

Audited Project Financial Statements

Project Number: 43309-013

Loan/Grant Number: Loan 2839/8254/3442 and Grant 0278

Period covered: 1 January 2017 to 31 December 2017

CAM: Provincial Roads Improvement Project

Prepared by: Ministry of Economy and Finance

For the Asian Development Bank

Date received by ADB: 15 June 2018

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 Economy and Finance

**ROYAL GOVERNMENT OF CAMBODIA
MINISTRY OF PUBLIC WORKS AND TRANSPORT**

Provincial Roads Improvement Project

ADB Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF),
Loan No. 8254-CAM (SCF), and Grant No. 0278-CAM (SCF)

**Financial Statements
for the year ended 31 December 2017
and
Report of the Independent Auditors**



Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

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* *The appendix does not form part of the audited financial statements and is provided for information purpose only.*

Statement by the management

We, the undersigned, do hereby state that in our opinion:

- a) The accompanying financial statements, which comprise the statement of financial position as at 31 December 2017, the statement of receipts and expenditure and the statement of imprest accounts for the year then ended, and notes as set out on pages 5 to 31 of the Provincial Roads Improvement Project ("the Project"), funded by the Asian Development Bank Loan No. 3442-CAM (SF), Loan No 2839-CAM (SF), Loan No. 8254-CAM (SCF) and Grant No. 0278-CAM and implemented by the Ministry of Public Works and Transport ("MPWT" or "the Project Implementing Unit" or "PIU") 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.
- b) The disbursements shown in the financial statements were implemented according to the loan and grant agreements and the Project was in compliance with all loan and grant covenants of the agreements for the year ended 31 December 2017.

On behalf of the management,



H.E. Pheng Sovicheano
Project Director, PMU3
Secretary of State
Ministry of Public Works and Transport



H.E. Nhean Leng
Chairman of Inter Ministerial resettlement
Committee
Ministry of Economy and Finance

Phnom Penh, Kingdom of Cambodia

Date: 12 JUN 2018



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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 Provincial Roads Improvement Project ("the Project"), funded by the Asian Development Bank Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF) and Grant No. 0278-CAM (SCF), and implemented by the Ministry of Public Works and Transport ("MPWT" or "the Project Implementing Unit" or "PIU"), which comprise the statement of financial position as at 31 December 2017, the statement of receipts and expenditure and the statement of imprest accounts for the year then ended and notes, comprising significant accounting policies and other explanatory information ("financial statements"), as set out on pages 5 to 31.

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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Appendix, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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, and the Asian Development Bank. 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, the Ministry of Economy and Finance, and the Asian Development Bank and should not be used by other parties. 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 PIU'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 CISAs 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 CISA's, 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 PIU'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 PIU 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 2018

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Statement of financial position as at 31 December 2017

	Note	As at 31 December 2017 US\$	As at 31 December 2016 US\$
Current assets			
Cash on hand		12	396
Cash at banks	3	1,018,909	574,545
Due from other project	4	100,000	300,000
Advances	5	5,308,337	5,247,748
Due from Government Counterpart fund ("RGC")		1,400	-
		<u>6,428,658</u>	<u>6,122,689</u>
Current liability			
Due to ADB imprest account		1,400	-
Net assets		<u>6,427,258</u>	<u>6,122,689</u>
Represented by:			
Fund balance at end of the year		<u>6,427,258</u>	<u>6,122,689</u>

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

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Statement of receipts and expenditure for the year ended 31 December 2017

	Note	Year ended 31 December 2017 US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
Receipts				
Asian Development Bank	6(a)	11,702,354	7,149,510	34,944,661
Government Counterpart Fund	6(b)	3,325,788	1,506,836	8,623,179
		<u>15,028,142</u>	<u>8,656,346</u>	<u>43,567,840</u>
Expenditure by disbursement category and financiers				
	7			
Civil works	8	10,565,660	6,348,543	23,515,435
Equipment	9	461,628	1,650	463,278
Consulting services	10	1,474,702	1,247,218	7,881,113
Incremental administrative costs	11	176,553	181,719	648,652
Resettlement cost	12	1,857,905	1,594,204	4,223,125
Service charges		-	-	148
Interest charge		187,125	124,104	408,831
		<u>14,723,573</u>	<u>9,497,438</u>	<u>37,140,582</u>
Excess/(deficit) of receipts over expenditure		304,569	(841,092)	<u>6,427,258</u>
Fund balance at beginning of the year		6,122,689	6,963,781	
Fund balance at end of the year		<u>6,427,258</u>	<u>6,122,689</u>	

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

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Statement of imprest accounts for the year ended 31 December 2017

	Note	Year ended 31 December 2017 US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
Receipts				
Asian Development Bank	6(a)	210,112	163,288	899,790
Expenditure by disbursement category and financiers	7			
Equipment		-	1,650	1,650
Consulting services	10	20,567	36,868	270,137
Incremental administrative costs	11	150,162	153,396	549,789
		170,729	191,914	821,576
Excess/(deficit) of receipts over expenditure		39,383	(28,626)	78,214
Fund balance at beginning of the year		38,831	67,457	
Fund balance at end of the year		78,214	38,831	
Represented by:				
Cash on hand		12	396	
Cash at bank	3	76,802	38,435	
Due from Government Counterpart Fund ("RGC")	4	1,400	-	
		78,214	38,831	

