

Audited Project Financial Statements

Project Number: 42334-018
Loan/Grant Number: 3678/0581
Period covered: 29 August 2018 – 31 December 2019

Cambodia: Rural Roads Improvement Project III

Prepared by Ministry of Rural Development

For the Asian Development Bank
Date accepted by ADB: 27 July 2020

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 Access to Information Policy and as agreed between ADB and the Ministry of Public Works and Transport.

**ROYAL GOVERNMENT OF CAMBODIA
MINISTRY OF RURAL DEVELOPMENT**

Rural Roads Improvement Project III

**ADB Loan No. 3678 – CAM (COL) and
ADB Grant No. 0581 – CAM (SF)**

**Financial Statements
and Statement of Compliance
for the period from 29 August 2018
to 31 December 2019**

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

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PART I
Financial Statements
for the period from 29 August 2018
to 31 December 2019
and
Report of the Independent Auditors



MINISTRY OF RURAL DEVELOPMENT
RURAL ROADS IMPROVEMENT PROJECT-III

No:.....RRIP-III/MRD

Statement by the management

I, the undersigned, do hereby state that in my opinion, the accompanying financial statements, which comprise the statement of financial position as at 31 December 2019 and the statement of receipts and expenditure and statement of advance account for the period from 29 August 2018 to 31 December 2019 and notes as set out on pages 5 to 20 of the Rural Roads Improvement Project III ('the Project'), funded by the Asian Development Bank Loan 3878 – CAM (COL) and ADB Grant No. 0581 – CAM (SF) and implemented by the Ministry of Rural Development ('MRD', 'the Executing Agency' or 'EA') are prepared, in all material respects, in accordance with the basis of accounting and the accounting policies described in Note 2 to the financial statements.

On behalf of the Project's management:

Dr. Chan Darong
Project Director
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020



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Report of the independent auditors To the Ministry of Economy and Finance Royal Government of Cambodia

Opinion

We have audited the accompanying financial statements of the Rural Roads Improvement Project III ("the Project"), under the Asian Development Bank Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF), and implemented by the Ministry of Rural Development ("MRD", "the Executing Agency" or "EA"), which comprises the statement of financial position as at 31 December 2019 and the statement of receipts and expenditure and statement of advance account for the period from 29 August 2018 to 31 December 2019 and notes, comprising significant accounting policies and other explanatory information ("financial statements"), as set out on pages 5 to 20.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the basis of accounting and the accounting policies as described in Note 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Project in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2 to the financial statements, which describes the basis of accounting and the accounting policies adopted by the Project. The financial statements are prepared for the information of and use by the management of the Project, the Ministry of Economy and Finance ("MEF") and the Asian Development Bank ("ADB"). As a result, the financial statements may not be suitable for another purpose. Our audit report is intended solely for the management of the Project, MEF and ADB and should not be used by or distributed to other parties. This restriction on use does not limit the disclosure or distribution of our report, if such disclosure or distribution is required by laws and regulations. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting and the accounting policies described in Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the EA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Project's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 CSAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 EA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the EA to cease to continue as a going concern.

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.

For KPMG Cambodia Ltd.



Taing YoukFong
Partner

Phnom Penh, Kingdom of Cambodia

12 June 2020

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Statement of financial position as at 31 December 2019

	Note	As at 31 December 2019 US\$
Current assets		
Cash on hand		968
Cash in banks	3	179,845
Advances	4	389,068
		<u>569,881</u>
Represented by:		
Fund balance at the end of the period		<u>569,881</u>



Dr. Chan Darong
Project Director
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020



Mr. Nhem Sopheak
Finance Officer
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

The accompanying notes form an integral part of these financial statements.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SF)


Statement of receipts and expenditure for the period from 29 August 2018 to 31 December 2019

