



**“Central Asia Road Links Project – CARs-1”
Credit No. 5430-KG,
Grant No. H934-KG**

**Project financial statements
for the year ended December 31, 2018**

and independent auditors’ report

"CENTRAL ASIA ROAD LINKS PROJECT – CARS-1"
CREDIT NO.5430-KG, GRANT NO.H934-KG

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**"CENTRAL ASIA ROAD LINKS PROJECT – CARS-1"
CREDIT NO.5430-KG, GRANT NO.H934-KG**

**STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND
APPROVAL OF THE PROJECT FINANCIAL STATEMENTS FOR
FOR THE YEAR ENDED DECEMBER 31, 2018**

The following statement, which should be read in conjunction with the independent auditors' responsibilities stated in the independent auditors' report is made with a view to distinguish the respective responsibilities of management and those of the independent auditors in relation to the project financial statements of the Project "Central Asia Road Links Project – CARS-1", Credit No.5430-KG, Grant No.H934-KG (the "Project").

Management is responsible for the preparation of the project financial statements that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project components of the Project for the year ended December 31, 2018 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

In preparing the project financial statements, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether IPSAS and WB Guidelines have been followed, subject to any material departures disclosed and explained in the project financial statements; and
- preparing the project financial statements on a going concern basis, unless it is inappropriate to presume that the Project will continue its activity for the foreseeable future.

Management is also responsible for:

- designing, implementing and maintaining effective and sound system of internal control and for revealing risks in system of internal control;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Project, and which enable them to ensure that the project financial statements of the Project comply with IPSAS and WB Guidelines;
- compliance with laws and regulations of the Kyrgyz Republic, and the requirements of the Operational Manual of the Project and the requirements of the World Bank;
- taking such steps as are reasonably available to them to safeguard the assets of the Project; and
- detecting and preventing fraud and other irregularities.

The project financial statements for the year ended December 31, 2018 were approved and authorized for issue on June 7, 2019 by the management of the Project.

On behalf of the Management:



**Beishenov Zh.
Minister of transport and roads of the Kyrgyz
Republic**

June 7, 2019
Bishkek, the Kyrgyz Republic



**Esembaeva R.
Acting Director of Investment Projects
Implementation Group**

June 7, 2019
Bishkek, the Kyrgyz Republic

INDEPENDENT AUDITORS' REPORT

To the Management of the Project "Central Asia Road Links Project – CARs-1" under the Ministry of transport and roads of the Kyrgyz Republic:

Opinion

We have audited the accompanying project financial statements of the Project "Central Asia Road Links Project – CARs-1" (the "Project") which comprise the summary of funds received and expenditures paid and the summary of expenditures paid by project components for the year ended December 31, 2018, and a summary of significant accounting policies and other explanatory information (the "project financial statements").

In our opinion, the accompanying project financial statements present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project components of the Project for the year ended December 31, 2018 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Sector Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the project financial statements section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without further qualifying our opinion, we draw attention to Note 2 to the project financial statements, which describe the basis of accounting. These project financial statements were prepared for complying with the appropriate World Bank Guidelines and Financing agreement requirements.

Other matter

The project financial statements are prepared to assist the Project to comply with the requirements of the World Bank. As a result, the project financial statements may not be suitable for another purpose.

Responsibilities of management and those charged with governance for the project financial statements

Management is responsible for the preparation and fair presentation of these project financial statements in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines"), and for such internal control as management determines is necessary to enable the preparation of the project financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the project financial statements

Our objectives are to obtain reasonable assurance about whether these project 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 project financial statements.