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

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF), and Grant No. 0278-CAM (SCF)

Notes to the financial statements for the year ended 31 December 2017

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

1. Background and activities

Provincial Roads Improvement Project ("the Project") was established under the Loan No. 2839-CAM (SF) ("the Loan") signed on 21 February 2012 between the Royal Government of Cambodia ("RGC") represented by the Ministry of Economy and Finance ("MEF") and the Asian Development Bank ("ADB"). The loan committed by the ADB is equivalent to 33,008,000 Special Drawing Rights ("SDR") or US\$52 million with the loan effective date on 2 August 2012 based on the approval letter from ADB dated 6 August 2012 after MEF fulfill the compliance of required three conditions for loan effectiveness to ADB. The Ministry of Public Works and Transport will be the implementing agency.

The principal amount of the loan is repayable in semi-annual instalments payable on each 15 February and 15 August commencing on 15 February 2020 and ending on 15 August 2043. An interest rate of 1% per annum during the period prior to the payment of the first principal amount of the loan, and 1.5% per annum, thereafter, on the amount of loan withdrawn from the ADB and outstanding balance from time to time. The interest charge and other charges on the loan shall be payable semi-annually on 15 February and 15 August in each year. The original loan closing date for the Project was on 30 September 2017 and subsequently has been extended under approval of ADB to 31 December 2018.

The International Bank for Reconstruction and Development, through Asian Development Bank acting in its capacity as an implementing agency of Strategic Climate Fund ("ADB SCF"), agreed to grant a Loan No. 8254-CAM (SCF) ("the Loan") amounting to US\$10 million signed on 21 February 2012 to the Project through the MEF. The principal amount is repayable over 60 semi-annual instalments commencing on 15 February 2022. The loan shall pay with a service charge of 0.1% per annum. The service charge on the loan shall be payable semi-annually on 15 February and 15 August in each year.

In addition, according to the Grant Agreement dated 21 February 2012 between the Kingdom of Cambodia ("Recipient") and ADB, acting not in its individual capacity but solely in its capacity as an implementing entity of the Strategic Climate Fund, ADB SCF agreed to make available fund to the Recipient of US\$7 million upon the terms and conditions set out in the Grant Agreement to support the Project.

The RGC will contribute about US\$9.8 million equivalent (about 12.4% of total project costs) which will cover local taxes, duties, land acquisition and resettlement cost, and contingency.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

1. Background and activities (continued)

The objectives of the Project are to provide safe, cost effective, all-year access in the road network of provincial agricultural areas of the Project.

The Project shall comprise:

- a. Rehabilitation of Project roads and a cross-border facility at Prey Var, Svay Rieng*
 - (i) Rehabilitating a part of NR 13 and NR 314D to climate resilient paved condition;
 - (ii) Constructing a new cross-border facilities ("CBF") at Prey Var, Svay Rieng; and
 - (iii) Rehabilitating a part of NR 150B, NR 53 and NR 151B to climate resilient paved condition.
- b. Improvement of MPWT's road asset management*
- c. Increased road safety, institutional efficiency, and awareness of potential social problems through*
 - (i) a community-based road safety awareness program in line with the national program;
 - (ii) an HIV/AIDS and Human Trafficking Prevention Program for the Project; and
 - (iii) a sex-disaggregated baseline socioeconomic survey of beneficiaries.
- d. Increased resilience of Project roads to climate change*
 - (i) Managing climate change impacts through civil works adjustments, hazard mapping, green or ecosystem based measures, and policy and planning activities; and
 - (ii) Developing emergency management planning for Project roads and planning water capture and storage systems.
- e. Efficient project management*

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

1. Background and activities (continued)

Funding of the Project by the ADB according to the allocation and withdrawal of the loan proceeds based on the approved financing allocation of fund by ADB dated 21 February 2012 is as follows:

Category	Amount of the loan allocated (expressed in SDR equivalent)	Percentage of expenditures financing
Civil works		
Improvement of National Road No. 13 (62.4 Km)	9,160,000	71%
Improvement of National Road No. 314D (25.6 Km) and CBF at Prey Var and Svay Rieng	5,891,000	74%
Improvement of National Road No. 150B, 53 and 151B (69.6 Km)	6,690,000	68%
Equipment	394,000	100%*
Consulting services		
Detail design and implementation supervision	3,479,000	80%*
Road asset management program	425,000	100%*
HIV awareness and prevention program	184,000	100%*
Incremental administrative costs		
Project management	1,060,000	87%
Priority operating cost	241,000	100%*
Interest charge	698,000	100%
Unallocated	4,786,000	
Total	33,008,000	

* Exclusive of taxes and duties imposed within the territory of the Kingdom of Cambodia.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF), and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

1. Background and activities (continued)

Allocation and withdrawal of loan and grant proceeds from the ADB SCF based on the approved financing allocation of funds by ADB dated 21 February 2012 are as follows:

Loan No. 8254-CAM (SCF)

Category	Amount of the loan allocated US\$ equivalent	Percentage of expenditure financing
Civil works		
Improvement of National Road No. 13 (62.4 Km)	3,430,000	17%
Improvement of National Road No. 314D (25.6 Km) and CBF at Prey Var and Svay Rieng	1,500,000	12%
Improvement of National Road No. 150B, 53 and 151B (69.6 Km)	2,320,000	15%
Consulting services	1,270,000	20%*
Service charge	20,000	100%
Unallocated	1,460,000	
Total	10,000,000	

