



**USAID**  
FROM THE AMERICAN PEOPLE

**OFFICE OF INSPECTOR GENERAL**

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**Close-out Audit of USAID  
Resources Managed by  
Songhai, Benin under Grant No.  
680-G-00-02-00232-00**

AUDIT REPORT NO. 7-680-05-001-N  
MAY 31, 2005

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"Financial information contained in this report may be privileged. The restrictions of 18 USC 1905 should be considered before any information is released to the public."

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DAKAR, SENEGAL



# USAID

FROM THE AMERICAN PEOPLE

*Office of Inspector General*

May 31, 2005

## MEMORANDUM

**To:** USAID/Benin Director, Rudolph Thomas

**From:** RIG/Dakar, Lee Jewell III *Lee Jewell III*

**Subject:** Close-out Audit of USAID Resources Managed by Songhai, Benin under Grant No. 680-G-00-02-00232-00; (Audit Report No. 7-680-05-001-N)

This report presents the results of a close-out audit of USAID resources managed by Songhai, Benin under grant number 680-G-00-02-00232-00 from September 30, 2002 through March 31, 2004, conducted by the public accounting firm of SIRACIDE (ex- La Reference) of Cotonou, Benin.

The USAID Regional Inspector General in Dakar, Senegal reviewed the audit report and found that the audit was performed with *Government Auditing Standards* issued by the Comptroller General of the United States and the requirements of the USAID Guidelines for Financial Audits Contracted by Foreign Recipients (The Guidelines). The report, however, disclosed SIRACIDE's lack of a satisfactory continuing professional education program and an external peer review program.

On September 30, 2002, USAID/Benin signed a grant agreement with Songhai for the purpose of providing an amount of \$340,125 in support for a program in Training of Songhai New Graduates. The activity was part of USAID/Benin's Basic Education Program and was completed on March 31, 2004. Songhai is a non-governmental organization founded in 1985 in Porto-Novo, Republic of Benin. Its main goal is to raise the standards of living of the population in Africa through the rational use of local resources, by training farmers in integrated agro-biological techniques. The audit covered \$297,422 in expenditures made by Songhai from September 30, 2002 through March 31, 2004.

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The objectives of the audit were to: (1) express an opinion on whether Songhai fund accountability statement was presented fairly, in all material respects; (2) evaluate Songhai internal control structure related to USAID funds; (3) determine whether Songhai complied with agreement terms and applicable laws and regulations; and (4) determine whether Songhai has taken adequate steps on prior audit report recommendations, if any.

SIRACIDE concluded that the fund accountability statement presented fairly, in all material respects, program revenues, costs incurred, and cash in hand as of March 31, 2004. In reporting on internal controls, SIRACIDE noted several weaknesses such as inadequate procedures in the areas of procurement, personnel management, fixed assets management, and accounting classification. However, none of the reportable conditions found was considered material. Concerning compliance, SIRACIDE noted the lack of separate accounting for cost sharing contributions, differences between investments initially budgeted as part of Songhai contribution and those effectively made, potential liability resulting from employee's share of income taxes not being calculated, and the failure to account for the USAID funds in a separate bank account. Regarding Songhai costs sharing contributions, the auditors noted that of a budget of \$250,295, Songhai provided for \$236,749. Since this amount does not include other expenses made by Songhai with its own funds that the auditors could not evaluate, we estimate that Songhai reasonably provided for its costs sharing contributions as required.

While the audit report generally met the requirements of the Guidelines, we identified deficiencies, which the auditors should address in future audits to more fully comply with the Guidelines. For example, the report on internal controls did not include a summary of the reportable conditions found and the report on compliance did not comply with the format recommended in the Guidelines.

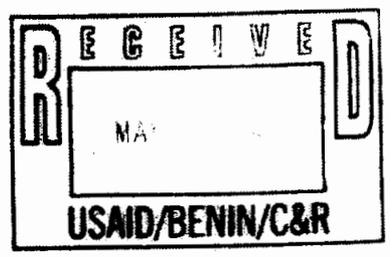
Based on our review of the audit report we are not making any recommendations for inclusion in the USAID's Consolidated Audit Tracking System. We appreciate the cooperation and assistance USAID/Benin extended to the auditors during the course of the audit.

**ORIGINAL**

**Republic of Benin**

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**U.S. Agency for International Development**  
**C/o American Embassy**  
**PO-BOX : 01-2012 Tel. : 30-05-00**  
**Cotonou**

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**SONGHAI Center**  
**PO-BOX 597 Tel. : 22-28-81**  
**Porto-Novo**



**Final report**

**By :**

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**March 2005**

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**TO THE DIRECTOR OF SONGHAI CENTER  
PO BOX 597  
PORTO-NOVO (BENIN)**

**Dear sir,**

We have completed a financial audit of USAID resources managed by Songhai Center for the project carried out for the period from october 2002 to march 2004.

The audit covered a USAID financing totalling US\$ 340,125 (CFA 238,087,500) and the cost share contributions totalling US\$ 199,171 CFA (139,420,000). The exchange rate used is that which is mentionned in the grant agreement i.e. USD 1= CFA 700.

Hereby please find the results of this audit.

*Issued in Cotonou on March 1<sup>st</sup>, 2005*



**Titilayo Kossi Blaise ATIHO  
Certified Chartered Accountant**

## **I- BACKGROUND**

Songhai is a non-governmental organization founded in 1985 in Porto-Novo, Republic of Benin. The main goal of that NGO is to raise the standard of living of the population in Africa through the rational use of local resources. Since that time, this center undertook training of farmers in integrated agro-biological techniques.

USAID is one of the main donors of Songhai center. This audit relates to the last USAID funding which amounts to US\$ 340,125; Songhai contribution being US\$ 199,171. This grant was referenced as follows : **Grant N° 680-G-00-02-00232-00.**

## **II- EXECUTIVE SUMMARY**

## **A- Objectives and scope of work**

The objectives and scope of work of this audit are as follows :

### **1. Objectives**

The audit aims are to:

- Check whether the prior year audit recommendations were fully implemented
- Evaluate and obtaining sufficient understanding of Songhai internal control structure related to USAID financing and cost sharing contributions, to assess inherent risks and control risks and to identify the weaknesses of the internal control structure;
- Express an opinion on whether the statements were issued in conformity with generally accepted accounting principles and that, in all material aspects, they present a fair view of the use of USAID fund ;
- Determine whether cost sharing contributions were correctly provided and accounted for by Songhai in accordance with the terms of the agreements ;
- Determine whether Songhai complied with agreement terms and applicable laws and regulations.

