

Poverty Reduction Fund



PRF Financial Monitoring Report IDA CREDIT NO. 3675 LA

31 March 2004

LAO PEOPLE'S DEMOCRATIC REPUBLIC
Poverty Reduction Fund
IDA Credit No. 3675 LA

PRF Financial Monitoring Report

I. Discussion of Project Progress

1. FMR as part of Progress Reporting

1.1 This report is based on information processed by the ACCPAC computer program. Information is presented both on a quarterly report basis and for the total life of the project. The period of quarterly data input was from 1/1/2004 to 31/03/2004. The financial statements produced by the system report the financial situation of PRF (Poverty Reduction Fund; IDA Credit No. 3675 LA) as at 31/03/2004. See attached financial statements listed below for more information:

Annex 1. Project Balance Sheet.
Annex 2. Sources and Uses of Funds Statement.
Annex 3. Uses of Funds by Project Activities (Project to Date)
Annex 4. Bank Reconciliation.
Annex 5. IDA Funds Reconciliation
Annex 6. IDA Cash Reconciliation
Annex 7: Procurement report

1.2 The total amount of expenditure during the quarter of 1/1/2004 to 31/03/2004 was \$ 262,240.01, which was less than the current ceiling amount of \$ 900,000, IDA No. 3675 LA.

Expenditure classified to each Category according to the Loans Agreement is as detailed in Table 1 below: (see also the Annex 2. Sources and Uses of Funds Statement – Distribution Categories Type).

Table 1:

Category No.	Description	Amount of Expenditure (USD)
1	Sub-Project Grants	100,067.80
2	PRF staff / Consulting Services	97,222.00
3	Goods and Vehicles	1,330.84
4	Civil Works	5,573.09
5	Incremental Operating Cost ¹	58,046.28
	TOTAL	262,240.01

¹ Includes Training and Training related expenses. These will be shown as a separate Category in the next report, in accordance with the approval of the WB. (WB BKK office letter No. 623/2004 dated 18 March 2004; countersigned by MoF on the 5 April 2004.)

Expenditure is also classified for each Project component according to the Loans Agreement, as in Table 2 below: (see also Annex 2. Sources and Uses of Funds Statement – Uses of Funds by Project Component item 2).

Table 2:

Component No.	Description	Amount of Expenditure (USD)
1	Village Sub Project Component	100,067.80
2	Local Capacity building	78,270.17
3	National Project Management	83,902.04
	Total	262,240.01

- 1.3 Total Project life expenditure up to 31/3/2004 is \$1,266,585.82; of this amount, \$1,167,866.87 was from IDA and \$98,718.95 was the expenditure of GOL-related and other local contributions.
- 1.4 The total amount of funds actually received by the PRF from the beginning of the project until 31/03/2004 was 1,961,934.12 USD. Of this, the amount funded by IDA 3675 LA to the PRF special account was 1,879,653.97 USD. A total of 80,562.15 USD (equivalent) has been received from GOL-related contributions and 1,718.00 USD was received from other income (from bidding documents sold, etc.). (See Annex 1: Balance Sheet).
- 1.5 IDA Replenishment Application No. 3 for a total amount of \$215,233.47 was received by the PRF on 4/03/2004 (see Bank statement). 75,000,000 KIP (equivalent to approx. 7,500 USD) from GOL direct cash contributions was received in this reporting period. This contribution was for the last quarter of financial year 2003.
- 1.6 The closing bank balance shown in the General Ledger Book as at 31/03/2004 is 631,492.94 USD while the credit balance in the Bank Statement is 637,796.40 USD. The difference between G/L Book and the Bank Statement is 6,303.46 USD. This difference occurred because as at 31/03/2004 there were two checks (Check no 10602: \$4,840 and Check no 10632: \$1,200) not yet withdrawn, plus some other small differences (See Annex: 4 for details).
- 1.7 At 31/3/2004 there were also two outstanding accounts payable with the total amount of 2,282.26 USD.

