

Audited Project Financial Statements

Project Number: 44281
Loan Number: 2718
Period covered: 31 December 2014

Republic of Kiribati: Road Rehabilitation Project

Prepared by Ministry of Public Works and Utilities, Implementing Agency

For the Asian Development Bank
Date received by ADB: 2 July 2015

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the Ministry of Finance and Economic Development, Executing Agency.



KIRIBATI NATIONAL AUDIT OFFICE

Audit for an Impact for the Public

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Independent Auditor's Report

To the readers of Kiribati Road Rehabilitation Project Financial statements for the period ended 31 December 2014

We have audited the financial statements of Kiribati Road Rehabilitation Project (KRRP) financed under the World Bank – IDA, Asian Development Bank, Pacific Region Infrastructure Facility Project (PRIF) and Government of Kiribati (GoK) which comprise the Statement of Cash Receipts and Payments as of December 31, 2014, and for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management (EA) is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 7 to the Financial Statements, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The KRRP Management's policy is to prepare the accompanying statements in the format agreed between the Donor's and the Government of Kiribati as noted in the Project Operation Manual for the Grant and Project Administration Manual for the Loan, on a cash receipts and disbursement basis in which cash is recognized when received and expenses are recognized when paid, rather than when incurred.

Unqualified Opinion

In our opinion, the aforementioned financial statements and appended notes that were also the subject of the audit, presents fairly, in all material respects, the cash receipts and disbursements of KRRP for the year ended December 31, 2014 in accordance with the cash receipts and disbursements basis of accounting described in Note 7; and expenditure have been applied to the purpose intended for in the Grant and Loan agreement.

In addition:

With respect to Statements of Expenditure, adequate supporting documents have been maintained to support claims to the Donors for reimbursements of expenditure incurred; and which expenditures are eligible for financing under IDA Grant H6450 KI/PRIF TF99624 KI/ADB LOAN 2718 KIR(SF).

The Designated Accounts page 6 give a true and fair view of the receipts collected and payments made during the year ended 31 December 2014; and these receipts and payments support Designated Account replenishments during the year.

29 June, 2015



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Ms. Matereta B Raiman
Auditor General
Kiribati National Audit Office
Bairiki
Tarawa



KIRIBATI ROAD REHABILITATION PROJECT

Funded by:

World Bank (International Development Association - IDA)

Pacific Region Infrastructure Facility (PRIF)

Asian Development Bank (ADB)

Government of the Republic of Kiribati (GoK)

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

KIRIBATI ROADS REHABILITATION PROJECT

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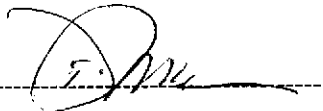
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KIRIBATI ROAD REHABILITATION PROJECT

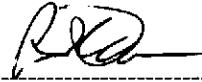
The Financial Reports for the project over its fourth year of implementation ending 31 December 2014, are being presented for auditing.

In compliance with the project agreements the audit report is required to be submitted to the World Bank and donor partners by the 30th June 2015, and we would request your kind offices if the auditing could be completed by the due date.

All financial records for the project are held within the Kiribati Fiduciary Services Unit at the Ministry of Finance & Economic Planning.



Terieta Mwemwenikeaki
Secretary for Public Works & Utilities



Reina Timau
Manager, KSFU

Date: 28th February 2015

KIRIBATI ROAD REHABILITATION PROJECT (KRRP)
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI/ADB LOAN 2718 KIR(SF)
STATEMENT OF RECEIPTS & PAYMENTS SUMMARY
For the Year Ended December 31, 2014

Account Description	Notes	AU\$	
		31-Dec-14	Cumulative
CASH RECEIPTS			
Direct Payment			
IDA Grant H6450-KI	1	\$ 6,289,876	\$ 12,360,650
PRIF Grant TF99624-KI	2	\$ 1,246,532	\$ 2,518,787
ADB Loan 2718 KIR(SF)	3	\$ 4,211,238	\$ 8,419,829
Reimbursement			
IDA Grant H6450-KI		\$ -	\$ -
PRIF Grant TF99624-KI		\$ -	\$ -
ADB Loan 2718 KIR(SF)		\$ -	\$ -
Commitment			
IDA Grant H6450-KI		\$ -	\$ -
PRIF Grant TF99624-KI		\$ -	\$ -
ADB Loan 2718 KIR(SF)		\$ -	\$ -
Designated Account			
IDA Grant H6450-KI	4	\$ 996,556	\$ 1,910,854
PRIF Grant TF99624-KI	5	\$ 380,569	\$ 428,925
		\$ -	\$ -
Government of Kiribati		\$ -	\$ -
Other Receipts (Interest Income)		\$ -	\$ -
Total Cash Receipts		\$ 13,124,770	\$ 26,639,045
PAYMENTS (Per Grant Component)			
Component A			
IDA Grant H6450-KI	6	\$ 6,446,041	\$ 12,556,916
PRIF Grant TF99624-KI	7	\$ 1,422,574	\$ 2,713,161
ADB Loan 2718 KIR(SF)	8	\$ 4,162,413	\$ 8,351,429
Component B			
IDA Grant H6450-KI		\$ -	\$ 87,082
PRIF Grant TF99624-KI	9	\$ 112,320.64	\$ 134,516
ADB Loan 2718 KIR(SF)		\$ -	\$ -
Component C			
IDA Grant H6450-KI	10	\$ 845,914	\$ 1,522,362
PRIF Grant TF99624-KI		\$ -	\$ -
ADB Loan 2718 KIR(SF)	11	\$ 48,825	\$ 68,400
Other Payments/ Bank Charges		\$ -	\$ -
Total Payments		\$ 13,038,087	\$ 25,433,865
NET CASH RECEIPTS		\$ 86,683	\$ 206,179
Other Payments/ Bank Charges		\$ -	\$ -
NET CHANGE IN CASH		\$ 86,683	\$ 206,179
Opening Cash Balances			
IDA Grant H742-KI		\$ 118,796	\$ -
Accounts Receivable		\$ -	\$ -
Current Liabilities		\$ -	\$ -
Accounts Payable	13	\$ (300)	\$ -
Total Opening Cash		\$ 118,496	\$ -
Add: Net Change in Cash		\$ 86,683	\$ 206,179
Net Cash Available		\$ 205,179	\$ 205,179
Ending Cash Balances			
IDA Grant H742-KI	14	\$ 207,194.80	\$ 207,194.80
Accounts Receivable		\$ -	\$ -
Current Liabilities	12	\$ (2,015.46)	\$ (2,015.46)
Accounts Payable		\$ -	\$ -
Total Cash Balances-End		\$ 205,179.34	\$ 205,179.34