### **2. Scope of work :**

The corresponding scope of work is as follows :

- study the procedure manual ;
- review each procedure (acquisition of goods and services, personnel management, fixed assets management, materials management, cash management, accounting management and micro-credit management) ;
- for each of these procedures, assess the strengths and weaknesses and propose appropriate recommendations ;
- review the funds received from USAID and check by sounding the payments made on those funds ;
- review ledgers to determine whether receipts and costs incurred were properly recorded ;
- review the bank statements and bank reconciliations ;
- determine whether advances of funds were fully justified ;
- review salary rates to see if they were supported by appropriate payrolls and correctly recorded ;

- compare the budgeted contribution of Songhai Center to the contribution posted in the financial reports in order to see if they were in compliance with initial commitments ;
- review ledgers to see whether Songhai's contribution were accounted for ;
- visit the sites of Kinwedji, Sakete, Savalou, Parakou and Porto-Novo, in collaboration with USAID Officials and Songhai representatives to verify the existence of assets procured by USAID funds as well as Songhai's share;
- assess the application of these procedures in order to determine if Songhai complied with agreement terms and applicable laws and regulations.

## **B- Summary of audit results**

### **1. Status of prior year recommendations :**

Most of the recommendations from the latest audit did not relate to the project. Thus, we did not focus on them. We paid attention to the following two recommendations :

- Purging of old data from 1999 to 2001, from the hard disc, ensuring that ZIP copies were made ;
- Enhancing the accounting staff's knowledge and performance by intensive and continuous computer training with respect to the accounting software.

Even though they were implemented, the data processing speed is still slow (because of the network) and the software is not fully used up to date (see for example the budgetary accountability).

### **2. USAID Funds accountability control :**

- the last two USAID funding accountability were not separated. Accountability for these two funds should have been separated to facilitate follow up and audit ;
- the exchange of the USAID grant in CFA led to a loss amounting to about 30 millions CFA. This loss obliged Songhai to reduce its budget ;
- Interests are accounted for as soon as credits are granted to recipients. This does not with applicable standards.

### **3. Internal control structure :**

#### **3.1 Procedures of acquisition of goods and services**

According to the procedure manual, all order forms which amount is higher than 1 000 000 CFA must be signed by the Songhai Manager. Sometimes, Songhai did not comply with this procedure.

#### **3.2 Personnel management**

- There were some documents missing in the personnel files and these were not under lock and key ;
- Payrolls looked like ordinary forms because they were not signed ;
- The process of calculation of the employee's share of income tax involves, for Songhai center a risk that could have drawbacks for its donors ; in fact, it is calculated on a basis lower than the taxable salary. 23% is applied to the amount thus obtained as if each employee had at least six dependant children ;
- Taxes were not deducted on the salaries paid to the personnel working out of Porto-Novo.

#### **3.3 Fixed assets management**

- Inventory reports were not issued for fixed assets ;
- The procedure manual did not focus on what to do in case of sale of a fixed asset or if it has to be scrapped ;
- There was no title deed for the land purchased in Sakete for this project.

#### **3.4 Stock management**

We have no comment on this matter.

#### **3.5 Accounting management**

- Neither the account codes nor the budget line items codes were mentioned on the vouchers ;
- Most of vouchers were not numbered.

### **4. Review of Songhai cost sharing contributions :**

- there was no separate accountability for Songhai contributions that could allow issue corresponding financial statements and make controls easier ;

- according to the grant agreement, Songhai's contributions amounted to CFA 139 787 040. This amount was wrong. In fact, the correct amount was 175 207 040 ;
- some investments reported as part of Songhai's contributions were completely different from what was planned ;
- Till March 31, 2004, Songhai did not pay its contribution for micro-credit activities. A counterpart of CFA 27,000,000 was planned but based on the documents we have, Songhai contributed for only CFA 5,139,220 on September 15, 2003. This gives a balance of 21,860,780 yet to be given.

#### **5. Compliance with agreement terms and applicable laws :**

Our sample survey on transactions and records revealed that Songhai complied with most of agreement terms and applicable laws and regulations. However, it appeared that :

- the recipient did not account for the cost sharing separately. Thus we could not assess and check the amount spent by Songhai Center even though it's contributions were listed ;
- the recipient did not account for the last two USAID grants separately; accountants had first to identify the accounts related to the project for which audit is conducted before you could make controls ;
- some investments reported as part of Songhai contributions were completely different from what was initially planned (see table in appendix);
- the employee's share of income tax calculation does not comply with enforced regulations.

#### **C- Summary of management comments**

In general, the auditor's findings are relevant but they do not consider Songhai (and the audited grant) as an integrated development project. The auditor's analysis is based on the respect of generally accepted standards only.

That is why the auditor :

- maintains that the accounting of the two grants should be separated ;
- does not agree that Songhai has not paid the farmers investment credit while worthwhile projects like seedling export to Spain is to be finalized ;
- does not agree that a truck has been purchased in lieu of the construction of a warehouse, to move the crops for processing ;
- etc.

Here are the comments about the point of view of the auditor :

On the internal control :

- the updating of the procedures manual every two years does not lead to frequent deep changes on work methods ; only needed adjustments are made ;
- all the funds requests which amounts are equal to or higher than 1 000 000 CFA are duly signed ;
- it is no worth signing the payroll as they are issued by Songhai computer and testified by the bank ;
- if any fiscal risk occurred, donors could not be concerned ;
- the land of Sakete has just been purchased ; so its title deed cannot be obtained right now ;
- there is no incompatibility due to the control of the micro-credit transactions by Songhai financial manager as the two managements are separated ;
- an internal auditor is not hired yet because the micro-credit is still in starting phase and cannot have all the organs right now.

On the Songhai contribution :

- Songhai does not agree with the auditor for he did not issue his opinion on this matter ;
- Songhai is a whole entity, not a project in small pieces ; thus, it is not easy to identify the contribution related to a grant ;
- Songhai agrees that it did not inform USAID about changes occurred in the project because it considered the follow-up through field trips as tacit approval ;
- The auditor has requested and obtained all the vouchers related to the Songhai contribution and would have testified that the amount of that contribution was 165 724 450 CFA.

