Partners in Rural Integration and Development Organization (PRIDO)-Sierra Leone

Audited financial report for the twelve (12) months period ended 30 November, 2022

Grant SGP GRANT PROJECT – SLE/SGP/OP7/Y2/CORE/CC/15/10/2021/21

Project grant agreement between the United Nations Office for Project Services ("**UNOPS**") and Partners in Rural Integration and Development Organization (PRIDO) in Sierra Leone in connection with a Project financed by the Global Environment Facility/Small Grants Programme ("**GEF/SGP**"), implemented by UNDP on behalf of the three GEF Implementing Agencies – UNDP, UNEP and the World Bank – and executed by UNOPS.

Corporate information

Office address:	5 Loya Street, Makeni
Contact persons:	Joe Musa National – Coordinator
Bankers:	Rokel Commercial Bank
	Zenith Bank
	Union Trust Bank
Independent Examiner:	E.K Sesay

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Independent Examiner's Report to the Governing Board Members of PRIDO

I report to the Governing Board Members on my examination of the accounts of the above entity for the year ended **30 st November, 2022**.

As the trustees of the entity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the entity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Respective responsibilities of Governing Board Members and Independent Examiner

The Governing Board Members consider that an audit is not required for this financial year [under Charities (Accounts and Audit) Regulations 2011] and that an independent examinationis required.

As the Independent Examiner, it is my responsibility to:

Examine the accounts;

Follow the procedures laid down in the General Guidance issued by the respective Act whether any specific matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Guidance issued in respect of an independent examination. An independent examination includes a review of the accounting records kept by the entity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Governing Board Members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In the course of my examination, no matter has come to my attention.

Which gives me reasonable cause to believe that in, any material respect, the Governing Board Members have not met the requirements to ensure that:

Proper accounting records are kept; and

Accounts are prepared which agree with the accounting records.

To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be **reached except the following:**

(a) That the entity uses a manual system of recording transactions through excels. Transactions prepared through excels are prone to errors and alteration.

EKS & PARTNERS
SIGN............................
DATE 28/03/2023

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Signature:

Name: E.K. Sesay ACCA, ACA-SL, Msc

Background information

Contract number and title:	**Project No: SLE/SGP/OP7/Y2/CORE/CC/15/10/2021/21** **MEMORANDUM OF AGREEMENT (MOA)**
Contract type	Grant agreement contract
Financial Report(s) subject to verification	6th December 2021 to 30th November 2022
Coordinator and other Beneficiary(ies) and affiliated entity(ies)	The project title; "Involving Schools and Communities on Reforestation to achieve and strengthen sustainable farming and climate change mitigation project" is implemented by **Partners in Rural Integration and Development Organization (PRIDO) in Sierra Leone**. The project shall build the capacity building of community farmers on climate smart agricultural practices through the following activities: 1. facilitate the sustainable environmental management of 15 hectares of community degraded land through reforestation practices by 840 (465 men and 375 women) direct beneficiaries in three target communities 2. Support the rehabilitation of 15 hectares of degraded forest/farmlands into production landscape (5 has per community) with increasing production of food crops 3. Integration of COVID19 sensitization and awareness raising of community people and school children on the protection and prevention methods (social distance, use of face mask, hand washing with soap and water) 4. Engage 300 school children in three community schools to form environmental clubs and organize writing competitions and debates amongst students on climate change and generally on environmental management. 5. Support livestock (goats) in the three proposed communities

	6. Support 120 youth farmers through cassava cultivation of 3ha and processing into gari product and marketing 7. Support 3 beneficiary groups on improved beekeeping techniques and provide them with beekeeping equipment's and links them to market outlets 8. Rehabilitation/development of 5 Hectares of perennial Inland Valley Swamps for rice and vegetable cultivation in 2 Communities 9. Establish vegetable production that provide income for livelihood support for women farmers 10. Monitor and evaluate implementation and write and progress and Final reports
Location(s) where the Contract is implemented	Karene district, Northwest region of Sierra Leone
Contract execution period	6th December 2021 to 30th November 2022
Contract implementation status	The project work is completed. This report is for twelve (12) months of implementation.
General and specific objectives of the Contract	The objective of the project contract is reforestation of degraded farmland and livelihood enhancement to reduce poverty, food insecurity and fostering a lasting high quality of project beneficiaries while safeguarding long-term environmental sustainability by growing 30,000 tree plants (including fruit and multi-purpose trees) and promoting agro forestry systems. Its mission is: "planting fruit trees for healthier populations and better environment.
Synthetic description of the activities, outputs and target group	Partners In Rural Integration and Development Organization project is financed by the Global Environment Facility/Small Grants Programme **("GEF/SGP")**, implemented by UNDP on behalf of the three GEF Implementing Agencies – UNDP, UNEP and the World Bank – and executed by UNOPS is title **"Involving Schools and Communities on Reforestation to achieve and strengthen sustainable farming and climate change mitigation project"**The objective of the project is reforestation of degraded farmland and livelihood