KIRIBATI ROAD REHABILITATION PROJECT
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI
WB DIRECT PAYMENT SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1

Direct Payment
IDA GRANT H6450 KI

MCCONNELL DOWELL

WA Date	Payment Value Date	WA No.	Invoice No.	US\$	AU\$	NZ\$	Local Currency AU\$	XE Exchange Rate	Equiv. Grant Currency (SDR)
	3-Mar-14	27			\$ 30,083.19		\$ 30,083.19	1.000000000	17,370.83
	26-Feb-14	28		\$ 12,361.28			\$ 13,796.09	0.8959987939	8,002.12
	3-Mar-14	29				\$ 241,340.26	\$ 226,251.67	1.0666894083	130,418.36
	26-Mar-14	31			\$ 58,864.30		\$ 58,864.30	1.000000000	34,710.88
	21-Mar-14	32		\$ 24,187.53			\$ 26,619.78	0.9086299737	15,655.06
	26-Mar-14	33				\$ 472,234.64	\$ 440,582.38	1.0718418653	260,877.11
	14-May-14	35				\$ 234,742.57	\$ 216,984.85	1.0818385247	131,077.77
	28-May-14	36			\$ 56,066.88		\$ 56,066.88	1.000000000	33,555.64
	2-Jun-14	37				\$ 449,792.56	\$ 409,256.06	1.0990492358	246,890.64
	13-Jun-14	39				\$ 576,309.92	\$ 530,735.69	1.0858699177	320,326.08
	18-Jun-14	40			\$ 71,837.34		\$ 71,837.34	1.000000000	43,752.81
	25-Jun-14	41			\$ 80,316.25		\$ 80,316.25	1.000000000	49,156.96
	25-Jun-14	42				\$ 664,331.32	\$ 599,005.22	1.1090576473	364,867.95
	20-Jun-14	43		\$ 62,520.41			\$ 66,550.84	0.9394383302	40,526.09
	7-Aug-14	45			\$ 46,301.57		\$ 46,301.57	1.000000000	28,161.06
	6-Aug-14	46				\$ 371,451.01	\$ 336,798.52	1.1028878927	206,438.58
	29-Aug-14	48			\$ 94,148.67		\$ 94,148.67	1.000000000	57,910.50
	26-Aug-14	49		\$ 38,686.00			\$ 41,510.37	0.9319598934	25,472.26
	29-Aug-14	50				\$ 755,300.95	\$ 676,254.80	1.1168881167	416,455.67
	14-Oct-14	51			\$ 59,190.50		\$ 59,190.50	1.000000000	35,393.25
	14-Oct-14	52				\$ 474,851.58	\$ 427,397.29	1.1110308631	254,291.16
	29-Dec-14	54			\$ 50,847.26		\$ 50,847.26	1.000000000	28,601.80
	29-Dec-14	55				\$ 407,918.52	\$ 389,968.73	1.0460287931	218,477.30
	23-Dec-14	56				\$ 292,093.28	\$ 278,206.38	1.0499158215	156,574.55
	23-Dec-14	57			\$ 116,353.75		\$ 116,353.75	1.000000000	65,570.95
	18-Dec-14	58		\$ 47,810.14			\$ 58,518.47	0.8170093989	32,821.08
	22-Dec-14	59				\$ 933,439.66	\$ 887,428.72	1.0518474768	497,904.73
							\$6,289,875.57		3,721,261.19