## **III- AUDIT REPORT**

## **A- REVIEW OF USAID FUNDS ACCOUNTABILITY**

### **1. Independent auditor's report**

We have audited the fund accountability statement of the Songhai Center for the USAID funded project covering the period from October 2002 to March 2004. Our responsibility is to express our opinion on the fund accountability statement.

Except as discussed in the following paragraphs, we conducted our audit in accordance with U.S. Government Auditing Standards issued by the Comptroller General of the United States.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

We do not have a continuing education program that fully satisfies the requirement set forth in Chapter 3, paragraph 3.45 & 3.46 of U.S. Government Auditing Standard. We are taking appropriate steps to implement a continuing education program that fully satisfies the requirement. However, our audit firm has regularly followed for four years the training seminars on the US GAS organized by USAID Agency in Benin.

We did not have an external quality control review by unaffiliated audit organization as required by Chapter 3 paragraph 3.52 of U.S. Government Auditing Standards since no such program is offered by professional organizations in Benin. However, we believe that the effect of this departure from U.S. Government Auditing Standards is not material.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the fund accountability statement. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We noticed that the financial statement made by Songhai Center does not distinguish between Existing human resources and Long term technical assistance. The expenses made for the two items amount to CFA 22 070 028.

In our opinion, the USAID fund accountability statement reflects in all material aspects, a true and fair view of program revenues, costs incurred and cash at the end of the project.

In accordance with U.S. Government Auditing Standards, we have also issued our reports dated December 31, 2004 on our consideration of Songhai's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations. Those reports are an integral part of an audit performed in accordance with U.S. Government Auditing Standards and should be read in conjunction with this Independent's Auditor's Report in considering the results of our audit.

This report is intended for the information of Songhai and USAID. However, upon release by USAID, this report is a matter of public record and its distribution is not limited.

*Issued in Cotonou on March 1<sup>st</sup>, 2005*


**Titilayo Kossi Blaise ATIHO**  
**Certified Chartered Accountant**

## 2. USAID financing budget comparison

### BUDGET COMPARISON : USAID FINANCING

Budget line items	Budgeted amount	Expenses	Percentage spent	Balance
<b>I- PERSONNEL</b>				
Existing human resources (1)	7 509 044	22 070 028	108,56	(1)-1 740 665
Long term technical assistance (1)	12 820 319			
Short term technical assistance	7 522 750	7 505 200	99,77	17 550
<b>Total</b>	<b>27 852 113</b>	<b>29 575 228</b>	<b>106,19</b>	<b>-1 723 115</b>
<b>II- INVESTMENTS</b>				
Packing/Processing	2 272 734	2 526 208	111,15	-253 474
<b>III- COMMODITIES</b>				
Rural credit union for short term seasonal	81 184 691	85 834 453	105,73	-4 649 762
Long term investment loans portfolio	41 958 171	41 647 693	99,26	310 478
Expense for effort to raise awareness for the allocation of production quotas	2 797 211	662 300	23,68	2 134 911
Farmer to farmer visits	23 601 471	23 242 696	98,48	358 775
Training Songhai interns, residents and farmers in strategic farming	4 632 881	1 325 550	28,61	3 307 331
Train Songhai New Graduates and Recently Installed Graduates in irrigation and soil fertilization and mushroom cultivation	9 965 066	10 094 605	101,30	-129 539
Putting in place infrastructures for common usage	2 377 630	1 960 000	82,44	417 630
Annual farmer's meeting	7 762 263	7 646 200	98,50	116 063
Visits to farmers by the extension team	3 715 046	3 680 230	99,06	34 816
<b>Total</b>	<b>177 994 430</b>	<b>176 093 727</b>	<b>98,93</b>	<b>1 900 703</b>
<b>GRAND TOTAL</b>	<b>208 119 277</b>	<b>208 195 163</b>	<b>100,04</b>	<b>-75 886</b>

(1) = 7,509,044 + 12,820,319 - 22,070,028 = - 1,740,665

≈ \$297,422

### **3. Notes on USAID funds budget comparison**

#### **3.1 Accounting principles used :**

- Receipts and disbursements were recorded in local currency (CFA) and on a cash basis of accounting. Thus, transactions were not recorded until cash was received or payments made.
- Gain or loss of exchange were not accounted for.
- Songhai issued two forms for financial reports :
  - the financial status report in US\$
  - the certified fiscal report in CFA (the local currency).

The two financial statements did not cover the same period of time. There are five financial status reports covering the following periods : September 30, 2002 – March 31, 2003; April 1<sup>st</sup> – June 30, 2003 ; July 1<sup>st</sup> – September 30, 2003 ; October 1<sup>st</sup> - December 31, 2003 and January 1<sup>st</sup> – March 31, 2004.

On the other hand, three certified fiscal reports covered the following periods : January 1<sup>st</sup> – June 31, 2003 ; July 1<sup>st</sup> – December 31, 2003 and January 1<sup>st</sup> – March 31, 2004.

**The conversion of Songhai expenditure in the financial statements is made according the exchange rate used in the budget: USD 1= CFA 700.**

#### **3.2 Comments on the budget comparison**

##### **3.2.1 Budget :**

The initial amount budgeted for this project was CFA 238 087 500. Because of the loss on exchange, the budget was reduced to CFA 208 119 277.

Expenses of the first two lines were not dissociated because the amount was globally stated on the vouchers we were provided by Songhai whereas the amounts are separated in the budget.

##### **3.2.2 Expenses :**

The total expenses were CFA 208 195 163. Their details are in the budget comparison above.

##### **3.2.3 Balance**

The balance is CFA – 75 886. In fact, the total expense charged to this project was higher than the total amount received from USAID.

## **B- REVIEW OF INTERNAL CONTROL**

General Manager  
SONGHAI Center  
PO.BOX 597 tel.: 22 28 81  
PORTO-NOVO

We have audited the fund accountability statement of SONGHAI Center as of and for the period from September 30, 2002 to March 31, 2004 and have issued our report on it dated March 1<sup>st</sup>, 2005. We also reviewed the separate cost-sharing schedule.

We conducted our audit in accordance with US. Government Auditing Standards issued by the comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fund accountability statement is free of material misstatement.

The management of SONGHAI Center is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgments by management are required to access the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are the provide management with reasonable, but not absolute assurance that the assets are safeguarded against loss from unauthorized use or disposition ; transactions are executed in accordance with management's authorization and in accordance of the fund accountability statement in conformity with the basis of accounting described in note 31 to the fund accountability statement. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the fund accountability statement of SONGHAI Center for the period from September 30, 2002 to March 31, 2004, we obtained an understanding of internal control. With respect to internal control, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the fund accountability statement and not to provide an opinion on internal control. Accordingly, we do not express such an opinion.

