

**“CASA-1000 Community Support Project”
Credit No. 6219-KG, Grant No. D294-KG,
Grant No. TF0A6612,
Credit No. 6756-KG, Grant No. D705-KG**

The project financial statements
for the year ended December 31, 2021 and for the period from
February 3, 2020 to December 31, 2020

and independent auditor’s report

**“CASA-1000 COMMUNITY SUPPORT PROJECT”
CREDIT NO. 6219-KG, GRANT NO. D294-KG, GRANT NO. TF0A6612,
CREDIT NO. 6756-KG, GRANT NO. D705-KG**

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**“CASA 1000 COMMUNITY SUPPORT PROJECT”
CREDIT NO. 6219-KG, GRANT NO. D294-KG, GRANT NO. TF0A6612,
CREDIT NO. 6756-KG, GRANT NO. D705-KG**

**STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF
THE PROJECT FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2021 AND
FOR THE PERIOD FROM FEBRUARY 3, 2020 TO DECEMBER 31, 2020**

The following statement, which should be read in conjunction with the independent auditor’s responsibilities is made with a view to distinguish the respective responsibilities of management and those of the independent auditor in relation to the project financial statement of the “CASA-1000 Community Support Project”, Credit No. 6219-KG, Grant No. D294-KG, Grant No. TF0A6612 and Additional Financing for the “CASA-1000 Community Support Project”, Credit No. 6756-KG, Grant No. D705-KG (together – the “Project”).

Management of the Project is responsible for the preparation of the project financial statement that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the year ended December 31, 2021 and for the period from February 3, 2020 to December 31, 2020 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 statement, 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 statement; and
- preparing the project financial statements on the assumption that the Project will be implemented in accordance with the established period.

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 Project financial position, and which enable them to ensure that the project financial statement comply with IPSAS and WB Guidelines;
- keeping accounting in compliance with laws and regulations of the Kyrgyz Republic, and the requirements of the Project Operational Manual 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, error and other irregularities.

The project financial statements for the year ended December 31, 2021 and for the period from February 3, 2020 to December 31, 2020 were approved and authorized for issue on June 1, 2022 by the management of the Project.

On behalf of the Management:



Naspekov M.
Executive Director of ARIS
June 1, 2022
Bishkek, the Kyrgyz Republic





Zainalov U.
Financial Manager of ARIS
June 1, 2022
Bishkek, the Kyrgyz Republic

INDEPENDENT AUDITOR'S REPORT

To the Management of the "CASA-1000 Community Support Project":

Report on the project financial statements

Opinion

We have audited the accompanying project financial statements of the "CASA-1000 Community Support Project" and Additional Financing for the "CASA-1000 Community Support Project" (together – the "Project") which comprise the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the year ended December 31, 2021 and for the period from February 3, 2020 to December 31, 2020, 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 parts for the year ended December 31, 2021 and for the period from February 3, 2020 to December 31, 2020 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 (the "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 (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the project 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 qualifying our opinion, we draw attention to Note 2 to the project financial statements, which describe the basis of accounting. The project financial statements were prepared for complying with the appropriate World Bank Guidelines, as well as the requirements of the Financing and Grant agreements. These circumstances do not lead to modification of the auditor's opinion.

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 statement 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 the 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 the 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 the 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.



Kubat Alymkulov

Certified accountant, FCCA
Certificate of auditor of the Kyrgyz Republic
No. A 0069 dated October 19, 2009
Audit Partner
Director, Baker Tilly Bishkek LLC



Umet Daletbaev

Certificate of auditor of the Kyrgyz Republic
No. AD0024 dated December 23, 2021
Audit Partner

Baker Tilly Bishkek LLC,
License Series A No. 0049 dated July 1, 2011 issued by the State Committee on Review and Regulation of
the financial market of the Kyrgyz Republic

June 1, 2022
Bishkek, the Kyrgyz Republic

**“CASA 1000 COMMUNITY SUPPORT PROJECT”
CREDIT NO. 6219-KG, GRANT NO. D294-KG, GRANT NO. TF0A6612,
CREDIT NO. 6756-KG, GRANT NO. D705-KG**

**SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID
FOR THE YEAR ENDED DECEMBER 31, 2021 AND
FOR THE PERIOD FROM FEBRUARY 3, 2020 TO DECEMBER 31, 2020
(in US dollars)**