Note 2

Direct Payment
PRIF GRANT TF99624 KI

MCCONNELL DOWELL

WA Date	Payment Value Date	WA No.	Invoice No.	US\$	AU\$	NZ\$	Local Currency AU\$	XE Exchange Rate	Equiv. Grant Currency (USD)
	3-Mar-14	17			\$ 6,518.02		\$ 6,518.02		\$ 5,823.20
	26-Mar-14	18		\$ 2,678.28			\$ 2,989.16		\$ 2,678.28
	3-Mar-14	19				\$ 52,290.39	\$ 49,021.17		\$ 43,720.00
	5-Jun-14	21				\$ 50,860.89	\$ 46,277.17		\$ 42,987.62
	5-Jun-14	22				\$ 97,455.05	\$ 88,672.16		\$ 82,369.01
	13-Jun-14	24				\$ 124,867.15	\$ 114,992.73		\$ 106,848.82
	25-Jun-14	25				\$ 139,605.12	\$ 129,784.47		\$ 121,945.07
	6-Aug-14	27				\$ 80,481.05	\$ 72,973.06		\$ 68,408.89
	3-Sep-14	29				\$ 163,648.54	\$ 145,709.87		\$ 137,112.93
	9-Sep-14	30			\$ 20,398.88		\$ 20,398.88		\$ 19,111.71
	26-Mar-14	31			\$ 12,753.93		\$ 12,753.93		\$ 11,620.74
	21-Mar-14	32		\$ 5,240.63			\$ 5,767.62		\$ 5,240.63
	26-Mar-14	33				\$ 102,317.51	\$ 95,459.52		\$ 87,338.23
	14-Oct-14	34				\$ 102,884.51	\$ 92,602.75		\$ 81,844.63
	29-Dec-14	36				\$ 88,382.35	\$ 84,493.23		\$ 68,576.75
	23-Dec-14	37				\$ 63,286.88	\$ 60,278.05		\$ 49,211.88
	23-Dec-14	38			\$ 25,209.98		\$ 25,209.98		\$ 20,609.16
	23-Dec-14	39				\$ 202,245.26	\$ 192,629.98		\$ 157,265.91
							\$1,246,531.75		\$ 1,112,713.46

Note 3

**KIRIBATI ROAD REHABILITATION PROJECT
LOAN 2718 KIR(SF)
ADB DIRECT PAYMENT SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014**

