

Audited Project Financial Statements

Project Number: 43319-022

Loan/Grant Number: 2931/0313/0314

Period covered: 1 October 2015 to 31 December 2016

LAO: Greater Mekong Subregion East-West Economic Corridor Towns Development Project

Prepared by Ministry of Public Works and Transport

For the Asian Development Bank

Date received by ADB: 9 June 2017

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 Public Works and Transport.

LAO PEOPLE'S DEMOCRATIC REPUBLIC
VIENTIANE

**Greater Mekhong Subregion East-West Economic Corridor
Towns Development Project**

ADB Loan No. 2931-Lao(SF) and ADB Grant No.0313-Lao(SF)

**AUDIT'S REPORT FOR THE PERIOD FROM
1ST OCTOBER 2015 UP TO 31ST DECEMBER 2016**

June 7th 2017



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Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Central Regional Audit Organization
Phone: 021 265 632
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No.: **206** /CRAO-
Vientiane, Date **05 JUN 2017**

AUDITOR'S REPORT
(Unqualified)

To: The Project Management Greater Mekong Subregion East-West Economic Corridor Towns Development Project.

We have audited the accompanying financial statements of receipts and payments, statement of expenditure, statements of disbursements and attached documents of ADB fund for the period ended 31 December 2016.

These financial statements made available to us are the responsibility of the management of **The Greater Mekong Subregion East-West Economic Corridor Towns Development Project** in accordance with the accounting policies. The responsibility includes: designing, implementing, maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement. After that, responsible to selecting and applying appropriate accounting policies.

Our responsibility is to express an opinion on these financial statements based on our audit findings. We conducted our audit in accordance with generally accepted on State Auditing Standards of Lao PDR. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by project Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Qualification expressed by the Central Regional Audit Organization:

A. The financial statements present fairly in all material respects the financial position of the **Greater Mekong Subregion East-West Economic Corridor Towns Development Project** as of December 31st, 2016 and expenditures of the project for the year then ended in accordance with accounting principles adopted by the government of the Lao PDR;

B. The **Greater Mekong Subregion East-West Economic Corridor Towns Development Project** has utilized in all material respects all proceeds of the loan and grant only for purposes of the project, in accordance with the loan and grant agreements, and no proceeds of the loan and grant have been utilized for other purposes; and 

C. The Greater Mekong Subregion East-West Economic Corridor Towns Development Project has complied in material respects with all financial covenants of the loan agreement number 2931-Lao (SF) and grant agreement number 0313-Lao (SF).

D. The accompanying Statement of Imprest Accounts for loan and grant gives a true and fair view of the balance of Imprest Accounts as at 31st December 2016 and the Project's receipts and disbursements via the Imprest Accounts for the years ended 31st December 2016 in accordance with the relevant covenants of the loan and grant agreements and relevant regulations established by the Asian Development Bank.

E. The loan and grant withdrawals were reconciled to the Statement of Expenditures (SOEs) were adequately supported and are eligible for financing under the loan and grant agreements of the Project.

President

Central Regional Audit Organization



Mr. Amphayvanh PHANTHAVONG



Lao's People Democratic Republic

Peace Independence Democracy Unity Prosperity

Savannakhet Province
Department of Public Works and Transport
Greater Mekhong Subregion EAST-WEST Economic Corridor
Towns Development Project
ADB Loan No. 2931-Lao (SF)/Grant No. 0313-Lao (SF)
/Grant No. 0314-Lao (UEIF), GOL.

No: 0264 GMS.EWEC.SK
Date: 18 May 2017

Management Representative Letter

To: Audit team of the Greater Mekong Subregion East-West Economic Corridor Towns Development Project, ADB Loan No. 2931- LAO, Grant No. 0313- LAO and Grant No. 0314- LAO.

In connection with your examination of the financial statements of the Greater Mekong Subregion East-West Economic Corridor Towns Development Project for the fiscal year 2015-2016 and three months additional and for the year ended, these financial statements are the responsibility of the project management, we hereby confirm the following representations made by us to you during the examination.

1. We are responsible for the accounting system of the project, including the system of internal control and the production of the annual financial statements.
2. The financial statement present fairly, in all material respects, the financial position of the Greater Mekong Subregion East-West Economic Corridor Towns Development Project for the fiscal year 2015-2016 and three months additional (01/10/2015-31/12/2016) and the expenditures of the project for the year ended in on 31/12/2016 accordance with accounting principles adopted by the government of Lao PDR.
3. All the transactions for the year ended 31/12/2016 have been properly reflected in the financial statements.
4. No event has occurred subsequent to the balance sheet date that requires adjustment to the financial statements.
5. We have made available to you all books and records of the project.
6. All goods and services acquired with project funds have been used exclusively for project purposes, and no project funds have been used for any other purposes.
7. We have complied with all the financial covenant of the loan and grant agreements and with all the financial provisions of rules and regulations pronounced by the government of Lao PDR.
8. There is no lien on any assets of the project.

Project Director

Yours truly,
Chief Accountant



Lao's People Democratic Republic

Peace Independence Democracy Unity Prosperity

Savannakhet Province

Department of Public Works and Transport

Greater Mekong Subregion EAST-WEST Economic Corridor

Towns Development Project

ADB Loan No. 2931-Lao (SF)/Grant No. 0313-Lao (SF)

/Grant No. 0314-Lao (UEIF), GOL

Note to the Financial Statement

of Greater Mekong Subregion East-West Economic Corridor

Towns Development Project for the fiscal year 2015-2016 and three months additional.

I. References

- With reference to the Audit Law No. 09/NA, dated 11 November 2016;
- With reference to Laws, decrees and regulations to Lao PDR and Donor;
- With reference to Grant Agreement ADB Loan No. 2931, ADB Grant No. 0313 and Grant 0314 dated 04 December 2012;
- Pursuant to the operation plan by the Central Regional Audit Organization for the fiscal year 2017;
- Basing on the Decision of President No. 194/SAO, dated 20 February 2017 regarding formation of a team of auditors for the Greater Mekong SubRegions East -West Economic Corridor Towns Development Project 2015-2016;

II. Administrative Site, Purposes, Project Structure and Regulatory Guidelines

1. Project Headquarter

The Mekong SubRegions East-West Economic Corridor Towns Development Project is under administrative structure of Department of Public Works and Transportation of Savannakhet Province, Telephone: 041 215 332 , and Fax: 041 215 332.

2. The project objective are as followed:

The priorities are based on standards that were discussed during the meeting of the parties there include:

1. To improve infrastructure and developing the economy of the Savannakhet Province became a center of trade and investments attraction under GMS east west economic corridor towns;
2. Strategy local economy development plans (SLEDP) are adopted and implemented in Kaison Phomvihanh , Phine and Dansavanh;

3. Priority urban infrastructure investment are implemented ;
4. Developing capacity of institution agencies and to strengthened for future management .

3. Funding sources

Total Project budget approved on Octobre 24, 2005	= 47,738,000.00 US\$, which are:
- Asian Development Bank (ADB) Loan	= 26,600,000.00 US\$
- Asian Development Bank (ADB) Grant	= 14,230,000.00 US\$
- UFPF	= 638,000.00 US\$
- Lao Government Contribution Fund	= 6,270,000.00 US\$

4. Lenght of Operation

The duration of the project is 05 years, starting on 2013 until 2018 and extension to 30/6/2019.

