA's we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of materials misstatements of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness related disclosures made by the Management.

### **Auditor's Signature:**

**Date of the auditor's report: June 21, 2022**

**Audit Firm: SFAI Jordan**

**Amman | Jordan**

**Belal Alqawasmi**

**JCPA License No. 955**



**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

<b>Project Title</b>	Jordan Emergency Health Project - Additional Financing
<b>Receipts Audited And Certified</b>	50,191,890 USD
<b>Expenditures Audited And Certified</b>	50,191,896 USD
<b>Audit Opinion (Unqualified, Qualified, Disclaimer, Adverse)</b>	Unqualified
<b>Total Amount of Qualification of Audit Opinion (Net Financial Impact)</b>	N/A
<b>Reason for Qualification of Audit Opinion And Amount</b>	N/A
<b>Observation That Had Impact on Qualification of Audit Opinion</b>	N/A

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## SUMMARY OF FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES)

For the period from 01 January 2021 to 31 December 2021

Items	Note	2021 Actual Amounts (USD)	2020 Actual Amounts (USD)
<b>Balance forwarded from the prior period</b>	<b>4</b>	<b>130,122</b>	<b>55,828</b>
<b>Receipts</b>			
Fund Received during the period ( <b>IBRD</b> ) – loan agreement number 9000 & GCFF # TF0B0686	<b>5-A</b>	35,250,000	46,529,995
Fund Received during the period ( <b>IBRD</b> ) loan agreement number 87680 & GCFF # TFA5308	<b>5-A</b>	138,547	128,479
Fund Received during the period ( <b>GCFF</b> ) loan agreement number 9000 & GCFF # TF0B0686	<b>5-B</b>	14,750,000	19,469,995
Fund Received during the period ( <b>GCFF</b> ) loan agreement number 87680 & GCFF # TFA5308	<b>5-B</b>	53,343	49,466
<b>Total Receipts</b>		<b>50,191,890</b>	<b>66,177,935</b>
<b>Less: Payments (Actual Expenditures and transfers)</b>			
Project Expenditures	<b>6</b>	(191,896)	(103,651)
Transfers to the Ministry of finance (MoF)		(50,000,000)	(65,999,990)
<b>Total Actual Expenditure</b>		<b>(50,191,896)</b>	<b>(66,103,641)</b>
<b>Net Balance of the project (Bank balance)</b>	<b>7</b>	<b>130,116</b>	<b>130,122</b>
<b>Undisbursed Balance</b>			
World Bank (IBRD) - loan agreement number 9000 & GCFF # TF0B0686	<b>8</b>	34,292,255	69,542,255
Global Concessional Financing Facility (GCFF) loan agreement number 87680 & GCFF # TFA5308	<b>8</b>	14,355,005	29,105,005
<b>Total Undisbursed Balance</b>	<b>8</b>	<b>48,647,260</b>	<b>98,647,260</b>

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

**| DETAILED FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES) for the year 2021**

<b>Fund Received</b>	<b>Note</b>	<b>MOPIC Bank Account 01-3660-3235 USD</b>	<b>MOPIC Bank Account 01-3660-3267 USD</b>	<b>MOF Bank Account 01-3660-3234 USD</b>	<b>MOF Bank Account 01-3100-0001 USD</b>	<b>Total USD</b>
Balance forwarded from the prior periods	<b>4</b>	130,122	-	-	-	130,122
<b>Receipts</b>						
World Bank (IBRD)	<b>5-A</b>	138,547	-	35,250,000	-	35,388,547
Global Concessional Financing Facility (GCF)	<b>5-B</b>	53,343	-	14,750,000	-	14,803,343
<b>Total Receipts</b>		<b>191,890</b>	<b>-</b>	<b>50,000,000</b>	<b>-</b>	<b>50,191,890</b>
Project Expenditures	<b>6</b>	191,896	-	-	-	191,896
Transfers to the Ministry of finance (MoF)		-	-	50,000,000	-	50,000,000
<b>Total Expenditure</b>		<b>191,896</b>	<b>-</b>	<b>50,000,000</b>	<b>-</b>	<b>50,191,896</b>
<b>Net Balance of The Project</b>	<b>7</b>	<b>130,116</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,116</b>

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

**| DETAILED FINANCIAL STATEMENT (CASH RECEIPTS AND EXPENDITURES) for the year 2020**

<b>Fund Received</b>	<b>MOPIC Bank Account 01-3660-3235 USD</b>	<b>MOPIC Bank Account 01-3660-3267 USD</b>	<b>MOF Bank Account 01-3660-3234 USD</b>	<b>MOF Bank Account 01-3100-0001 USD</b>	<b>Total USD</b>
Balance forwarded from the prior periods	55,828	-	-	-	55,828
<b>Receipts</b>					
World Bank (IBRD)	128,479	704,995	24,675,000	21,150,000	46,658,474
Global Concessional Financing Facility (GCFF)	49,466	294,995	10,325,000	8,850,000	19,519,461
<b>Total Receipts</b>	<b>177,945</b>	<b>999,990</b>	<b>35,000,000</b>	<b>30,000,000</b>	<b>66,177,935</b>
Project Expenditures	103,651	-	-	-	103,651
Transfers to the Ministry of finance (MoF)	-	999,990	35,000,000	30,000,000	65,999,990
<b>Total Expenditure</b>	<b>103,651</b>	<b>999,990</b>	<b>35,000,000</b>	<b>30,000,000</b>	<b>66,103,641</b>
<b>Net Balance of The Project</b>	<b>130,122</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>130,122</b>

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## NOTES TO THE STATEMENT OF CASH RECEIPTS AND EXPENDITURES

### Note 1: Basis of Accounting

The financial statements are prepared in accordance with the International Public Sector Accounting Standards, under the cash basis of accounting. The cash basis requires that revenues (funds received) are recorded when received and expenses (expenditures) are recorded when they are paid.