WA Date	Payment Value Date	WA No.	Invoice No.	ROUGHTON INTERNATIONAL			MCCONNELL DOWELL			US\$ Equip paid by ADB	Local Currency AUS	XE Exchange Rate	SDR Equivalent
				US\$	AU\$	GBP	US\$	AU\$	NZ\$				
20-Feb-14	68							\$ 13,537.44	\$ 12,274.40	\$ 13,537.44	1	\$ 7,949.17	
17-Mar-14	69						\$ 5,562.58		\$ 5,562.58	\$ 6,117.56	0.909280824	\$ 3,592.02	
20-Feb-14	70							\$ 108,603.12	\$ 90,705.33	\$ 100,996.92	1.075311208	\$ 58,742.79	
18-Feb-14	71	FN 35				\$ 17,474.84			\$ 29,102.60	\$ 32,200.27	0.542692344	\$ 18,883.20	
14-Feb-14	72	FN 35		\$ 29,282.79					\$ 29,282.79	\$ 32,457.09	0.902200105	\$ 19,031.61	
18-Feb-14	73	FN 35			\$ 32,054.71				\$ 28,813.98	\$ 32,054.71	1	\$ 18,695.88	
25-Mar-14	74							\$ 26,488.94	\$ 23,993.68	\$ 26,488.94	1.103996552	\$ 15,539.04	
21-Mar-14	75						\$ 10,884.39		\$ 10,884.39	\$ 11,978.90	0.908630175	\$ 7,009.71	
25-Mar-14	76							\$ 212,505.59	\$ 181,416.02	\$ 198,365.86	1.071281066	\$ 117,490.57	
28-Mar-14	77	FN 36				\$ 21,116.89			\$ 34,921.00	\$ 37,780.33	0.558938739	\$ 22,595.57	
26-Mar-14	78	FN 36		\$ 41,642.97					\$ 41,642.97	\$ 45,153.44	0.92225465	\$ 26,952.86	
25-Mar-14	79	FN 36			\$ 32,884.96				\$ 29,787.20	\$ 32,884.96	1	\$ 19,291.10	
7-Apr-14	80	FN 37				\$ 15,829.18			\$ 26,352.41	\$ 28,446.02	0.556463786	\$ 17,060.77	
3-Apr-14	81	FN 37		\$ 32,665.26					\$ 32,665.26	\$ 35,433.30	0.921880265	\$ 21,133.85	
7-Apr-14	82	FN 37			\$ 41,721.26				\$ 38,456.57	\$ 41,721.26	1	\$ 24,897.11	
13-May-14	83							\$ 13,167.35	\$ 12,329.91	\$ 13,167.35	1.067919933	\$ 7,919.22	
9-May-14	84						\$ 5,410.51		\$ 5,410.51	\$ 5,782.07	0.935739277	\$ 3,475.78	
13-May-14	85							\$ 105,634.16	\$ 91,320.74	\$ 97,524.63	1.083153661	\$ 58,653.23	
21-May-14	86	FN 38 & 39				\$ 14,516.94			\$ 24,420.40	\$ 25,976.26	0.558854123	\$ 15,806.19	
19-May-14	87	FN 38 & 39		\$ 108,255.88					\$ 108,255.88	\$ 115,413.77	0.937980624	\$ 70,077.60	
27-May-14	88	FN 38 & 39			\$ 88,841.80				\$ 63,644.24	\$ 68,841.80	1	\$ 41,200.08	
27-May-14	89							\$ 25,230.10	\$ 23,325.23	\$ 25,230.10	1.081665647	\$ 15,099.58	
23-May-14	90						\$ 10,367.13		\$ 10,367.13	\$ 11,227.44	0.92337434	\$ 6,707.38	
27-May-14	91							\$ 202,406.65	\$ 173,462.50	\$ 187,712.40	1.078280657	\$ 112,290.91	
30-Jun-14	92							\$ 32,326.80	\$ 30,393.66	\$ 32,326.80	1	\$ 19,703.64	
26-Jun-14	93						\$ 13,283.19		\$ 13,283.19	\$ 14,124.17	0.940458094	\$ 8,611.64	
30-Jun-14	94							\$ 259,339.47	\$ 227,259.18	\$ 240,862.35	1.076712363	\$ 147,327.90	
30-Jun-14	95							\$ 36,142.31	\$ 33,981.00	\$ 36,142.31	1.063603484	\$ 22,029.25	
26-Jun-14	96						\$ 14,850.99		\$ 14,850.99	\$ 15,791.23	0.94045809	\$ 9,628.06	
30-Jun-14	97							\$ 289,949.10	\$ 254,082.39	\$ 269,291.14	1.076712364	\$ 164,716.89	
2-Jul-14	98	FN 40				\$ 11,599.76			\$ 19,753.23	\$ 21,085.67	0.550125275	\$ 12,792.55	
30-Jun-14	99	FN 40		\$ 45,465.82					\$ 45,465.82	\$ 48,235.84	0.942573406	\$ 29,474.65	
2-Jul-14	100	FN 40			\$ 36,633.10				\$ 34,499.73	\$ 36,633.10	1	\$ 22,388.76	
21-Aug-14	101	FN 41				\$ 15,306.12			\$ 25,596.43	\$ 27,523.96	0.556101666	\$ 16,728.71	
19-Aug-14	102	FN 41		\$ 53,289.41					\$ 53,289.41	\$ 57,231.36	0.931122552	\$ 34,852.23	
21-Aug-14	103	FN 41			\$ 32,217.40				\$ 30,091.05	\$ 32,217.40	1	\$ 19,666.20	
21-Aug-14	104							\$ 20,835.71	\$ 19,460.55	\$ 20,835.71	1	\$ 12,718.57	
4-Sep-14	105						\$ 8,561.46		\$ 8,561.46	\$ 9,145.89	0.936099166	\$ 5,638.55	
21-Aug-14	106							\$ 167,152.95	\$ 141,127.24	\$ 151,754.78	1.101467446	\$ 92,234.60	
9-Sep-14	107							\$ 42,366.90	\$ 39,574.92	\$ 42,366.90	1	\$ 26,152.61	
5-Sep-14	108						\$ 17,408.70		\$ 17,408.70	\$ 18,567.52	0.937588655	\$ 11,500.68	
9-Sep-14	109							\$ 339,885.43	\$ 281,595.08	\$ 304,426.26	1.118478684	\$ 186,088.75	
15-Sep-14	110	FN 42				\$ 11,601.97			\$ 18,797.51	\$ 20,876.08	0.555754241	\$ 12,528.67	
11-Sep-14	111	FN 42		\$ 64,074.26					\$ 64,074.26	\$ 70,291.11	0.911555672	\$ 42,672.36	
15-Sep-14	112	FN 42			\$ 33,569.15				\$ 30,866.83	\$ 33,569.15	1	\$ 20,572.95	
9-Oct-14	113	FN 43				\$ 10,466.08			\$ 16,787.59	\$ 19,237.93	0.544023584	\$ 11,350.48	
7-Oct-14	114	FN 43		\$ 51,147.44					\$ 51,147.44	\$ 58,062.57	0.880902103	\$ 34,436.46	
9-Oct-14	115	FN 43			\$ 34,099.36				\$ 29,871.04	\$ 34,099.36	1	\$ 20,196.51	
9-Oct-14	116							\$ 26,635.73	\$ 23,332.90	\$ 26,635.73	1	\$ 15,775.92	
7-Oct-14	117						\$ 10,944.71		\$ 10,944.71	\$ 12,424.43	0.880902383	\$ 7,368.84	
9-Oct-14	118							\$ 213,683.21	\$ 166,822.48	\$ 191,504.03	1.115815735	\$ 112,792.58	
29-Oct-14	119	FN 44				\$ 23,061.88			\$ 37,143.46	\$ 41,842.65	0.551157252	\$ 25,010.92	
27-Oct-14	120	FN 44		\$ 49,728.92					\$ 49,728.92	\$ 56,495.26	0.880231722	\$ 33,417.73	
29-Oct-14	121	FN 44			\$ 35,346.14				\$ 31,150.56	\$ 35,346.14	1	\$ 20,975.54	
25-Nov-14	122							\$ 22,881.27	\$ 19,755.69	\$ 22,881.27	1	\$ 13,468.38	
21-Nov-14	123						\$ 9,401.99		\$ 9,401.99	\$ 10,838.83	0.867435876	\$ 6,408.82	
25-Nov-14	124							\$ 183,563.34	\$ 144,684.62	\$ 166,930.97	1.099636215	\$ 98,638.29	
8-Dec-14	125	FN 45				\$ 14,912.96			\$ 23,396.94	\$ 28,090.07	0.530897929	\$ 16,065.24	
4-Dec-14	126	FN 45		\$ 58,122.26					\$ 58,122.26	\$ 69,159.25	0.840411948	\$ 39,713.20	
8-Dec-14	127	FN 45			\$ 35,521.36				\$ 29,795.32	\$ 35,521.36	1	\$ 20,458.62	
9-Dec-14	128							\$ 16,384.32	\$ 13,734.97	\$ 16,384.32	1	\$ 9,436.47	
5-Dec-14	129							\$ 6,732.37	\$ 6,732.37	\$ 8,081.95	0.833013072	\$ 4,604.97	
9-Dec-14	130							\$ 131,441.97	\$ 102,248.71	\$ 121,757.68	1.079537406	\$ 70,248.92	
18-Dec-14	131							\$ 52,359.19	\$ 43,091.62	\$ 52,359.19	1	\$ 29,486.74	
16-Dec-14	132						\$ 21,514.56		\$ 21,214.56	\$ 26,174.57	0.821964219	\$ 14,700.86	
18-Dec-14	133							\$ 420,047.85	\$ 325,411.07	\$ 398,794.32	1.053294465	\$ 222,672.30	
15-Sep-14	CAP	Loan Interest							\$ 25,482.71	\$ 28,236.49	1.108064645	\$ 16,984.40	
15-Mar-14	CAP	Loan Interest							\$ 18,593.03	\$ 20,588.06	1.107299886	\$ 12,016.13	
									\$3,790,999.31	\$4,211,237.98		\$ 2,504,301.92	