2. Use of Funds by Project Activities Analysis.

Sub-project implementation started strongly in 10 Districts of 3 Provinces in the quarterly reporting period.

Referring to the Uses of Fund by Project Activities Statement - Annex: 3, if we compare total Project life expenditure on Sub-project Grants, we can see that activities in Huaphan province have resulted in higher expenditure than in the other two provinces (Savannakhet and Champasack). Similarly, if we compare total project life expenditure on Component 2 (Local Capacity Building) for each

province as well as expenditure on Component 3 (National Project Management) we can see that Vientiane (Headquarter of PRF) has a far higher total life expense than the others (\$ 683,384.56), while Champasack, Savannakhet and Houaphan provinces are in second, third and fourth ranking, respectively. Overall, however, comparison of total cost by Project Components shows that total life expenditure in the three provinces does not vary greatly.

3. Comments on the FMR.

The ACCPAC system is now able to produce accurate reports. However, small adjustments to the ACCPAC system are still required to introduce the revised budget which will allow for analysis of Variance. Analysis of Variance is still not possible at present because the original WB cost tables presently in ACCPAC are far removed from the finally approved plans and budgets; e.g. 10 start up districts instead of 6, 100% IDA contribution for salaries instead of 88% IDA and 12% GOL. As a result there is no variance found in Annex: 3 of this FMR report.

As noted earlier, the new Training Category will be used for the first time in the next FMR.

4. Procurement Report.

Several contracts are still in active/ open mode e.g. Social study, Base line survey, and construction contracts, guarantees for office renovations, etc. However, there was very little procurement expenditure in the quarterly reporting period. Details of expenditure are given in Annex 7.

Date: 06/07/2004

Signature: 

Title: Executive Director of Poverty Reduction Fund

POVERTY REDUCTION FUND
IDA Credit No. 3675 LA

Balance Sheet
As at 31/3/2004

		Project Cumulative 31/03/2004 US\$	Project Cumulative 31/03/2004 KIP
<u>Assets</u>			
1000	Cash on hand IDA	106.06	1,077,646
1014	Cash on hand Houaphan	130.19	1,342,879
1016	Cash on hand Champasack	0.38	3,715
1018	Cash on hand Savannakhet	22.85	248,165
1020	Cash on hand GOL	422.71	4,405,517
1200	Bank BOL \$ A/C Vientiane	631,492.94	6,687,523,940
1202	Cash on hand GOL Savannakhet	1.21	13,092
1206	Cash on hand GOL Houaphan	5.15	52,577
1208	Cash on hand GOL Champasack	5.87	61,255
1250	Bank BOL Kip A/C Vientiane	2,433.68	25,727,410
1300	Bank BCEL Kip A/C Houaphan	1,104.11	9,391,193
1305	Bank BCEL US\$ A/C Houaphan	0.00 *	0
1320	Bank GOL Houaphan	53.21	541,394
1350	Bank BCEL Kip A/C Savannakhe	41,866.86	433,462,856
1355	Bank BCEL US\$ A/C Savannakhe	237.26	2,443,082
1400	Bank BCEL Kip A/C Champasack	2,560.50	24,257,377
1405	Bank BCEL US\$ A/C Champasack	253.28	2,585,667
1450	Advance general	8,029.70	83,353,097
1470	Advance GOL Vientiane	3.74	31,391
1500	Advance Houaphan	3,941.70	41,129,590
1550	Advance Savannakhet	3,408.66	35,679,385
1600	Advance Champasack	1,106.34	11,593,055
1700	Advance GOL Champasack	54.65	559,490
1702	Advance GOL Houaphan	208.68	2,164,709
1704	Advance GOL Savannakhet	180.83	1,877,503
		0.00	0
		697,630.56	7,369,525,985.00
Project Expenditures:			
	Village Sub Project Grants	102,178.90	1,063,643,486
	Local Capacity Building	480,775.18	5,044,552,602
	National Project Management	683,631.74	7,178,496,923
	Total Project Expenditures	1,266,585.82	13,286,693,011
Total Assets		1,964,216.38	20,656,218,996
<u>LIABILITIES AND FUNDS</u>			
4000	Accounts Payable	2,217.30	24,476,082
4050	A/C Payable IDA owed to GOL	64.96	683,969
4070	A/C Payable GOL owed to IDA	0.00	0
4200	Commitment	0.00	0
	Total Liabilities	2,282.26	25,160,051
Fund Balance:			
4250	IDA	1,879,653.97	19,768,217,017
4300	GOL	80,562.15	844,768,380
4350	Others	1,718.00	18,073,548
	Total Funds	1,961,934.12	20,631,058,945
Total Liability & Funds		1,964,216.38	20,656,218,996