Grant No. 0278-CAM (SCF)

Category	Amount of the grant allocated US\$ equivalent	Percentage of expenditure financing
Civil works		
Improvement of National Road No. 150B, 53 and 151B (69.6 Km)	860,000	6%
Climate resilience work	2,770,000	87%
Consultants services for climate resilience	2,280,000	100%*
Unallocated	1,090,000	
Total	7,000,000	

*: Exclusive of taxes and duties imposed within the territory of the Kingdom of Cambodia.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

2. Significant accounting policies

(a) Basis of accounting

The financial statements, which are expressed in 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, receipt is recognised when funds are received in cash and expenditure is recognised when expenditure are made rather than when it is incurred, except for the treatment of the followings:

- (i) Advances made to suppliers and contractors are initially recognised as a receivable and only recognised as expenditure when they have been liquidated by supporting invoices; and
- (ii) Due from/(to) Government Counterpart Fund/other Projects is recognised as receivables/ payables until they are settled.

(b) Statement of imprest accounts

The statement of imprest accounts 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 accounts 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) Foreign currency transactions

The Project executes transactions and maintains its accounting records primarily in 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, advances, due to/from RGC/other projects 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 accounts.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

3. Cash at banks

	As at 31 December 2017 US\$	As at 31 December 2016 US\$
Imprest accounts - Government Counterpart Fund	10,131	12,277
Imprest accounts - ADB	76,802	38,435
Resettlement fund - Government Counterpart Fund	931,976	523,833
	<u>1,018,909</u>	<u>574,545</u>

4. Due from other project

This represents the amounts due from another project – AC8624 "Stung Chikreng Water Resources Development Project", under Inter-Ministrial Resettlement ("IRC") of the Ministry of Economy and Finance for which Royal Government of Cambodia ("RGC") is responsible. As at the date of this report, the whole amounts have not been reimbursed to the Project.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued)
for the year ended 31 December 2017

5. Advances

	As at 31 December 2017					As at 31 December 2016 Total US\$
	ADB Loan 3442 US\$	ADB Loan 2839 US\$	ADB Loan 8254 US\$	Grant 0278 US\$	RGC US\$	Total US\$
Civil works:						
Gumkang Construction Co., Ltd	-	1,066,381	235,221	94,093	166,003	1,561,698
Sinohydro Corporation Limited	-	2,226,725	476,848	-	360,239	3,063,812
Tan Kim Eng	454,168	-	-	-	56,302	510,470
	454,168	3,293,106	712,069	94,093	582,544	5,135,980
Consulting services:						
Egist International – MPWT	-	-	-	-	-	1,364
Social Development	-	-	-	-	-	-
Consultant ("SDC") – Resettlement	-	-	-	-	172,357	172,357
	-	-	-	-	172,357	172,357
	454,168	3,293,106	712,069	94,093	754,901	5,308,337
						5,247,748

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF), and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

6. Receipts

(a) Asian Development Bank

	Note	Year ended 31 December 2017 US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
ADB Loan No. 3442-CAM (SF)				
Direct payments	(i)	569,015	-	569,015
ADB Loan No. 2839-CAM (SF)				
Direct payments	(i)	8,083,975	5,339,857	24,822,879
Transfers from first generation imprest accounts	(ii)	210,112	163,288	899,790
Interest charge		183,112	121,405	399,868
		<u>8,477,199</u>	<u>5,624,550</u>	<u>26,122,537</u>
ADB Loan No. 8254-CAM (SCF)				
Direct payments	(i)	1,704,010	1,198,693	5,461,742
Interest charge		4,013	2,699	8,963
		<u>1,708,023</u>	<u>1,201,392</u>	<u>5,470,705</u>
ADB Grant No. 0278-CAM (SCF)				
Direct payments	(i)	948,117	323,568	2,782,404
		<u>11,702,354</u>	<u>7,149,510</u>	<u>34,944,661</u>

(i) These represents direct payments made during the year by ADB Loan No. 3442-CAM (SF), ADB Loan No. 2839-CAM (SF), ADB Loan No. 8254-CAM (SCF), and ADB Grant No. 0278-CAM (SCF) directly to suppliers on behalf of the Project.

(ii) Receipts from the Asian Development Bank for Loan No. 2839-CAM (SF) were paid into the first generation imprest accounts held at the Ministry of Economy and Finance. This was a separate bank account held exclusively for ADB funds for loan No. 2839-CAM (SF). The receipts were then disbursed to the imprest accounts held at the implementing government agencies, which is the Ministry of Publics Works and Transport ("MPWT") at Foreign Trade Bank of Cambodia.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF),
and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued) for the year ended 31 December 2017

6. Receipts (continued)

(b) Government Counterpart Fund

	Year ended 31 December 2017 US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
Direct payments *	1,112,638	734,304	3,087,978
Transfers from imprest accounts	22,845	25,165	107,743
Land resettlement	2,190,305	747,367	5,427,458
	<u>3,325,788</u>	<u>1,506,836</u>	<u>8,623,179</u>

*: This represents direct payments made during the year by Government Counterpart Fund (RGC) directly to suppliers on behalf of the Project.