5. Regulatory Guidelines

- Mekong SubRegions East West Economic Corridor Towns Development Project used double entry bookkeeping in accordance to Project Accounting manual. Project transactions were recorded in English with two currencies: National currency (Lao kip) and USD used as a reference to report the donor, yearly account was implemented on the budget fiscal year and 3 months through;
  - Accounting code for each activity and category of project expenditure such as: loan account, grant account, government contribution account, saving account and expenditure by category. There was the staff who responsible for records all the transaction into the accounting software base on the supporting document;
  - Summarization and preparing of the financial statements are made on month and yearly basis;
  - The bidding, construction, maintenance were implemented the Prime Minister's decree of government procurement of goods, works, maintenance and services number 03/PMO, dated January 09th, 2004 and regulations of the Asian Development Bank that prescribed in the Grant Agreement.

6. Implementing of budget(15 months).

- Implementing of budget Allocation

(USD Currency)

Category code	Project Category	Founds Allocation	Payment			Balance
			Up to last Period 2014-2015	Current fiscal year 2015-2016 (15 months)	Cumulative Up to Date 2015-2016	
A	A. Civil works	29,160,000.00	00.00	692,851.50	692,851.50	28,647,148.50
B	B. Equipment	5,070,000.00	472,965.87	17,419.05	440,387.92	2,629,617.08
C	C. Training & Capacity Development	770,000.00	36,898.45	129,589.92	166,488.37	603,511.63
D	D. Resettlement & social Safeguard/GOL	6,270,000	99,999.36	61,881.19	161,880.55	6,108,119.45
E	E. Recurrent Administration	950,000.00	235,190.33	270,282.60	505,472.93	444,527.07
F	F. Consult Service	6,115,000.00	1,472,061.80	470,474.95	1,942,536.75	4,172,463.25
	Interest charge	570,000.00	10,013.40	17,597.56	27,610.96	542,389.04
	Contingencies	833,000.00				833,000.00
	Total	47,738,000.00	2,277,127.21	1,660,096.77	3,937,143.98	43,800,856.02

- Implementing of budget for the fiscal year 2015-2016 and three months additional.

(USD Currency)

Category code	Project Category	Founds Allocation	Current fiscal year	Balance
A	Civil works	711,304.48	692,851.50	18,452.92
B	Equipment	140,000.00	17,419.05	122,580.95
C	Training & Capacity Development	361,92.92	129,589.92	232,313.00
D	Resettlement & social Safeguard	61,881.19	61,881.19	00.00
E	Recurrent Administration	531,000.00	270,282.60	260,719.91
F	Consult Service	844,334.10	470,474.95	373,859.15
	Interest charge	17,597.56	17,597.56	00.00
	Contingencies			
	Total	2,277,127.21	1,660,096.77	617,030.44

III. The Financial Statements for fiscal year 2015-2016 and three months additional

1. The first Generation Imprest-Account (MOF) 5521

a. The first Generation Imprest-Account of Loan No. 2931

1) For the fiscal year 2015-2016

The balance of the project's imprest-account at 1st October 2015 was US\$ 7,735,22 The total receipts deposited into the imprest-account during the fiscal year 2015-2016 under review amounted to US\$ 774,663,65 The total payments made from the Imprest-account under review,

amounted to US\$ 554.818,76 The imprest-account Balance at 30th September 2016 was US\$ 227.580,11.

2) For three months additional

The balance of the project's imprest-account at 1st October 2016 was US\$ 227.580,11. The total receipts deposited into the imprest-account during three months additional under review amounted to US\$ 261.533,69. The total payments made from the Imprest-account under review amounted to US\$ 205.153,90. The imprest-account Balance at 31th December 2016 was US\$ 283.959,60.

b. The first Generation Imprest-Account of Grant No. 0313

1) For the fiscal year 2015-2016

The balance of the project's imprest-account at 1st October 2015 was US\$ 100.413,93 The total receipts deposited into the imprest-account during the fiscal year 2015-2016 under review amounted to US\$ 195.586,07 The total payments made from the Imprest-account under review amounted to US\$ 47.832,79 The imprest-account Balance at 30th September 2016 was US\$ 248.167,21.

2) For three months additional

The balance of the project's imprest-account at 1st October 2016 was US\$ 248.167,21 The total receipts deposited into the imprest-account during three months additional under review amounted to US\$ 00.00. The total payments made from the Imprest-account under review amounted to US\$ 78.231,71. The imprest-account Balance at 31th December 2016 was US\$ 169.935,50.

2. Project's Second generation Imprest-account 5522

a. Project's Second generation Imprest-account of Loan No. 2931 (5522.01)

1) For the fiscal year 2015-2016

The balance of the project's sub-account at 1st October 2015 was US\$ 387,52. The total receipts deposited into the Sub-account during the fiscal year 2015-2016 under review amounted to US\$ 202.308,55. The total payments made from the Sub-account under review amounted to US\$ 199.255,49. The sub-account Balance at 30th September 2016 was US\$ 3.440,58.

2) For three months additional

The balance of the project's sub-account at 1st October 2016 was US\$ 3.440,58. The total receipts deposited into the Sub-account during three months additional under review amounted 

to US\$ 66.104,01. The total payments made from the Sub-account under review amounted to US\$ 66.692,09. The sub-account Balance at 31th December 2016 was US\$ 2.852,50.

b. Project's Second generation Imprest-account of Grant No. 0313 (5522.02)

1) For the fiscal year 2015-2016

The balance of the project's sub-account at 1st October 2015 was US\$ 24.484,50. The total receipts deposited into the Sub-account during the fiscal year 2015-2016 under review amounted to US\$ 27.457,81. The total payments made from the Sub-account under review amounted to US\$ 33.096,85. The sub-account Balance at 30th September 2016 was US\$ 18.845,46.

2) For three months additional

The balance of the project's sub-account at 1st October 2016 was US\$ 18.845,46. The total receipts deposited into the Sub-account during three months additional under review amounted to US\$ 26.094,10. The total payments made from the Sub-account under review amounted to US\$ 1.095,10. The sub-account Balance at 31th December 2016 was US\$ 24.999,00.

