AUDIT DEPARTMENT

REPORT OF THE DIRECTOR OF AUDIT GRENADA on the

Resources Managed for the period from 01 January 2017 to 31 December 2017 by the Project Coordination Unit within the Ministry of Finance and Energy

Safety Net Advancement Project (SNAP)
Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date

Francis Hosten
Director of Audit (Ag.)
# SAFETY NET ADVANCEMENT PROJECT

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List of Abbreviations

Ag. - Acting
BMIS - Beneficiaries Management Information System
CCT - Conditional Cash Transfer
DLIs - Disbursement Linked Indicators
EC - Eastern Caribbean
GoG/GOG/GD - Government of Grenada
IDA - International Development Association
INTOSAI - International Organization of Supreme Audit Institutions
ISSAIs - International Standards of Supreme Audit Institution(s)
MIS - Management Information System
MOSD(H) - Ministry of Social Development (and Housing)
N/A - Not Applicable
PCU - Project Co-ordination Unit
SEED - Support for Education, Empowerment and Development
SNAP - Safety Net Advancement Project
US$ / USD - United States Dollar
WA - Withdrawal Application
Dear Mrs. Alexander,

I have audited the Resources Managed for the period 1 January 2017 to 31 December 2017 by the Project Coordination Unit in the Ministry of Finance and Energy for the Safety Net Advancement Project (SNAP).

In accordance with the Terms of Reference for Financial Auditors and the International Organization of Supreme Audit Institutions’ (INTOSAI) auditing standards, I hereby submit my report to those charged with governance for consideration and necessary action.

Yours sincerely

Francis Hosten
DIRECTOR OF AUDIT (AG.)
Acknowledgement

I would like to thank the staff of the Project Coordination Unit (PCU), Ministry of Finance and Energy and the Support for Education Empowerment and Development (SEED) Unit within the Ministry of Social Development for their courtesies and co-operation during the audit and to the Government Printer for his assistance in publishing this report.

Thanks also to the staff of the Audit Department for their continued commitment and dedication in fulfilling the mandate of the Department.
Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date

Summary of Main Audit Procedures

Audit Objectives

The overall audit objectives are to express an opinion on the project's financial position at the end of the period audited, to report on the adequacy of the internal controls and to express an opinion on the compliance with the credit agreement and applicable laws and regulations.

The specific objectives of the Audit of the Project are to:

- Issue an opinion as to whether the Project Financial Statements present fairly, in all material respects, the financial position of the project, the funds received and the disbursements made during the period audited, as well as the cumulative investments at the end of the period, in accordance with the requirements of the respective agreements with the Bank and other co-financing organizations;

- Issue an opinion with respect to the implementing entity's compliance with the terms of the loan/credit and grant agreements and applicable laws and regulations (with regard to the financial aspects);

- Issue an opinion as to whether the expenditures reported are eligible for financing; and funds have been used only for project purposes;

- Issue an opinion as to whether the Statement of the Designated Account and Project Accounts used for managing the funds provided by the Bank presents fairly the availability of funds at the end of the period audited, as well as the transactions made during the same period, in accordance with financial reporting provisions outlined in the project's legal agreements;

- Issue an opinion as to whether the Disbursement Linked Indicators (DLI’s) milestones were achieved;

- Issue a report with respect to the adequacy of the internal control structure of the implementing institution in regard to the project.
Audit Scope and Main Procedures

The audit covered the activities performed during the fiscal year 1 January 2017 to 31 December 2017 and was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) issued by the International Organization of Supreme Audit Institutions (INTOSAI).

The audit included the following procedures:

- Review of relevant documentations.
- Analytical procedures on the financial statements.
- Review of the Project Co-ordination Unit's internal control structure.
- Substantive and compliance tests to determine whether the accounting system and records in use are in accordance with the accounting policies, guidelines and procedures as well as relevant laws and regulations.
- Performing substantive tests on transactions for the period.
- Performing test of controls.
- Review of the country’s accounting system (SmartStream) to ensure revenue and expenses were recorded.
Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date.

DIRECTOR OF AUDIT REPORT
ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Safety Net Advancement Project (SNAP) financed under Credit No. 4993-GD, which comprise the Statement of Sources and Uses of Funds as at 31 December 2017, and other explanatory schedules and statements for the year then ended and notes to the financial statements.