KIRIBATI ROAD REHABILITATION PROJECT (KRRP)
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI/ADB LOAN 2718 KIR(SF)
STATEMENT OF FUNDS RECEIVED FOR DESIGNATED ACCOUNT REPLENISHMENT BY IDA & PRIF
For the Year Ended December 31, 2014

Note 4
Designated Account
IDA GRANT H6450 KI

Date	WA No.	DA No.	Details	WA Amount AU\$	Amount Disbursed by WB	Value Date	Equiv. Grant Currency (SDR)
3-Mar-14	30	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 174,766.79	\$ 174,766.79	3-Mar-14	100,914.97
2-May-14	34	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 169,187.00	\$ 169,187.00	2-May-14	101,032.39
12-Jun-14	38	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 138,296.68	\$ 138,296.68	12-Jun-14	84,231.90
31-Jul-14	44	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 96,275.12	\$ 96,275.12	31-Jul-14	59,098.82
25-Aug-14	47	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 76,713.57	\$ 76,713.57	25-Aug-14	46,786.40
21-Oct-14	53	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 152,808.41	\$ 152,808.41	21-Oct-14	89,974.06
29-Dec-14	60	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 188,508.35	\$ 188,508.35	29-Dec-14	106,036.76
				\$ 996,555.92			588,075.30

Note 5
Designated Account
PRIF GRANT TF99624 KI

Date	WA No.	DA No.	Details	WA Amount AU\$	Amount Disbursed by WB	Value Date	Equiv Grant Currency (USD)
28-May-14	20	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 69,976.00	\$ 69,976.00	28-May-14	\$ 64,531.87
12-Jun-14	23	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 97,930.52	\$ 97,930.52	12-Jun-14	\$ 91,692.35
5-Aug-14	26	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 89,485.95	\$ 89,485.95	5-Aug-14	\$ 83,186.14
25-Aug-14	28	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 14,645.53	\$ 14,645.53	25-Aug-14	\$ 13,594.71
21-Oct-14	35	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 28,444.23	\$ 28,444.23	21-Oct-14	\$ 24,988.26
29-Dec-14	40	ANZ Bank - Acct # 861742	Replenishment of expenses	\$ 80,086.59	\$ 80,086.59	29-Dec-14	\$ 65,262.56
				\$ 380,568.82			\$ 343,255.89

TOTAL DRAWDOWNS

	AU\$	SDR
IDA GRANT H6450 KI		
Direct Payments	\$ 6,289,875.57	3,721,261.19
Designated Account Replenishments	\$ 996,555.92	588,075.30
	\$ 7,286,431.49	4,309,336.49
Prior Years drawdown	\$ 6,985,072.34	4,310,648.33
	\$ 14,271,503.83	\$ 8,619,984.82
PRIF GRANT TF99624 KI		
Direct Payments	\$ 1,246,531.75	\$ 1,112,713.46
Designated Account Replenishments	\$ 380,568.82	\$ 343,255.89
	\$ 1,627,100.57	\$ 1,455,969.35
Prior Years drawdown	\$ 1,320,611.34	\$ 1,223,539.21
	\$ 2,947,711.91	\$ 2,679,508.56

KIRIBATI ROADS REHABILITATION PROJECT
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI/ADB LOAN 2718 KIR(SF)
SUMMARY OF GRANT BALANCES AS PER WB STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2014

IDA GRANT H6450 KI

31-Dec-2014



World Bank Monthly Disbursement Summary - December 2014

Country: Kiribati

Project: P122151 Kiribati Road Rehabilitation Project

Summary								
Loan: IDA H6450-001 KI								
The undisbursed balance on 01-Dec-2014:						5,486,002.35		
The total posted in the month of December 2014:						1,105,987.17		
The undisbursed balance on 31-Dec-2014:						4,380,015.18		
Loan status on December 31, 2014:								
Commit Ccy	Total	Cancelled	Net	Disbursed	Undisbursed	Committed	Available	
XDR	13,000,000.00	0.00	13,000,000.00	8,619,984.82	4,380,015.18	0.00	4,380,015.18	
Total Disbursed as Percentage of Net Allocated Amount			66.31 %					

PRIF GRANT TF99624 KI

31-Dec-2014



World Bank Monthly Disbursement Summary - December 2014

Country: Kiribati

Project: P122151 Kiribati Road Rehabilitation Project

Summary								
Loan: TF 99624-001 KI								
The undisbursed balance on 01-Dec-2014:						3,471,417.70		
The total posted in the month of December 2014:						560,926.26		
The undisbursed balance on 31-Dec-2014:						3,110,491.44		
Loan status on December 31, 2014:								
Commit Ccy	Total	Cancelled	Net	Disbursed	Undisbursed	Committed	Available	
USD	5,790,000.00	0.00	5,790,000.00	2,679,508.56	3,110,491.44	0.00	3,110,491.44	
Total Disbursed as Percentage of Net Allocated Amount			46.28 %					