We noted certain matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants (AICPA). Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control that, in our judgment, could adversely affect the recipient's ability to record, process, summarize, and report financial data consistent with the assertions of management in the fund accountability statement and cost-sharing schedule.

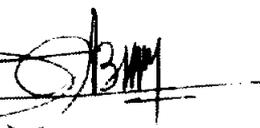
*(see below the paragraphs about the findings and reportable conditions)*

A material weakness is a reportable condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the fund accountability statement and the cost-sharing schedule may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of SONGHAI Centre and the U.S. Agency for International Development (USAID). However, upon release by USAID, this report is a matter of public record and its distribution is not limited.

*Issued in Cotonou on March 1<sup>st</sup>, 2005*



**Titilayo Kossi Blaise ATIHO**  
**Certified Chartered Accountant**

## **1. Procedures of acquisition of goods and services**

### **1.1 Findings :**

Some of the purchase order amounting to more than CFA 1 million were not signed by the General Manager.

### **1.2 Criteria :**

The purchase order amounting to more than CFA 1 million must be signed by the General Manager according to the procedures manual.

### **1.3 Possible effect :**

Purchase orders amounting to more than 1 million and being signed by others persons than the General Manager present a risk of fraud.

### **1.4 Recommendations :**

All purchase orders amounting to more than CFA 1 million must be signed by the General Manager.

## **2. Personnel management procedures**

### **2.1 Findings :**

- In the personnel files, the following documents are missing: police records, children's birth certificates, leave forms, photos ;
- There is no written authorization given to Songhai by the fiscal Administration to allow this center reduce the taxable salaries and to apply the highest discount (23%) on the employee's share of income tax.
- Salaries are paid to the personnel working of Porto-Novo without deduction of any tax.

### **2.2 Criteria :**

The personnel files should contain all information relating to the employees; the police records are very important.  
Songhai center has to pay income taxes in compliance with Benin laws.

### **2.3 Possible effect :**

This practice involves fiscal risk for Songhai.

## **2.4 Recommendations :**

We recommend that:

- The personnel files be completed by missing documents: police records, personnel's children birth certificates, leave certificates, photos etc;
- The income tax department give the Songhai Center written documents justifying the particular conditions it is applying in the income tax calculation;
- The personnel of all other sites also pay income.

## **3. Fixed assets management :**

### **3.1 Findings :**

- There are not individual record sheet for each fixed asset;
- Inventories were made without written and duly signed reports ;
- There is no regulation about sale or scrap of fixed assets ;

### **3.2 Criteria :**

- Each fixed asset must have an individual record sheet.
- Inventories must be reported and signed.
- Sale or scrap of fixed assets must be regulated.

### **3.3 Possible effect :**

Movements should not be easily followed and fraud should be facilitated.

### **3.4 Recommendations :**

We recommend that:

- Individual record sheets be use for each fixed assets ;
- Written and duly signed reports be prepared after each inventory ;
- The procedure manual mention the regulation about sale or scrap of fixed assets ;

## **4. Stocks management :**

There is nothing to report on this matter.

## **5. Accounting procedures :**

### **5.1 Findings :**

- Most of the time, the account codes were not written on vouchers ;
- Vouchers were not duly numbered ;
- There was not separate accounting for the Songhai counterpart contribution so that the cost share declared in the financial statements could not be justified. We were told that the amounts stated in the financial statements were obtained by applying a rate to the level of implementation of the project.

### **5.2 Criteria :**

- Account codes have to be written on the vouchers.
- Vouchers have to be duly numbered.
- Songhai counterpart contribution must be recorded separately on Excel to permit easy verification.

### **5.3 Possible effect :**

- Without any account code it would be difficult to identify accounts used for recording.
- Vouchers could be double recorded.
- No separate accounting does not permit easy verifications.

### **5.4 Recommendations :**

We recommend that:

- Account codes be posted on vouchers.
- Vouchers be duly numbered.
- Separate accounting be done for the counterpart contribution so that the cost share in the financial statements could be justified and easily checked.

## **C-REVIEW OF THE COST SHARING**

### **1. Independent auditor's report**

We have reviewed the Songhai Center cost sharing contributions for the period from October 2002 to March 2004. Our review was conducted in accordance with standards established by the American Institute of Certified Public Accountant (AICPA) to determine whether cost sharing contributions were

provided and accounted for in accordance with the terms of the agreement between USAID and Songhai.

A review consist of inquiries that could allow to express an opinion on the cost sharing contributions.

According to our review, the following remarks came to our attention :

- a) There was no separate accounting for the counterpart contribution so that the cost share in the financial statements could not be checked easily ; for some budget line items, the expenses incurred are not mentioned ;
- b) A part of the contributions did not relate to the initial budget ;
- c) According to the grant agreement, Songhai's contributions amounted to FCA 139 420 000 (US\$ 199,171). This amount was wrong. In fact, the correct amount was 175 207 040 (US\$ 250,295). The difference was CFA 35 787 040 (US\$ 51,124) which detail is as follows : first, the total personnel cost (CFA 16 787 040 or US\$ 23,981) was not included in the grand total of the budget ; in addition, the investments cost for the site of Parakou (CFA 19 000 000 or US\$ 27,143) was not included either in the total cost of this site or in the grand total of the budget ;
- d) Till March 31, 2004, Songhai did not pay the whole contribution for micro-credit activities.

In our opinion, most of the counterpart expenses did not match the initial budget. However, the reason why those changes occurred (see Auditee's comments) could allow USAID to accept these expenses as eligible ones.

