“Regional Economic Development” Project
Grant NO. D5700-KG, Credit NO. 6558-KG

The project financial statements
for the year ended December 31, 2023

and independent auditor’s report

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"REGIONAL ECONOMIC DEVELOPMENT" PROJECT
GRANT No. D5700-KG, CREDIT No. 6558-KG

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE PROJECT FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

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 statements of the "Regional Economic Development" Project, Grant No. D5700-KG and Credit No. 6558-KG (the "Project").

Management of the Project 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 parts of the Project for the year ended December 31, 2023 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 the assumption that the Project will be implemented in accordance with the established period.

Management of the Project 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 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, error and other irregularities.

The project financial statements for the year ended December 31, 2023 were approved and authorized for issue on May 31, 2024 by the management of the Project.

On behalf of the Management:

Naspekov M.D.	**Stalbek uulu B.**
Executive Director of ARIS	**Financial Manager of ARIS**
May 31, 2024	May 31, 2024
Bishkek, the Kyrgyz Republic	Bishkek, the Kyrgyz Republic

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INDEPENDENT AUDITOR'S REPORT

To the Management of the "Regional Economic Development" Project under the Community Development and Investment Agency:

Report on the project financial statements

Opinion

We have audited the accompanying project financial statements of the "Regional Economic Development" Project (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, 2023, 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 of the project for the year ended December 31, 2023 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 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. These project financial statements were prepared for complying with the appropriate World Bank Guidelines and Financing and Grant agreements requirements. 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 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.

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

Baker Tilly Bishkek LLC is registered in the "Register of audit organizations admitted for audit of public Interest entities and large entrepreneurship entities" of the Unified state register of auditors, audit organizations, professional audit associations. Individual registration number 2101510 dated August 9, 2023

May 31, 2024
Bishkek, the Kyrgyz Republic

"REGIONAL ECONOMIC DEVELOPMENT" PROJECT
GRANT No. D5700-KG, CREDIT No. 6558-KG

SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID FOR THE YEAR ENDED DECEMBER 31, 2023
(in US dollars)

	Notes	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Opening balance	4	836,675	745,876	-
Funds received				
Grant No. D5700-KG	5	5,630,089	800,006	7,430,095
Credit No. 6558-KG	5	-	-	-
Total funds received		5,630,089	800,006	7,430,095
Other income	6	15,078	17,704	49,926
Total receipts		5,645,167	817,710	7,480,021
Expenses				
(1) Goods, works, non-consulting services, and consulting services; Training and Operating Costs for Parts 1, 2(a), 3, 4(a) and 5 of the Project	7	4,337,172	709,768	5,318,097
(2) Goods, works, non-consulting services, and consulting services; Training for the Targeted Investments Subprojects under Part 2(b) of the Project	7	1,023,259	-	1,023,259
(3) Small Grants under Part 4(b) of the Project	7	-	-	-
Total expenses		5,360,431	709,768	6,341,356
Other expenses	8	17,957	17,143	35,211
Closing balance	4	1,103,454	836,675	1,103,454

On behalf of the Management:

Naspekov M.D.	**Stalbek uulu B.**
Executive Director of ARIS	**Financial Manager of ARIS**
May 31, 2024	May 31, 2024
Bishkek, the Kyrgyz Republic	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.

"REGIONAL ECONOMIC DEVELOPMENT" PROJECT
GRANT No. D5700-KG, CREDIT No. 6558-KG

SUMMARY OF EXPENDITURES PAID BY PROJECT PARTS
FOR THE PERIOD FOR THE YEAR ENDED DECEMBER 31, 2023
(in US dollars)

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Part 1. Improving regional economic planning and regulatory functions	589,060	90,260	679,320
Part 2. Strengthening agri-food supply chains and small and medium-sized enterprises	1,111,318	72,632	1,201,739
Part 3. Catalyzing investments for tourism and urban development	3,034,842	99,973	3,134,815
Part 4. Supporting tourism and rural enterprise development through Small Grants	123,009	73,464	198,645
Part 5. Implementation Support, and Monitoring and Evaluation	502,202	373,439	1,126,837
	5,360,431	709,768	6,341,356

On behalf of the Management:

Naspekov M.D.
Executive Director of ARIS

May 31, 2024
Bishkek, the Kyrgyz Republic

Stalbek uulu B.
Financial Manager of ARIS

May 31, 2024
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.