Opinion

In my opinion, the project financial statements for the year ended 31 December 2017, presents fairly, in all material respects, the financial position of the project, the funds received and the disbursements made were eligible during the period audited, as well as the cumulative investments at the end of the period, and used for the project's purpose in accordance with the cash basis of accounting which is described in note 3 (1) and the financial reporting provisions of Section 4.09 of the International Development Association (IDA) General Conditions for Credit and Grants as prescribed under Section II (B) of Schedule II of the Finance Agreement No. 4993-GD dated 20 September 2011, between the Government of Grenada and International Development Association.

Basis of Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs), issued by the International Organization of Supreme Audit Institutions (INTOSAI), World Bank Guidelines and the Government of Grenada policies, procedures and regulations.
My responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Project in accordance with the ethical requirements that are relevant to my audit of the financial statements in Grenada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter - Basis of Accounting and Restriction on Use**

I draw attention to Note 3 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Project Coordination Unit in complying with the financial reporting provisions of the agreement referred to above and to provide information to Parliament, International Development Association and World Bank. As a result, the financial statements may not be suitable for another purpose. My opinion is not modified in respect to this matter.

**Responsibilities of Management and those charged with Governance for the Financial Statements**

Management is responsible for the preparation of these financial statements in accordance with the financial reporting provisions of Section II (B) of Schedule II of the Financing Agreement and for such internal control that management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will 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 statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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, misrepresentations, 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 Project Coordination Unit internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Francis Hosten
Director of Audit (Ag.)

Audit Department
GRENADA

15 May 2018
Project Coordinator
Project Coordination Unit
Ministry of Finance and Energy
GCNA Building
ST. GEORGE’S

Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date.

DIRECTOR OF AUDIT REPORT
ON COMPLIANCE WITH CREDIT AGREEMENT, LAWS AND REGULATIONS

Subject Matter / Audit Criteria

PCU’s compliance with the terms of the Financing Agreement Credit No. 4993-GD and applicable laws and regulations related to the Project’s financial activities for the period 01 January 2017 to 31 December 2017.

Management’s Responsibility for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the covenants of the loan/credit agreement and applicable laws and regulations.

Auditor’s Responsibility

In addition to the responsibility to express an opinion on the financial statements, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the covenants of the credit agreement and applicable laws and regulations. This responsibility includes performing procedures to obtain audit evidence about whether the sources and uses of funds have been applied to the purposes intended. Such procedures include the assessment of the risks of material non-compliance. In conducting these procedures, my audit was in accordance with International Standards of Supreme Audit Institutions (ISSAIs) issued by the International Organization of Supreme Audit Institutions (INTOSAI), World Bank Guidelines and the Government of Grenada policies, procedures and regulations.
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Opinion on Compliance**

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them.

Francis Hosten  
**Director of Audit (Ag.)**

Audit Department  
**GRENADA**

15 May 2018
Project Coordinator
Project Coordination Unit
Ministry of Finance and Energy
GCNA Building
ST. GEORGE'S

Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date.

DIRECTOR OF AUDIT REPORT
ON THE STATEMENT OF THE DESIGNATED ACCOUNT

I have audited the accompanying Designated Account Bank Reconciliation Statement for the Safety Net Advancement Project for the year ended 31 December 2017 (the financial statement). My responsibility is to express an opinion based on my audit.

Opinion

In my opinion the Designated Account used for managing the funds provided by the World Bank presents fairly the availability of funds for the year then ended 31 December 2017, as well as the transactions made during the same period, in accordance with the provisions for the use of the funds established in the Finance Agreement No. 4993-GD and corresponding agreements with World Bank.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit (ISSAIs) and World Bank Guidelines. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am independent of the Project in accordance with the ethical requirements that are relevant to my audit of the financial statement in Grenada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Emphasis of Matter – Basis of Accounting

I draw attention to Note 3 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Project Coordination Unit in complying with the financial reporting provisions of the agreement referred to above and to provide information to Parliament, International Development Association and World Bank. As a result, the financial statements may not be suitable for another purpose. My opinion is not modified in respect to this matter.

Responsibilities of Management and those charged with Governance for the Financial Statement

Management is responsible for preparation and fair presentation of the financial statement in accordance with financial reporting provisions of Section 4.09 of the International Development Association (IDA), General Conditions for Credit and Grants as prescribed under Section II (B) of Schedule II of the Finance Agreement No. 4993-GD, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibilities for the Audit of the Financial Statement

My objectives are to obtain 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will 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 this financial statement.