LAO PEOPLE'S DEMOCRATIC REPUBLIC
Poverty Reduction Fund
IDA Credit No. 3675 LA

Sources and Uses of Funds Statement
For The Period Ended 31/3/2004

	in USD			in KIP			Per PAD in US\$
	Current Quarter	Fiscal YTD	Project Cumulative	Current Quarter	Fiscal YTD	Project Cumulative	
1) Sources of Funds							
IDA	(215,245.47)	(514,452.74)	(1,879,653.97)	(2,234,463,224)	(5,353,699,014)	(19,768,217,017)	0.00
Government Funds	(17,760.53)	(28,753.69)	(80,562.15)	(183,624,874)	(298,124,135)	(844,768,380)	0.00
Others	(129.44)	(307.52)	(1,718.00)	(1,340,000)	(3,191,000)	(18,073,548)	0.00
Total Sources of Funds	(233,135.44)	(543,513.95)	(1,961,934.12)	(2,419,428,098)	(5,655,014,149)	(20,631,058,945)	0.00
2) Uses of Funds by Project Component							
Comp 1: Village Sub Project Component	100,067.80	102,178.90	102,178.90	1,041,532,601	1,063,597,837	1,063,643,487	0.00
Comp 2: Local Capacity Building	78,270.17	161,551.26	480,775.18	812,162,991	1,679,840,985	5,044,552,602	0.00
Comp 3: National Project Management	83,902.04	202,380.17	683,631.74	868,429,637	2,102,343,511	7,178,496,923	0.00
Total Uses of Funds	262,240.01	466,110.33	1,266,585.82	2,722,125,229	4,845,782,333	13,286,693,012	0.00
3) Net Cash Inflow (Outflow) (1-2)	29,104.57	(77,403.62)	(695,348.30)	302,697,131	(809,231,816)	(7,344,365,934)	0.00
4) Accounts Payable	2,465.93	665.84	(2,282.26)	25,881,918	7,132,095	(25,160,051)	0.00
5) Total Closing Balances	31,570.50	(76,737.78)	(697,630.56)	328,579,049	(802,099,721)	(7,369,525,985)	0.00
Closing Balances							
IDA Special Account (in US\$)	(53,722.65)	43,771.19	631,492.94	(551,346,942)	468,702,159	6,687,523,940	0.00
Project Bank Accounts	22,152.15	32,966.59	66,137.62	222,767,893	333,397,362	682,002,045	0.00
Total Closing Balances	(31,570.50)	76,737.78	697,630.56	(328,579,049)	802,099,521	7,369,525,985	0.00

Disb. Categories Type	in USD			in KIP			Per PAD in US\$
	Current Quarter	Fiscal YTD	Project Cumulative	Current Quarter	Fiscal YTD	Project Cumulative	
1 Sub-project Grants	100,067.80	102,178.90	102,178.90	1,041,532,601	1,063,597,837	1,063,643,488	0.00
2 Consulting Services	97,222.00	199,539.61	586,881.17	1,006,067,886	2,071,499,913	6,154,928,420	0.00
3 Goods & Vehicles	1,330.84	2,559.96	224,688.68	13,851,184	26,653,099	2,369,314,130	0.00
4 Civil Works	5,573.09	12,759.68	58,609.52	57,881,300	132,620,694	617,201,812	0.00
5 Incremental Operating cost	58,046.28	149,072.18	294,227.55	602,792,258	1,551,410,790	3,081,605,163	0.00
7 Training, IEC, Socialization	0.00	0.00	0.00	0	0	0	0.00
Total Project Cost	262,240.01	466,110.33	1,266,585.82	2,722,125,229	4,845,782,333	13,286,693,012	0.00