3. The Project Petty Cash (5711)

a. The project's Petty Cash at the project Management unit (PMU 5711.01)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 141,25. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 38.595,16. The total payments made from the petty cash under review amounted to US\$ 38.438,60. The sub-account Balance at 30th September 2016 was US\$ 287,15.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 287,15. The total receipts into the petty cash during three months additional under review amounted to US\$ 14.033,70. The total payments made from the petty cash under review amounted to US\$ 14.212,33. The sub-account Balance at 31th December 2016 was US\$ 108,09.

b. The project's Petty Cash at the project implementation (PIT Kaison 5711.02)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.230,53. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 2.632,51. The total payments made from the petty cash under review amounted to US\$ 2.727,63. The sub-account Balance at 30th September 2016 was US\$ 1.135,46.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 1.135,46. The total receipts into the petty cash during three months additional under review amounted to US\$ 763,58. The total payments made from the petty cash under review amounted to US\$ 1.013,89. The sub-account Balance at 31th December 2016 was US\$ 885,15.

c. The project's Petty Cash at the project implementation (PIT Phine 5711.03)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.235,22. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 5.530,19. The total payments made from the petty cash under review amounted to US\$ 6.074,38. The sub-account Balance at 30th September 2016 was US\$ 693,16.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 693,16. The total receipts into the petty cash during three months additional under review amounted to US\$ 1.714,65. The total payments made from the petty cash under review amounted to US\$ 1.669,88. The sub-account Balance at 31th December 2016 was US\$ 737,93.

d. The project's Petty Cash at the project implementation (PIT Sepon 5711.04)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.230,35. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 7.280,75. The total payments made from the petty cash under review amounted to US\$ 7.959,16. The sub-account Balance at 30th September 2016 was US\$ 552,22.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 552,22. The total receipts into the petty cash during three months additional under review amounted to US\$ 1.340,25. The total payments made from the petty cash under review amounted to US\$ 1.439,12. The sub-account Balance at 31th December 2016 was US\$ 453,35.

e. The project's Petty Cash at the project Cooperative Unit (PCU 5711.05)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.229,03. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 7.237,95. The total payments made from the petty cash under review amounted to US\$ 8.337,63. The sub-account Balance at 30th September 2016 was US\$ 129,35.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 1.135,46. The total receipts into the petty cash during three months additional under review amounted to US\$ 763,58. The total payments made from the petty cash under review amounted to US\$ 1.013,89. The sub-account Balance at 31th December 2016 was US\$ 885,15.

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1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.235,22. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 5.530,19. The total payments made from the petty cash under review amounted to US\$ 6.074,38. The sub-account Balance at 30th September 2016 was US\$ 693,16.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 693,16. The total receipts into the petty cash during three months additional under review amounted to US\$ 1.714,65. The total payments made from the petty cash under review amounted to US\$ 1.669,88. The sub-account Balance at 31th December 2016 was US\$ 737,93.

d. The project's Petty Cash at the project implementation (PIT Sepon 5711.04)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.230,36. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 7.280,75. The total payments made from the petty cash under review amounted to US\$ 7.959,16. The sub-account Balance at 30th September 2016 was US\$ 552,22.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was US\$ 552,22. The total receipts into the petty cash during three months additional under review amounted to US\$ 1.340,25. The total payments made from the petty cash under review amounted to US\$ 1.439,12. The sub-account Balance at 31th December 2016 was US\$ 453,35.

e. The project's Petty Cash at the project Cooperative Unit (PCU 5711.05)

1) For the fiscal year 2015-2016

The balance of the project's petty cash at 1st October 2015 was US\$ 1.229,03. The total receipts into the petty cash during the fiscal year 2015-2016 under review amounted to US\$ 7.237,95. The total payments made from the petty cash under review amounted to US\$ 8.337,63. The sub-account Balance at 30th September 2016 was US\$ 129,35.

2) For three months additional

The balance of the project's petty cash at 1st October 2016 was **US\$ 129,35**. The total receipts into the petty cash during three months additional under review amounted to **US\$ 2.567,13**. The total payments made from the petty cash under review amounted to **US\$ 2.263,71**. The sub-account Balance at 31th December 2016 was **US\$ 432,77**.

4. Lao Government Contribution Fund

The amount show in the account as Lao Government Contribution for fiscal year 2015-2016 amounted to **US\$ 61.881,19** Which is Contributed for in Cast Such as: Resettlement and social Safeguard (Category D)

5. Expenditures

1. The total payment made by the Greater Mekong subregion East-West Economic Corridor Towns Development Project during fiscal year 2015-2016 under review amounted **US\$ 1.158.891,08** of which were paid for the following categories:

Category code	Title of category	Actual expenses				
		ADB Loan No. 2931	ADB Grant No. 0313	UFPF	Beneficiaries	TOTAL
A	Civil works	316.615,00	153.436,50			470.051,50
B	Equipment		17.048,50			17.048,50
C	Training	82.937,55	46.652,37			129.589,92
D	Resettlement and Safegaurd				61.881,19	61.881,19
E	Recurrent Administrative Cost	210.024,56				210.024,56
F	Consulting Services	186.945,76	66.247,59			253.193,35
	Interest During Implementation	17.597,56				17.597,56
<u>Total</u>		814.120,43	283.384,96		61.881,19	1.159.386,58

US\$ Currency

2. The total payment made by the Greater Mekong subregion East-West Economic Corridor Towns Development Project during three months additional under review amounted to **US\$ 500.710,19** of which were paid for the following categories:

Category code	Title of category	Actual expenses				
		ADB Loan No. 2931	ADB Grant No. 0313	UFPF	Beneficiaries	TOTAL
A	Civil works	144.820,00	77.980,00			222.800,00
B	Equipment	370,55				370,55
C	Training					
D	Resettlement and Safegaurd					
E	Recurrent Administrative Cost	60.258,04				60.258,04
F	Consulting Services	139.145,40	78.136,20			217.281,60
	Interest During Implementation					
<u>Total</u>		344.593,99	156.116,20	00.00	00.00	500.710,19



6. Direct Payment:

a. Loan No. 2931

1) For the fiscal year 2015-2016

The total direct payment made by ADB for the fiscal year 2015-2016 amounted to **US\$ 577.202,68** which paid for civil works amounted to **US\$ 316.615,00**, paid for consulting service amounted to **US\$ 66.908,05**, paid for training amounted to **US\$ 48.859,18** and Interest During Implementation amounted to **US\$ 17.597,56**.

2) For three months additional

The total direct payment made by ADB for three months additional amounted to **US\$ 144.820,00** which all paid for civil works.

b. Grant No. 0313

1) For the fiscal year 2015-2016

The total direct payment made by ADB for the fiscal year 2015-2016 amounted to **US\$ 313.584,32** which paid for civil works amounted to **US\$ 153.416,50**, paid for consulting service amounted to **US\$ 37.636,20**, paid for training amounted to **US\$ 27.483,30** and Equipment amounted to **US\$ 17.048,50**.

2) For three months additional

The total direct payment made by ADB for three months additional amounted to **US\$ 77.980,00** which all paid for civil works.