### Note 2: Exchange Rate

Fund received in USD and local transaction incurred hence disbursed in JOD Jordanian Dinar. MOPIC uses fixed exchange rate (.71) for the conversion purposes. The statement of the project accounts is presented in USD.

### Note 3: Source of Data

The column labeled "Actual Amounts" are the responsibility of MOPIC, and represents the actual amount Received and expenditures (costs) paid.

### Note 4: Calculated Prior Period Balance

This balance (130,122 USD) represents the balance of the project as of 31 December 2020, which was calculated by deducting total actual expenditures and transfers (USD 149,285,320) from total actual receipts (USD 149,415,442).

### Note 5: Fund Received

Fund Received during the period from 01 January 2021 to 31 December 2021 are detailed as follow:

#### 5-A. World Bank (IBRD)

Date	Bank Account No.	Financing type	Amount (USD)
05 September 2021	01-3660-3234	loan agreement number 9000 & GCFF # TF0B0686	35,250,000
09 September 2021	01-3660-3235	loan agreement number 87680 & GCFF # TFA5308	138,547
<b>Total</b>			<b>35,388,547</b>

#### 5-B. Global Concessional Financing Facility (GCFF)

Date	Bank Account No.	Financing type	Amount (USD)
05 September 2021	01-3660-3234	loan agreement number 9000 & GCFF # TF0B0686	14,750,000
09 September 2021	01-3660-3235	loan agreement number 87680 & GCFF # TFA5308	53,343
<b>Total</b>			<b>14,803,343</b>

**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

### **Note 6: Project Expenditures**

Date	Bank Account No.	Financing type	Amount (USD)
04 February 2021	01-3660-3235	Consulting expenses- Dajani Consulting	34,873
31 May 2021	01-3660-3235	Training expenses- Jordan University of Science & Technology	45,377
15 August 2021	01-3660-3235	Consulting expenses- Dajani Consulting	34,874
31 August 2021	01-3660-3235	Audit Fees	6,012
22 September 2021	01-3660-3235	Consulting expenses- Dajani Consulting	34,874
01 December 2021	01-3660-3235	Consulting expenses- Dajani Consulting	34,874
-	01-3660-3235	Stamps expenses	963
-	01-3660-3235	Bank charges	49
<b>Total</b>			<b>191,896</b>

### **Note 7: Calculated Net Balance**

This balance represents the project balances after deducting total eligible Expenditures from the received Fund during the project period from 01 January 2021 to 31 December 2021.

### **Note 8: Undisbursed Balance**

This balance represents the project's undisbursed balance in accordance with the project loan agreement number **(IBRD)** 9000 and **(GCFF)** # TFOB0686 as of 31 December 2020. The below table illustrates them:

Transfer Date	IBRD	GCFF	Amount (USD)
Loan/Grant Amount	141,100,000	58,900,000	200,000,000
10 September 2019	(24,675,000)	(10,325,000)	(35,000,000)
24 March 2020	(24,675,000)	(10,325,000)	(35,000,000)
27 March 2020	(21,150,000)	(8,850,000)	(30,000,000)
06 October 2020	(704,995)	(294,995)	(999,990)
05 September 2021	(35,250,000)	(14,750,000)	(50,000,000)
Front-end Fee	(352,750)	-	(352,750)
<b>Total</b>	<b>34,292,255</b>	<b>14,355,005</b>	<b>48,647,260</b>



**Project Title:** Jordan Emergency Health Project - Additional Financing  
Independent Auditor's Report for the Period from 01 January 2021 to 31 December 2021

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL STATEMENT

**To:** The World Bank (IBRD), Global Concessional Financing Facility (GCFF)

Ministry of Planning & International Cooperation (MOPIC)

On the funders Standard Terms of Reference, we have audited the Financial Statement (Cash Receipts and Expenditures) for the project "Jordan Emergency Health Project - Additional Financing" Project for the period from 01 January 2021 to 31 December 2021 with the total Receipts amount of USD (50,191,890) whereas the amount of the total expenditures of USD (50,191,896) and the notes to the financial statement including a summary of significant accounting policies.

The responsibility of establishing of proper internal control structure is the responsibility of the Implementing Partners.

We have conducted an overall assessment on the functioning of the grantee's internal controls according to International Standards of Auditing (ISA).

We have considered the project's internal controls to determine our auditing procedures for expressing an opinion on the project financial statement.

Our consideration of internal controls was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal controls that might be significant deficiencies and therefore, there can be no assurance that all deficiencies and significant deficiencies have been identified.

### **Internal Control Audit Result: Satisfactory**

We didn't identify deficiencies in internal control over financial reporting that we considered to be material deficiencies.

This letter is intended solely for the information and use of the management of the Implementing Partners and the funders.

**Auditor's Signature:**

**Date of the auditor's report: June 21, 2022**

**Audit Firm: SFAI Jordan**

**Amman | Jordan**

**Belal Alqawasmi**

**JCPA License No. 955**





## SFAI - Jordan

Tel / FAX / Mob.: (+962) 06 5695 406 / (+962) 06 5695 406 / (+962) 0795272437

Business Development: (+962) 0791896097 - ahasan@sfai-jo.com

Wasfi At-Tall St., Complex 150., 5th/F, Gardens Area,  
Amman, Jordan

[www.sfai-jo.com](http://www.sfai-jo.com)