Ministry of Public Works and Transport

Provincial Roads Improvement Project

Loan No. 3442-CAM (SF), Loan No. 2839-CAM (SF), Loan No. 8254-CAM (SCF), and Grant No. 0278-CAM (SCF)

Notes to the financial statements (continued)
for the year ended 31 December 2017

7. Expenditure by disbursement category and financiers

Particulars	ADB Loan No. 3442 (SF)			ADB Loan No. 2839 (SF)			ADB Loan No. 8254 (SCF)			ADB Grant No. 0278 (SCF)			Government Counterpart Fund		Total	
	% of financing	Actual expenditure (*)		% of financing	Actual expenditure (*)		% of financing	Actual expenditure (*)		% of financing	Actual expenditure (*)		Actual expenditure (*)	%		
		US\$	%		US\$	%		US\$	%		US\$	%				US\$
Civil works															US\$	US\$
Improvement of National Road No. 13 (62.4 Km)	-	-	-	71	3,035,415	71	17	733,196	17	-	26,757	1	464,813	11	4,260,181	
Improvement of National Road No. 314D (25.6 Km)	-	-	-	74	1,305,738	75	12	211,741	12	-	-	-	213,052	12	1,730,531	
Cross Border Facilities (CBF) at Prey Var Sway Reng	88	114,847	100	68	-	-	-	-	-	-	-	-	-	-	114,847	
Improvement of National Road No. 150B, 53 and 151B (69.6 Km)	-	-	-	-	2,522,323	69	15	566,396	15	6	222,557	6	343,069	9	3,644,375	
Climate resilience	-	-	-	-	-	-	-	-	-	87	730,334	90	85,392	10	815,726	
Equipment	-	-	-	100	461,628	100	-	-	-	-	-	-	-	-	461,628	
Consulting services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Detail design and implementation supervision	-	-	-	80	1,145,916	80	20	286,480	20	-	-	-	-	-	1,432,396	
Road asset management program	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	
HIV awareness and prevention program	-	-	-	100	20,568	100	-	-	-	-	-	-	-	-	20,568	
Climate resilience	-	-	-	-	-	-	-	-	-	100	21,738	100	-	-	21,738	
Incremental administrative costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Project management	-	-	-	87	150,162	85	-	-	-	-	-	-	26,391	15	176,553	
Priority operating cost	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-	
Resettlement cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges	-	-	-	-	-	-	-	-	-	-	-	-	1,857,905	-	1,857,905	
Interest charge	100	-	-	100	183,112	98	-	-	2	-	-	-	-	-	187,125	
Total payments for the year ended 31 December 2017		114,847			8,824,862			1,791,826			1,001,386		2,990,652		14,723,573	
% of total project costs for the year ended 31 December 2017		0.2			12.6			2.6			1.4		4.3		21.0	
% of cumulative expenses to total project costs – Period from 2 August 2012 to 31 December 2017		0.2			32.5			6.8			3.8		9.7		53.0	

(*) the actual percentage could be different from the percentage of financing on each category set out in loan/grant agreement due to timing differences on payments financed by the RGC.

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Notes to the financial statements (continued) for the year ended 31 December 2017

8. Civil works

	Year ended 31 December 2017					Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
	ADB Loan 3442 US\$	ADB Loan 2839 US\$	ADB Loan 8254 US\$	ADB Grant 0278 US\$	RGC US\$	Total US\$	
Package A (CWA)	-	3,035,415	733,196	26,757	464,813	4,260,181	9,838,628
Package B (CW B)	114,847	1,305,738	211,741	-	213,052	1,845,378	4,280,204
Package C (CW C)	-	2,522,323	556,396	222,557	343,099	3,644,375	8,580,877
Package D (CW D)	-	-	-	730,334	85,392	815,726	815,726
	114,847	6,863,476	1,501,333	979,648	1,106,356	10,565,660	23,515,435

All payments during the year were made directly to the contractors by the ADB on behalf of the Project.

9. Equipment

	Year ended 31 December 2017					Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
	ADB Loan 3442 US\$	ADB Loan 2839 US\$	ADB Loan 8254 US\$	ADB Grant 0278 US\$	RGC US\$	Total US\$	
Equipment	-	461,628	-	-	-	1,650	463,278

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Notes to the financial statements (continued) for the year ended 31 December 2017

10. Consulting services

	Year ended 31 December 2017				Total US\$	RGC US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
	ADB Loan 3442 US\$	ADB Loan 2839 US\$	ADB Loan 8254 US\$	ADB Grant 0278 US\$				
Detail design and implementation supervision	-	1,145,917	286,480	-	1,432,397	-	1,058,170	6,202,712
HIV awareness and prevention program	-	20,567	-	-	20,567	-	36,868	270,137
Climate resilience	-	-	-	21,738	21,738	-	152,180	1,408,264
	-	1,166,484	286,480	21,738	1,474,702	-	1,247,218	7,881,113

The payments on consulting service were made through imprest account and direct payments of US\$20,567 and US\$1,454,134, respectively.