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

- Identify and assess the risks of material misstatement of the project 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the project financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Project to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the project financial statements, including the disclosures, and whether the project financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


Kubat Alymkulov

Certified accountant, FCCA
Certificate of auditor of the Kyrgyz Republic No. A 0069
Audit Partner, "Baker Tilly Bishkek" LLC



"Baker Tilly Bishkek" LLC,
License Series A No. 0049 issued by the State Committee
on Review and Regulation of the financial market of
the Kyrgyz Republic

June 7, 2019
Bishkek, the Kyrgyz Republic

**“CENTRAL ASIA ROAD LINKS PROJECT – CARS-1”
CREDIT NO.5430-KG, GRANT NO.H934-KG**

**SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID
FOR THE YEAR ENDED DECEMBER 31, 2018**

(in US Dollars)

	Notes	For the year ended December 31, 2018	For the year ended December 31, 2017	Cumulative
Opening balance	4	183,981	159,654	-
Funding sources				
IDA Credit No. 5430-KG	5	4,495,580	10,480,661	16,410,984
IDA Grant No. H934-KG	5	835,529	1,116,777	6,710,414
Contributions of the Government of the Kyrgyz Republic	5	1,556,139	1,457,463	3,819,263
Total financing		6,887,248	13,054,901	26,940,661
Foreign exchange gain		4,649	719	5,381
Other income	6	5,582	2,238	16,142
Total receipts		6,897,479	13,057,858	26,962,184
Project expenses				
Works	7	4,380,525	11,938,841	21,264,769
Goods	7	1,611,935	158,844	2,793,214
Consulting services	7	555,059	736,417	1,904,488
Operating costs	7	200,524	194,658	658,270
Total project expenses		6,748,043	13,028,760	26,620,741
Other expenses		3,790	4,771	11,816
Closing balance	4	329,627	183,981	329,627

On behalf of the Management:

Beishenov Zh.
Minister of transport and roads of the Kyrgyz Republic

June 7, 2019
Bishkek, the Kyrgyz Republic



Esembaeva R.
Acting Director of Investment Projects Implementation Group

June 7, 2019
Bishkek, the Kyrgyz Republic

The notes on pages 7-16 form an integral part of the project financial statements.
The independent auditors' report is on pages 3-4.

**"CENTRAL ASIA ROAD LINKS PROJECT – CARS-1"
CREDIT NO.5430-KG, GRANT NO.H934-KG**

**SUMMARY OF EXPENDITURES PAID BY PROJECT COMPONENTS
FOR THE YEAR ENDED DECEMBER 31, 2018**
(in US Dollars)

	For the year ended December 31, 2018	For the year ended December 31, 2017	Cumulative
Component I. Rehabilitation of Priority Road Sections in Batken Region	4,765,097	12,616,497	22,911,234
Component II. Improvement of Road Operations and Maintenance Practices	1,734,339	196,770	2,969,466
Component III. Project Management and Implementation	<u>248,607</u>	<u>215,493</u>	<u>740,041</u>
	<u><u>6,748,043</u></u>	<u><u>13,028,760</u></u>	<u><u>26,620,741</u></u>

On behalf of the Management:



Beishenov Zh.
**Minister of transport and roads of the Kyrgyz
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June 7, 2019
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"CENTRAL ASIA ROAD LINKS PROJECT – CARS-1"
CREDIT NO.5430-KG, GRANT NO.H934-KG

NOTES TO THE PROJECT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(in US Dollars)

1. GENERAL INFORMATION

According to the Agreement between the Kyrgyz Republic and International Development Association (the "IDA") dated July 25, 2014, the IDA provided a Credit No.5430-KG in the amount of 23,900,000 Special Drawing Rights (the "SDR") and Grant No.H934-KG in the amount of 5,300,000 SDR to the Kyrgyz Republic. The contribution of the Government of the Kyrgyz Republic is 5,672,195 SDRs.

The Financing was provided for implementation of the "Central Asia Road Links Project – CARS-1" (the "Project").

Project purpose

The objective of the Project is to increase transport connectivity between the Kyrgyz Republic and Tajikistan along priority cross-border road links in Batken Region, whilst supporting improvements in road operations and maintenance practices.

The Project is to be implemented during 2014-2019 and comprises 3 components:

1. Component I: Rehabilitation of Priority Road Sections in Batken Region;
2. Component II: Improvement of Road Operations and Maintenance Practices;
3. Component III: Project Management and Implementation.