Financial Statement

The Greater Mekhong Subregion East west Economic Corridor Towns Development Project

ADB Loan No. 2931, Grant. No.0313 and No. 0314

Statement of Cash Receipts and Payments

For the Period From 1 October 2015 to 31 December 2016

Liscription		Notes	12/31/2016	9/30/2015	Cumultative
CASH RECEIPTS			2,006,463.09	2,415,215.09	4,421,678.18
Government Fund		III 4	<u>61,881.19</u>	<u>99,999.36</u>	<u>161,880.55</u>
ADB		III 6	<u>1,944,581.90</u>	<u>2,315,215.73</u>	<u>4,259,797.63</u>
Loan No. 2931	Direct payment		577,202.68	862,515.36	1,439,718.04
	Interest charg		17,597.56	10,013.40	27,610.96
	Imprest-account		1,036,197.34	636,522.08	1,672,719.42
Grant No. 0313	Direct payment		313,584.32	485,164.89	798,749.21
	Imprest-account			321,000.00	321,000.00
UPF			-	-	-
Other			-	-	-
CASH PAYMENTS		III .5	1,660,096.77	2,277,127.21	3,937,223.98
A	Civill work		692,851.50	-	692,851.50
B	Equipment		17,419.05	422,963.87	440,382.92
C	Training		129,589.92	36,898.45	166,488.37
D	Involuntary Resettlement		61,881.19	99,999.36	161,880.55
E	Recurrent Administrative Cost		270,282.60	235,190.33	505,472.93
F	Consulting services		470,474.95	1,472,061.80	1,942,536.75
	Interest During Implementation		17,597.56	10,013.40	27,610.96
Cash Receipts Less Cash Payments			346,366.32	138,087.88	484,454.20
Add:	Foreign Exchange Difference		-	-	-
	Net Change in Cash		346,366.32	138,087.88	484,454.20
Opening Cash Balances			138,087.88	-	138,087.88
Loan No. 2931	Imprest-account	III 1.a	7,735.22	-	7,735.22
	Sub-account	III 2.a	387.52	-	387.52
	Imprest-account	III 1.b	100,413.93	-	100,413.93



Grant No. 0313	Sub-account	III 2.b	24,484.50	-	24,484.50
	Petty Cash	III 3	5,066.71	-	5,066.71
Add:	Foreign Exchange Difference				
	Net Change in Cash		484,454.20	138,087.88	622,542.08
Closing Cash Balances			484,454.20	-	622,542.08
Loan No. 2931	Imprest-account	III 1.a	283,959.90		291,695.12
	Sub-account	III 2.a	2,852.50		3,240.02
Grant o. 0313	Imprest-account	III 1.b	169,935.50		270,349.43
	Sub-account	III 2.b	24,999.00		49,483.50
	Petty Cash	III 3	2,707.30		7,774.01





Lao People's Democratic Republic
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Central Regional Audit Organization

No.: **207** /CAO-

Vientiane Capital, Date: **05 JUN 2017**

Management Letter

To: The project management of the **Greater Mekong Sub-region East West Economic Corridor Towns Development Project.**

Re: Report on audit findings of the **Greater Mekong Sub-region East West Economic Corridor Towns Development Project**, ADB loan No: 2931 LAO-(SF) and grant No: 0313 LAO-(SF) for the fiscal year 2015-2016 and three months additional as of December 31st, 2016.

The audit team conducts an audit the project implementation in the fiscal year 2015-2016 and three months additional ended at December 31st, 2016. In addition, the audit team reviews the previous year's commendations, of which observes that there are some goodness, weakness, implications about internal control system, financial, accounting system and relevant issues. The audit team made some recommendations and solutions to the project management in order to improve weakness in the near future, the details are following:

- I. **Audit findings on the project's implementation for the fiscal year 2015-2016** 
1. **Accounting system**
  - 1.1. **Project Accounting Manual**
    - A. **Goodness**

The project has project's accounting manual or financial management manual (FMM), the said manual defines accounting's code, template, flowchart of authorization and fund replenishment process etc....

B. Weakness

In the fiscal year 2015-2016, the project improved the new code of accounting, but the accounting manual did not amend the said new code in accordance with the accounting program (ACCPAC 6.1).

C. Implications

The accounting unit of the project will face difficulty on implementation its work.

D. Recommendations

To implement the accounting/finance work correct as actual, the project management should have to amend some content of the accounting manual in order that reference for the recording, information supply, internal control and accounting summarization and to comply with article 25 of the law on accounting, No: 47/NA, dated December 26th, 2013.

Management response: Agree to improve as the recommendation of audit team.

1.2. First Generation Imprest Account (FGIA)

A. Goodness

The Greater Mekong Sub-region East West Economic Corridor Towns Development Project has journal book on FGIA, the said book recorded receipts and expenditures. The transactions respectively classified, summarized by month, year and periodically replenished fund into the FGIA.

B. Weakness

The replenishment fund into the first generation imprest account delayed, this result to low ending balance such as on March 2016 amounted to US dollar 2.821,33 in comparison to the initial ceiling at amount of US dollar 360.000,00 or equivalent to 1,16%.

C. Implications

The activities implementation of the project may not be smooth and may not achieve as planned.

D. Recommendations

In order to assure the activities implementation of the project achieves as planned, the project management should have to coordinate with donor on process of fund replenishment into the project's account as fast as possible. to avoid the low ending balance of the FGIA. The reason is to comply with clause C, article 11 of the ODA instruction No: 2065/MOF, dated November 01st 2010.

Management response: Agree to improve as the recommendations of audit team.

1.3. Fixed assets

A. Goodness

The project has register on project's fixed assets of which indicated code of assets, entry dated, quantities, price of assets and sector of using.

B. Weakness

The project did not record some project's fixed assets into the project's register such as 9 units of vehicle amounted to 692.851,50 US dollar, rubbish bin amounted to 17.048, 50 US dollar. Moreover, at the end of year the project did not conduct physical counting on fixed assets.

C. Implications

The project's fixed assets as shown in the register did not correct as actual and the project's fixed assets may lose.

D. Recommendations

In order to avoid losing fixed assets of the project, to assure long use and use of fixed assets meets with project's purpose. The project management should have to give advices to the staff responsible for project's fixed assets to record all transactions of assets into the

assets' register in completeness in compliance to the clause 2 article 38 of the law on accounting (amended version), No: 47/NA, dated December 26th, 2013.

Management response: Agree to improve as the recommendations of audit team.

2. Category of Expenditure

2.1. Consulting Services

A. Goodness

The project received the services from consultants in order to support activities and to improve the capacity building the human resources of the project. The project paid for the consultant services by direct payment and each disbursement attached complete set of documents in compliance to the rule and regulation.

B. Weakness

The project disbursed fund to the consultant services at total mount of US dollar 470.238,35. The percentage of loan paid to the Consulting Services was 58% and 32% was for grant.

C. Implications

- The interest amount from loan may increase and it would affect to the project's budget on the use into the project's activities as per prescribed planned;
- The activities implementation of the project may face difficulty.

D. Recommendations

To ensure the project's activities follow as planned, the project should have to disburse fund for the consulting services as per prescribed percentage in the loan and grant agreement, dated December 4th, 2012. The project needs to coordinate with the donor to amend the disbursement percentage in compliance to the rule and regulation of donor and to implement accurately as actual. In addition, the accounting recording should accurately implement as per actual transaction incurred in compliance to the clause 05, article 17 of the law on accounting, No: 47/NA, dated December 26th, 2013.

Management's response: Agree to improve as the recommendations of audit team.

2.2. Training/Workshop

A. Goodness

The project organized related trainings in order to develop the human resource of the project to understand about performance of work that they implemented. The project has ledger on training. The said ledger recorded transactions incurred, summarized in detailed and had complete set of supporting documents on training expenditure.

B. Weakness

The training payment amounted to 166,488,37 US dollar, in this amount 64% paid from loan and 35% from grant, the audit team noted that the percentage of payment did not comply as per prescribed in the Project Administration Manual (PAM) such as the percentage payment of loan is 52% and the percentage payment of grant is 38%.