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Notes to the financial statements (continued) for the year ended 31 December 2017

11. Incremental administrative costs

	Year ended 31 December 2017				Total US\$	RGC US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
	ADB Loan 3442 US\$	ADB Loan 2839 US\$	ADB Loan 8254 US\$	ADB Grant 0278 US\$				
Staff allowance	-	47,767	-	-	47,767	-	52,096	166,426
Fuel costs	-	29,988	-	-	29,988	-	28,505	111,526
Missions	-	29,008	-	-	29,008	-	27,481	84,019
Repairs and maintenance	-	16,198	-	-	16,198	-	19,777	83,848
Materials and office supplies	-	10,932	-	-	10,932	-	7,523	27,371
Telephone/fax expense	-	8,516	-	-	8,516	-	9,720	28,214
Equipment and furniture	-	5,286	-	-	5,286	-	2,957	10,079
Office operating costs	-	2,020	-	-	2,020	-	2,701	8,328
Workshop/training	-	-	-	-	-	-	1,351	4,111
Other expense	-	447	-	-	446	-	1,285	25,866
Other expense by RGC	-	-	-	-	26,391	26,391	28,323	98,864
	-	150,162	-	-	176,553	26,391	181,719	648,652

The payments on incremental administrative costs were made through imprest account and direct payments of US\$150,161 and US\$26,392, respectively.

12. Resettlement cost

This represents cost incurred on land acquisition and resettlement for affected households (Ahs) along the road of No. 13, No. 314D and CBF at Prey Var and Svay Rieng and road No. 150B, 53 and 15B.

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Notes to the financial statements (continued)
for the year ended 31 December 2017

13. Statement of withdrawals

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
ADB Grant No. 0278-CAM										
<i>Direct payments</i>										
G0032	10.01.17	Direct payment	US\$	30,505	-	-	-	-	-	30,505
G0033	27.01.17	Direct payment	US\$	4,030	-	-	-	-	-	4,030
G0034	10.03.17	Direct payment	US\$	25,698	-	-	-	-	-	25,698
G0035	10.03.17	Direct payment	US\$	24,412	-	-	-	-	-	24,412
G0036	21.04.17	Direct payment	US\$	32,256	-	-	-	-	-	32,256
G0037	28.04.17	Direct payment	US\$	88,404	-	-	-	-	-	88,404
G0039	30.05.17	Direct payment	US\$	20,944	-	-	-	-	-	20,944
G0038	08.06.17	Direct payment	US\$	64,847	-	-	-	-	-	64,847
G0041	05.07.17	Direct payment	US\$	8,812	-	-	-	-	-	8,812
G0040	05.07.17	Direct payment	US\$	148,412	-	-	-	-	-	148,412
G0042	24.08.17	Direct payment	US\$	25,698	-	-	-	-	-	25,698
G0043	30.08.17	Direct payment	US\$	13,021	-	-	-	-	-	13,021
G0044	19.09.17	Direct payment	US\$	34,700	-	-	-	-	-	34,700
G0045	22.09.17	Direct payment	US\$	143,568	-	-	-	-	-	143,568
G0046	24.10.17	Direct payment	US\$	9,308	-	-	-	-	-	9,308
G0047	06.11.17	Direct payment	US\$	54,552	-	-	-	-	-	54,552
G0048	13.11.17	Direct payment	US\$	26,516	-	-	-	-	-	26,516
G0049	28.11.17	Direct payment	US\$	6,965	-	-	-	-	-	6,965
G0050	11.12.17	Direct payment	US\$	5,073	-	-	-	-	-	5,073
G0051	11.12.17	Direct payment	US\$	23,683	-	-	-	-	-	23,683

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Notes to the financial statements (continued)
for the year ended 31 December 2017

13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
ADB Grant No. 0278-CAM (continued)										
<i>Direct payments (continued)</i>										
G0052	11.12.17	Direct payment	US\$	107,691	-	-	-	-	-	107,691
G0055	12.12.17	Direct payment	US\$	5,411	-	-	-	-	-	5,411
G0053	18.12.17	Direct payment	US\$	23,236	-	-	-	-	-	23,236
G0054	18.12.17	Direct payment	US\$	-	-	20,375	-	-	-	20,375
N/A			US\$	51,906	-	1,363	-	-	-	53,269
			Sub-total (a)	979,648	-	21,738	-	-	-	1,001,386
ADB Loan No. 2839										
<i>Direct payments</i>										
00084	05.01.17	Direct payment	US\$	-	118,287	-	-	-	-	118,287
00086	04.01.17	Direct payment	US\$	81,730	-	-	-	-	-	81,730
00087	27.01.17	Direct payment	US\$	45,688	-	-	-	-	-	45,688
00089	22.02.17	Direct payment	US\$	110,091	-	-	-	-	-	110,091
00090	10.03.17	Direct payment	US\$	-	-	195,449	-	-	-	195,449
00090	10.03.17	Direct payment	US\$	-	-	122,357	-	-	-	122,357
00091	10.03.17	Direct payment	US\$	291,246	-	-	-	-	-	291,246
00092	14.03.14	Direct payment	US\$	206,581	-	-	-	-	-	206,581
00093	24.03.17	Direct payment	US\$	127,824	-	-	-	-	-	127,824
00094	10.04.17	Direct payment	US\$	383,978	-	-	-	-	-	383,978
00095	04.04.17	Direct payment	US\$	381,807	-	-	-	-	-	381,807