*Issued in Cotonou on March 1<sup>st</sup>, 2005*



**Titilayo Kossi Blaise ATIHO**  
**Certified Chartered Accountant**

## 2. Cost sharing budget comparison

### BUDGET COMPARISON : SONGHAI CONTRIBUTION

Budget line items	Budgeted amount	Assessed expenses	Percentage spent	Balance
<b>I- Short term technical assistance (A)</b>	<b>16 787 040</b>	<b>unknown</b>		
<b>II- Investments</b>				
<b>II-1 Sakété</b>				
Purchase land for application site	20 000 000	3 052 860		
Land preparation	10 000 000	1 432 280		
<b>Total</b>	<b>30 000 000</b>	<b>4 485 140</b>		
<b>II-2 Savalou</b>				
Land preparation and water bore holes	5 700 000	unknown		
Reinforc. of the irrigation system on the site	3 500 000	unknown		
Installation of the irrigation system for the farmers of Songhai network	10 500 000	unknown		
Animal husbandry infrastructures	10 000 000	unknown		
<b>Total</b>	<b>29 700 000</b>	<b>unknown</b>		
<b>II-3 Parakou</b>				
Land preparation (A)	5 000 000	563 400		
Reinforcement of the irrigation system on the site (A) (B)	3 500 000	unknown		
Installation of the irrigation system for the farmers of Songhai network (A) (B)	10 500 000	unknown		
Animal rearing infrastructures	12 000 000	4 985 950		
<b>Total</b>	<b>31 000 000</b>	<b>5 549 350</b>		
<b>II-4 Kinwedji</b>				
Installation and reinforcement of irrigation system	20 000 000	10 368 300		
<b>Total</b>	<b>20 000 000</b>	<b>10 368 300</b>		
<b>II-5</b>				
Warehouse for storage and conservation of farm products	2 250 000	0		
<b>Total</b>	<b>2 250 000</b>	<b>0</b>		

<b>II-6</b>			
Dryer geo (B)	1 250 000	unknown	
Dryer maxi coq	1 500 000	0	
Transformation gari (B)	720 000	unknown	
<b>Total</b>	<b>3 470 000</b>	<b>unknown</b>	
<b>III- Commodities</b>			
Funds for micro-credit system	27 000 000	12 688 260	
Running costs for the applications sites (B)	12 000 000	unknown	
Improve existing equipments and leasing equipments	3 000 000	0	
<b>Total</b>	<b>42 000 000</b>	<b>12 688 260</b>	
<i>Sub total</i>	<i>175 207 040</i>		
<b>Other expenses took into account by Songhai</b>			
<b>Development of market garden, ornamental seedling and rice production</b>	0	101 965 674	
<b>Acquisition of truck(C)</b>	0	30 307 226	
<b>Construction of bulding at Savalou</b>	0	360 500	
<b>Total</b>	<b>0</b>	<b>132 633 400</b>	
<b>Grand Total</b>	<b>175 207 040</b>	<b>(D)</b>	

(A) represents the line items which amounts were omitted in the total of the initial budget.

(B) relates to SONGHAI expenses not assessed as they were.

(C) truck bought in lieu of a warehouse construction.

(D) the total expenses amount to CFA F 165,724,450 to which expenses (with the mention "unknown"), are to be added.

### **3. Notes to the cost sharing budget comparison**

#### **3.1 Accounting principles used :**

There was no separate accounting for the cost sharing so that we could not get accurate information on some of the budget line items, example: the case of expenses incurred on the Savalou site.

#### **3.2 Comments on the budget and expenses**

##### **3.2.1 The budget :**

The grand total of cost sharing was CFA 175 207 040 instead of CFA 139 420 000 erroneously written in the initial budget.

##### **3.2.2 The expenses :**

The total expenses assessed by Songhai (see their report in annex) were CFA 165 724 450. This amount did not include the budgeted expenses incurred but unknown per line item. On the other hand, there were other expenses not budgeted that Songhai took into account as part of its contribution to this project (see the cost sharing budget comparison above).

### **D- REPORT ON THE COMPLIANCE WITH AGREEMENT TERMS AND APPLICABLE LAWS**

We have audited the fund accountability statement of the Songhai Center for the USAID funded project covering the period from October 2002 to March 2004. We also reviewed the separate cost-sharing schedule to determine whether they were provided and accounted for in accordance with the terms of the grant agreement. This audit also included the control of the compliance with agreement and applicable laws.

We conducted our audit in accordance with generally accepted auditing standards and US Government Auditing Standards. Based on the tests that we performed and the results of the inventory on the sites of Kinwédji, Savalou, Parakou, Sakété and Porto-Novu, we can assert that :

- the recipient did not account for the cost sharing. Thus we could not assess and check the amount spent by Songhai Center even though it's contributions were listed ;

- the recipient did not account for the last two USAID grants separately ; then the accountants had to identify the accounts related to the project for which an audit was conducted before we could make controls ;
- some investments reported as part of Songhai contributions were completely different from what was initially planned ;
- the employee's share of income tax was not calculated according to the local law.

In our opinion, apart from these remarks, Songhai complied with agreements and applicable laws.

*Issued in Cotonou on March 1<sup>st</sup>, 2005*


**Titilayo Kossi Blaise ATIHO**  
**Certified Chartered Accountant**

## **IV– MANAGEMENT COMMENTS**

## **SONGHAI'S COMMENTS ON THE DRAFT AUDIT REPORT**

### **INTRODUCTION**

Number of pertinent observations and recommendations which have been mentioned in the draft audit report don't take into account the integrated and holistic aspect of the Songhaï development project in general and the implemented Grant in particular.

Thus, analyses seem sometimes to have been made only from the strict point of view of admitted norms and principles. The reality and the application context have not often been used as a referential for analysis or control. This situation is not due to lack of communication, since the auditors recognised that they had at their disposal a complete documentation and a total availability of Songhaï actors.

Could it be the terms of reference, this time unilaterally set out by USAID, that have not sufficiently marked out the way for a contextual analysis of the Grant implementation? Anyway, the auditors for instance, didn't feel interested in understanding that the audited Grant was in its spirit a way out for perpetuation of the first Grant achievements. It is certainly the reason why they maintain that its accounts must distinctly be separated from the first grant. In the same way, they think that the opportunities obtained by Songhaï during the implementation of the project, in order to develop the paths increasing the economic blooming chances of goers and former installed Songhaï students, have nothing to do with the spirit of the Grant, at least in regard of the forecast that has been given to them.

Following this logic, the auditor didn't feel necessary to take into account the explanations of Songhaï according to which it didn't seem opportune to release the Songhaï counterpart for the farmers credit-investment portfolio whereas profitable investment projects like the exportation of plants to Spain are being developed (yet they noticed it on the field...).

It's the same thing when they write that the conversion of the investment provided for warehouses building in villages for the collection of harvests, into the purchase of a 35 tons truck for collecting and forwarding harvests to transformation places, is "declared as a counterpart expense" whereas it has nothing to do with the project forecasting.