Component I: Rehabilitation of Priority Road Sections in Batken Oblast

This component focuses on rehabilitation of about 56 kilometers of road sections in Batken Region along and within close vicinity of the road corridor Osh-Batken-Isfana. Those road sections will link the Kyrgyz Republic with its neighboring countries and include specifically:

- Isfana-Karagach/Madaniyat border crossing (36.08 kilometers),
- Batken-Tortkul (14.30 kilometers), and
- Batken-Kyzyl Bel/Guliston border crossing (6.11 kilometers).

Component II: Improvement of Road Operations and Maintenance Practices

This component finances the provision of goods, and consultants' services for the improvement of road operations and maintenance practices.

Improvement of maintenance practices will include the establishment of Service Level Agreement between Ministry of Transport and Roads of the Kyrgyz Republic and "Osh-Batken-Isfana" Road Department (the "OBI UAD"), support exposure of OBI UAD management to international practices on maintenance techniques through the hiring of individual internationally recruited consultants.

Also, this component includes a review of regional standards, norms, and parameters on vehicle (truck) weight and axle load limits and tariffication as well as the development of a strategic plan for the institutional arrangements for transport control.

Component III: Project Management and Implementation

This component aims to support project coordination, implementation, and management through financing of provision of goods, consultants' services, training, and operating costs, including an audit.

Project management

Investment Projects Implementation Group of the Ministry of transport and roads of the Kyrgyz Republic is responsible for Project implementation, usage of project resources in accordance with stated budget, and Project's objectives achievement.

Initial duration of the Project is from July 25, 2014 to April 30, 2019. On March 7, 2019 the Project completion date was extended until September 30, 2019.

2. PRESENTATION OF THE PROJECT FINANCIAL STATEMENTS

Basis of preparation

These project financial statements have been prepared in accordance with the International Public Sector Accounting Standard (the "IPSAS") "Financial Reporting under the Cash Basis of Accounting" issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

Under the cash basis system income (or expenditure) is recognized when cash is received (or paid) irrespective of when goods or services are received or provided.

The Project's approved budget disclosed by categories of expenses is not publicly available and as such comparison of budget and actual amounts is not presented.

These project financial statements consist of:

- Summary of funds received and expenditures paid;
- Summary of expenditures paid by project components;
- Notes to the project financial statements, including short description of main statements of accounting policy and other descriptive notes.

The reporting currency of these project financial statements is US dollars (the "USD").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash basis of accounting

Project financial statements are prepared on a cash basis of accounting. The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the Project. Project financial statements prepared under the cash basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the project financial statements is balances of cash and changes therein.

Foreign currency

Operations in foreign currency initially are accounted in functional currency by the currency exchange rate settled by commercial bank on a date of operation.

Funds received are translated into US dollars at official exchange rate of Special Drawing Rights (the "SDR") at the date of funds receipt. All payments made in local currency are translated into US dollars at the official exchange rate defined by the serving bank, at the date of last conversion.

All payments made in local currency are translated into US dollars at the official exchange rate defined by serving commercial bank at the date of transaction.

Monetary assets and liabilities expressed in foreign currency are converted to functional currency at official exchange rate on a date settled by the serving bank.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and due from banks, which can be converted to the corresponding amount of cash in the short term. Balances of advances paid to employees at the end of the period are also part of closing cash position.

Taxes

Calculation and payment of personal income tax and social security contributions from income of staff and consultants is made in accordance with the requirements and rates of the Tax Code of the Kyrgyz Republic and relevant legislation of the Kyrgyz Republic.

Project expenses

The expenses are recorded in the period when they were actually paid.