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
<i>ADB Loan No. 2839 (continued)</i>										
<i>Direct payments (continued)</i>										
00096	04.04.17	Direct payment	US\$	276,667			-		-	276,667
00097	21.04.17	Direct payment	US\$	-	18,993		-		-	18,993
00098	21.04.17	Direct payment	US\$	365,572			-		-	365,572
00100	30.05.17	Direct payment	US\$	544,882			-		-	544,882
00101	26.06.17	Direct payment	US\$	174,738			-		-	174,738
00102	26.06.17	Direct payment	US\$	237,361			-		-	237,361
00103	05.06.17	Direct payment	US\$	69,346			-		-	69,346
00104	26.06.17	Direct payment	US\$	662,879			-		-	662,879
00105	05.06.17	Direct payment	US\$	-	230,596		-		-	230,596
00106	10.07.17	Direct payment	US\$	-		178,342	-		-	178,342
00106	10.07.17	Direct payment	US\$	-		204,140	-		-	204,140
00107	05.07.17	Direct payment	US\$	99,875			-		-	99,875
00108	24.08.17	Direct payment	US\$	483,901			-		-	483,901
00109	23.08.17	Direct payment	US\$	76,560			-		-	76,560
00110	24.08.17	Direct payment	US\$	138,474			-		-	138,474
00111	23.08.17	Direct payment	US\$	98,101			-		-	98,101
00113	01.08.17	Direct payment	US\$	-	93,752		-		-	93,752
00114	24.08.17	Direct payment	US\$	291,247			-		-	291,247
00115	30.08.17	Direct payment	US\$	147,576			-		-	147,576
00116	19.09.17	Direct payment	US\$	168,722			-		-	168,722

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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
<i>ADB Loan No. 2839 (continued)</i>										
<i>Direct payments (continued)</i>										
00117	19.09.17	Direct payment	US\$	85,706	-	-	-	-	-	85,706
00118	24.10.17	Direct payment	US\$	76,358	-	-	-	-	-	76,358
00119	24.10.17	Direct payment	US\$	86,609	-	-	-	-	-	86,609
00120	24.10.17	Direct payment	US\$	-	-	107,715	-	-	-	107,715
00120	24.10.17	Direct payment	US\$	-	-	124,373	-	-	-	124,373
00121	13.11.17	Direct payment	US\$	300,510	-	-	-	-	-	300,510
00122	28.11.17	Direct payment	US\$	57,142	-	-	-	-	-	57,142
00123	11.12.17	Direct payment	US\$	41,614	-	-	-	-	-	41,614
00124	11.12.17	Direct payment	US\$	30,755	-	-	-	-	-	30,755
00125	11.12.17	Direct payment	US\$	-	-	96,891	-	-	-	96,891
00125	11.12.17	Direct payment	US\$	-	-	116,650	-	-	-	116,650
00126	18.12.17	Direct payment	US\$	263,337	-	-	-	-	-	263,337
00127	12.12.17	Direct payment	US\$	25,179	-	-	-	-	-	25,179
00128	12.12.17	Direct payment	US\$	44,394	-	-	-	-	-	44,394
CAP	31.12.17	Interest	US\$	-	-	-	-	-	183,112	183,112
00099	31.05.17	Replenishment	US\$	-	-	-	32,215	-	-	32,215
00112	03.10.17	Replenishment	US\$	-	-	-	55,829	-	-	55,829
00129	27.12.17	Replenishment	US\$	-	-	20,568	50,332	-	-	70,900
N/A	Expenditure incurred but not yet claimed		US\$	-	-	-	11,786	-	-	11,786
N/A	Clear from advance through direct payment		US\$	387,046	-	-	-	-	-	387,046
			Sub-total (b)	6,863,476	461,628	1,166,484	150,162	-	183,112	8,824,862

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
ADB Loan No. 8254										
<i>Direct payments</i>										
00074	04.01.17	Direct payment	US\$	13,253	-	-	-	-	-	13,253
00075	27.01.17	Direct payment	US\$	10,074	-	-	-	-	-	10,074
00076	23.02.17	Direct payment	US\$	26,360	-	-	-	-	-	26,360
00077	10.03.17	Direct payment	US\$	-	-	30,589	-	-	-	30,589
00077	10.03.17	Direct payment	US\$	-	-	48,862	-	-	-	48,862
00078	10.03.17	Direct payment	US\$	64,245	-	-	-	-	-	64,245
00079	14.03.17	Direct payment	US\$	49,463	-	-	-	-	-	49,463
00080	24.03.17	Direct payment	US\$	20,728	-	-	-	-	-	20,728
00081	10.04.17	Direct payment	US\$	62,267	-	-	-	-	-	62,267
00082	04.04.17	Direct payment	US\$	91,419	-	-	-	-	-	91,419
00083	04.04.17	Direct payment	US\$	61,029	-	-	-	-	-	61,029
00084	21.04.17	Direct payment	US\$	80,641	-	-	-	-	-	80,641
00085	17.05.17	Direct payment	US\$	130,465	-	-	-	-	-	130,465
00086	17.05.17	Direct payment	US\$	28,336	-	-	-	-	-	28,336
00087	30.05.17	Direct payment	US\$	52,359	-	-	-	-	-	52,359
00088	26.06.17	Direct payment	US\$	11,245	-	-	-	-	-	11,245
00089	26.06.17	Direct payment	US\$	158,718	-	-	-	-	-	158,718
00090	10.07.17	Direct payment	US\$	-	-	51,035	-	-	-	51,035
00090	10.07.17	Direct payment	US\$	-	-	44,586	-	-	-	44,586
00091	05.07.17	Direct payment	US\$	22,031	-	-	-	-	-	22,031