C. Implications

- The interest rate of loan will increase and the budget allocations for loan will not enough as planned.
- The activities implementation of the project faces difficulties.

D. Recommendations

To ensure activities implementation of the project meet with planned, the project management should have to disburse Training category as per prescribed percentage in the PAM dated December 4th, 2012. The project must closely communicate with the donor in order that amend the percentage of payment to be correct as per prescribed rule of the donor and actual implementation. Moreover, the accounting recording should have to implement accurately as actual transaction incurred and in compliance to clause 5, article 17 of the law on accounting, No: 47/NA, dated December 26th, 2013.

Management response: Agree to improve as the recommendations of audit team.

2.3. Civil Works

A. Goodness

The project had register on civil work, the transactions for civil work recorded, summarized by month, quarter and year and the disbursement on civil work had complete set of supporting documents.

B. Weakness

Through the audit on civil works amounted to 222.800,00 US dollar, the audit team noted that the project procured vacuum truck (public clean vehicle) of which did not include in civil work and did not have procurement plan in the PAM, but ADB approved on procurement.

C. Implications

- The activities implementation of the project faces difficulties.
- The fund allocation to the Civil Work is not enough as per initial planned.

D. Recommendations

To assure the activities of the project implement as planned, the project management should strictly implement project's activities as planned dated September 2013. If there is necessity on the implementation, the project should review the plan and amend in accordance with the article 59 of the law on state budget, No: 71/NA, dated December 26th, 2015.

Management response: Agree to improve as the recommendations of audit team.

II. Review the previous year recommendations of audit team

2.1. Improvement to the previous year recommendations of audit team

The management of the **Greater Mekong Sub-region East West Economic Corridor Towns Development Project** paid attention to improve as per previous year recommendations of audit team from the State Audit Organization of Lao P.D.R as following:

1. The project improves as the recommendations of audit team as the unbalance amount of 10.000 US dollar enters in the financial statement in completeness.
2. The unbalance at amount of 22.697,08 US dollar in the journal book of loan and the semi-monthly statement of ADB improves as the figure shown in the accumulate amount as at December 31st, 2016.

3. The project improves as recommendations of audit team as the 33 units of fixed assets at amount of 73.500.000 LAK equivalent to 9.187,50 US dollar records into the register of project's fixed assets.

4. The project prepares and summarizes budget by each source of fund and by monthly, quarterly and yearly.

2.2. No improvement to the previous year recommendations of audit team

In parallel with the improvement points as the recommendations of audit team, the Greater Mekong Sub-region East West Economic Corridor Towns Development Project did not improve as per previous year recommendations of SAO as following:

1. The project did not summarize and prepare financial statements by each source of fund.

A. Clause

Because the staffs responsible for finance/accounting do not understand about financial reports and accounting summarization.

B. Implications

- The project may not be able to oversight and may not compare the figure of each source of fund used.

- The project may not evaluate on the use of each source of fund into each activities of the project.

C. Recommendations

To be reference on the activities implementation of the project, the project management needs to extend budget plan of each source of fund in details and the project should have to prepare budget plan by month, quarter and year. In addition, the project should have to give advices to the staff responsible for finance/accounting to prepare financial statements in each source of fund in compliance to the clause 4.14, form 12 of the project accounting system manual, No: 1013/MOF, dated March 26th, 1998.

Management response: Agree to improve as the recommendations of audit team.

2. The procurement on vehicle at amount of 38.000,00 US dollar used 100% fund from loan, the audit team noted that the did not comply with prescribed percentage in the PAM such as for loan is 57% and grant is 33%.

A. Clause

Because of PAM did not amend and the project management should have to amend as per compliance to the actual implementation of the project.

B. Implications

The interest rate from loan will increase and the budget for loan may not enough for the project's activities as initial planned.

C. Recommendations

In order to assure the activities implementation of the project achieves effectiveness and efficiency. The fund disbursement of each category of expenditure needs to strictly follow to the prescribed percentage in the PAM dated 2013.

Management response: Agree to improve as the recommendations of audit team. To this issue the project will propose to higher level and the donor in order to find way for solutions.

3. The fund replenishment to the FGIA delayed, this resulted to low ending balance in some months as mentioned in the 1.2 of I of this management letter.

4. The payment amounted to 873.577,60 US dollar to the Consulting Services, in this amount 68,35% paid from loan fund and 31,65% from grant fund, the audit team noted that the percentage of payment by each source of fund did not comply with PAM as such 58% for loan and 48% for grant. The detailed information, the audit team mentioned in the 2.1 of I of this management letter.

III. Conclusion

In general, the management system of the **Greater Mekong Sub-region East West Economic Corridor Towns Development Project**, ADB Loan no: 2931-LAO (SF), grant No: 0313-LAO (SF) and Lao Government Contribution Fund has implemented according to guidelines of the Lao PDR.

government and that of the funder, with fully attached documents. In any case, in order that the strict enforcement of internal control to improve and optimize the project operational objectives, with efficiency and effectiveness, the project management needs a close oversight and adherence to the recommendations as cited above.

**President of the
Central Regional Audit Organization**



Mr.Amphayvanh PHANTHAVONG



Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - IAO (SFY Grant No. 0313 (SFY Grant No. 0314 (UEIF), GOL

0237
Ref...../GMSEWEC.SK
Savannahket, Date: 17/03/2017

Statement of Sources of Fund
For the fiscal year 2015-2016 as ending of 30/9/2016

Source(s) of Fund	Total up to the last fiscal year of 2014-2015			Current fiscal year 2015-2016 ended as: 30/09/2016			Total up to date			US\$	Form 1
	ADB FY 2014-2015	GOL FY: 2013-2014	Total	ADB FY 2015-2016	GOL FY 2015-2016	Total	ADB	GOL	Total		
I. Government of Lao PDR		99,999.36	99,999.36	-	61,881.19	61,881.19	-	161,880.55		161,880.55	
1. Contribution in cash		99,999.36	99,999.36		61,881.19	61,881.19		161,880.55		161,880.55	
2. Contribution in Kind											
II. ADB Loan and Grant	2,315,215.73		2,315,215.73	1,460,248.21		1,460,248.21	3,775,463.94			3,775,463.94	
+ Direct Payment - ADB Loan no. 2931	862,515.36		862,515.36	432,382.68		432,382.68	1,294,898.04			1,294,898.04	
+ Imprest Account - ADB Loan no. 2931	636,572.08		636,572.08	774,663.65		774,663.65	1,411,185.73			1,411,185.73	
+ Interest Payment	10,013.40		10,013.40	17,397.56		17,397.56	27,610.96			27,610.96	
+ Direct Payment - ADB Grant no. 0313	485,164.89		485,164.89	235,604.32		235,604.32	720,769.21			720,769.21	
+ Imprest Account - ADB Grant no. 0313	321,000.00		321,000.00	-		-	321,000.00			321,000.00	
III. Others Sources											
1. Exceptional Incomes											
Total:	2,315,215.73	99,999.36	2,415,215.09	1,460,248.21	61,881.19	1,522,129.40	3,775,463.94	161,880.55		3,937,344.49	