Francis Hosten  
Director of Audit (Ag.)  
Audit Department  
GRENADA  
15 May 2018
Project Coordinator
Project Coordination Unit
Ministry of Finance and Energy
GCNA Building
ST. GEORGE'S

Audit of the Resources Managed for the period from 01 January 2017 to 31 December 2017, by the Project Coordination Unit in the Ministry of Finance and Energy under the Credit No. 4993-GD, Safety Net Advancement Project (SNAP) and the income and expenditure for the accounting period ending on that date.

DIRECTOR OF AUDIT REPORT
ON THE STATUS OF THE DISBURSEMENT LINKED INDICATORS ACHIEVED

Subject Matter

The milestones listed in the Statement of Disbursement Linked Indicators (DLIs) achieved were achieved during the year ended 31 December 2017.

Audit Criteria

The following criteria were used by the audit team to determine whether the milestones were achieved:

- 70% of beneficiaries have received critical information about the SEED program including: eligibility criteria, enrolment procedures, conditions for payments, appeals and complaints, and exit from the program.

This criterion was developed in the Amended Financing Agreement 4993-GD. Protocols to establish each criterion are also set out in the said document.
Management's Responsibility for Compliance

It is the implementing agency, Ministry of Social Development and Housing’s responsibility to ensure the protocols established by the World Bank in the amended document of the Project Financing Agreement 4993-GD for the verification of each achieved DLI are adhered too.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements, my responsibility includes expressing an opinion on whether the Disbursement Linked Indicators (DLI’s) milestones were achieved in compliance with the covenants of the credit agreement and applicable laws and regulations. This responsibility includes performing procedures to obtain audit evidence about whether the protocols for these milestones were achieved. Such procedures include the assessment of the risks of material non-compliance. In conducting these procedures, my audit was in accordance with International Standards of Supreme Audit Institutions (ISSAIs) issued by the International Organization of Supreme Audit Institutions (INTOSAI), World Bank Guidelines and the Government of Grenada policies, procedures and regulations.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion on Compliance

In my opinion, the Disbursement Linked Indicators were achieved for the Safety Net Advancement Project Credit No.4993-GD for the year then ended 31 December 2017.

Francis Hosten
Director of Audit (Ag.)

Audit Department
GRENADA

15 May 2018
I have audited the financial statements of the Safety Net Advancement Project (SNAP) for the twelve-month period ended 31 December 2017.

My audit was in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). 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.

In planning and performing this audit, I considered the PCU’s internal control over financial reporting, by obtaining an understanding of the policies and procedures that govern internal controls, determining whether these controls had been placed in operation and assessing control risk and performing tests of the PCU’s controls in order to determine the auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide an opinion on the internal controls. Accordingly, I do not express an opinion on the effectiveness of the Project Co-ordination Unit (PCU) internal controls over financial reporting.

The management of PCU is responsible for maintaining effective internal control over financial reporting. We limited our control testing to those controls necessary to achieve the following control objectives that provide reasonable, but not absolute assurance, that: (1) transactions are properly recorded, processed, and summarized to permit the preparation of the financial statements in accordance with the Government’s accounting policies and the World Bank Guidelines and (2) transactions are executed in compliance with laws and regulations that could have a direct and material effect on the financial statements.
A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the PCU’s ability to initiate, authorize, record, process, or report financial data reliably, such that there is more than a remote likelihood that a misstatement of the PCU’s financial statements that is more than inconsequential will not be prevented or detected by PCU’s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the PCU’s internal control. Our consideration of internal control was for the limited purpose described in the second paragraph of this report and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We did not discover any weaknesses that would be material in relation to the financial statements; however, we noted some deficiencies involving the internal control and its implementing agency’s operations.

Francis Hosten

Director of Audit (Ag.)