Sources of funds

The funds were provided by the World Bank to the Project by advances, replenishment of designated account or through direct payment to the end supplier of goods and/or services. The government of the Kyrgyz Republic co-finances the Project.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2018 and 2017 comprise:

	Source of financing	Currency	December 31, 2018	December 31, 2017
Designated account	IDA Grant No. H934-KG	US dollar	224,168	181,431
Designated account	IDA Credit No. 5430-KG	US dollar	101,152	-
Tender account		US dollar	3,231	2,031
Interest account		US dollar	615	519
Tender account		Kyrgyz som	461	-
			<u>329,627</u>	<u>183,981</u>

5. FUNDS RECEIVED

The funds received were provided by the following methods and sources of financing:

Financing method	IDA Credit No. 5430-KG	For the year ended December 31, 2018 IDA Grant No. H934-KG	Government of the Kyrgyz Republic	Total
Advances	200,000	100,000	-	300,000
Replenishment of designated account ("DA") / Statement of expenditures ("SOE")	316,787	735,529	-	1,052,316
Direct payments	3,978,793	-	-	3,978,793
Contributions of the Government of the Kyrgyz Republic	-	-	1,556,139	1,556,139
	<u>4,495,580</u>	<u>835,529</u>	<u>1,556,139</u>	<u>6,887,248</u>

	IDA Credit No. 5430-KG	For the year ended IDA Grant No. H934-KG	December 31, 2017 Government of the Kyrgyz Republic	Total
Financing method				
Advances	-	-	-	-
Replenishment of designated account ("DA") / Statement of expenditures ("SOE")	-	1,116,777	-	1,116,777
Direct payments	10,480,661	-	-	10,480,661
Contributions of the Government of the Kyrgyz Republic	-	-	1,457,463	1,457,463
	<u>10,480,661</u>	<u>1,116,777</u>	<u>1,457,463</u>	<u>13,054,901</u>

	IDA Credit No. 5430-KG	Cumulative IDA Grant No. H934-KG	Cumulative Government of the Kyrgyz Republic	Total
Financing method				
Advances	200,000	300,000	-	500,000
Replenishment of designated account ("DA") / Statement of expenditures ("SOE")	316,787	2,525,386	-	2,842,173
Direct payments	15,894,197	3,885,028	-	19,779,225
Contributions of the Government of the Kyrgyz Republic	-	-	3,819,263	3,819,263
	<u>16,410,984</u>	<u>6,710,414</u>	<u>3,819,263</u>	<u>26,940,661</u>

6. OTHER INCOME

Other income of the Project for the years ended December 31, 2018 and 2017 comprise:

	For the year ended December 31, 2018	For the year ended December 31, 2017	Cumulative
Interest income	3,759	2,238	11,806
Sale of tender documents	1,803	-	4,304
Other	20	-	32
	<u>5,582</u>	<u>2,238</u>	<u>16,142</u>

7. PROJECT EXPENSES

The Project expenses by major categories are presented in the summary of funds received and expenditures paid. The Project expenses by components are presented in the statement of expenditures paid by project components. Breakdown of project expenses by sources of financing, sub-categories and nature is presented as follows:

	For the year ended December 31, 2018			Total
	IDA Credit No. 5430-KG	IDA Grant No. H934-KG	Government of the Kyrgyz Republic	
Works				
Rehabilitation of Priority Road Sections in Batken Oblast	2,819,718	-	1,560,807	4,380,525
	<u>2,819,718</u>	<u>-</u>	<u>1,560,807</u>	<u>4,380,525</u>
Goods				
Equipment for Kemin and Sosnovka posts	1,573,827	-	-	1,573,827
Office furniture and equipment	-	38,108	-	38,108
	<u>1,573,827</u>	<u>38,108</u>	<u>-</u>	<u>1,611,935</u>
Consulting services				
Construction Supervision Consultant	-	384,572	-	384,572
Review of regional standards, development of a strategic plan for transport control	-	160,512	-	160,512
Audit services	-	9,975	-	9,975
	<u>-</u>	<u>555,059</u>	<u>-</u>	<u>555,059</u>
Operating expenses				
Salary and related taxes	-	173,715	-	173,715
Business trip expenses	-	6,224	-	6,224
Trainings	-	4,492	-	4,492
Utilities	-	4,295	-	4,295
Transportation	-	2,495	-	2,495
Communication	-	2,289	-	2,289
PR and marketing	-	1,734	-	1,734
Repair and maintenance of equipment	-	1,404	-	1,404
Stationery	-	967	-	967
Security services	-	276	-	276
Other	883	1,750	-	2,633
	<u>883</u>	<u>199,641</u>	<u>-</u>	<u>200,524</u>
	<u>4,394,428</u>	<u>792,808</u>	<u>1,560,807</u>	<u>6,748,043</u>