LAO PEOPLE'S DEMOCRATIC REPUBLIC
Poverty Reduction Fund
IDA Credit No. 3675 LA

Annex: 3

Life of Project to Date
Uses of Funds by Project Activities
For The Period Ended 31/3/2004

		PROJECT TO DATE						
		IN USD						
		Provinces				Total	Plan	Variance
		Champasak	Savannakhet	Houaphan	Vientiane			
1)	Village Sub Project Grants							
	Number of Districts/Villages							
	Number of Sub Projects							
	Infrastructure sub-projects	31,976.00	24,574.27	45,628.63	0.00	102,178.90	0.00	(102,178.90)
	Equipment & sub-projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Service sub-projects	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Subtotal: Component 1	31,976.00	24,574.27	45,628.63	0.00	102,178.90	0.00	(102,178.90)
2)	Local Capacity Building							
	Services	68,846.16	63,684.14	64,863.79	0.00	197,394.09	0.00	(70,446.47)
	Equipments	19,902.87	16,146.63	15,847.23	0.00	51,896.73	0.00	(1,186.05)
	Vehicles	26,761.50	24,829.50	24,888.49	0.00	76,479.49	0.00	0.00
	Operating Costs	48,308.69	51,878.58	37,545.68	0.00	137,732.95	0.00	(69,592.11)
	Civil Works	2,752.33	8,434.78	6,084.81	0.00	17,271.92	0.00	(11,563.84)
	Subtotal: Component 2	166,571.55	164,973.63	149,230.00	0.00	480,775.18	0.00	(152,788.47)
3)	National Project Management							
	Services	0.00	0.00	44.40	422,616.35	422,660.75	0.00	(162,266.81)
	Equipments	0.00	0.00	0.00	56,554.96	56,554.96	0.00	(1,373.91)
	Vehicles	0.00	0.00	0.00	39,757.50	39,757.50	0.00	0.00
	Operating Costs	99.43	103.35	0.00	123,118.15	123,320.93	0.00	(45,907.16)
	Civil Works	0.00	0.00	0.00	41,337.60	41,337.60	0.00	(1,183.60)
	Training, IEC, Socialization	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Subtotal: Component 3	99.43	103.35	44.40	683,384.56	683,631.74	0.00	(210,731.48)
Total Cost by Project Components		198,646.98	189,651.25	194,903.03	683,384.56	1,266,585.82	0.00	(465,698.85)

POVERTY REDUCTION FUND PROJECT

IDA Bank Reconci A/C 1200

Attatch Bank Statement

As at 31/03/2004

Bank Account No. 01.4521002.00002

		USD
Closing GL/Book Balance as at 31/03/2004		<u>\$631,492.94</u>
Add: i) Adjustment for previous underpayment to PPF from LE A/C	\$218.99	
ii) GOL over reimbursed to IDA LE a/c (\$2,746.85 - \$2,422.81)	\$324.04	
iii) Bank withdrew less on Check # 10228	\$0.50	\$543.53
Less: i) Adjustment for previous overpayment from GOL to IDA PPF A/C	(\$250.07)	*
ii) Bank Fees	(\$30.00)	(\$280.07)

Closing GL/Book Balance as at 31/03/2004

\$631,756.40Reperesented by:

Closing Bank Balance 31/03/2004

\$637,796.40

Add: Outstanding deposit

Less: Feb 2004 unrepresented Cheque # 10602 \$4,840.00

Mar 2004 unrepresented Cheque # 10632 \$1,200.00

(\$6,040.00)