1. GENERAL INFORMATION

According to the Financing agreement between the Kyrgyz Republic and International Development Association (the "IDA") signed on July 12, 2020 the IDA provided Grant No. D25700-KG in the amount of 21,800,000 Special Drawing Rights and Credit No. 6558-KG in the amount of 21,800,000 Special Drawing Rights to the Kyrgyz Republic.

The Grant and the Credit were provided for implementation of the "Regional Economic Development" Project (the "Project").

Project purpose

The objective of the Project is to support the Government of the Kyrgyz Republic to enhance regional economic development through targeted interventions in the selected sectors in the Osh region. Through this, the project will support the economic and regional development of Osh oblast, helping to create jobs for growth and poverty reduction.

The Project comprises the following parts:

Part 1. Improving regional economic planning and regulatory functions;

Part 2. Strengthening agri-food supply chains and small and medium-sized enterprises;

Part 3. Catalyzing investments for tourism and urban development;

Part 4. Supporting tourism and rural development through Small Grants;

Part 5. Implementation Support, Monitoring and Evaluation.

Part 1. Improving regional economic planning and regulatory functions

1.1. Enhancing regional economic planning

Strengthen capacity of local, regional and central governments to boost integrated development and facilitate enabling environment for private sector investments through:

a) preparation of a regional economic development plan and relevant documents and instruments to: (i) Identify policies, priority actions and institutional requirements for effective integrated regional economic planning and development; and (ii) Include climate change adaptation and awareness issues into regional planning processes;

b) preparation of sustainable management plans and other related documents for the key assets developed/enhanced under the project;

c) capacity building activities for key staff of the relevant public institutions at the central and regional/local level through training programs and other knowledge sharing and capacity building activities to enable better regional development planning and coordination and policy making; and

d) support improved use of technology for regional development purposes through establishing, inter alia, a digital platform for regional development initiatives prioritization and selection.

1.2. Improving basic agricultural services and regulatory functions

Improve infrastructure and services underpinning agri-food marketing and trade in the Osh region through:

a) (i) upgrading food safety and quality facilities under the mandate of relevant ministries, through provision of laboratory equipment and upgrading laboratory facilities infrastructure; (ii) improving examination capacity at border control points and expanding sampling capacity at district level for food safety; and (iii) upgrading laboratory facilities for seed certification and soil analysis functions; and

b) capacity building for Osh Technological University and technical agricultural college to incorporate export agricultural market requirements and safety regulations and food technologies into training and education programs.

Part 2. Strengthening agri-food supply chains and small and medium-sized enterprises

Support the development of partnerships between agri-business and small agricultural producers to finance targeted investments that improve quality and expand production and processing volumes through:

a) providing technical assistance and training to develop, select and monitor selected Productive Partnerships in agriculture and food-related business development, including. Inter alia, business planning, management of producer organizations or cooperatives, developing alliances within a partnership framework and market analysis; and

b) providing support for the implementation of Targeted Investments Subprojects to selected productive Partnerships Beneficiaries aiming to: (i) improve access to markets and increase quality and consistency in the supply of relevant outputs; (ii) stimulate cooperation within an agricultural value chain; and (iii) reduce risk and transaction costs for value chain participants through Inter alia: (A) rehabilitation of public infrastructure critical to functioning of the selected agricultural supply chains; (B) technical assistance and training for agriculture, food-related and business development sectors, including, Inter alia, agronomy, animal production or health, post-harvest processing and packaging, food safety standards, marketing, and improved access to finance; (C) establishment and development of necessary productive assets for agricultural production and/or post-harvest activities; and (D) adoption of innovative technologies.