KIRIBATI ROAD REHABILITATION PROJECT (KRRP)
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI/ADB LOAN 2718 KIR(SF)
STATEMENT OF FUNDS PAID BY COMPONENT EXPENDITURE TODATE
For the Year Ended December 31, 2014

Component A

Notes	Expense Item	AU\$	Total AU\$
6	Road Reconstruction IDA	\$ 6,433,740.78	
	Dai Nippon Causeway	\$ 12,300.00	\$ 6,446,040.78
7	Road Reconstruction PRIF	\$ 1,381,088.70	
	Road Safety	\$ 41,484.84	\$ 1,422,573.54
8	Road Reconstruction ADB	\$ 2,908,531.96	
	Construction Design ADB	\$ 1,253,881.47	\$ 4,162,413.43
			<u>\$ 12,031,027.75</u>

Component B

Notes	Expense Item	AU\$	Total AU\$
9	Micro Enterprises (PRIF)		\$ 112,320.64
			<u>\$ 112,320.64</u>

Note 10

Component C

	Expense Item	AU\$	Total AU\$
	Project Management Unit Staff		\$ 806,939.79
	PMU Operation Costs		
	<i>Telecom & Internet</i>	\$ 3,544.36	
	<i>International Travel</i>	\$ 10,085.00	
	<i>Office Supplies</i>	\$ 295.00	
	<i>Fixed Assets</i>	\$ 17,615.25	
	<i>Vehicle Running Costs</i>	\$ 550.00	
	<i>Meetings</i>	\$ 417.50	
	<i>Others</i>	\$ 6,466.85	\$ 38,973.96
			<u>\$ 845,913.75</u>

KIRIBATI ROAD REHABILITATION PROJECT (KRRP)
IDA GRANT H6450 KI/PRIF GRANT T F99624 KI/ADB LOAN 2718 KIR(SF)
STATEMENT OF BALANCES
For the Year Ended December 31, 2014

Note 12

Current Liabilities

	2014	2013
PAYE	\$ 1,138.06	\$ -
Kiribati Provident Fund	\$ 877.40	\$ -
	<u>\$ 2,015.46</u>	<u>\$ -</u>

Note 13

Accounts Payable

	2014	2013
Government No 1 Account	\$ -	\$ 300.00
	<u>\$ -</u>	<u>\$ 300.00</u>

DA BANK BALANCE

Bank Reconciliation at 31 December 2014

	Pooled
Balance per bank statement	\$210,507.80
Less: Unpresented Cheques	
	180499 \$1,372.37
	180592 \$1,940.63
	<u>\$ 3,313.00</u>
	<u>\$207,194.80</u>

FIXED ASSETS REGISTER SUMMARY

Fixed Assets procured under the project are treated as expenses. Generally, equipment and furniture procurement are classified as Fixed Assets, but in some cases the expense account will either reflect the name of the equipment bought, or reflect the heading of the expense account for which the assets have been bought.

All Fixed Assets will remain the property of the client at the end of the project, and as a requirement under the project agreements, all Fixed Assets procurement should be recorded.

This record summarizes the expense account under which the Fixed Assets have been bought and is supported by an actual Fixed Assets Register also attached to the accounts.

	2014	Prior Years	Cumulative
Government of Kiribati	\$ -	\$ 6,145.00	\$ 6,145.00
Fixed Assets Expense	\$ 17,615.25	\$ 15,516.86	\$ 33,132.11
Road Safety Action Plan	\$ -	\$ 20,418.82	\$ 20,418.82
	<u>\$ 17,615.25</u>	<u>\$ 42,080.68</u>	<u>\$ 59,695.93</u>

Notes to the Financial Statements

BACKGROUND

1. The Kiribati Road Rehabilitation Project (KRRP) officially commenced in August 2011, being the date when the IDA grant was made available. The closing date is currently set as 30 June 2016.
2. KRRP is funded jointly by the World Bank (WB; through its International Development Association – IDA), the Pacific Region Infrastructure Facility (PRIF), the Asian Development Bank (ADB) and the Government of the Republic of Kiribati (GoK), as follows:
 - IDA – Grant of Special Drawing Rights (SDR) 13.00 million (with estimated AU\$ equivalent of AU\$ 20.00 million); established through a Financing Agreement signed 5 May 2011.
 - PRIF – Grant of US\$ 5.79 million (with estimated AU\$ equivalent of AU\$ 5.79 million); established through a Financing Agreement signed 30 May 2011.
 - ADB – Loan of SDR 7.62 million (with estimated AU\$ equivalent of AU\$ 12.00 million), established through a Financing Agreement signed 17 March 2011.
 - GoK – contribution of US\$ 1.05 million (with estimated AU\$ equivalent of AU\$ 1.05 million).

GoK funding is provided to co-finance Component A.1 (ii) of KRRP (the causeway), funded from toll revenue.

PRIF has agreed to provide additional funding of US\$13.16m to cover the shortfall in the project costs while the Government of Kiribati pledged to increase its contributions up to US\$7.54m which will be considered a contingency, and used only when there is a need.

OBJECTIVES

3. The objectives of KRRP are to improve the condition of South Tarawa's main road network, and help strengthen road financing and maintenance capacity. There are three Parts to KRRP, as follows:
 - Part A – Reconstruction and/or rehabilitation of certain roads or road segments and associated works (including design and supervision services), along with the requisite safety improvements.
 - Part B –Implementation of a reform program to strengthen the road sector and contribute to more sustainable main road infrastructure in South Tarawa.
 - Part C – Project Support.