Closing Bank Balance 31/03/2004

\$631,756.40Approved by:
Executive DirectorCertified by:
Head of Admin & FinancePrepared by:
AccountantSignature: Signature: Signature: 

ລາຍງານບັນຊີສໍາລອງ

[1-31/03/2004]

ບັນຊີ: 01.4521002.00002

ບັນຊີເກົ່າ:

ຊື່ບັນຊີ: ກ/ທ ຫລຸດຜ່ອນຄວາມຫຸກຍາກ (ບ້ວງ 1

CURRENCY: USD

1

ວັນທີ	ເນື້ອໃນການເຄື່ອນໄຫວ	ຫນ້າ	ມີ	ຍອດເງິນເຕລີໂອ
...	ຍອດຍົກມາ			553,604.83
01/03/2004	CHN.10618.10.341K/15	2,818.69	0.00	550,786.14
01/03/2004	CHN.10619.10.341K/15	126.84	0.00	550,659.30
04/03/2004	JPMORGANEHASEໃຫ້ກຸຊຄົມະນາຄົມໄພ	0.00	215,233.47	765,892.77
05/03/2004	CHN10624.10.361K/15	245.61	0.00	765,647.16
05/03/2004	CHN10622.10.361K/15	91.69	0.00	765,555.47
05/03/2004	ແລກຮຸ້ນBOLCHN/10620 10.361K/5	288.82	0.00	765,266.65
05/03/2004	ຂາຍໂທ້BOL 10.361K/5 10623	418.59	0.00	764,848.06
09/03/2004	CHN 10601 10.361K/5 MR LIONEL	845.00	0.00	764,003.06
09/03/2004	ຖ/ສ MR LIONEL 10601	4,875.00	0.00	759,128.06
10/03/2004	CHN10628-10627.10.351K/15	531.32	0.00	758,596.74
11/03/2004	ແລກຮຸ້ນBOLCHN/10629 10.361K	1,496.90	0.00	757,099.84
15/03/2004	CHN10630-10634-10633.10.361K/15	935.32	0.00	756,164.52
15/03/2004	ແລກຮຸ້ນBOLCHN/10631 10.361K	7,934.60	0.00	748,229.92
15/03/2004	ແລກຮຸ້ນBOLCHN/10635 10.361K	239.65	0.00	747,990.27
15/03/2004	CHN.10637.10.361K/15	840.03	0.00	747,150.24
15/03/2004	CHN.10636.10.361K/15	229.32	0.00	746,920.92
17/03/2004	CHN.10640-10639.10.361K/15	6,613.92	0.00	740,307.00
17/03/2004	CHN10642-10643.10.361K/15	8,112.90	0.00	732,194.10
17/03/2004	ແລກຮຸ້ນBOLCHN/10641 10.361K/5	279.88	0.00	731,964.22
18/03/2004	CHN10644.10.361K/15	124.70	0.00	731,839.52
18/03/2004	ໂອນເງິນໃຫ້ BCELCHN10638	1,130.85	0.00	730,708.67
18/03/2004	ແລກຮຸ້ນBOLCHN/10645 10.361K	204.47	0.00	730,504.20
22/03/2004	CHN.10647.10.371K/15	256.73	0.00	730,247.47
22/03/2004	CHN.10646.10.371K/15	205.04	0.00	730,042.43
23/03/2004	CHN/10648 ອັດຕາ 10.381K/15	117.25	0.00	729,925.18
23/03/2004	ແລກຮຸ້ນBOL 10.381K/15 10649	31,270.03	0.00	698,655.15
23/03/2004	ແລກຮຸ້ນBOL 10.381K/15 10650	11,710.26	0.00	686,944.89
24/03/2004	CHN 10651-10652 10.381K/5	1,174.93	0.00	685,769.96
24/03/2004	ແລກຮຸ້ນBOL 10.381K/15 10653	184.27	0.00	685,585.69
25/03/2004	CHN/10566-10567 10.381K/15	317.24	0.00	685,268.45
25/03/2004	CHN/10658 10.381K/15	248.09	0.00	685,020.36
25/03/2004	CHN/10655 10.381K/15	523.46	0.00	684,496.90
25/03/2004	CHN/10654 10.381K/15	1,679.15	0.00	682,617.75
26/03/2004	CHN/10723-25 10.391K/15	697.48	0.00	681,920.27