Part 3. Catalyzing investments for tourism and urban development

3.1. Upgrading Osh and Uzgen urban city cores and Osh reginal tourism circuits

Upgrade selected public infrastructure, services and connectivity in participating cities and tourism development and provide municipal services to attract private investments through public-private cooperation mechanisms aimed at improving reginal tourism potential.

3.2. Tourism product development, marketing and promotion

Improve institutional capacity and performance, including through skill development, of national and regional/local public entities in: (i) monitoring and evaluation, marketing and promotion of Kyrgyz Republic as tourism destination; (ii) development of comprehensive tourism strategy for Osh region; (iii) investment attraction, training and marketing; (iv) planning and implementation of events encouraging tourism development; (v) development of online platforms for tourism initiatives; (vi) development of sustainable site management plans for cultural and natural heritage preservation; and (vii) provide capacity building of tourism related organizations and private sector representatives in skilled workforce development.

Part 4. Supporting tourism and rural development through Small Grants

Support development of tourism industry and rural small and medium-sized enterprises (the "SME" and startups through:

a) training and provision of technical assistance to tourism industry-related service providers and rural SMEs in developing business plans and industry related practices;

b) providing Small Grants for: (i) launching and developing relevant business activities (start-up grants); and (ii) diversifying and expanding (scale up grants) tourism related services and rural enterprises; and

c) developing and implementing a communication plan to ensure awareness of the Small Grants program, competitive application and selection process for Small Grants.

Part 5. Implementation Support, Monitoring and Evaluation.

Project implementation, including the project's monitoring and evaluation system, communication strategy, application of environmental and social safeguard instruments, annual audits, Training and financing of Operating Costs.

Project management

The Management is implemented by the Community Development and Investment Agency (the "CDIA") under the Ministry of Finance of the Kyrgyz Republic

The Project duration period is from December 7, 2020 to December 18, 2026.

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 parts;
- 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. 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.

7. PROJECT EXPENSES

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

	For the year ended December 31, 2023			For the year ended December 31, 2022			Cumulative		
	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total
(1) Goods, works, non-consulting services, and consulting services; Training and Operating costs for Parts 1, 2(a), 3, 4(a, c) and 5 of the Project									
Goods									
Equipment	166,617	-	166,617	-	-	-	188,684	-	188,684
Vehicles	63,023	-	63,023	-	-	-	63,023	-	63,023
Furniture	26,619	-	26,619	446	-	446	32,067	-	32,067
	256,259	-	256,259	446	-	446	283,774	-	283,774
Consulting services									
Local consultants	887,450	-	887,450	337,690	-	337,690	1,247,423	-	1,247,423
	887,450	-	887,450	337,690	-	337,690	1,247,423	-	1,247,423
Training									
Training expenses	96,945	-	96,945	32,401	-	32,401	129,673	-	129,673
	96,945	-	96,945	32,401	-	32,401	129,673	-	129,673

	For the year ended December 31, 2023			For the year ended December 31, 2022			Cumulative		
	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total
Operating costs									
Payroll and related taxes	277,749	-	277,749	218,838	-	218,838	589,739	-	589,739
Business trip expenses	13,846	-	13,846	13,069	-	13,069	31,368	-	31,368
Maintenance of motor vehicles and fuel	7,350	-	7,350	5,948	-	5,948	15,165	-	15,165
Office rent	3,626	-	3,626	3,914	-	3,914	11,012	-	11,012
Stationery	1,167	-	1,167	2,303	-	2,303	4,896	-	4,896
Communication expenses	1,343	-	1,343	1,767	-	1,767	4,034	-	4,034
Information services	2,056	-	2,056	1,469	-	1,469	4,699	-	4,699
Office equipment maintenance	19,732	-	19,732	911	-	911	22,565	-	22,565
Utilities	685	-	685	744	-	744	1,694	-	1,694
Equipment	-	-	-	740	-	740	1,396	-	1,396
Repair of office	-	-	-	597	-	597	12,835	-	12,835
Office maintenance and repair	177	-	177	422	-	422	2,854	-	2,854
Bank commission	360	-	360	90	-	90	480	-	480
Procurement advertising expenses	-	-	-	66	-	66	948	-	948
Other	3,666	-	3,666	387	-	387	4,577	-	4,577
	331,757	-	331,757	251,265	-	251,265	708,262	-	708,262
Services and support for Agrobusiness Competitiveness Center									
Administrative expenses of Agrobusiness Competitiveness Center	130,268	-	130,268	87,966	-	87,966	314,472	-	314,472
	130,268	-	130,268	87,966	-	87,966	314,472	-	314,472