		Period from 29 August 2018 to 31 December 2019			
	Note	ADB Loan No. 3678 US\$	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Receipts					
Asian Development Bank	5	1,148,968	379,702	-	1,528,670
Other income		-	-	1,400	1,400
		<u>1,148,968</u>	<u>379,702</u>	<u>1,400</u>	<u>1,530,070</u>
Expenditure by disbursement category and financier					
	6				
Civil works	7	-	258,415	-	258,415
Goods and equipment	8	88,110	-	-	88,110
Consulting services	9	588,511	-	-	588,511
Incremental administrative costs	10	19,187	-	1,400	20,587
Interest charge		<u>4,566</u>	<u>-</u>	<u>-</u>	<u>4,566</u>
		<u>700,374</u>	<u>258,415</u>	<u>1,400</u>	<u>960,189</u>
Excess of receipts over expenditure/Fund balance at end of the period					
		<u>448,594</u>	<u>121,287</u>	<u>-</u>	<u>569,881</u>


Dr. Chan Darong
Project Director
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020


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Finance Officer
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Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

The accompanying notes form an integral part of these financial statements.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SP)

Statement of advance account

for the period from 29 August 2018 to 31 December 2019

		Period from 29 August 2018 to 31 December 2019		
		ADB Loan No. 3678	ADB Grant No. 0581	Total
	Note	US\$	US\$	US\$
Receipts				
Asian Development Bank		288,110	-	288,110
Expenditure by disbursement category and financiers				
Goods and equipment	8	88,110	-	88,110
Incremental costs	10	19,187	-	19,187
Excess of receipts over expenditure/ Fund balance at end of the period		<u>180,813</u>	<u>-</u>	<u>180,813</u>
Represented by:				
Cash on hand		968	-	968
Cash at bank	3	179,845	-	179,845
		<u>180,813</u>	<u>-</u>	<u>180,813</u>



Dr. Chan Derong
Project Director
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020



Mr. Nhem Sopheak
Finance Officer
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

The accompanying notes form an integral part of these financial statements.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements

for the period from 29 August 2018 to 31 December 2019

These notes form an integral part of, and should be read in conjunction with, the accompanying financial statements.

1. Background and activities

The Rural Roads Improvement Project III ("the Project") was established under the Loan Agreement No. 3678 – CAM (COL), and Grant Agreement No. 0581 – CAM (SF), signed on 29 June 2018 between the Asian Development Bank ("ADB") and the Royal Government of Cambodia ("RGC") (represented by the Ministry of Economy and Finance).

The financing agreements became effective for implementation on 29 August 2018 and the closing date is expected to be completed on 30 June 2026.

ADB approved the captioned loan and grant on 29 June 2018 including US\$58.5 million from ordinary capital resources (concessional loan) and US\$1.5 million from special funds resources (Asian Development Fund grant). The project will rehabilitate about 360 kilometers (km) of rural roads in five provinces (Kampong Cham, Kratie, Prey Veng, Svay Rieng, and Tboung Khmum) to paved condition. The rehabilitated roads will provide poor rural provinces with a safer, disaster- and climate-resilient rural road network with all-year access to markets and other social services. The Project will continue to support the sustainability of the rural road network through (i) a rural road maintenance regime in the MRD; and (ii) a community-based road safety program.

The Ministry of Rural Development ("MRD") is the Project's Executing Agency ("EA") and is responsible for the overall technical supervision and execution of the Project. The Project Management Unit ("PMU") was established by MRD to implement and supervision the Project's activities.

The Project comprises the following outputs

Output 1: Rural Roads Improvements

The Project will rehabilitate 22 roads, about 360 km in total, to disaster-resilient paved condition and reduce the average roughness of project roads. MRD plans to increase social and environmental officer ("SEO") from 7 to 11 and engage consultants from ODIS Consultants GmbH to implement this output.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3878 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

1. Background and activities (continued)

Output 2: Rural Roads Asset Management

Under this output, MRD will increase the annual operation and maintenance budget for the Project roads to a sufficient level which will keep the reasonable quality of the roads. PDRDs need to conduct routine maintenance and budgetary support needs to be adequately allocated for maintaining already paved rural roads. The Project will also install overload control gates to curtail overloaded and oversized trucks for effective axle load control.

Output 3: Rural Road Safety and Community Awareness Program

Under this output

- (a) Community residents will improve their knowledge and understanding of road safety measures;
- (b) Community residents and contractors' personnel will improve their HHTPP awareness; and
- (c) SEO will establish a sex-disaggregated baseline socioeconomic database and receive training on designing and conducting a socioeconomic survey. A sex-disaggregated baseline socioeconomic survey of beneficiaries will be conducted by ODIS consultant.