	enhancement to reduce poverty, food insecurity and fostering a lasting high quality of project beneficiaries while safeguarding long-term environmental sustainability. The project has a life span of twelve months which started from 6th of December 2021 and end in 30th November 2022. PRIDO intervention during this reporting period is focused on: 1. Five (5ha) in the project communities were developed and rehabilitated for sustainable rice cultivation and vegetable production. 2. 60 participants (30 men and 30 women) were trained on swamp development, irrigation and water management techniques. 3. 15 ha of degraded farmland were planted with 30,000 tree seedlings this include: Cashew, Plum, Mango, Moringa, Neem tree, Tamarind, Citrus, avocado and guava 4. 120 women farmers acquired improved vegetable production training techniques and supported with seeds and tools such as okra, cucumber, egg plants, maize and onions, watering cans, digging hoe, cutlasses, measuring tape and garden line. 5. Three (3) environmental school clubs formed and organized one (1) debate competition on writing and drawing. 6. 114 school pupils received training on climate change mitigation and environmental management practices 7. 30 youth farmers (20 men and 10 women) were trained on basic beekeeping and management, harvesting, processing and marketing. 8. 513 project beneficiaries (9 teachers, 263 school children and 241 community people) in the three project communities received awareness raising and sensitization messages on the pandemic protection and prevention practices

	9. Provide nine 9 animals (goat), 3 male and 6 female to the women and received basic training on the rearing and management of livestock practices. 10. 3 ha of farmland planted with cassava cuttings for harvesting, processing and marketing of gari products Over 90% of planned activities were implemented successfully and PRIDO recorded satisfactory achievements as evidenced in targets reached and feedback received by beneficiaries.

Risk analysis

Outcome of risk analysis

Risk rating matrix

High	Medium	Low
Poses a significant financial reporting risk:	**Poses a moderate financial reporting risk:**	**Poses a minimal financial reporting risk:**
likely to require ongoing and sustained resource commitment	likely to require moderate level of resource commitment	likely to require low level of resource commitment
likely to involve complex control and accounting issues or balances that require estimation or judgment	likely to involve less complex control and accounting issues	likely to involve routine control and accounting issues

Risk assessment

Risk Factor	Key Questions to Consider	Rating	Reason/Analysis
Procurement	Are best practices observed in procurement?	L	Procurements are done in line with practical guides. This was seen strictly adhered to.
Foreign currency transactions	Are exchange rates obtained from legitimate sources? Are there any significant manipulation of exchange rate issues?	L	Transactions are recorded at the rates ruling on the date of transaction. Rates are obtained from the bank where the project account is maintained i.e. bank rates are used for every transactions. None identified. The rate at which the financial results were translated at the reporting period is SLL 10.673
Political interference in project implementation	Are there any political interference in project implantation other than that agreed in the contract?	L	There is no political interference in dictating the manner in which the project is implemented that tends to deviate the cause of the project from that which is stated in the contract.

Payment methods and approvals	Are there significant cash payments methods adopted? And are all payments approved by the respective authorities?	L	Minimal cash payments is seen happening. Most payments go through the banking system, and are dully authorized by all responsible parties.
Administrative capacity	Are there administrative gaps in terms of the capacity of staff involved in project implementation?	L	The finance department and other units involved in project implementation have the required experiences to drive the success of the project. No capacity gap is identified.
Level of manual intervention in financial reporting	Is the level of manual intervention used to initiate, record, process or report transactions significant?	M	The level of manual intervention in transaction processing is high. Excel is generally used to record and report transactions. This is prone to several issues, such as undermining the integrity of the records.
Internal control	What is the level of compliance with internal controls?	L	The control environment is strong. Transactions go through several processes and approvals before they are complete. There is maximum compliance with laid down roles and agreements.

Audit issues identified	How significant are previous audit findings in respect of this project? Have these findings been adequately addressed?	L	There had been no previous external audit on the project besides the internal audit review. Findings raised from the internal audit review have been addressed.

Analysis of existing key controls

Existing key control in place are:

- Monthly bank reconciliation of the Leones account is performed each month-end to ensure completeness of all balances, and to identify and correct any error differences.
- Procurement rules as in the UNDP practical guides/ best practices are in full force and complied by in all procurement dealings. This is to ensure that there is sanity in the procurement process and guidelines fully followed.
- There is minimal used of cash transactions, most payments are made through the banking system. This is to ensure proper trail of transactions.
- Monitoring and evaluation of the project is done by the internal control Officer to ensure that projects are implemented as required, and that the minimum control requirements are achieved.