Post-harvest activities are indeed subject to enormous difficulties. Then, it is first and foremost with the aim of securing and conditioning the farmers' products in order to avoid any waste and conveying them to sale points for their commercialisation, that we took the initiative of buying a 35 tons truck for harvests collection. Besides, taking into account the experience we had on the field during the last soya campaign, as far as transportation of village products to sale points is concerned, (hiring a titan truck costs between 700.000 and 800.000 FCFA), we found opportune to buy such a means of transport. At the beginning, we didn't know transport problems and this is why we forecasted the construction of warehouses. But after analysis, we found that in those warehouses, stored products can already go rotten while waiting to be conveyed to market. This made take the decision of purchasing the truck, decision that we find more reasonable. The 35 tons truck thus becomes an ambulant warehouse. Auditors have not then understood that we're acting as a development project, our major concern being to insure sustainable results. The auditor has then to understand the development logic. We thought we explained it during the "Exit Conference", but unfortunately, we have not been understood. The thought of donors, as we've perceived it, is that the project works and we do believe that our decision responds to this thought.

### **WAREHOUSES IN VILLAGES**

About the specific subject of warehouses in villages, it is appropriate to loiter on the very problematic of this component of the project; this may dissipate the polemics raised around our option for efficiency. Indeed the aim of this heading of the project is to put in place inexpensive alternatives in order to face the problem of enormous post-harvests wastes (more than 75 %) that deprive producers from the benefits of their work. Remember that the funded project has as ambition to increase the productivity of farmers in the purpose to better their revenues; but how can we meet this target if at the end of the production process, in terms of return (benefits) on investment, the producer can expect only 25% of its total rendering! Building those warehouses should certainly bring some kind of relief in regard to the problem observed. The phase of project implementation enabled us to observe that it is a solution that can reach the plenitude of its effect only in the long term. Indeed, we are not entitled to teach the auditor that any collective infrastructure generates fixed maintenance costs for beneficiaries. And the auditor certainly knows that at the individual producer scale, the only condition for not feeling roughly the weight of those fixed costs is large scale production. It's also the condition for optimising these isolated infrastructures in villages. Unfortunately, in our producers' network, we are not yet at the phase of large scale production. Thus a simple arithmetic exercise can help realise that the profit made by suppressing post-harvest wastes through the building of warehouses, would automatically be absorbed by the

maintenance costs to be paid by each farmer and the truck hiring fees by Songhaï to carry away this production; which inevitably lessen the repurchase price range to producers. Whereas the solution adopted eventually saves the additional profit created by the post-harvest wastes suppression since the purchased truck automatically carries away the harvests and forwards them towards to treatment places and we do not have to pay this year for hiring a means of transport.

On the whole, when your aim is to increase farmers' revenues, you have no other choice than postponing the building of those warehouses until when, with the rising in scale of the farmers' production, this construction stands out in order to complete the logistics presently put in place. Songhaï is first and foremost a research-action institution that cannot get along with innovations which cost/efficiency ratio is not favourable to creators of social wealth.

We could thus continue to cite examples where a capacity building project intended to entrepreneurs is reduced to "forecast/realised". But the debate stands to the beginning question: "What was important to audit and from whose point of view?"

It then remains to direct our comments with regard to the terms of the recommendations made in the different parts of the audit report.

## **COMMENTS**

### **A- About recommendations on internal control**

1- While taking into account the recommendations made on the procedures manual actualisation approach, we intend to make you notice that the actualisation every two years of the procedures manual doesn't lead to any change in the working methods every two years at Songhaï, since the directive line is conserved and only improvements are added.

2- Basically, the principle of signing financial requests amounting to CFA 1,000,000 or respected. But in case the Director is absent, other persons in charge had to sign them without the manual specifying it before. It is important for us to precise here that before every absence of the director, a circular letter is enacted and sent to all our partners and to the Board of Directors, for them to delegate his authority to another person in charge who acts and signs every document in lieu and place of the Director. (Kindly find attached a copy of circular letter delegating authority). This person justifies and makes to the Director a report of all acts undertaken on his absence. Yet, all this was

explained during the "Exit Conference" but we are astonished to find it again in the provisory report.

### **3- Human resources management**

It is important to notify that the computerised payslips edited by the available software, are marked by the stamp of the Songhai Centre. It is also important to notify that these payslips are authenticated by the Bank that treats them directly. A record of the bonus duly signed by the Director, the personnel manager and the financial manager is sent to the Bank in order for the latter to give the payment order. It is not therefore mere sheets of paper that we consider as payslips. As they are generated by the Songhai computer system and authenticated by the bank, we think they need not be signed.

Presently, the regime of favor given to Songhai center for income tax calculations is not yet notified because they are subject to negotiations to be finalized at a higher level. But as far as fiscal risk is concerned, (if ever it happens), it is not fair to state that donors will also be affected because only employees and not the institution or directly the donors are concerned by the income tax. Songhai is a cooperative and since it has a hybrid personnel made of cooperative workers and managers, negotiations are still on with the Ouémé Departmental Direction of Income Tax with whom we are working on the question. For the time being, we have proofs of tax payment at the Direction of Tax that shelter us from the risks. Government also should accept our negotiations for it is a development model in which it is very interested.

The other Songhai sites are not under the tax payment regime because negotiations plan to take into consideration their specific statutes of agricultural cooperatives. On those sites, there is a hybrid personnel consisting of the support structure that is the steering committee and aid workers. We are right now negotiating with a departmental direction. Once negotiations are over, we will have an authentic document.

### **4- Capital assets management procedures**

The practice today is to use the available software to make inventories. But we acknowledge your recommendations.

As for the land certificate, we have just bought the Sakete plot and the required time frame to get it is not yet reached. Yet, the auditor knows well the slowness that characterizes our administration, especially in the field of land certificate delivery. For the time being, we have a receipt showing that the plot belongs to us.

## **5- Micro credit management**

The aim of this project is to sustain the Songhai experience in the field of training through effective settlement of young people. This is why an autonomous credit system was set up and a set of portfolios supplied by funds coming as well from Songhai as from the USAID were set up to finance profitable activities. This is why we asked M. Bourbonnais to assist us manage, autonomously, the credit office. All campaign or additional portfolios were activated; but activating the portfolios of strategic credits or investments in order to favor the emergence of pilot farms was subordinated to the creation of fertile fields. Auditors probably noticed, on the field, achievements such as irrigation system, nursery. The objective of this project is not therefore to share money, but to develop a production and follow up system to help young people become entrepreneurs. To put it clearly, the only reason for the creation of our micro credit system is foremost its sustainability for it is vital for agricultural entrepreneurs and constitutes the crystallization point of our follow up for settling down policy. We thus try our best to orient our credit lines towards investment openings attested by all. So, we developed apart from maize, cassava, pigs, soya, etc... paths, with our Spanish partners, the path of ornamental plants that is very flourishing. This path will precisely be, as it develops, one of the openings to activate strategic credit.