All three outputs are gender sensitive and have relevant gender indicators. The labor gender action plan (LGAP) describes the gender-related activities. SEO will implement the LGAP for the overall project with support from ODIS consultants.

Export-Import Bank of Korea (KEXIM) will finance the rehabilitation of other 38 rural roads, about 364 km in total, under the RRIP III as a collaborative co-financier. An MOU on collaborative co-financing between ADB and KEXIM with respect to the RRIP III was concluded on 19 December 2018. The KEXIM loan on RRIP III was signed with the government on 14 March 2019.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)

for the period from 29 August 2018 to 31 December 2019

1. Background and activities (continued)

The table below sets forth the categories of items of expenditure to be financed out of the proceeds of the ADB Loan No. 3678 – CAM (COL), ADB Grant No. 0581 – CAM (SF) and RGC financing and the allocation of amounts of the loan to each such category:

No.	Item	ADB Loan No. 3678 – CAM (COL)		ADB Grant No. 0581 – CAM (SF)		Total (US\$)
		Amount Allocated (US\$)	Basis for Withdrawal	Amount Allocated (US\$)	Basis for Withdrawal	
1	Civil works	36,000,000	100% of total expenditure claimed	1,500,000	100% of total expenditure claimed	41,100,000
2	Goods and equipment	250,000	100% of total expenditure claimed	-	Not applicable	250,000
3	Consulting services	3,440,000	100% of total expenditure claimed	-	Not applicable	3,440,000
4	Incremental administrative cost	1,280,000	100% of total expenditure claimed	-	Not applicable	1,280,000
5	Interest charge	1,330,000	100% of amount due	-	Not applicable	1,330,000
6	Land acquisition and resettlement	-	Not applicable	-	Not applicable	-
7	Unallocated	12,540,000	100% of total expenditure claimed	-	Not applicable	12,540,000
	Total	58,500,000		1,500,000		60,000,000

(*) The government will finance taxes and duties through exception and/or cash contribution and cash contribution for other costs.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)

for the period from 29 August 2018 to 31 December 2019

2. Significant accounting policies

(a) Basis of accounting

The financial statements, which are expressed in the United States Dollars ("US\$"), have been prepared in accordance with a modified cash receipts and disbursements basis of accounting. This is a basis of accounting that is designed to meet the requirements of the Project; it is not designed to produce financial statements that are compatible with International Financial Reporting Standards. Under this basis of accounting, income is recognised when funds are received in cash and expenditure is recognised when payments are made rather than when it is incurred, except for the advanced payments made to suppliers that are initially recognised as a receivable and only recognised as expenditure when they have been liquidated by supporting invoices.

The financial statements are prepared for the information of and use by the Donor and management of the Project. As a result, the financial statements may not be suitable for another purpose.

(b) Statement of advance account

The statement of advance account is prepared in accordance with the Loan and Grant Agreements and is purely used to receive and disburse for expenditure financed by the ADB loan and grant proceeds.

(c) Non-expendable equipment

The cost of non-expendable equipment is charged to the statement of receipts and expenditure and statement of imprest account upon acquisition. For control and management purposes, a memorandum account for non-expendable equipment is maintained by way of a non-expendable equipment listing.

(d) Interest charge

The interest charge by the ADB is accounted for in the statement of receipts and expenditure as receipts and corresponding expenditure.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

2. Significant accounting policies (continued)

(e) Foreign currency transactions

The Project transacts its operations and maintains its accounting records primarily in United States Dollars ("US\$"). Transactions in currencies other than US\$ are converted into US\$ at the rates of exchange prevailing on the transaction dates.

Cash and bank balances in currencies other than US\$ are translated into US\$ at the open market rates of exchange at the year-end date. All foreign exchange differences are recognised in the statement of receipts and expenditure, and the statement of imprest account.

(f) In-kind contribution

All in-kind contribution from RGC to the Project is not accounted for in the statement of receipt and expense and statement of advance account.