	For the year ended December 31, 2023			For the year ended December 31, 2022			Cumulative		
	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total	Grant No. D5700-KG	Credit No. 6558-KG	Total
Works									
Construction work	2,634,493	-	2,634,493	-	-	-	2,634,493	-	2,634,493
	2,634,493	-	2,634,493	-	-	-	2,634,493	-	2,634,493
	4,337,172	-	4,337,172	709,768	-	709,768	5,318,097	-	5,318,097
(2) Goods, works, non-consulting services, and consulting services; Training for the Targeted Investments Subprojects under Part 2(b) of the Project									
Goods									
Agri-food chains supply	834,536	-	834,536	-	-	-	834,536	-	834,536
	834,536	-	834,536	-	-	-	834,536	-	834,536
Consulting services									
Local consultants	36,368	-	36,368	-	-	-	36,368	-	36,368
	36,368	-	36,368	-	-	-	36,368	-	36,368
Works									
Construction work	152,355	-	152,355	-	-	-	152,355	-	152,355
	152,355	-	152,355	-	-	-	152,355	-	152,355
	1,023,259	-	1,023,259	-	-	-	1,023,259	-	1,023,259
	5,360,431	-	5,360,431	709,768	-	709,768	6,341,356	-	6,341,356

8. OTHER EXPENSES

Other expenses of the Project comprises the following:

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Expenses from the interest account to the Treasury of the Kyrgyz Republic	17,594	17,033	34,627
Bank services	363	110	584
	17,957	17,143	35,211

9. FINANCIAL POSITION

Financial position as at December 31, 2023 and 2022 is as follows:

	December 31, 2023	December 31, 2022
ASSETS AND EXPENDITURES		
Cash and cash equivalents	1,103,454	836,675
Cumulative expenses	6,341,356	980,925
Other expenses	35,211	17,254
TOTAL ASSETS AND EXPENDITURES	7,480,021	1,834,854
FINANCING		
Funds received	7,430,095	1,800,006
Other income	49,926	34,848
TOTAL FINANCING	7,480,021	1,834,854

10. WITHDRAWAL APPLICATIONS

Withdrawal applications for the year ended December 31, 2023 are presented as follows:

Sources of financing	Application	Date	Initial deposit	Replenishment of designated account	Total
IDA Grant No. D5700-KG					
	DA-A 7	March 8, 2023	-	300,836	300,836
	DA-A 8	June 16, 2023	-	286,117	286,117
	DA-A 9	July 25, 2023	-	505,680	505,680
	DA-A 10	August 25, 2023	-	290,181	290,181
	DA-A 10	August 25, 2023	200,000	-	200,000
	DA-A 11	August 31, 2023	-	424,690	424,690
	DA-A 12	September 19, 2023	-	369,003	369,003
	DA-A 13	September 29, 2023	-	257,076	257,076
	DA-A 14	November 1, 2023	-	633,654	633,654
	DA-A 16	November 29, 2023	-	341,350	341,350
	DA-A 17	December 5, 2023	-	619,141	619,141
	DA-A 18	December 14, 2023	-	622,683	622,683
	DA-A 19	December 26, 2023	-	779,679	779,679
			200,000	5,430,090	5,630,090
IDA Credit No. 6558-KG			-	-	-
			200,000	5,430,090	5,630,090