	IDA Credit No. 5430-KG	For the year ended December 31, 2017		Total
		IDA Grant No. H934-KG	Government of the Kyrgyz Republic	
Works				
Rehabilitation of Priority Road Sections in Batken Oblast	10,480,661	-	1,458,180	11,938,841
	<u>10,480,661</u>	<u>-</u>	<u>1,458,180</u>	<u>11,938,841</u>
Goods				
Equipment for Kemin and Sosnovka posts	-	158,844	-	158,844
	<u>-</u>	<u>158,844</u>	<u>-</u>	<u>158,844</u>
Consulting services				
Construction Supervision Consultant	-	677,657	-	677,657
Review of regional standards, development of a strategic plan for transport control	-	48,785	-	48,785
Audit services	-	9,975	-	9,975
	<u>-</u>	<u>736,417</u>	<u>-</u>	<u>736,417</u>
Operating expenses				
Salary and related taxes	-	160,346	-	160,346
Business trip expenses	-	9,710	-	9,710
Trainings	-	913	-	913
Utilities	-	9,880	-	9,880
Communication	-	2,505	-	2,505
Repair and maintenance of equipment	-	1,848	-	1,848
Stationery	-	1,541	-	1,541
PR and marketing	-	1,574	-	1,574
Transportation	-	2,518	-	2,518
Security services	-	405	-	405
Other	-	3,418	-	3,418
	<u>-</u>	<u>194,658</u>	<u>-</u>	<u>194,658</u>
	<u>10,480,661</u>	<u>1,089,919</u>	<u>1,458,180</u>	<u>13,028,760</u>

	IDA Credit No. 5430-KG	IDA Grant No. H934-KG	Cumulative Government of the Kyrgyz Republic	Total
Works				
Rehabilitation of Priority Road Sections in Batken Oblast	14,735,121	2,705,000	3,824,648	21,264,769
	<u>14,735,121</u>	<u>2,705,000</u>	<u>3,824,648</u>	<u>21,264,769</u>
Goods				
Equipment for Kemin and Sosnovka posts	1,573,827	1,087,601	-	2,661,428
Equipment for construction of Osh-Batken-Isfana Road	-	90,800	-	90,800
Office furniture and equipment	-	38,108	-	38,108
Software	-	2,878	-	2,878
	<u>1,573,827</u>	<u>1,219,387</u>	<u>-</u>	<u>2,793,214</u>
Consulting services				
Construction Supervision Consultant	-	1,646,466	-	1,646,466
Review of regional standards, development of a strategic plan for transport control	-	228,097	-	228,097
Audit services	-	29,925	-	29,925
	<u>-</u>	<u>1,904,488</u>	<u>-</u>	<u>1,904,488</u>
Operating expenses				
Salary and related taxes	-	534,922	-	534,922
Business trip expenses	-	31,547	-	31,547
Utilities	-	28,855	-	28,855
Trainings	-	19,972	-	19,972
Communication	-	9,065	-	9,065
Repair and maintenance of equipment	-	7,548	-	7,548
Transportation	-	6,433	-	6,433
Stationery	-	5,119	-	5,119
PR and marketing	-	4,526	-	4,526
Security services	-	1,539	-	1,539
Rent of equipment	-	485	-	485
Other	883	7,376	-	8,259
	<u>883</u>	<u>657,387</u>	<u>-</u>	<u>658,270</u>
	<u>16,309,831</u>	<u>6,486,262</u>	<u>3,824,648</u>	<u>26,620,741</u>

8. FINANCIAL POSITION

Financial position as at December 31, 2018 and 2017 is as follows:

	December 31, 2018	December 31, 2017
ASSETS AND EXPENDITURES		
Cash and cash equivalents	329,627	183,981
Cumulative expenses	26,620,741	19,872,698
Other expenses	11,816	8,026
TOTAL ASSETS AND EXPENDITURES	26,962,184	20,064,705
FINANCING		
Funds received	26,940,661	20,053,413
Foreign exchange gain	5,381	732
Other income	16,142	10,560
TOTAL FINANCING	26,962,184	20,064,705

9. WITHDRAWAL APPLICATIONS

Withdrawal applications for the period from April 28, 2017 to December 31, 2017 and for the year ended December 31, 2018 comprise of:

Sources of financing	Withdrawal application	Date	Direct payments	Replenishment of designated account ("DA")/ Statement of expenditures ("SOE")	Advances	Total
IDA Credit No. 5430-KG						
	17	January 23, 2018	578,672	-	-	578,672
	18	April 27, 2018	-	-	200,000	200,000
	19	June 12, 2018	538,452	-	-	538,452
	20	June 29, 2018	-	156,748	-	156,748
	21	October 2, 2018	583,057	-	-	583,057
	22	October 4, 2018	207,512	-	-	207,512
	23	October 4, 2018	415,732	-	-	415,732
	25	November 26, 2018	1,152,788	-	-	1,152,788
	24	November 28, 2018	297,688	-	-	297,688
	26	December 10, 2018	-	160,039	-	160,039
	27	December 12, 2018	204,892	-	-	204,892
			<u>3,978,793</u>	<u>316,787</u>	<u>200,000</u>	<u>4,495,580</u>
IDA Grant No. H934-KG						
	24	March 27, 2018	-	143,711	-	143,711
	25	May 31, 2018	-	190,095	-	190,095
	26	June 14, 2018	-	-	100,000	100,000
	27	September 20, 2018	-	183,780	-	183,780
	28	December 12, 2018	-	217,943	-	217,943
			<u>-</u>	<u>735,529</u>	<u>100,000</u>	<u>835,529</u>
			<u>3,978,793</u>	<u>1,052,316</u>	<u>300,000</u>	<u>5,331,109</u>

*On December 19, 2018 the Project documented expenses in Withdrawal application No. 28 in amount of 98,847 US dollars without replenishment of designated account, as this amount represents is recovery of initial advance received by the Project from IDA.

10. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated for the year ended December 31, 2018 comprises:

<i>Source of financing</i>	IDA Grant No. H934-KG	IDA Credit No. 5430-KG	IDA Credit No. 5430-KG	Total
<i>Currency</i>	US dollar	US dollar	US dollar	
<i>Bank account</i>	1180000060619045	1180000060619045	1180000060619348	
<i>Bank</i>	CJSC "Demir Kyrgyz International Bank"			
<i>Bank's location</i>	245, Chui avenue, Bishkek, Kyrgyz Republic			
Balance as at January 1, 2018	181,431	-	-	181,431
Advances	100,000	200,000	-	300,000
Replenishment of designated account	735,529	-	316,787	1,052,316
Total funds received to designated account	835,529	200,000	316,787	1,352,316
Expenses paid	(280,464)	(349)	(534)	(281,347)
Transfer to transit account	(512,328)	(156,399)	(258,353)	(927,080)
Transfer between designated accounts	-	(43,252)	43,252	-
Balance as at December 31, 2018	224,168	-	101,152	325,320

11. UNDRAWN FUNDS

As at December 31, 2018, undrawn funds are presented as follows:

	IDA Credit No. 5430-KG in SDR	IDA Grant No. H934-KG in SDR
Approved financing amount	23,900,000	5,300,000
Disbursed during the period from July 25, 2014 to December 31, 2018	11,658,376	4,811,263
Undrawn financing amount	12,241,624	488,737
Funds received as at January 1, 2018	8,447,824	4,219,570
Disbursed in 2018	3,210,552	591,693
Funds received as at December 31, 2018	11,658,376	4,811,263



Baker Tilly Bishkek LLC trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

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