Audit Methodology

Implications on the sampling

Samples were selected based on the materiality level computed. The materiality level was calculated as 5% of total amounts of reported expenditures. The materiality calculated initially at the planning stage was any amounts at or above $ 1,000 or NLe 10,673. Every transaction at or over the performance materiality level were prioritized. This covers every transaction that falls in the materiality bracket.

Substantive testing

Short description of the testing process

The following tests amongst many were adopted.

- Review the financial system to identify any weakness in terms of providing assurance of accountability and transparency and make appropriate recommendations on improvements where specific weaknesses are identified;
- Review procedure and internal control system for handling, recording and banking of cash;
- Review procedures and internal control systems for adherence to good accounting procedures in the use of funds;
- Review compliance with procurement procedures and check that procedures are adhered to where procuring the goods and services for the Project;
- Review that salaries paid from grant funds are in compliance with the grant contract signed between the partners. Check that personnel files are up to date and maintained separately for each project.
- Review documentation, filing and record keeping for expenditure and income
- Verify eligibility of expenditure and income
- Review asset management, cash and bank management, payroll and time management, Risk management and internal controls.

Financial report for the twelve (12) months period ended 30 November, 2022

	NLe	$
Income		
UNDP	213,460.00	20,000.00
	213,460.00	**20,000.00**
Expenditure		
Personnel costs	42,300.00	3,963.27
Equipment	99,000.00	9,275.74
Training costs	28,340.00	2,655.30
Traveling costs	16,820.00	1,575.94
Contracts	27,000.00	2,529.75
	213,460.00	**20,000.00**
Surplus/Deficit	-	-

Notes to financial statements

	SL	$
Personnel / Labor		
National Coordinator	5,400.00	505.95
Project Officer	4,800.00	449.73
Admin/Finance Coordinator	4,800.00	449.73
Field Officer	4,800.00	449.73
Community Facilitators	12,600.00	1,180.55
Logistics Assistant	3,600.00	337.30
Swamp Development/Rehabilitation - skilled	2,400.00	224.87
Swamp Development/Rehabilitation - unskilled	1,200.00	112.43
Nurserry site development and planting - unskilled	1,800.00	168.65
Watering of nursed seeds - unskilled (women)	900.00	84.32
	42,300.00	3,963.27
Equipment / Materials		
seeds for tree nursery	13,600.00	1,274.24
tools for tree nursery	12,892.00	1,207.91
seeds for vegetable cultivation	3,285.00	307.79
tools for vegetable cultivation	2,200.00	206.13
rice seeds for IVS farming	4,000.00	374.78
Tools for IVS Dev/Rehab	4,150.00	388.83
Bee keeping materials/equipments	2,800.00	262.34
Environmental School Club materials	1,170.00	109.62
school clubs debate graduation gift	2,400.00	224.87
improved sweet potato vines	360.00	33.73
improved cassava cuttings	900.00	84.32
Gari Processing Machine and equipments	14,000.00	1,311.72
Computer (Laptop)	3,500.00	327.93
Motor Bike	13,500.00	1,264.87
Printer	4,500.00	421.62
Office Rental	1,800.00	168.65
Stationery and Material	7,543.00	706.74
Sign posts(metal,welding, pritig ad installation	6,400.00	599.64
	99,000.00	**9,275.74**
Training / Workshops/ Seminars / Travel		
1) Training/workshops/seminar		
IVS training	6,825.00	639.46

Bee keeping training	840.00	78.70
vegetable cultivation training	3,150.00	295.14
Teachers/Community/Stakeholder workshop	7,800.00	730.82
School pupils triaining on envir. management and climate change (light refreshment)	3,600.00	337.30
Gari processing and machine operation training	2,450.00	229.55
Tree nursery demonstration training	3,675.00	344.33
	28,340.00	**2,655.30**
Travel		
UNDP Workshop/seminar on finance and Project implementation - Freetown	600.00	56.22
travel to Freetown on cash withdrawal from Bank	900.00	84.32
fuel for bike	2,880.00	269.84
Bike maintenance/repairs	1,440.00	134.92
hiring of vehicle to transport tools. Seeds,cuttings	1,400.00	131.17
perdiem for field staff (2)	6,000.00	562.17
Travelling Allowance for Gari training	1,200.00	112.43
Transport and perdiem for National Coordinator - field	1,800.00	168.65
transport and perdiem for Admin/Finance - field	600.00	56.22
	16,820.00	**1,575.94**