Audit Department

GRENADA

15 May 2018
# Grenada Safety Nets Advancement Project
## Sources and Uses of Funds
### Year Ended Dec 31-2017

<table>
<thead>
<tr>
<th>RECEIPTS</th>
<th>Current Period US$</th>
<th>CUMULATIVE US$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>RECEIPTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Counterpart</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOG Conditional Cash Transfers /1/</td>
<td>5,310,978.00</td>
<td>27,972,909.78</td>
</tr>
<tr>
<td>World Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated Account</td>
<td>26,167.24</td>
<td>461,864.76</td>
</tr>
<tr>
<td>Direct Payment</td>
<td></td>
<td></td>
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<tr>
<td>Reimbursement - CCT</td>
<td>200,000.00</td>
<td>3,187,235.90</td>
</tr>
<tr>
<td><strong>Total Receipts (A)</strong></td>
<td>5,537,145.24</td>
<td>31,622,010.44</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOG</td>
<td>5,310,978.00</td>
<td>27,972,909.78</td>
</tr>
<tr>
<td>World Bank</td>
<td>200,000.00</td>
<td>3,187,235.90</td>
</tr>
<tr>
<td>Component 2</td>
<td>59,456.94</td>
<td>453,509.15</td>
</tr>
<tr>
<td>Component 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures (B)</strong></td>
<td>5,570,434.94</td>
<td>31,613,654.83</td>
</tr>
<tr>
<td><strong>FOREIGN EXCHANGE ADJUSTMENT</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**BANK BALANCES**

| Opening Cash Balances         |                    |                |
|-------------------------------|                    |                |
| Designated Account            | 40,755.10          |                |
| Project Account               | 3,273.86           |                |
| **Total Opening Balance**     | 44,028.96          |                |
| **Net Available Cash**        | 10,739.26          | 8,355.61       |
| CLOSING CASH BALANCES         |                    |                |
| Designated Account            | 7,893.63           | 7,893.63       |
| Project Account               | 2,912.95           | 2,912.95       |
| **Total Closing Balance /2/**  | 10,806.58          | 10,806.58      |

**Notes**

/1 Receipts - Counterpart Funds Cumulative total was overstated by US$21,511 in the financial statements 2016 due to an arithmetical error. Adjustment now being made.

/2/ Reconciliation of differences

<table>
<thead>
<tr>
<th></th>
<th>Current period</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Available</td>
<td>10,739.26</td>
<td>8,355.61</td>
</tr>
<tr>
<td>Interest earned</td>
<td>67.32</td>
<td>2,450.97</td>
</tr>
<tr>
<td><strong>Total Closing Balance</strong></td>
<td>10,806.58</td>
<td>10,806.58</td>
</tr>
</tbody>
</table>

Prepared by: Carlene Sandy - Lewis
Project Accountant

Approved by: Jenny Alexander
Project Coordinator (Ag.), PCU
## Grenada Safety Nets Advancement Project

**Statement of Cumulative Investments by Category**

**Year Ended Dec-31-2017**

<table>
<thead>
<tr>
<th>Categories</th>
<th>Current Year US$</th>
<th>Prior periods Cumulative US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1</td>
<td>200,000.00</td>
<td>3,187,235.90</td>
</tr>
<tr>
<td>Category 2</td>
<td>59,456.94</td>
<td>453,509.15</td>
</tr>
<tr>
<td>Category 3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>259,456.94</td>
<td>3,640,745.05</td>
</tr>
</tbody>
</table>
NOTE 1: OBJECTIVE AND NATURE OF THE PROJECT

On 27 May 2011, the Government of Grenada entered into a Credit Agreement with the International Development Association (IDA). The objectives of the project are as follows:

i. To strengthen the basic architecture of the consolidated Conditional Cash Transfer (CCT) Program and the capacity of the Ministry of Social Development to implement it.

ii. To improve coverage of impoverished households receiving cash transfers.

iii. To improve education outcomes of poor children and health monitoring of vulnerable households.

The Project is organized into two major components:

1. Improving Conditional Cash Transfers

This component will finance cash transfers to beneficiaries. Disbursements will be made against meeting performance milestones aimed at the gradual adoption of an overhauled business model in results areas including institutions.

2. Improving Implementation Capacity of MOSD

This component will provide technical assistance to the Ministry of Social Development (MOSD) for improving its management, coordination, supervision, monitoring, and evaluation of the newly consolidated CCT program.

NOTE 2: PROJECT FINANCING

The total cost of the Project is estimated at US $23,200,000 with the financiers as follows:

- The Government of Grenada – US $18,200,000 (78%)
- IDA – US $5,000,000 (22%)

The project funds must be utilized in accordance with the terms of the respective Credit Agreement.

NOTE 3: MAIN ACCOUNTING POLICIES

1. All transactions are recorded, and the financial statements prepared, using the cash basis of accounting.
2. The financial accounts are maintained and the financial statements are prepared in United States Dollars, which is the currency of the Designated Account.