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
ADB Loan No. 8254 (continued)										
Direct payments (continued)										
00092	24.08.17	Direct payment	US\$	115,864	-	-	-	-	-	115,864
00093	23.08.17	Direct payment	US\$	12,415	-	-	-	-	-	12,415
00094	24.08.17	Direct payment	US\$	33,156	-	-	-	-	-	33,156
00095	23.08.17	Direct payment	US\$	15,908	-	-	-	-	-	15,908
00096	24.08.17	Direct payment	US\$	64,246	-	-	-	-	-	64,246
00097	30.08.17	Direct payment	US\$	32,554	-	-	-	-	-	32,554
00098	19.09.17	Direct payment	US\$	40,398	-	-	-	-	-	40,398
00099	19.09.17	Direct payment	US\$	13,898	-	-	-	-	-	13,898
00100	24.10.17	Direct payment	US\$	20,512	-	-	-	-	-	20,512
00101	24.10.17	Direct payment	US\$	14,045	-	-	-	-	-	14,045
00102	24.10.17	Direct payment	US\$	-	-	26,929	-	-	-	26,929
00103	24.10.17	Direct payment	US\$	-	-	31,094	-	-	-	31,094
00104	13.11.17	Direct payment	US\$	66,289	-	-	-	-	-	66,289
00105	28.11.17	Direct payment	US\$	15,350	-	-	-	-	-	15,350
00106	11.12.17	Direct payment	US\$	11,178	-	-	-	-	-	11,178
00107	11.12.17	Direct payment	US\$	4,987	-	-	-	-	-	4,987
00108	11.12.17	Direct payment	US\$	-	-	29,162	-	-	-	29,162
00109	11.12.17	Direct payment	US\$	-	-	24,223	-	-	-	24,223
00110	18.12.17	Direct payment	US\$	58,089	-	-	-	-	-	58,089
00111	12.12.17	Direct payment	US\$	4,083	-	-	-	-	-	4,083

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
ADB Loan No. 8254 (continued)										
<i>Direct payments (continued)</i>										
00110	12.12.17	Direct payment	US\$	11,925	-	-	-	-	-	11,925
CAP	31.12.17	Interest	US\$	-	-	-	-	-	4,013	4,013
N/A	Clear from advance through Direct Payment		US\$	83,803	-	-	-	-	-	83,803
			Sub-total (c)	1,501,333	-	286,480	-	-	4,013	1,791,826
ADB Loan No. 3442										
<i>Direct payments</i>										
00002	11.12.17	Direct payment	US\$	114,847	-	-	-	-	-	114,847
			Sub-total (d)	114,847	-	-	-	-	-	114,847
Government counterpart fund										
<i>Direct payments</i>										
G0037	28.04.17	Direct payment	US\$	13,210	-	-	-	-	-	13,210
G0038	08.06.17	Direct payment	US\$	8,809	-	-	-	-	-	8,809
G0040	05.07.17	Direct payment	US\$	20,160	-	-	-	-	-	20,160
G0044	19.09.17	Direct payment	US\$	4,714	-	-	-	-	-	4,714
G0045	22.09.17	Direct payment	US\$	21,453	-	-	-	-	-	21,453
G0047	06.11.17	Direct payment	US\$	7,410	-	-	-	-	-	7,410
G0048	13.11.17	Direct payment	US\$	4,558	-	-	-	-	-	4,558
G0081	05.01.17	Direct payment	US\$	12,737	-	-	-	-	-	12,737
G0083	18.01.17	Direct payment	US\$	11,977	-	-	-	-	-	11,977
G0085	16.01.17	Direct payment	US\$	7,340	-	-	-	-	-	7,340

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
<i>Government counterpart fund (continued)</i>										
<i>Direct payments (continued)</i>										
00086	18.01.17	Direct payment	US\$	14,057	-	-	-	-	-	14,057
00087	02.03.17	Direct payment	US\$	6,716	-	-	-	-	-	6,716
00090	21.03.17	Direct payment	US\$	16,915	-	-	-	-	-	16,915
00091	07.04.17	Direct payment	US\$	42,830	-	-	-	-	-	42,830
00092	12.04.17	Direct payment	US\$	31,741	-	-	-	-	-	31,741
00093	12.04.17	Direct payment	US\$	21,985	-	-	-	-	-	21,985
00094	02.05.17	Direct payment	US\$	66,041	-	-	-	-	-	66,041
00095	11.05.17	Direct payment	US\$	58,664	-	-	-	-	-	58,664
00096	29.04.17	Direct payment	US\$	40,686	-	-	-	-	-	40,686
00098	04.05.17	Direct payment	US\$	53,761	-	-	-	-	-	53,761
00100	04.07.17	Direct payment	US\$	83,721	-	-	-	-	-	83,721
00101	30.06.17	Direct payment	US\$	30,053	-	-	-	-	-	30,053
00102	05.07.17	Direct payment	US\$	34,906	-	-	-	-	-	34,906
00103	24.07.17	Direct payment	US\$	11,927	-	-	-	-	-	11,927
00104	24.07.17	Direct payment	US\$	101,851	-	-	-	-	-	101,851
00107	02.08.17	Direct payment	US\$	14,687	-	-	-	-	-	14,687
00108	22.09.17	Direct payment	US\$	74,351	-	-	-	-	-	74,351
00109	22.09.17	Direct payment	US\$	13,168	-	-	-	-	-	13,168
00110	22.09.17	Direct payment	US\$	21,276	-	-	-	-	-	21,276
00111	22.09.17	Direct payment	US\$	16,872	-	-	-	-	-	16,872
00114	15.09.17	Direct payment	US\$	42,830	-	-	-	-	-	42,830