	Notes	For the year ended December 31, 2021	For the period from February 3, 2020 to December 31, 2020	Cumulative
Opening balance	4	1,524,204	-	-
Funds received				
Credit No. 6219-KG	5	-	-	-
Grant No. D294-KG	5	1,563,087	587,119	2,150,206
Grant No. TF0A6612	5	206,913	100,000	306,913
Credit No. 6756-KG	5	-	-	-
Grant No. D705-KG	5	517,702	1,000,000	1,517,702
Total funds received		2,287,702	1,687,119	3,974,821
Other income	6	30,913	3,510	34,423
Total receipts		2,318,615	1,690,629	4,009,244
Expenses				
(1) Goods, works, non-consulting services, consulting services and Subgrants under Part A of the Project	7	1,466,205	87,119	1,553,324
(2) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Parts B and C of the Project	7	616,613	79,285	695,898
(3) Eligible emergency expenditures for Part D of the Project		-	-	-
Total expenses		2,082,818	166,404	2,249,222
Other expenses		274	21	295
Closing balance	4	1,759,727	1,524,204	1,759,727

On behalf of the Management:


Naspekov M.
Executive Director of ARIS

June 1, 2022
Bishkek, the Kyrgyz Republic




Zainalov U.
Financial Manager of ARIS

June 1, 2022
Bishkek, the Kyrgyz Republic

The notes on pages 7-18 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

**“CASA 1000 COMMUNITY SUPPORT PROJECT”
CREDIT NO. 6219-KG, GRANT NO. D294-KG, GRANT NO. TF0A6612,
CREDIT NO. 6756-KG, GRANT NO. D705-KG**

**SUMMARY OF EXPENDITURES PAID BY PROJECT PARTS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND
FOR THE PERIOD FROM FEBRUARY 3, 2020 TO DECEMBER 31, 2020
(in US dollars)**

	For the year ended December 31, 2021	For the period from February 3, 2020 to December 31, 2020	Cumulative
Part A: Support for community-led investments in social and economic infrastructure	1,466,205	87,119	1,553,324
Part B: Support for community mobilization, youth engagement and communications	249,655	49,445	299,100
Part C: Project management, monitoring and evaluation	366,958	29,840	396,798
Part D: Contingent emergency response	-	-	-
	2,082,818	166,404	2,249,222

On behalf of the Management:


Naspekov M.
Executive Director of ARIS

June 1, 2022
Bishkek, the Kyrgyz Republic




Zainalov U.
Financial Manager of ARIS

June 1, 2022
Bishkek, the Kyrgyz Republic

The notes on pages 7-18 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

**“CASA 1000 COMMUNITY SUPPORT PROJECT”
CREDIT NO. 6219-KG, GRANT NO. D294-KG, GRANT NO. TF0A6612,
CREDIT NO. 6756-KG, GRANT NO. D705-KG**

**NOTES TO THE PROJECT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND
FOR THE PERIOD FROM FEBRUARY 3, 2020 TO DECEMBER 31, 2020
(in US dollars)**

1. GENERAL INFORMATION

According to the Financing Agreement between the Kyrgyz Republic and International Development Association (the “IDA”) dated August 8, 2019, the IDA provided a Grant No. D294-KG in the amount of 3,500,000 Special Drawing Rights (the “SDR”) and a Credit No. 6219-KG in the amount of 3,500,000 SDR to the Kyrgyz Republic. According to the Grant Agreement between the Kyrgyz Republic and International Bank for Reconstruction and Development and International Development Association (the “Bank”) acting as an implementing agency of the Multi-Donor Trust Fund (the “MDTF”) dated August 8, 2019, the Bank provided a Grant No. TF0A6612-KG in the amount of 1,000,000 US dollars to the Kyrgyz Republic.

According to the Financing Agreement between the Kyrgyz Republic and International Development Association (the “IDA”) dated September 2, 2020, the IDA provided a Grant No. D705-KG in the amount of 7,700,000 SDR and a Credit No. 6756-KG in the amount of 7,700,000 SDR to the Kyrgyz Republic.

Credits and Grants were provided to implement the “CASA 1000 Community Support Project” and Additional Financing for the “CASA 1000 Community Support Project” (together – the “Project”).

Project purpose

The objective of the Project is to engage communities in the development of social and economic infrastructure in order to enhance services, livelihoods and inclusion in target oblasts near the CASA-1000 Transmission Line.

The Project comprises the following parts:

Part A: Support for Community-led Investments in Social and Economic Infrastructure;

Part B: Support for Community Mobilization, Youth Engagement and Communications;

Part C: Project Management, Monitoring and Evaluation;

Part D: Contingent Emergency Response.