ວັນທີ	ເງື່ອນໄຂການເຄື່ອນໄຫວ	ຫນີ້	ມີ	ຍອດເງິນເຫລືອ
26/03/2004	CHN/10725 10.391K/15	14,190.73	0.00	667,729.54
26/03/2004	CHN/10659 10.391K/15	399.35	0.00	667,330.19
26/03/2004	CHN10721.10.391K/15	7,905.87	0.00	659,424.32
26/03/2004	CHN10722.10.391K/15	10,458.06	0.00	648,966.26
29/03/2004	ຮັບໂອນຈາກP MORGAN CHASE BAN	0.00	12.00	648,978.26
30/03/2004	CHN10727 LDB	5,461.86	0.00	643,516.40
30/03/2004	CHN10660.10.391K/15	845.00	0.00	642,671.40
30/03/2004	ທ/ສ MR.LIONEL LAUNEUS.CHN10660	4,875.00	0.00	637,796.40
42	ລາຍການ	131.053,90	215.245,47	637.796,40

ຍອດຍົກມາ	553.604,83
ເຄື່ອນໄຫວຫນີ້,	131.053,90
ເຄື່ອນໄຫວມີ	215.245,47
ຍອດເຫລືອ	637.796,40

31/03/2004

ຫົວໜ້າບໍລິຫານ

ຄິດໄລ່



**POVERTY REDUCTION FUND PROJECT
LIFE OF PROJECT**

IDA Fund Reconciliation A/C 4250
as at 31/03/2004

IDA Credit No: 3675 LA

	USD
Closing GL Balance as at 31/03/2004	\$1,879,653.97

Credit Bank account up to 11/03/2003 :

Application No:	00001	59,990.00	
Application No:	00002	36,580.00	
Application No:	00003	50,157.15	
Application No:	00004	21,865.65	
Application No:	00005	7,927.21	
Application No:	00006	29,606.28	
Application No:	00007	70,950.00	
Application No:	00008	9,259.45	
Application No:	00009	31,285.07	
Cummulative Bank Commissior		87.00	
Refund back to PPF a/c		(11,380.93)	\$306,326.88

Credit Bank account from 12/03/2003 to 31/03/2004 :

Application No:	00001	900,000.00	
Application No:	00002	158,874.35	
Application No:	00002/A	299,207.27	
Application No:	00003	215,245.47	\$1,573,327.09

IDA Fund Closing Balance as at 31/03/2004	\$1,879,653.97
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Approved by:
Executive Director

Certified by:
Head of Admin
and Finance

Prepared by:
Accountant

Signature: _____

Signature: _____

Signature: _____

POVERTY REDUCTION FUND PROJECT

IDA Cash Reconciliation A/C 1000
as at 31/03/2004

IDA Credit No: 3675 LA

		KIP
Closing GL Balance as at 31/03/2004		1,077,646
Add:		
i) This expense paid in March 2003 (V008)	200,000	
ii) This expense paid in March 2003 (V009)	50,500	
iii) Exchange Rate Gain	4,245	254,745

Less:

Closing GL Balance as at 31/03/2004	1,332,391
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Reperesented by:

Closing Cash Balance 31/03/2004	1,332,391
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Add: Outstanding deposit

Less:

Closing Book Balance 31/03/2004	1,332,391
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Approved by:
Executive Director

Signature: _____

Certified by:
Head of Admin
and Finance

Signature: _____

Prepared by:
Accountant

Signature: _____

Annex: 7

[illegible]