3. Non-Current Assets procured with project resources are recorded at their acquisition cost at the date of purchase. No depreciation is recorded for project assets.

4. The Financial Statements have been prepared on the basis of historical cost convention. No account is taken of inflation.

NOTE 4 – PROJECT ACCOUNT

The Project account includes funds transferred from the Designated Account. The account functions in this manner to easily facilitate payments and to minimize exorbitant bank charges. The accounts are all reconciled monthly and accurate records are kept to properly account for the funds expended from both financiers.

The cash balance at 31 December 2017, amounted to US $2,912.95. This amount represents funds from the Designated Account for IDA eligible expenditures.

NOTE 5 – CONDITIONAL CASH TRANSFER REIMBURSEMENTS

Component 1 – Improving Conditional Cash Transfers (US $4.5M, now US $3.6M after the restructuring of the project) is designed to reimburse the Government of Grenada (GoG) for expenditure incurred under this component. These reimbursements are made into GoG Consolidated Revenue Fund.

During the year ended 31 December 2017, USD $200,000.00 was reimbursed to the GoG.

NOTE 6 – PROJECT CLOSURE

The project was scheduled to be closed on 31 December 2015. However, the Government of Grenada made a request for extension as well as the restructuring of the project and the request was approved by the World Bank. The new project closing date is 31 December 2017.

A second extension was requested by the Government of Grenada as the objective of having a functional Beneficiary Management Information System was not met. The request was approved by World Bank and a new project closing date of 30th September 2018 was established.

NOTE 7 – DISBURSEMENT LINKED INDICATORS

The Disbursement Linked indicators (DLIs) were reviewed and formed a major part of the restructuring paper for the project. The scope and the costing of the DLIs under Component 1 were revised to better match the implementation and institutional capacity within the MOSDH. Also, the DLIs would no longer be dated.

The approved restructuring paper provides documentation with regards to the DLIs.
NOTE 8 - NON-CURRENT ASSETS

At 31 December 2017, Non-Current Assets amounted to US $51,483.16 as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (US)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Equipment</td>
<td>34,906.10</td>
</tr>
<tr>
<td>Equipment</td>
<td>8,258.33</td>
</tr>
<tr>
<td>Furniture</td>
<td>8,318.78</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51,483.16</strong></td>
</tr>
</tbody>
</table>

The Safety Net Advancement Project is being implemented by the Ministry of Social Development. Non-Current assets, procured with project funds, are in use by the Support for Education, Empowerment and Education (SEED) Unit, but belong to this Ministry and are restricted to project purposes until project completion. The PCU maintains records to control these assets.

SIGNIFICANT BIDS PROCESSED AND AWARDED FOR THE YEAR UNDER REVIEW

**Goods:**

1. **Equipment**
   
   - Procurement Method: Shopping
   - Date of Contract No-Objection: N/A
   - Approved Contract Sum: US $2,006.92
   - Supplier: Hankey's Computer Store Ltd.
   - Nationality: Grenadian
   - Amount Paid for the period: US $2,006.92
   - Financing: 100% IDA

2. **Computer Equipment**
   
   - Procurement Method: Shopping
   - Date of Contract No-Objection: N/A
   - Approved Contract Sum: US $15,110.34
   - Consultant: Affordable Island Communication
   - Nationality: Grenadian
   - Amount Paid for the period: US $15,110.34
   - Financing: 100% IDA

3. **Computer Equipment**
   
   - Procurement Method: Shopping
   - Date of Contract No-Objection: N/A
   - Approved Contract Sum: US $2,118.52
   - Consultant: Kool System
   - Nationality: Grenadian
4. Computer Equipment

- **Amount Paid for the period:** US $2,118.52
- **Financing:** 100% IDA

- **Procurement Method:** Shopping
- **Date of Contract No-Objection:** N/A
- **Approved Contract Sum:** US $1,969.72
- **Consultant:** Kool System
- **Nationality:** Grenadian
- **Amount Paid for the period:** US $1,969.72
- **Financing:** 100% IDA

5. Equipment & Furniture

- **Amount Paid for the period:** US $4,279.82
- **Financing:** 100% IDA

- **Procurement Method:** Shopping
- **Date of Contract No-Objection:** N/A
- **Approved Contract Sum:** US $4,279.82
- **Consultant:** Kool System
- **Nationality:** Grenadian
- **Amount Paid for the period:** US $4,279.82
- **Financing:** 100% IDA