The restructuring work presently given to our technical assistant will give a second life to the office and texts derived from it will be the new landmarks. It is however important to repeat for auditors that the micro-credit office was projected with the will that it will be a funding mechanism of entirely autonomous entrepreneurs (through its functioning organs) vis-à-vis Songhaï. This means that the office has its financial management separated from the one of Songhaï. But since Songhai will sponsor it, it is important that means of control and verification of the cash be given to Songhai's competent services. It is then in this context and for those reasons only that the Songhaï financial manager has been, in the initial texts examined by the Consultant, invested of that task. In plain language, from this point of view, the Songhaï financial manager represents an exterior organ to the financial management that assures the organisational management at the financial level of the office as an independent entity. Thus, theoretically, there is no double employment there, but in fact, and after the advice of the micro-finance unit, regulating organ of the micro-finance institutions in Benin, our micro-credit office, in its operational phase, has entered a transitory phase towards total autonomy. At this step the financial and administrative management of the office is temporarily looked after by the competent services of Songhaï. Thus, the Songhaï financial manager is not presently playing the role of control or checking the management of the office, but he is in the role of supervision of the financial management of the

office. We'll then keep in mind that the person in charge of Finances, according to the texts, was called to draft a report on the financial management follow up (and not an audit report) of the autonomous office but presently, as direct supervisor, this clause is no more to be executed.

On the whole, there is, for the moment, neither role confusion nor incompatibility for lack of tasks separation; but rather, there is a final targeted situation which in its concretising will enable the statements to be respected. Yet, all this was largely explained to the auditor during the "Exit Conference". We are persuaded that the auditors have definitely taken note of our explanations, as well as those reassuring them that the funds obtained are always domiciled in accounts specific to each partner; moreover they had already had the proof of it. This is the reason why we do not know the deep reasons of their insurances by mentioning it in the draft report. On the contrary, the only thing is that the office doesn't yet have its own intern controller. But can a nascent structure which has to prove its economic viability afford itself the luxury of having all organs before finishing the starting phase?

## **B- REPORT ON THE CONTRIBUTION OF THE SONGHAÏ CENTRE**

Even while respecting the independent auditor's approach, it doesn't seem fair to accept the auditor's excuse in not stating his opinion on the counterpart. It is indeed true that there was no rigorously separated accounting of the Songhaï counterpart because of habits acquired in the framework of the first grant which admits definitely that Songhaï is really an indivisible entity that should not be disintegrated just for arithmetic worries. Songhaï being a whole entity and not a project in small pieces, we thus find it difficult to separate distinctly the accounts of the Songhaï counterparts.

In fact, it's also by pragmatism and for sustainability concern that during the project implementation, initial counterpart expenses options have been substituted to others options that we found opportune for the direct beneficiaries who are the producers. We should have done both, but as you know it, being disadvantaged by the difference in exchange rates (gap of 30.000.000 ), we were obliged to make some gymnastics and readjustments in order to reach within the deadlines the results expected and in order to draw maximum profit from this grant. We recognised that we didn't have the reflex of informing, by mail, the USAID authorities because we didn't find it necessary, for, with the proximity follow up of the project implementation made through observations tours on the field, we certainly thought of a tacit approval... It is perhaps what led them to write and quite rightly that a part of the contributions doesn't correspond to the initial budget. The auditors can't see the holistic and systemic nature of the activities that must be designed to reach the objective. It is the reason why we

insisted that they go to the field in order to see by themselves the investments Songhai has put in place.

On the other hand, it's a fact that the independent auditor has done some field-investigations that enabled him to see, physically, some achievements made by Songhai and which nature visibly certifies that the project objectives will not but be strengthened thanks to those realisations (cf. inventory report established by the independent auditor).

We therefore think possible and even compulsory to invoke these observations and establish a parallel between their nature and the project objectives.

Willing to act in the spirit of USAID that is to see the project perpetuate after the end of the funding, we asked for extension of the project, without any financial incidence for the USAID, in order to reach expected results.

Also, the independent auditor, in order not to express his opinion wrote: "The total amount of the counterpart expenses evaluated by Songhai was FCFA 165.724.450. This amount doesn't include the expenses engaged but the expenses whose amount is unknown per budget line", whereas he requested and obtained all the vouchers relating to those expenses declared by Songhai.

We think that the auditor should certify that the expenses registered by Songhai as project counterpart are amount to FCFA 165.724.450.

Eventually, and in the same logic, the attached table of the counterpart should normally display in the column "expenses amount", the amount of 165.724.450 and not the inscription "unknown" for according to us, 1+unknown gives at least 1.

We cannot close our comments without calling your attention on the English version of your draft audit report which is not faithful to the French version. We would thus like to ask the auditors to effectively ensure that the two versions release the same understanding. Some technical terms are not well translated, for instance, the French expression "**BON DE COMMANDE**" should be translated by "**PURCHASE ORDER**".

**The Executive Manager**

**Br. Godfrey NZAMUJO, o.p.**

## **V- AUDITOR'S COMMENTS**

Answering the observations of Songhai center relating to the findings in the draft report of the grant n° 680-G-00-02-00232-00 audit, we are making the following remarks:

- an auditor makes his analysis on the sole strict basis of accepted norms and principles;
- It is necessary that separate accountability be made for the two USAID grants for a better follow up of the second grant (grant n°680-G-00-02-00232-00). That separation could easily be done. We explained its principle to the members of the financial directorate during our audit and they approved our suggestions;
- We didn't condemn the Songhai initiatives consisting in replacing certain expenses initially scheduled by others found more appropriate. But we noticed that USAID was not informed in due time;
- We never opposed any resistance to going on the field. Furthermore, field visits were not in our terms of reference. However, we accepted, right from our first meeting with USAID and before the entrance conference at Songhai to make field visits;
- A part of the counterpart expenses incurred by Songhai amounts to CFA 165,724,450. Since the balance was not evaluated, we could not determine the exact amount of counterpart expenses incurred by Songhai;
- The only proof that the employee has been paid is his/her signature on the payroll; Moreover, it is an obligation of the Labor Law that the employee should sign the payroll;
- We insisted on the fact that the General Manager should sign orders superior or equal to CFA 1,000,000 not requests of funds. Our position is justified by the fact that we saw an order of CFA 4,486,710 that was signed only by the chief of supply service;
- The employee's share of income tax is a compulsory tax deducted by the employer on salaries and given to fiscal administration. If an employer does not deduct that tax, he is running a risk.