PROJECT IMPLEMENTATION & ADMINISTRATION

4. KRRP is implemented under the general oversight, monitoring and supervision of the Project Steering Committee (PSC). A Project Support Team (PST) is being established in Kiribati, to provide project management support to KRRP; it is envisaged that this support will be structured through the Kiribati Fiduciary Services Unit (KFSU), which is being established under the Ministry of Finance and Economic Development (MFED).

5. WB administers both the IDA and PRIF funding. A 'pooled' bank account ("Designated Account") has been established in Kiribati, to include both IDA and PRIF funding. In addition, larger payments under WB-administered funding may be made directly by WB and charged directly to the respective grant, rather than channeled through the Designated Account, in accordance with agreed WB procedures. All ADB funded payments were made, and charged to the loan, directly by ADB.
6. As per the Cost Table, under Part A certain costs are funded by either ADB, IDA or PRIF, with Part A.1(ii) funded jointly by IDA and GoK, and Part A.1(i) funded jointly by ADB, IDA and PRIF; under Part B, certain costs are funded by IDA and others by PRIF, with no joint funding; under Part C, all costs are funded by IDA. Costs are charged to the respective grant or loan in the respective grant or loan currency at exchange rates applied by the funder.

ACCOUNTING POLICY

7. The Financial Statements are prepared by KFSU under the historical cost convention and in accordance with the modified cash basis of accounting; expenditures are charged when paid except:
 - Advances (which are given for approved official purposes only) are charged against a Receivables Account initially, and are charged to expenditure based on advance acquittals with supporting documents; and
 - Payables are taken up for income tax and provident fund liabilities at the time of payment of salaries and are cleared through the settlement of the liabilities to the respective authorities, on a monthly basis.
8. The reporting currency is Australian Dollars (AU\$).
9. Transactions in currencies other than AU\$ are translated into AU\$ using the actual exchange rate applied by the bank (where the transactions are paid from the Designated Account). Where the transactions are paid directly by WB, the XE exchange rate at value date is used to convert the currency in which payment was made to Australian Dollars. For the ADB funding:
 - a. Payments against invoices in AU\$ are converted to AU\$ at 1 : 1
 - b. Payments against invoices in US\$ and GBP are converted to AU\$ based on the exchange rate as per www.xe.com on the value date
10. This is the fourth year of implementation for KRRP and the third set of Financial Statements to be prepared.

KIRIBATI ROAD REHABILITATION PROJECT
IDA GRANT H6450 KI/PRIF GRANT TF99624 KI/ADB LOAN 2718 KIR(SF)
FIXED ASSETS REGISTER
FOR THE PERIOD ENDED 31 DECEMBER 2014

KIRIBATI ROADS REHABILITATION PROJECT (KRRP)
IDA GRANT H742 KI/PRIF GRANT TF12678 KI

Fixed Assets Register: KFSU Office Equipment - funded by Government

Period Ended: December 2014

Item No.	Voucher No.	Supplier	Description	Description (ie Make/Model/Type)	Asset Serial No.	Quantity	Purchase Date	Purchase Price (CNY)	Purchase Price (AUD)	Location / Assigned To	Remarks	
1		Finetech	Computers	Dell Vostro PC with Dell Screen E1911c	9855925	KRRP Computer 2	19-Jul-13			KFSU Office	PC Unit faulty but screen still working	
2		Finetech	Computers	Dell Vostro PC with Dell Screen E1911c	9855925	KRRP Computer 2	19-Jul-13			KFSU Office	PC Unit faulty but screen still working	
3		KOES	Office Furniture	Office Desk		KRRP Desk 1	1-Aug-11		376.00	KFSU Office		
				Office Desk		KRRP Desk 2	1-Aug-11		376.00	KFSU Office		
				Office Desk		KRRP Desk 3	1-Aug-11		376.00	KFSU Office		
4		KOES	Office Equipment	2 Drawer Cabinet		KRRP Cabinet 1	1-Aug-11		320.00	KFSU Office		
				2 Drawer Cabinet		KRRP Cabinet 2	1-Aug-11		320.00	KFSU Office		
				2 Drawer Cabinet		KRRP Cabinet 3	1-Aug-11		320.00	KFSU Office		
5		KOES	Office Furniture	Plastic Chair		KRRP Chair 1	1-Aug-11		31.50	KFSU Office		
				Plastic Chair		KRRP Chair 2	1-Aug-11		31.50	KFSU Office		
				Plastic Chair		KRRP Chair 3	1-Aug-11		31.50	KFSU Office		
				Plastic Chair		KRRP Chair 4	1-Aug-11		31.50	KFSU Office	1 chair missing - most probably mixed up within MFED	
6		KOES	Office Equipment	Aurora Office Calculator		KRRP Calculator 1	1-Aug-11		58.00	KFSU Office		
				Aurora Office Calculator		KRRP Calculator 2	1-Aug-11		58.00	KFSU Office		
7		KOES	Office Equipment	DNI V313w (3 in 1 printer)	CN0GZPR4873418R4P55	KRRP Printer 1	1-Aug-11		480.00	KFSU Office	Printer unit damaged	
		KOES	Office Equipment	Stapler		KRRP Stapler 1	1-Aug-11		43.00	KFSU Office	unit missing	
				Stapler		KRRP Stapler 2	1-Aug-11		43.00	KFSU Office	unit missing	
8		KOES	Office Equipment	Douala Punch		KRRP Punch 1	1-Aug-11		24.50	KFSU Office	1 unit missing	
				Douala Punch		KRRP Punch 2	1-Aug-11		24.50	KFSU Office		
									Total Amount (AUD)	6,146.00		