Part A: Support for Community-led Investments in Social and Economic Infrastructure

1. Provide support for electricity improvements within target villages to selected Beneficiaries for Sub-projects for:

i) village- level electricity improvements;

ii) alternative energy sources.

2. Provide support for social infrastructure and services in target villages to selected Beneficiaries for Sub-projects for priority social infrastructure and services.

3. Provide support to selected Beneficiaries for establishment of livelihood facilities Sub-projects in selected Aiyyl Aimaks.

Part B: Support for Community Mobilization, Youth Engagement and Communications

1. Provide support for community mobilization and youth engagement through, inter alia, provision of capacity building, technical assistance and Training to build local institutional capacity and engage communities in needs assessment, planning, implementation, management, monitoring, and operation and maintenance of Sub-projects.

2. *Carrying out of Project communication activities and information-sharing activities, including, inter alia:*

- i) designing and disseminate CASA-1000 communication materials;
- ii) ensuring ongoing information sharing and feedback;
- iii) providing Training for communication staff to take part in communication activities.

3. *Provide support to marginalized communities to develop and restart livelihoods by developing a livelihoods support program including, through the provision of livelihoods-related training, and coaching and mentoring for selected Community Beneficiaries.*

Part C: Project Management, Monitoring and Evaluation

1. *Provide support to:*

- i) carry out Project management activities including, coordination and supervision of Project implementation, Project audits, financing of Incremental Operating Costs;
- ii) organize the Project Coordination Committee's meetings;
- iii) manage a Beneficiary Feedback Mechanism, including a Grievance Redress Mechanism.

2. *Provide support to carry out the Project monitoring and evaluation activities.*

Part D: Contingent Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

Project management

The Project is implemented by the Community Development and Investment Agency (the "ARIS").

Duration period of the Financing agreement Grant No. D294-KG and Credit No. 6219-KG is from February 3, 2020 to June 30, 2023. Duration period of the Grant agreement Grant No. TF0A6612-KG is from February 3, 2020 to June 30, 2020. The duration of this agreement was extended till March 31, 2022.

Duration period of the Financing agreement Grant No. D705-KG and Credit No. 6756-KG is from December 16, 2020 to December 31, 2024.

2. PRESENTATION OF THE PROJECT FINANCIAL STATEMENTS

Basis of preparation

The 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 in these project financial statements.

The project financial statements consist of:

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

The reporting currency of the project financial statements is US dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash basis of accounting

The 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. The 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 counted in functional currency using the currency exchange rate settled by the 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 commercial bank at the date of transaction.

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.

Taxes

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

Expenses

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

Sources of funds

The funds were provided to the Project by the International Development Association, Grant No. D294-KG, Credit No. 6219-KG, Grant No. D705-KG, Credit No. 6756-KG, and by the International Bank for Reconstruction and Development and the International Development Association, Grant No. TF0A6612-KG, by initial deposit and replenishment of designated account.

Other income

Other income represents interest income accrued by the serving commercial bank on the outstanding balances of cash on designated accounts.

Other expenses

Other expenses comprise payments for bank services on interest accounts.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2021 and 2020 are presented as follows:

	Source of financing	Currency	December 31, 2021	December 31, 2020
Designated account	Credit No. 6219-KG	US dollar	-	-
Designated account	Grant No. D294-KG	US dollar	367,823	483,695
Designated account	Grant No. TF0A6612	US dollar	86,752	37,059
Designated account	Credit No. 6756-KG	US dollar	-	-
Designated account	Grant No. D705-KG	US dollar	1,271,024	999,961
Interest accounts	Other	US dollar	34,128	3,489
			<u>1,759,727</u>	<u>1,524,204</u>

5. FUNDS RECEIVED

The funds received are presented by the following methods and sources of financing:

For the year ended December 31, 2021:

	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TF0A6612	Credit No. 6756-KG	Grant No. D705-KG	Total
Initial deposit	-	-	-	-	300,000	300,000
Replenishment of designated account	-	1,563,087	206,913	-	217,702	1,987,702
	-	1,563,087	206,913	-	517,702	2,287,702

For the period from February 3, 2020 to December 31, 2020:

	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TF0A6612	Credit No. 6756-KG	Grant No. D705-KG	Total
Initial deposit	-	500,000	100,000	-	1,000,000	1,600,000
Replenishment of designated account	-	87,119	-	-	-	87,119
	-	587,119	100,000	-	1,000,000	1,687,119

Cumulative:

	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TF0A6612	Credit No. 6756-KG	Grant No. D705-KG	Total
Initial deposit	-	500,000	100,000	-	1,300,000	1,900,000
Replenishment of designated account	-	1,650,206	206,913	-	217,702	2,074,821
	-	2,150,206	306,913	-	1,517,702	3,974,821