## **VI- APPENDIX**

- 1) Cost sharing budget comparison**
- 2) Inventory**
- 3) Cost sharing contributions (presented by SONGHAI)**

### COST SHARING BUDGET COMPARISON

Headings	Realizations	Observations
<b>Sakété</b>		
Purchase of land for application site	Purchase of land of 7 ha at SAKETE	evaluated
Land preparation	Preparation and improvement of land	evaluated
a) clearing	a) Plantation of selected palm tree, field of corns, tomatoes and peppers	
b) lodging infrastructures	b) lodging infrastructures	
c) Access road		non detailed
<b>Savalou</b>		
Land preparation	Rehabilitation of the old Songhai village	non evaluated
a) access road of 3 km.		non evaluated
b) two traditionnal wells	Uncompleted realization	non evaluated
c) clearing of 50 ha		non evaluated
Reinforcement of the irrigation systems with solar energy	Reinforcement of the irrigation systems with solar energy	non evaluated
Installation of three irrigation system with solar energy for the farmers	<i>Training for the identification of irrigation types for farmers</i>	non evaluated
Chickens and pigs pens	<i>Chickens pens</i>	non evaluated



Headings	Realizations	Observations
<p><b>Parakou</b></p> <p>Land preparation on the application site  a) Access road of 1 km  b) 1 traditional well  c) clearing of 70 ha</p> <p>Reinforcement of the irrigation systems with solar energy  Installation of three irrigation systems for farmers</p> <p>Chickens and pigs pens</p>	<p>Land preparation on the application site  a) Access road of 1 km  b) 1 traditional well  c) clearing of 70 ha  <i>d) preparation of the Boko farm</i>  <i>e) preparation of the pisciculture zone at Attagara</i>  <i>f) rebuilding</i></p> <p>irrigation systems  <i>Training for the identification of irrigation types for farmers</i></p> <p>Chickens and pigs pens</p>	<p>evaluated</p> <p>non evaluated</p> <p>non evaluated  non evaluated</p> <p>non evaluated</p> <p>non evaluated  evaluated</p>
<p><b>Kinw edji</b></p> <p>Rearing building and reinforcement of the irrigation system</p> <p><b>Others</b>  Three warehouses for storage and conservation of farm products</p>	<p>Reinforcement of the irrigation system  Water tower  Two watering lakes  Solar panels for irrigation  Two pigs pens  Several types of rice</p> <p><i>Purchase of truck for the reinforment of transport capacities</i>  One semi-trailer CASTERA  One bulldozer CONTINENTAL  One tractor RENAULT  One tractor MAN</p>	<p>evaluated</p> <p>evaluated</p>

Headings	Realizations	Observations
One dryer GLEO	three dryers GLEO a) SONGHAI farmer : 2 b) SONGHAI 1	non evaluated
Two dryers anti coq		non realized
Manki peeler and press	<i>Training for manioc producers</i>	non evaluated
Micro-credit	Allowed to applicants on the site of Kinwédji, Parakou and Kpomasse	evaluated
Running costs	Part of foods, lodging and small equipments	non evaluated
Purchase of three motorized corn huskers		non realized

**INVENTORY STATEMENT**

<b>Site</b>	<b>Investments</b>	<b>SONGHAI Funds</b>	<b>USAID Funds</b>
<b>Porto-Novo</b>	<ul style="list-style-type: none"> <li>- Land of 7 ha at Sakété</li> <li>- preparation and improvement of land</li> <li>- Lodging infrastructures</li> </ul>	<b>YES</b>	<b>NO</b>
<b>Savalou</b>	<ul style="list-style-type: none"> <li>- Rehabilitation of the old Songhai village</li> <li>- Traditional wells (uncompleted realization)</li> <li>- Reinforcement of the irrigation systems with solar energy</li> <li>- Chickens pens</li> </ul>	<b>YES</b>	<b>NO</b>
<b>Parakou</b>	<ul style="list-style-type: none"> <li>- Land preparation of the application site</li> <li>- Irrigation systems</li> <li>- Chickens and pigs pens</li> </ul>	<b>YES</b>	<b>NO</b>
<b>Kinwédji</b>	<ul style="list-style-type: none"> <li>- Reinforcement of the irrigation system</li> <li>- Water tower</li> <li>- Two watering lakes</li> <li>- Solar panels for irrigation</li> <li>- Two pigs pens</li> <li>- Several types of rice</li> </ul>	<b>YES</b>	<b>NO</b>
<b>Others</b>	Purchases of truck for the reinforcement of transport capacities	<b>YES</b>	<b>NO</b>



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ENGAGEMENT POUR LE MEILLEUR

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Porto-Novo, Le 04 Octobre 2004

**TABLEAU RECAPITULATIF DE LA CONTRIBUTION SONGHAI AU PROJET USAID N°2**

RUBRIQUES BUDGETAIRES	MONTANTS
Achat de terrain Ouando	3 052 860
Rubrique budgétaire réparation aménagement /Ouando	1 432 280
Site d'application Savalou Construction bâtiments	380 500
Site Parakou Aménagement valorisation site d'application ( land preparation )	563 400
Parakou Const. de bâtiment pour élevage( site d'application) Parakou " Infrastructures "	4 965 950
Site d'application Kinwédji ( bâtiment d'élevage, renforcement système d'irrigation )	10 368 300
Conversion de magasin en matériel de transport	30 307 228
Crédit aux applicants ( crédit de campagne à court )	5 947 610
Crédit pour appui à certains fermiers (Specialized Financing )	6 740 650
Appui aux fermiers ( subvention pour fonctionnement des sites d'application )	2 150 650
Crédit à certains fermiers pour appui	4 590 000
Ligne budgétaire caisse de crédit ;	
- Elargissement de la politique de filière agricole: Développement de filière de maraîchage, de plants ornementaux et de production rizicole ,	101 390 704
( nouvelle orientation des strategies financing for global .....)	
- Construction de serre pour activités de pépinière	574 970
<b>TOTAL</b>	<b>185 724 450</b>

Signataires

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