Ms. Nancy Niang  
Chairperson of the Project Steering Committee  
Permanent Secretary  
Office of the Vice President  
Banjul – The Gambia

Subject: The Gambia – Maternal and Child Nutrition and Health Results Project  
(H9230, TF16640, IDA56230 and D0500)  

Comments on the audit reports and financial statements for the year ended 31st December 2018

Dear Ms. Niang:

We thank you for submitting the audited Financial Statements for the Maternal and Child Nutrition and Health Results Project for the fiscal year ending 31st December 2018, which were audited by the independent firm PKF Accountants & Business Advisors. We are pleased to note that the audit was conducted in accordance with International Standards on Auditing as promulgated by the International Federation of Accountants (IFAC).

The audit reports include the auditor’s opinion on the financial statements and the management letter.

Following our review of the audit reports, we kindly ask you to find below our comments which focus on the following points:

- Audit opinions
- Financial Statements
- Internal controls

Audit Opinions: The auditors issued an unmodified opinion (clear opinion) on the financial statements of the Project. According to the auditors, the Project Financial Statements give a true and fair view of its financial performance and its cash flow for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS) cash basis of accounting and have been properly prepared in accordance with the Project Agreement.

Financial statements: The financial statements were prepared in accordance with IPSAS and they comprise a summary of activities in the Designated Accounts, the related statements of resources and use of funds for the year then ended, the statement of expenditures, a list of material assets acquired or procured to date with project funds and the related notes to the financial statements.
**Internal Control:** In the management letter the auditor has highlighted these following deficiencies and has given recommendations to strengthen the internal control system:

- There was no evidence of reconciliation between the World Bank client connection and the project general ledger. The auditor recommends that the general ledger and the World Bank Client Connection report be reconciled monthly. This should be done by the Accountant and reviewed by the Financial Management Specialist.
- Back to office reports were not presented for some trainings. We recommend to constantly prepare back to office reports after missions and trainings and join them to supporting documents.

The auditor has followed up the status of last year recommendations. We noted that some recommendations were not implemented such as the signature of the minutes of the Project Steering committee meeting by the chairperson and the lack of financial data offsite back up.

We recommend that you address these improvement points as these would be helpful in improving the project’s financial management system and enhance the quality of its reports. We would also like to take this opportunity to thank you and your staff for all collaboration within this period.

Task Team Leader

Samuel Lantei Mills

**Copies:**

Please add the list of the entities which should copied.
Bcc: Drafted by: Fatou Mbacke Dieng, Financial Management Specialist

bcc: Messrs/Mmes: Belete, Lecuit, Mistiaen, Batino, Bah, Naudeau, Seck Sy, Seye, (AFCF1) Velev, Loum Lo (AFCSN); Mills (HAFH3); Arrobbio, Fam, Samba, Mbacke Dieng, Sarr Sogue (GGOAW) Henda, Ndiaye, Ndoye, Mbaye (GGOPF); Wernett, Sigrist, Ahouansou (LEGAM); F. Diallo, Cubahiro (WFACS); F. Drave-Diakite (EDS13) Project files, WBDocs