6. OTHER INCOME

Other income is presented as follows:

	For the year ended December 31, 2021	For the period from February 3, 2020 to December 31, 2020	Cumulative
Interest income	<u>30,913</u>	<u>3,510</u>	<u>34,423</u>
	<u>30,913</u>	<u>3,510</u>	<u>34,423</u>

7. EXPENSES

Breakdown of the Project expenses by sub-categories and sources of financing is presented as follows:

	For the year ended December 31, 2021			For the period from February 3, 2020 to December 31, 2020		
	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TF0A6612	Credit No. 6756-KG	Grant No. D705-KG	Total
(1) Goods, works, non-consulting services, consulting services and Subgrants under Part A of the Project						
Goods	-	1,466,205	-	-	-	1,466,205
(2) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Parts B and C of the Project						
Operating costs	-	113,484	95,593	-	107,052	316,129
Consulting services	-	93,411	55,998	-	127,322	276,731
Training	-	5,859	5,629	-	12,265	23,753
	-	212,754	157,220	-	246,639	616,613
	-	1,678,959	157,220	-	246,639	2,082,818
(1) Goods, works, non-consulting services, consulting services and Subgrants under Part A of the Project						
Goods	-	87,119	-	-	-	87,119
(2) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Parts B and C of the Project						
Operating costs	-	8,054	21,156	-	39	29,249
Consulting services	-	8,251	41,785	-	-	50,036
Training	-	-	-	-	-	-
	-	16,305	62,941	-	39	79,285
	-	103,424	62,941	-	39	166,404

	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TFOA6612	Cumulative Credit No. 6756-KG	Grant No. D705-KG	Total
(1) Goods, works, non-consulting services, consulting services and Subgrants under Part A of the Project	-	1,553,324	-	-	-	1,553,324
(2) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Parts B and C of the Project	-	121,538	116,749	-	107,091	345,378
Operating costs	-	101,662	97,783	-	127,322	326,767
Consulting services	-	5,859	5,629	-	12,265	23,753
Training	-	229,059	220,161	-	246,678	695,898
	-	1,782,383	220,161	-	246,678	2,249,222

(1) Goods, works, non-consulting services, consulting services and Subgrants under Part A of the Project

(2) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Parts B and C of the Project

Operating costs

Consulting services

Training

8. FINANCIAL POSITION

Financial position as at December 31, 2021 and 2020 is as follows:

	December 31, 2021	December 31, 2020
ASSETS AND EXPENSES		
Cash and cash equivalents	1,759,727	1,524,204
Cumulative expenses	2,249,222	166,404
Other expenses	295	21
	<u>4,009,244</u>	<u>1,690,629</u>
FINANCING		
Funds received	3,974,821	1,687,119
Other income	34,423	3,510
	<u>4,009,244</u>	<u>1,690,629</u>

9. WITHDRAWAL APPLICATIONS

Withdrawal applications for the year ended December 31, 2021 are presented as follows:

Grant No. D294-KG

Application	Date	Initial deposit	Replenishment of designated account	Total
3	May 24, 2021	-	88,656	88,656
5	September 30, 2021	-	141,890	141,890
7	November 30, 2021	-	393,626	393,626
8	November 30, 2021	-	105,098	105,098
10	December 6, 2021	-	425,421	425,421
11	December 15, 2021	-	205,922	205,922
13	December 23, 2021	-	202,474	202,474
		<u>-</u>	<u>1,563,087</u>	<u>1,563,087</u>

Grant No. TF0A6612

Application	Date	Initial deposit	Replenishment of designated account	Total
3	March 3, 2021	-	48,075	48,075
4	May 21, 2021	-	37,267	37,267
6	September 30, 2021	-	62,507	62,507
9	December 2, 2021	-	30,940	30,940
12	December 15, 2021	-	28,124	28,124
		<u>-</u>	<u>206,913</u>	<u>206,913</u>

Grant No. D705-KG

Application	Date	Initial deposit	Replenishment of designated account	Total
A2	May 17, 2021	300,000	-	300,000
3	September 28, 2021	-	127,455	127,455
4	December 23, 2021	-	90,247	90,247
		<u>300,000</u>	<u>217,702</u>	<u>517,702</u>

Withdrawal applications for the period from February 3, 2020 to December 31, 2020 are presented as follows:

Grant No. D294-KG

Application	Date	Initial deposit	Replenishment of designated account	Total
1	June 29, 2020	500,000	-	500,000
2	December 23, 2020	-	87,119	87,119
		<u>500,000</u>	<u>87,119</u>	<u>587,119</u>

Grant No. TF0A6612

Application	Date	Initial deposit	Replenishment of designated account	Total
2	December 17, 2020	100,000	-	100,000
		<u>100,000</u>	<u>-</u>	<u>100,000</u>

Grant No. D705-KG

Application	Date	Initial deposit	Replenishment of designated account	Total
A1	December 18, 2020	1,000,000	-	1,000,000
		<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>

10. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated account for the year ended December 31, 2021 and for the period from February 3, 2020 to December 31, 2020 is presented as follows:

Source of financing	Credit No. 6219-KG	Grant No. D294-KG	Grant No. TFOA6612 OJSC RSK Bank 1299003250032004 US dollar	Credit No. 6756-KG	Grant No. D705-KG	Total
Bank account	1299003250031802	1299003250031903	1299003250032004	1299003250034125	1299003250034024	
Currency	US dollar	US dollar	US dollar	US dollar	US dollar	
Bank's location		80/1 Moskovskaya str., Bishkek, the Kyrgyz Republic				
Balance as at February 3, 2020	-	-	-	-	-	-
Initial deposit	-	500,000	100,000	-	1,000,000	1,600,000
Replenishment	-	87,119	-	-	-	87,119
Total funds received	-	587,119	100,000	-	1,000,000	1,687,119
Expenses paid	-	42	47,172	-	30	47,244
Transfer to transit account	-	103,382	15,769	-	9	119,160
Balance as at December 31, 2020	-	483,695	37,059	-	999,961	1,520,715
Initial deposit	-	-	-	-	300,000	300,000
Replenishment	-	1,563,087	206,913	-	217,702	1,987,702
Total funds received	-	1,563,087	206,913	-	517,702	2,287,702
Expenses paid	-	208,551	150	-	119	208,820
Transfer to transit account	-	1,470,408	157,070	-	246,520	1,873,998
Balance as at December 31, 2021	-	367,823	86,752	-	1,271,024	1,725,599

11. UNDRAWN FUNDS

Undrawn funds December 31, 2021 are presented as follows:

	Credit No. 6219-KG in SDR	Grant No. D294-KG in SDR	Grant No. TF0A6612 in USD	Credit No. 6756-KG in SDR	Grant No. D705-KG in SDR
Approved amount of financing	3,500,000	3,500,000	1,000,000	7,700,000	7,700,000
Disbursed during the period from February 3, 2020 to December 31, 2021	-	1,537,438	306,913	-	1,055,244
Undrawn amount of financing as at December 31, 2021	3,500,000	1,962,562	693,087	7,700,000	6,644,756
Funds received as at February 3, 2020	-	-	-	-	-
Disbursed during the period from February 3, 2020 to December 31, 2020	-	422,867	100,000	-	692,535
Funds received as at December 31, 2020	-	422,867	100,000	-	692,535
Disbursed in 2021	-	1,114,571	206,913	-	362,709
Funds received as at December 31, 2021	-	1,537,438	306,913	-	1,055,244

12. COMMITMENTS

In the normal course of activities, the Project concludes agreements with suppliers of goods and services in accordance with the established budget and procurement plan.

Commitments as at December 31, 2021 are presented as follows:

Counterparty	Contract No.	Cost per Contract (in soms)	Contract currency	Paid up to December 31, 2021 (in soms)	Remaining amount to be paid (in soms)
OJSC Yug StroyService and OJSC Zavod RCPF-4 Consortium	ARIS/CSP/GOOD S/RFB/2021/02	65,968,900	Kyrgyz som	33,674,558	32,294,342
Maksutaliev Zh. Zh.	IDA-CASA-IOC- 2021-20-2	544,063	Kyrgyz som	474,063	70,000

13. LEGAL CASES

There were no any legal claims related to the Project.

14. EVENTS AFTER THE REPORTING DATE

During 2022 until the date of issue of these project financial statements, the IDA provided financing to the Project as follows:

Sources of financing	Application	Date	Replenishment of designated account	Total
Grant No. D294-KG	14	February 22, 2022	303,717	303,717
Grant No. TFOA6612	15	February 18, 2022	67,186	67,186
			<u>370,903</u>	<u>370,903</u>

Grant No. TFOA6612 withdrawal application No. 16 for the amount of 33,732 US dollars was documented on April 7, 2022.

As at the date of issue of the project financial statement no other significant events or transactions occurred which should be disclosed in the project financial statements, except for the events described above.



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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