Withdrawal applications for the year ended December 31, 2022 are presented as follows:

Sources of financing	Application	Date	Initial deposit	Replenishment of designated account	Total
IDA Grant No. D5700-KG					
	DA-A 4A	March 18, 2022	-	271,523	271,523
	DA-A 5	August 29, 2022	-	267,906	267,906
	DA-A 6	December 5, 2022	-	260,577	260,577
			-	800,006	800,006
IDA Credit No. 6558-KG			-	-	-
			-	800,006	800,006

Withdrawal applications DA-A 15 dated November 13, 2023 in the amount of 326,147 US dollars was deleted.

11. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated account for the years ended December 31, 2023 and 2022 is presented as follows:

Source of financing	**Grant No. D5700-KG**	**Credit No. 6558-KG**
Bank	OJSC "RSK Bank"	
Bank account	1299003250032400	1299003250032408
Currency	US dollar	US dollar
Bank's location	80/1 Moskovskaya str., Bishkek, Kyrgyz Republic	
Balance as at December 31, 2021	728,843	-
Funds received	800,006	-
Total funds received	800,006	-
Expenses paid	101,030	-
Transfer to transit account	608,738	-
Balance as at December 31, 2022	819,081	-
Initial deposit	200,000	
Funds received	5,430,089	-
Total funds received	5,630,089	-
Expenses paid	237,594	-
Transfer to transit account	5,122,837	-
Balance as at December 31, 2023	1,088,739	-

12. UNDRAWN FUNDS

Undrawn funds as at December 31, 2023 are presented as follows:

	Grant No. D5700-KG *in SDR*	**Credit No. 6558-KG** *in SDR*
Approved amount of financing	21,800,000	21,800,000
Disbursed during the period from December 7, 2020 to December 31, 2023	5,526,115	-
Undrawn amount as at December 31, 2022	16,273,885	21,800,000
Funds received as at January 1, 2023	1,294,121	-
Disbursed in 2023	4,231,994	-
Funds received as at December 31, 2023	5,526,115	-

13. 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, 2023 are presented as follows:

Counterparty	Contract No.	Cost per Contract (in currency).	Contract Currency	Paid up to December 31, 2023 (in currency)	Remaining amount to be paid (in currency)
Kub Kurulush LLC	IDA-REDP-W-RFQ-2021-2_(1.2)	10,397,884	KGS	9,877,941	519,943
Baldy Ata LLC	IDA-REDP-W-RFQ-2022-9 (1.2)	10,307,447	KGS	9,649,575	657,872
Amantur Stroy Service LLC	IDA-REDP-W-RFB-2022-11/1	96,246,763	KGS	81,475,549	14,771,214
Ug-Stroyservice LLC	IDA-REDP-W-RFB-2023-1	41,054,288	KGS	39,990,909	1,063,379
Consortium of Alikhan Stroy LLC and Rigel LLC	IDA-REDP-W-RFB-2023-2	80,515,613	KGS	42,289,712	38,225,901
Consortium of USTA OJSC and Baldy Ata LLC	IDA-REDP-W-RFB-2023-3	20,819,772	KGS	9,231,432	11,588,340
Yasin Kurulush LLC	IDA-REDP-W-RFB-2023-4	107,904,709	KGS	25,940,146	81,964,563
Consortium of Artskvazhina LLC and USTA OJSC	IDA-REDP-WORKS-RFB-2023-10	14,813,245	KGS	5,919,657	8,893,588

14. LEGAL CASES

There were no any legal claims related to the Project.

15. EVENTS AFTER THE REPORTING DATE

During 2024 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
IDA Grant No. D5700-KG	DA-A 20	March 13, 2024	627,020	627,020
	DA-A 21	April 9, 2024	499,995	449,995
	DA-A 22	May 13, 2024	936,470	936,470
	DA-A 23	May 23, 2024	406,916	406,916
			2,470,401	2,470,401

As at the date of issue of the Project financial statements 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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