Fixed Assets Register (Comp O: Operating Costs)

Period Ended: December 2014

Item No.	Voucher No.	Supplier	Description	Description (ie Make/Model/Type)	Asset Serial No.	Quantity	Purchase Date	Purchase Price (CNY)	Purchase Price (AUD)	Location / Assigned To	Remarks	
9		Taodin Electronic & Digital Services	External Hard Disk	Buffalo - HD 1.5TB	551842104055726	KRRP Ext HDD	7-Oct-11		220.00	KFSU Office	KRRP Accountant (unit damaged beyond repair)	
10		Pin Tech	VSAT Internet Satellite	RICS VSAT Internet Satellite System	0	MFED/KRRP VSAT	2-Dec-11			MFED HQ	If Unit - MFED (procurement method to be properly verified)	
11		Kiribati Office Equipment Supplies	Office Furniture	Office Desk	0	KRRP Desk 4	7 Oct-11		370.00	KFSU Office	KRRP Accountant	
12					0	KRRP Desk 5	7-Oct-11		370.00	KFSU Office	KFSU Project Manager	
13		Kiribati Office Equipment Supplies	Office Equipment	Fellowes Quasar 500 Binding Machine	109423 VA 0039973	KRRP Binding Machine	28-Nov-11		557.80	KFSU Office	KFSU Office	
14				Fellowes Versus A3 Laminator	100810YC003495	KRRP Laminating Machine	28-Nov-11		536.20	KFSU Office	KFSU Office	
15		Pin Tech	Computers	Dell PowerEdge R510 Server	00368 272 283 232	KFSU Server	12-Apr-12		4,950.00	MFED HQ	MFED IT Unit	
16		Tenaman	Computers	Lenovo Laptop & Bag	Cb12573636	KRRP Laptop 1	20-Apr-12		1,596.00	KFSU Office	KFSU Office (equipment damaged)	
17		IMBO Electrical Shop	Office Equipment	TCL 128TU Split Air Conditioner		KFSU AC 1	23-Jul-13		1,222.55	KFSU Office	KFSU Office	
18		IMBO Electrical Shop	Office Equipment	TCL 128TU Split Air Conditioner		KFSU AC 2	23-Jul-13		1,222.55	KFSU Office	KFSU Office	
19		Megabay Australia Ltd	Computers	Sony SW 202 Tap 2D	4-466-747-41	KRRP Sony All in One 1	2-Dec-13		1,201.70	KFSU Office	KRRP Accountant	
20		Megabay Australia Ltd	Computers	Sony SW 202 Tap 2D	4-466-747-41	KRRP Sony All in One 2	2-Dec-13		1,201.70	KFSU Office	KFSU Records Officer	
21		Megabay Australia Ltd	Computers	Sony Laptop SVE14427CGH	54506980 0001001	KRRP Laptop 2	2-Dec-13		1,108.19	KFSU Office	KFSU Project Manager	
22		Megabay Australia Ltd	Computers	Sony Laptop SVE14427CGH	54506980 0001245	KRRP Laptop 3	2-Dec-13		1,108.19	KFSU Office	KFSU Procurement Officer	
23		Patrick Mannix (Taojin Electronics)	Table Fan			KRRP Table Fan 1	26-Mar-14		49.00	PST Office - MPWU	KRRP Technical Advisor	
24		Megabay Australia Ltd	Office Equipment	Epson DS 7000 Scanner (plus freight)		KRRP Scanner 1	27-Mar-14		7,518.25	KFSU Office	KFSU Office	
25		Mr Copy Solution	Office Equipment	Ricoh Heavy duty copier/printer		KRRP Ricoh Copier/Printer	18-Jun-14		8,900.00	KFSU Office	KFSU Office	
26		IMBO Electrical Shop	Office Equipment	TCL 128TU Split Air Conditioner		KRRP AC 3	2-Dec-14		1,150.00	PST Office - MPWU	KRRP Technical Advisor	
									Total Amount (AUD)	33,122.11		

Fixed Assets Register: (Component B - Road Safety Action Plan)

Period Ended: December 2014

Item No.	Voucher No.	Supplier	Description	Description (ie Make/Model/Type)	Asset Serial No.	Quantity	Purchase Date	Purchase Price (CNY)	Purchase Price (AUD)	Location / Assigned To	Remarks	
1		Armour Safety NZ Ltd	High Visibility Vests	High Visibility Vests for kids		100	1-Feb-12		984.94	Ministry of Education	MOE to be used as road safety teaching aids for school children - PV & Invoice missing	
2		Active Safety NZ Ltd	Road Cones	Reflective Road Cones		50	10-Feb-12		1,158.38	Giriba Police Service	Kiribati Police Headquarters - to be used by Traffic Unit.	
3		New Zealand Police	High Visibility Vests	High Visibility Vests		20	22-Feb-12		1,266.40	Giriba Police Service	Kiribati Police Headquarters - to be used by Traffic Unit.	
4		Sheldon Hammond - Australia	Rechargeable Torches	Maglite ML12S LED Torch		16	28-Mar-12		2,994.96	Giriba Police Service	Kiribati Police Headquarters - to be used by Traffic Unit.	
5		Applied Concepts - Dallas TX, USA	Traffic Radar Guns	Stalker II with accessories		8	5-Apr-12		14,016.34	Giriba Police Service	Kiribati Police Headquarters - to be used by Traffic Unit.	
									Total Amount (AUD)	20,416.02		