Project Director

Project Accountant

Director General of Savannakhet Provincial Department of
Public Works and Transport

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PHOMMA VONGPIACHIT

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Keolamsone SAYASANE



Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SFY/Grant No. 0313 (SFY/Grant No. 0314 (UEIF), GOL

Ref: 0237 /GMSEWEC/SK
Savunnehoti, Date: 17/03/2017

Statement of Sources & Use of Fund
As the end of 30/9/2016

Form 2

No.	Use of Fund	Current Fiscal Year 2014-2015	Current Fiscal Year 2015-2016	Total	Source of Fund	Current Fiscal Year 2014-2015	Current Fiscal Year 2015-2016	Total
Category		2,277,127.21	1,159,386.58	3,436,513.79	III. Opening Balance:			
1	A. Civil Works		470,051.50	470,051.50	ADB Loan 2931 - Interest Account BOI		138,087.87	
2	B. Equipment	422,963.87	17,048.50	440,012.37	ADB Loan 2931 Sub-interest accounts BCEL		7,735.22	
3	C. Training & Capacity Development	36,898.45	129,589.92	166,488.37	ADB Grant 0313- Interest Account BOI		387.52	
4	D. Resettlement & social Safeguard	99,999.36	61,881.19	161,880.55	ADB Grant 0313- Sub-interest accounts BCEL		100,413.93	
5	E. Recurrent Administrative Cost	235,190.33	210,024.56	445,214.89	Petty cash		24,484.50	
6	F. Consulting Services	1,472,061.80	253,193.35	1,725,255.15	Others (Deposited for opening account):		5,066.71	
7	Interest charges	10,013.40	17,597.56	27,610.96	IV. Fund received	2,415,215.09	1,572,129.40	3,987,344.49
	Contingencies (price + physical)			-	Government Contribution	99,999.36	61,881.19	161,880.55
				-	Contribution in cash	99,999.36	61,881.19	161,880.55
				-	Contribution in Kind			
				500,830.70	Loan and Grant ADB	2,315,215.73	1,460,245.21	3,775,463.94
	Closing Balance:	138,087.87	500,830.70	638,918.57	+ Direct Payment - ADB Loan no. 2931	862,515.36	432,382.68	1,294,898.04
	ADB Loan 2931 - Interest Account BOI	7,735.22	227,580.11	235,315.33	+ Interest Account - ADB Loan no. 2931	636,522.08	774,663.63	1,411,185.73
	ADB Loan 2931 Sub-interest accounts BCEL	387.52	3,440.58	3,828.10	+ Interest Payment	10,013.40	17,597.56	27,610.96
	ADB Grant 0313- Interest Account BOI	100,413.93	248,167.21	348,581.14	+ Direct Payment - ADB Grant no. 0313	483,164.89	235,604.32	720,769.21
	ADB Grant 0313- Sub-interest accounts BCEL	34,484.50	18,845.46	53,329.96	+ Interest Account - ADB Grant no. 0313	371,000.00		371,000.00
	Petty Cash	5,066.71	2,797.34	7,864.05				
	Others (Deposited for opening account):							
Sub Total:		2,415,215.08	1,660,217.28	4,075,432.36		2,415,215.09	1,660,217.27	4,075,432.36

Project Director

Project Accountant

Director General of Savannakhet Provincial Department of
Public Works and Transport

အိမ်ထောင်ရေးနှင့်

THOMMA VONGPHACHIT

Chasongsinh CHALEUNESORN

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Keolamsone SAYASANE



Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SFY/Grant No. 0313 (SFY/Grant No. 0314 (UEIF), GOL

Ref: 0-231/GMSEWEC/SK
Savannakhet, Date: 17/03/2017

Statement of Expenditures by Category
As ending of 30/9/2016

Cat. No.	Project Category	Budget	Total up to the last fiscal year 2014-2015			Current Fiscal Year 2015-2016, ended on 30/09/2016			Total up to date		
			ADB	GOL	Total	ADB	GOL	Total	ADB	GOL	Total
1	A. Civil Works	29,160,000.00				470,051.50		470,051.50	470,051.50		470,051.50
2	B. Equipment	3,070,000.00	422,963.87		422,963.87	17,048.50		17,048.50	440,012.37		440,012.37
3	C. Training & Capacity Development	770,000.00	36,898.45		36,898.45	129,589.92		129,589.92	166,488.37		166,488.37
4	D. Resettlement & social Safeguard	6,270,000.00		99,999.36	99,999.36		61,881.19	61,881.19		161,880.55	161,880.55
5	E. Recurrent Administrative Cost	950,000.00	235,190.33		235,190.33	210,024.56		210,024.56	445,214.89		445,214.89
6	F. Consulting Services	6,115,000.00	1,472,061.80		1,472,061.80	253,193.35		253,193.35	1,725,255.15		1,725,255.15
	Interest charges	570,000.00	10,013.40		10,013.40	17,597.56		17,597.56	27,610.96		27,610.96
	Contingencies (price + physical)	833,000.00									
	Total	47,738,000.00	2,177,127.85	99,999.36	2,277,127.21	1,097,805.39	61,881.19	1,159,686.58	3,274,633.24	161,880.55	3,436,513.79

Project Director

Project Accountant

Director General of Savannakhet Provincial Department of
Public Works and Transport



ພິມມາ ວົງພະຈິດ
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Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SPY Grant No. 0313 (SPY Grant No. 0314(UEIF), GOL

Ref: 09331.../JMSEWEC.SK
Savannakhet, Date: 11 / 03 / 2017

Statement of Loan and Grant Disbursement
As the end of 30/9/2016

Project Category		Budget Allocation		Brought forward FY 2014-2015		Current Fiscal FY 2015-2016		Total Amount disbursement as of 30/9/2016		Balance as of 30/9/2016	
		USD	SDR	USD	SDR	USD	SDR	USD	SDR	USD	SDR
1	A. Civil Works	29,160,000.00				470,051.50	-	470,051.50	-	28,689,948.50	-
2	B. Equipment	3,070,000.00		422,963.87	-	17,048.50	-	440,012.37	-	2,629,987.63	-
3	C. Training & Capacity Development	770,000.00		36,898.45	-	129,589.92	-	166,488.37	-	603,511.63	-
4	D. Pesticide and social safeguard	6,270,000.00		99,999.36	-	61,881.19	-	161,880.55	-	6,108,119.45	-
5	E. Recurrent Administrative Cost	950,000.00		235,190.33	-	210,024.56	-	445,214.89	-	504,785.11	-
6	F. Consulting Services	6,115,000.00		1,472,061.80	-	253,193.35	-	1,725,255.15	-	4,389,744.85	-
7	Interest charges	570,000.00		10,013.40	-	17,297.56	-	27,610.96	-	542,389.04	-
8	Contingencies (price + physical)	833,000.00			-		-		-	833,000.00	-
Total:		47,738,000.00	-	2,277,127.21	-	1,159,386.58	-	3,436,513.79	-	44,301,486.21	-

US\$ Form 4

Project Director

Project Accountant



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Director General of Savannakhet Provincial
Department of Public Works and Transport