3. Cash at bank

	31 December 2019			
	ADB Loan No. 3678 US\$	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Cash at bank	179,845	-	-	179,845

This represents bank balance maintained in a separate bank account with the National Bank of Cambodia ("NBC").

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

4. Advances

	31 December 2019			
	ADB Loan No. 3678 US\$	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Korea Consultant International Co., Ltd.	169,614	-	-	169,614
Ung Simsia Construction Co., Ltd.	98,167	121,287	-	219,454
	<u>267,781</u>	<u>121,287</u>	<u>-</u>	<u>389,068</u>

5. Receipts

	Period from 29 August 2018 to 31 December 2019			
	ADB Loan No. 3678	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Direct payment (*)	860,858	379,702	-	1,240,560
Advance account (**)	288,110	-	1,400	289,510
	<u>1,148,968</u>	<u>379,702</u>	<u>1,400</u>	<u>1,530,070</u>

(*) Direct payments represent payments made by ADB directly to the suppliers on behalf of the Project.

(**) The statement of advance account is prepared in accordance with the Loan and Grant Agreement, and is purely used to receive and disburse for expenditure financed by the ADB loan and grant proceeds.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

6. Expenditure by disbursement category and financiers

Particulars	ADB Loan No. 3678 – CAM (COL)		ADB Grant No. 0581 – CAM (SF)		RGC		Total
	Actual expenditure	%	Actual expenditure	%	Actual expenditure	%	
	US\$		US\$		US\$		US\$
Civil works	-	-	258,415	100.00	-	-	258,415
Goods and equipment	88,110	100.00	-	-	-	-	88,110
Consulting services	588,511	100.00	-	-	-	-	588,511
Incremental administrative costs	19,187	93.20	-	-	1,400	6.80	20,587
Interest charge	4,566	100.00	-	-	-	-	4,566
Total payments – for the period from 29 August 2018 to 31 December 2019	700,374	72.94	258,415	26.91	1,400	0.15	960,189
% of total project costs – for the period from 29 August 2018 to 31 December 2019	1.17%		0.43%		0.00%		1.60%

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

7. Civil works

	Period from 29 August 2018 to 31 December 2019			
	ADB Loan No. 3678	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Ung Simsia Construction Co., Ltd.	-	258,415	-	258,415

During the period, the payments made for civil works were directly made by the ADB to contractor.

8. Goods and equipment

	Period from 29 August 2018 to 31 December 2019			
	ADB Loan No. 3678	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Vehicles	76,500	-	-	76,500
Office equipment	11,610	-	-	11,610
	88,110	-	-	88,110

All payments on goods and equipment during the period were made through advance account

9. Consulting services

	Period from 29 August 2018 to 31 December 2019			
	ADB Loan No. 3678	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Korea Consultants International Co., Ltd.	588,511	-	-	588,511

During the period, the payments made for consulting services were directly made by the ADB to contractor.

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

10. Incremental administrative costs

	Period from 29 August 2018 to 31 December 2019			
	ADB Loan No. 3678	ADB Grant No. 0581 US\$	RGC US\$	Total US\$
Food and accommodation	11,580	-	-	11,580
Transportation cost	5,547	-	-	5,547
Fuel and lubricants	440	-	-	440
Printing	-	-	536	536
Meeting and SEO training	794	-	-	794
Advertisement	485	-	864	1,349
Courier service charge	341	-	-	341
	<u>19,187</u>	<u>-</u>	<u>1,400</u>	<u>20,587</u>

11. Statement of disbursement

Details of statement of disbursement from ADB fund are as follows:

		Period from 29 August 2018 to 31 December 2019 US\$
ADB fund claims during the period		
Direct payments		1,240,560
Advance account		<u>288,110</u>
Sub-total	(A)	<u>1,528,670</u>
Total expenditure made during the period	(B)	980,189
Expenditure made out of Government Counterpart fund	(C)	(1,400)
Expenditure not yet claimed during the period	(D)	(19,187)
Advance made to contractors during the period, not yet recorded as expenditure	(E)	385,068
Initial advance remains unused	(F)	<u>200,000</u>
Total eligible expenditure claimed (G=A-B+C+D+E+F)	(G)	<u>1,528,670</u>