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Notes to the financial statements (continued)
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13. Statement of withdrawals (continued)

No	Date	Type	Currency	Civil works	Equipment	Consulting services	Incremental administrative costs	Resettlement cost	Interest charge	Total
Government counterpart fund (continued)										
Direct payments (continued)										
00115	11.10.17	Direct payment	US\$	21,702	-	-	-	-	-	21,702
00116	18.10.17	Direct payment	US\$	25,924	-	-	-	-	-	25,924
00117	18.10.17	Direct payment	US\$	14,741	-	-	-	-	-	14,741
00118	29.11.17	Direct payment	US\$	13,163	-	-	-	-	-	13,163
00119	29.11.17	Direct payment	US\$	14,896	-	-	-	-	-	14,896
00121	10.12.17	Direct payment	US\$	44,193	-	-	-	-	-	44,193
00122	19.12.17	Direct payment	US\$	9,850	-	-	-	-	-	9,850
N/A	Expenditure incurred but not yet claimed		US\$	-	-	-	-	26,392	-	26,392
N/A	Clear from advance through Direct Payment		US\$	50,481	-	-	-	-	-	50,481
			Sub-total (e)	1,106,356	-	-	-	26,392	-	1,132,748
Resettlement										
2017			US\$	-	-	-	-	1,857,905	-	1,857,905
Total expense by RGC			Sub-total (f)	-	-	-	-	1,857,905	-	1,857,905
Grand Total (I=a+b+c+d+g)			(g=e+f)	1,106,356	-	-	26,392	1,857,905	-	2,990,653
				10,565,660	461,628	1,474,702	176,553	1,857,905	187,125	14,723,573

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Notes to the financial statements (continued) for the year ended 31 December 2017

14. Statement of disbursement

Detail of statement of disbursement from ADB are as follows:

	Note	Year ended 31 December 2017 US\$	Year ended 31 December 2016 US\$	Cumulative period from 2 August 2012 to 31 December 2017 US\$
ADB fund claims during the year				
Replenishments		210,112	163,288	899,790
Direct payments		11,492,242	6,986,222	34,044,871
Sub-total	(A)	<u>11,702,354</u>	<u>7,149,510</u>	<u>34,944,661</u>
Total expenditure made during the year/period	(B)	14,723,573	9,497,438	37,140,582
Expenditure out of Government counterpart fund	(C)	(2,990,652)	(2,352,216)	(6,827,571)
Expenditure incurred, but not yet claimed	(D)	(11,786)	(208,955)	(11,786)
Expenditure incurred in prior year but claimed during the year	(E)	51,168	213,243	-
Advances made to contractors/suppliers during the year/period	(F)	484,673	-	4,553,436
Liquidation of advances during the year	(G)	(554,622)	-	-
Initial advances	(H)	-	-	90,000
Total eligible expenditure claimed (A=I=A+B+C+D+E+F+G+H)		<u>11,702,354</u>	<u>7,149,510</u>	<u>34,944,661</u>

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Notes to the financial statements (continued)
for the year ended 31 December 2017

15. Commitments

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

	As at 31 December 2017 US\$	As at 31 December 2016 US\$
Civil works	29,872,213	35,276,872
Consulting services	1,466,652	2,941,725
Good purchased	165,868	137,290
	<u>31,504,733</u>	<u>38,355,887</u>

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Appendix: Statement of comparison between budgeted and actual expenditure for the year ended 31 December 2017

Description	Year ended 31 December 2017			Year ended 31 December 2016			Cumulative period from 2 August 2012 to 31 December 2017		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
	US\$' million	US\$' million	US\$' million	US\$' million	US\$' million	US\$' million	US\$' million	US\$' million	US\$' million
Civil works	10.90	10.57	(0.33)	7.07	6.35	(0.72)	58.98	23.52	(35.46)
Equipment	0.46	0.46	-	-	-	-	0.46	0.46	-
Consultant services	1.47	1.47	-	1.58	1.25	(0.33)	11.47	7.88	(3.59)
Incremental administrative costs	0.18	0.18	-	0.08	0.18	0.10	1.18	0.65	(0.53)
Resettlement costs	-	1.86	1.86	-	1.59	1.59	1.84	4.22	2.38
Service charges	-	-	-	-	-	-	-	-	-
Interest charge	-	0.18	0.18	-	0.13	0.13	1.12	0.41	(0.71)
Contingency	-	-	-	-	-	-	10.47	-	(10.47)
Total expense	13.01	14.72	1.71	8.73	9.50	0.77	85.52	37.14	(48.38)