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Savannakhet Province

Savannakhet Provincial Department of Public Works and Transport

Greater Mekong Subregion East-West Economic Corridor Towns Development Project

ADB Loan No. 2931 - LAO (SFY) Grant No. 0313 (SFY) Grant No. 0314 (UEIF), GOL

Ref: 0337/GMSEWISC.SK

Savannakhet, Date: 17 / 03 / 2017

Statement on Budget: ADB and GOL

As the end of 30/9/2016

US\$ Form 5

No	Title of Category Budget Line	Budget Allocation	Budget 2015 - 2016			Actual Expenses 2015 - 2016			Balance		
			ADB	GOL	TOTAL	ADB	GOL	TOTAL	ADB	GOL	TOTAL
1	A. Civil Works	29,160,000.00	711,304.48	-	711,304.48	470,051.50	-	470,051.50	241,252.98	-	241,252.98
2	B. Equipment	3,070,000.00	140,000.00	-	140,000.00	17,048.50	-	17,048.50	122,951.50	-	122,951.50
3	C. Training & Capacity Development	770,000.00	361,902.92	-	361,902.92	129,589.92	-	129,589.92	232,313.00	-	232,313.00
4	D. Resettlement & social Safeguard	6,270,000.00	-	61,881.19	61,881.19	-	61,881.19	61,881.19	-	-	-
5	E. Recurrent Administrative Cost	950,000.00	531,000.00	-	531,000.00	210,024.56	-	210,024.56	320,975.44	-	320,975.44
6	F. Consulting Services	6,115,000.00	844,334.10	-	844,334.10	253,193.35	-	253,193.35	591,140.75	-	591,140.75
7	Interest during construction	570,000.00	17,597.56	-	17,597.56	17,597.56	-	17,597.56	-	-	-
8	Contingencies (price + physical)	833,000.00	-	-	-	-	-	-	-	-	-
	Total	47,738,000.00	2,606,139.06	61,881.19	2,668,020.25	1,097,505.39	61,881.19	1,159,386.58	1,508,633.67	-	1,508,633.67

Project Director

Project Accountant



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Director General of Savannakhet Provincial
Department of Public Works and Transport



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Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SFY) Grant No. 0313 (SFY) Grant No. 0314 (UEIP), GOL

Ref: 003/GMSEWEC/SK
Savannakhet, Date: 17/03/2017

Statement of Sources of Fund
For the fiscal 3/2016 as ending of 31/12/2016

Sources of Fund	Current fiscal year 2015-2016 ended as: 30/09/2016			Current fiscal 3 Months of 2016 ended as: 31/12/2016			Total up to date	
	ADB FY 2015-2016	GOL FY 2014-2015	Total	ADB 3 Month 2016	GOL 3 Month 2016	Total	ADB	GOL
I. Government of Lao PDR								
1. Contribution in cash	-	161,880.55	161,880.55					161,880.55
2. Contribution in Kind		161,880.55	161,880.55					161,880.55
II. ADB Loan and Grant	3,775,463.94		3,775,463.94	484,333.69		484,333.69	4,259,797.63	
+ Direct Payment - ADB Loan no. 2931	1,294,898.04		1,294,898.04	144,820.00		144,820.00	1,439,718.04	
+ Imprest Account - ADB Loan no. 2931	1,411,183.73		1,411,183.73	261,533.69		261,533.69	1,672,719.42	
+ Interest Payment	27,610.96		27,610.96				27,610.96	
+ Direct Payment - ADB Grant no. 0313	720,769.21		720,769.21	77,980.00		77,980.00	798,749.21	
+ Imprest Account - ADB Grant no. 0313	321,000.00		321,000.00				321,000.00	
III. Others Sources								
1. Exceptional incomes								
Total:	3,775,463.94	161,880.55	3,937,344.49	484,333.69		484,333.69	4,259,797.63	161,880.55
								4,421,678.18

Project Director

Project Accountant

Director General of Savannakhet Provincial Department
of Public Works and Transport

ພິມມາ ວົງພະຈິດ
PHOMMA VONGPHACHIT

ປະສົງສິນ ຈະເລີນສຸກ

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Keolamsone SAYASANE



Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Savannakhet Province

Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SF)/ Grant No. 0313 (SF)/ Grant No. 0314 (UEIF), GOL

Ref: 0923/GMSEWEC.SK
Savannakhet, Date: 18/03/2017

Statement of Sources & Use of Fund

As the end of 31/12/2016

Form 2

No.	Use of Fund	Previous Fiscal Year 2015-2016	Current fiscal 3 Month	Total	Sources of Fund	Previous Fiscal Year 2015-2016	Current fiscal 3 Month	Total
Category		3,436,513.79	500,710.19	3,937,223.98	III. Opening Balance:		500,830.70	
1	A. Civil Works	470,051.50	222,800.00	692,851.50	ADB Loan 2931 - Imprest Account BOL		227,580.11	
2	B. Equipment	440,012.37	370.55	440,382.92	ADB Loan 2931 Sub-imprest accounts BCEL		3,440.58	
3	C. Training & Capacity Development	166,488.37		166,488.37	ADB Grant 0313- Imprest Account BOL		248,167.21	
4	D. Resettlement & social Safeguard	161,880.55		161,880.55	ADB Grant 0313- Sub-imprest accounts BCEL		18,845.46	
5	E. Recurrent Administrative Cost	445,214.89	60,258.04	505,472.93	Petty cash		2,797.34	
6	F. Consulting Services	1,725,255.15	217,281.60	1,942,536.75	Others (Deposited for opening account):			
7	Interest charges	27,610.96	-	27,610.96	IV. Fund received	3,937,344.49	484,333.69	4,421,678.18
	Contingencies (price + physical)			-	Government Contribution	161,880.55	-	161,880.55
				-	Contribution in cash	161,880.55	-	161,880.55
				-	Contribution in Kind			
				-	Loan and Grant ADB	3,775,463.94	484,333.69	4,259,797.63
Closing Balance:		500,830.70	484,454.20	484,454.20				
	ADB Loan 2931 - Imprest Account BOL	227,580.11	283,959.90	283,959.90	+ Direct Payment - ADB Loan no. 2931	1,294,898.04	144,820.00	1,439,718.04
	ADB Loan 2931 Sub-imprest accounts BCEL	3,440.58	2,852.50	2,852.50	+ Imprest Account - ADB Loan no. 2931	1,411,185.73	261,533.69	1,672,719.42
	ADB Grant 0313- Imprest Account BOL	248,167.21	169,935.50	169,935.50	+ Interest Payment	27,610.96	-	27,610.96
	ADB Grant 0313- Sub-imprest accounts BCEL	18,845.46	24,999.00	24,999.00	+ Direct Payment - ADB Grant no. 0313	720,769.21	77,980.00	798,749.21

Petty Cash	2,797.34	2,707.30	2,707.30	+ Imprest Account - AIDB Grant no. 0313	321,000.00	321,000.00
Others (Deposited for opening account):						
Sub Total:	3,937,344.49	985,164.39	4,421,678.18		3,937,344.49	985,164.39
						4,421,678.18