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

12. Expenditure commitments

As at 31 December 2019, the Project had the following expenditure commitments:

	As at 31 December 2019 US\$
Contracted, but not yet paid:	
Civil works	2,003,800
Consulting services	2,834,175
	<u>4,837,975</u>

13. In-kind contribution

The Project's management has identified and calculated in-kind contribution from the RGC to the Project based on the MEF's guideline as follows:

	Period from 29 August 2018 to 31 December 2019 US\$
Office space	13,200
Utilities (electricity and water)	3,000
Salaries of project staff	103,216
Taxation	
Civil works	25,841
Consulting services	82,378
Goods and equipment	8,811
	<u>238,446</u>

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)

for the period from 29 August 2018 to 31 December 2019

14. Statement of withdrawal

Withdrawal application number	Date	Currency	Initial advance	Civil works	Good and equipment	Consulting services	Incremental administrative costs	Interest charge	Advance	Total
ADB Loan No. 3678 – CAM (COL)										
Direct payment										
00002	30-May-18	US\$	-	-	-	359,230	-	-	-	359,230
00003	8-Jun-18	US\$	-	-	-	-	-	-	88,187	88,187
00004	7-Oct-18	US\$	-	-	-	-	-	-	139,581	139,581
00006	5-Dec-19	US\$	-	-	-	279,314	-	-	-	279,314
Sub-total (A)			-	-	-	618,544	-	-	237,748	856,292
Interest charge										
6160	15-Dec-19	US\$	-	-	-	-	-	3,828	-	3,828
616A	15-Jun-19	US\$	-	-	-	-	-	990	-	990
Sub-total (B)			-	-	-	-	-	4,818	-	4,818
Forecast amount										
00001	22-Jan-19	US\$	200,000	-	-	-	-	-	-	200,000
00005	12-Nov-18	US\$	-	-	88,110	-	-	-	-	88,110
Sub-total (C)			-	-	88,110	-	-	-	-	88,110
ADB Grant No. 0581 – CAM (SF)										
00001	8-Jun-19	US\$	-	-	-	-	-	-	150,000	150,000
00002	12-Nov-18	US\$	-	229,702	-	-	-	-	-	229,702
Sub-total (D)			-	229,702	-	-	-	-	-	229,702
Total (E=A+B+C+D)		US\$	200,000	229,702	88,110	618,544	-	4,818	387,748	1,628,670

Dr. Hnin Darong

Project Director

Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

Mr. Nhem Sopheak

Finance Officer

Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

Ministry of Rural Development

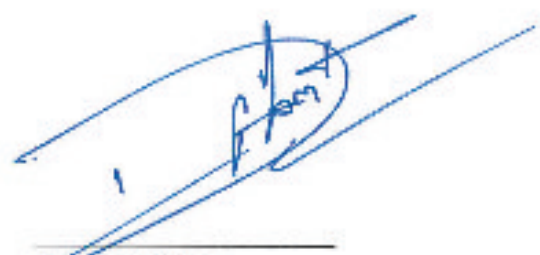
Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

15. Statement of budget versus actual expenditure


Description	Period from 29 August 2018 to 31 December 2019			
	Budget	Actual	Variance	
	(Unaudited)			
	US\$	US\$	US\$	%
Investment				
Civil works	250,000	258,415	8,415	3%
Goods and equipment	100,000	88,110	(11,890)	-12%
Consulting services	630,000	588,511	(41,489)	-7%
Incremental administrative costs	20,000	20,587	587	3%
Interest charge	10,000	4,506	(5,494)	-54%
Total	1,010,000	960,189	(49,811)	-6%



Mr. Chan Darong
Project Director
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020



Mr. Nhem Sopheak
Finance Officer
Ministry of Rural Development

Phnom Penh, Kingdom of Cambodia

Date: 12 June 2020

Ministry of Rural Development

Rural Roads Improvement Project III

ADB Loan No. 3678 – CAM (COL) and ADB Grant No. 0581 – CAM (SF)

Notes to the financial statements (continued)
for the period from 29 August 2018 to 31 December 2019

16. Comparative figures

There are no comparative figures as this is the first set of financial statements prepared since the commitment of the Project.