6. Furniture

- **Amount Paid for the period:** US $3,153.25
- **Financing:** 100% IDA

- **Procurement Method:** Shopping
- **Date of Contract No-Objection:** N/A
- **Approved Contract Sum:** US $3,153.25
- **Consultant:** Bryden & Minors Ltd.
- **Nationality:** Grenadian
- **Amount Paid for the period:** US $3,153.25
- **Financing:** 100% IDA

**Consultant Services:**

7. Enhancement of SEED BMIS

- **Procurement Method:** Sole Source
- **Date of Contract No-Objection:** 20-Nov-17
- **Approved Contract Sum:** US $8,927.91
- **Consultant:** Eamon Charles
- **Nationality:** Colombian
- **Amount Paid for the period:** US $0.00
- **Financing:** 100% IDA
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER)</td>
<td>US$ 461,864.76</td>
</tr>
<tr>
<td></td>
<td>LESS: ELIGIBLE EXPENDITURE FOR THE CURRENT YEAR ENDED DEC-31-2017 DOCUMENTED BY WORLD BANK</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>LESS: CUMULATIVE ELIGIBLE EXPENDITURE FOR THE PRIOR PERIODS ENDED DEC-31-2016 DOCUMENTED BY WORLD BANK</td>
<td>US$ 380,481.42</td>
</tr>
<tr>
<td>3</td>
<td>PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (1 - 2)</td>
<td>US$ 60,545.45</td>
</tr>
<tr>
<td>4</td>
<td>BALANCE OF USD DESIGNATED ACCOUNT PER BANK RECONCILIATION STATEMENT AS AT PERIOD END DEC-31-2017</td>
<td>US$ 7,893.63</td>
</tr>
<tr>
<td>5</td>
<td>BALANCE OF PROJECT ACCOUNT PER BANK RECONCILIATION STATEMENT AS AT PERIOD END DEC-31-2017</td>
<td>US$ 2,912.95</td>
</tr>
<tr>
<td>6</td>
<td>PLUS: ELIGIBLE EXPENDITURE FOR THE CURRENT YEAR DOCUMENTED AFTER THE PERIOD END DEC-31-17 (WA #)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET CLAIMED REASON: PENDING ACTIVATION OF SIGNATORY</td>
<td>US$ 52,190.09</td>
</tr>
<tr>
<td>8</td>
<td>LESS: INTEREST EARNED</td>
<td>US$ 2,450.97</td>
</tr>
<tr>
<td>9</td>
<td>TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9)</td>
<td>US$ 60,545.70</td>
</tr>
<tr>
<td>10</td>
<td>DIFFERENCE (3 - 9)</td>
<td></td>
</tr>
</tbody>
</table>

11 EXPLANATION OF ANY DIFFERENCE SHOWN IN LINE 10

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# Grenada Safety Nets Advancement Project

## Statement of Disbursement Linked Indicators (DLI) Achieved

**Year Ended DEC-31-2017**

<table>
<thead>
<tr>
<th>Description of DLI</th>
<th>DLI Amount US$</th>
<th>Date Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original DLI A.1 - The Recipient has taken steps to further consolidate SEED Program</td>
<td>250,000.00</td>
<td>Nov/11</td>
</tr>
<tr>
<td>Original DLI C.1 - Unified MIS is established and single payment cycle is used for effecting cash transfer to beneficiaries under the CCT program.</td>
<td>250,000.00</td>
<td>Oct/11</td>
</tr>
<tr>
<td>DLI 1. 70% of beneficiaries have received critical information about the SEED program including: eligibility criteria, enrollment procedures, conditions for payments, appeals and complaints, and exit from the program.</td>
<td>200,000.00</td>
<td>Feb/17</td>
</tr>
<tr>
<td>DLI 3 - Appeals Committee is operational</td>
<td>300,000.00</td>
<td>Mar/16</td>
</tr>
<tr>
<td>DLI 4 - 30% of beneficiaries are identified as eligible to receive SEED through the new targeting tool.</td>
<td>200,000.00</td>
<td>Dec/16</td>
</tr>
<tr>
<td>DLI 5 - 60% of beneficiaries are identified as eligible to receive SEED through the new targeting tool.</td>
<td>250,000.00</td>
<td>Dec/16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,450,000.00</strong></td>
<td></td>
</tr>
</tbody>
</table>