Project Director

Project Accountant

Director General of Savannakhet Provincial Department of
Public Works and Transport



ພົມມາ ວົງພະຈິດ
PHOMMA VONGPHACHIT



ປະສົງສິນ ຈະເລີນສຸກ

ແກ້ວລຳຊອນ ໄຊຍະສານ
Keolamsone SAYASANE



Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SFY Grant No. 0313 (SFY) Grant No. 0314 (UEIF), GOL

Ref: 0257/CMSIEW/EC/SK
Savannakhet Date: 17/03/2017

Statement of Expenditures by Category
As ending of 31/12/2016

Cat. No.	Project Category	Budget	Previous Fiscal Year 2015-2016, ended at: 30/09/2016			Current Fiscal 3 Month ended at: 31/12/2016			Total up to date 31/12/2016		
			ADB	GOL	Total	ADB	GOL	Total	ADB	GOL	Total
1	A. Civil Works	29,160,000.00	470,051.50		470,051.50	222,800.00		222,800.00	692,851.50		692,851.50
2	B. Equipment	3,070,000.00	440,012.37		440,012.37	370.55		370.55	440,382.92		440,382.92
3	C. Training & Capacity Development	770,000.00	166,488.37		166,488.37				166,488.37		166,488.37
4	D. Resettlement & social Safeguard	6,270,000.00		161,880.55	161,880.55					161,880.55	161,880.55
5	E. Recurrent Administrative Cost	950,000.00	445,214.89		445,214.89	60,258.04		60,258.04	505,472.93		505,472.93
6	F. Consulting Services	6,115,000.00	1,735,255.15		1,735,255.15	217,281.60		217,281.60	1,942,536.75		1,942,536.75
	Interest charges	570,000.00	27,610.96		27,610.96				27,610.96		27,610.96
	Contingencies (p&h + physical)	833,000.00									
	Total:	47,738,000.00	3,274,633.24	161,880.55	3,436,513.79	500,710.12		500,710.12	3,775,343.43	161,880.55	3,937,223.98

US\$ Form 3

Project Director

Project Accountant



Director General of Savannakhet Provincial
Department of Public Works and Transport

ທົມມາ ວົງພະຈິດ
PHOMMA VONGPHACHIT

Keolamsone SAYASANE
ແກ່ວລຳຊອນ ໄຊຍະສານ

ປະສົງສິນ ຈະເລີນສຸກ



Lao People's Democratic Republic

Peace Independence Democratic Unity Prosperity

Savannakhet Province
Savannakhet Provincial Department of Public Works and Transport
Greater Mekong Subregion East-West Economic Corridor Towns Development Project
ADB Loan No. 2931 - LAO (SF)/Grant No. 0313 (SF)/Grant No. 0314(UEIP), GOL

Ref: 0237/GMSEWEC.SK
Savannakhet, Date: 17/03/2017

Statement of Loan and Grant Disbursement
As the end of 31/12/2016

Project Category		Budget Allocation		Previous Fiscal FY 2015-2016		Current Fiscal FY 3 Month		Total Amount disbursement as of 31/12/2016		Balance as of 31/12/2016	
		USD	SDR	USD	SDR	USD	SDR	USD	SDR	USD	SDR
1	A. Civil Works	29,160,000.00		470,051.50	-	222,800.00		692,851.50	-	28,467,148.50	-
2	B. Equipment	3,070,000.00		440,012.57		370.55		440,382.92	-	2,629,617.08	-
3	C. Training & Capacity Development	770,000.00		166,488.37				166,488.37	-	603,511.63	-
4	D. Resettlement & social Safeguard	6,270,000.00		161,880.55				161,880.55	-	6,108,119.45	-
5	E. Recurrent Administrative Cost	950,000.00		445,214.89		60,258.04		505,472.93	-	444,527.07	-
6	F. Consulting Services	6,115,000.00		1,725,255.15		217,281.60		1,942,536.75	-	4,172,463.25	-
7	Interest charges	570,000.00		27,610.96		-		27,610.96	-	542,389.04	-
8	Contingencies (price + physical)	833,000.00						-	-	833,000.00	-
Total:		47,738,000.00	-	3,436,513.79	-	500,710.19	-	3,937,223.98	-	43,800,776.02	-

Project Director



Director General of Savannakhet Provincial
Department of Public Works and Transport



Project Accountant

Keolamsone SAYASANE
ແມ່ວລຳຊອນ ໄຊຍະສານ

HOMMA VONGPHACHIT
ພິມມາ ວົງພະຈິດ



Lao People's Democratic Republic
Peace Independence Democratic Unity Prosperity

Savannakhet Province

Savannakhet Provincial Department of Public Works and Transport

Greater Mekong Sub-region East-West Economic Corridor Towns Development Project

ADB Loan No. 3931 - LAO (SFY Grant No. 0313 (SFY Grant No. 0314(UEIF), OOL

0237

Ref:...../GMS/WECC.SK

Savannakhet, Date: 13 / 03 / 2014

Statement on Budget: ADB and GOL

As the end of 31/12/2016

US\$ Form 5

No	Title of Category Budget Line	Budget Allocation		Budget 2015 - 2016			Actual Expenses 2015 - 2016			Actual Expenses 3 Month 2016			Balance		
		ADB	GOL	TOTAL	ADB	GOL	TOTAL	ADB	GOL	TOTAL	ADB	GOL	TOTAL	GOL	TOTAL
1	A. Civil Works	29,160,000.00	-	711,304.48	470,051.50	-	470,051.50	272,800.00	-	272,800.00	18,452.98	-	18,452.98	-	18,452.98
2	B. Equipment	3,070,000.00	-	140,000.00	17,048.50	-	17,048.50	370.55	-	370.55	122,580.95	-	122,580.95	-	122,580.95
3	C. Training & Capacity Development	770,000.00	-	361,902.92	129,589.92	-	129,589.92	-	-	-	232,313.00	-	232,313.00	-	232,313.00
4	D. Restructuring & social Safeguard	6,270,000.00	-	61,881.19	61,881.19	-	61,881.19	-	-	-	-	-	-	-	-
5	E. Recurrent Administrative Cost	950,000.00	-	531,000.00	210,024.56	-	210,024.56	60,258.04	-	60,258.04	260,717.40	-	260,717.40	-	260,717.40
6	F. Consulting Services	6,115,000.00	-	844,334.10	255,193.35	-	255,193.35	317,281.60	-	317,281.60	373,859.15	-	373,859.15	-	373,859.15
7	Interest during construction	570,000.00	-	17,397.56	17,397.56	-	17,397.56	-	-	-	-	-	-	-	-
8	Contingencies (price + physical)	853,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	47,738,000.00	2,606,139.06	2,608,028.25	1,897,408.39	61,881.19	1,959,289.58	508,710.19	-	508,710.19	1,807,923.48	-	1,807,923.48	-	1,807,923.48

Project Director

Project Accountant



Homma Vongphachit
HOMMA VONGPHACHIT

Director General of Savannakhet Provincial
Department of Public Works and Transport



Prasongsinh CHALEUNSCOUR

Keolamsone SAYASANE
Keolamsone SAYASANE