

**MOBILISING ETHNIC COMMUNITIES FOR  
IMPROVED LIVELIHOODS AND WELLBEING  
PROJECT FUNDED BY THE INTERNATIONAL  
DEVELOPMENT ASSOCIATION, ACTING AS  
ADMINISTRATOR OF THE JAPAN SOCIAL  
DEVELOPMENT FUND, UNDER GRANT  
AGREEMENT No.TF097786**



**STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND  
BALANCE**

**FOR THE PERIOD FROM 1 OCTOBER 2012  
TO 30 SEPTEMBER 2013**

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING  
PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS  
ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT  
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**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**STATEMENT BY PROJECT MANAGEMENT**

On 22 April 2011, the International Development Association (IDA), acting as administrator of the Japan Social Development Fund (JSDF) and the Government of the Lao People's Democratic Republic (GoL) signed Grant Agreement Number TF097786 to provide a grant of USD2,621,500 for the purpose of financing the Mobilising Ethnic Communities for Improved Livelihoods and Wellbeing Project (the Project).

The GoL will carry out the Project through the Poverty Reduction Fund (PRF or Project Implementation Entity) under the subsidiary grant agreement signed by the GoL and the PRF on 8 July 2011, in which the PRF commits to the objective of the Project and undertakes to carry out such objective.

The objective of the Project is to pilot an innovative, livelihood-focused, community-driven development programme in five selected poverty reduction priority districts in Houaphan and Savannakhet provinces, enabling 28,800 households in ethnic communities in rural areas of Lao PDR to improve their livelihoods and wellbeing through group-based activities. The implementation of the Project was approved by the IDA on 22 April 2011 and the Project implementation period is from 22 April 2011 to 22 April 2015.

The eligible expenses that will be financed out of the proceeds of the grant are allocated to the following categories:

**Category 1:** Goods, consultants' services and training

**Category 2:** Incremental operating costs

**Category 3:** Sub-grants under Part (b) of the Project

The Project maintains its records and prepares its financial statements in accordance with the cash receipts and disbursements basis of accounting. Any direct payments made by financiers for Project expenditure are recorded by the Project when paid.

The following components of the financial statements summarise the Project's financial position and performance for the period from 1 October 2012 to 30 September 2013:

- statement of receipts and disbursements
- statement of fund balance, and
- notes to the financial statements.

As the responsible officials, we hereby state that, to the best of our knowledge and belief, the financial statements for the period from 1 October 2012 to 30 September 2013:

- have been prepared in accordance with the IDA's requirements
- have been prepared, in all material respects, in accordance with the basis of accounting set out in Note 2 to the financial statements.

We also hereby state that the statement of cash receipts and disbursements includes only costs that are eligible under Grant Agreement No. TF097786-LA and that adequate supporting documentation has been maintained for these costs.

On behalf of the Project:

Mr. Bounkouang Souvannaphanh

Executive Director

28 MAR 2014

Mrs. Boualy Sayavong

Head of Finance and Administration Division

28 MAR 2014



## INDEPENDENT AUDITOR'S REPORT

**To the Government of Lao PDR, the Management of the Project and the International Development Association, acting as administrator of the Japan Social Development Fund (JSDF), on the financial statements of the Mobilising Ethnic Communities for Improved Livelihoods and Wellbeing Project under Grant Agreement No. TF097786 – LA.**

We have audited the accompanying financial statements of the Mobilising Ethnic Communities for Improved Livelihoods and Wellbeing Project (the Project) funded by the International Development Association (IDA), acting as administrator of the Japan Social Development Fund (JSDF), under Grant Agreement No. TF097786, which comprise the statement of receipts and disbursements for the period from 1 October 2012 to 30 September 2013, the statement of fund balance as at 30 September 2013 and other explanatory information. The financial statements have been prepared by the management of the Project in accordance with the accounting policies described in Note 2 to the financial statements.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation of these financial statements in accordance with 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 misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on the accompanying financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Project's preparation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the accompanying financial statements of the Project for the period from 1 October 2012 to 30 September 2013 are prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statements.



**INDEPENDENT AUDITOR'S REPORT** (continued)

*Basis of accounting*

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Project's management to comply with the financial reporting requirements of the Project. As a result, the financial statements may not be suitable for other purposes

*Other matters*

This report is intended for the information of the Project, the IDA and the Government of Lao PDR, and for no other purpose. However, upon release by the IDA, this report will be a matter of public record and its distribution will not be limited. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, except where expressly agreed by our prior consent in writing.

For PricewaterhouseCoopers (Lao) Co., Ltd.

By Paiboon Tunkoon  
Partner  
Vientiane, Lao PDR  
Date: 28 March 2014

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

	Notes	From 1 October 2012 to 30 September 2013 USD	From 1 October 2011 to 30 September 2012 USD
<b>Receipts</b>			
Grant Agreement Number TF097786			
- Funds received	3	552,509	147,647
<b>Total receipts</b>		<b>552,509</b>	<b>147,647</b>
<b>Disbursements by category</b>			
Category 1: Goods, consultants' services and training		380,357	211,747
Category 2: Incremental operating costs		16,798	5,564
Category 3: Sub-grants under Part (b) of the Project		91,181	-
<b>Total disbursements</b>	4	<b>488,336</b>	<b>217,311</b>
<b>Surplus/(deficit) of receipts over disbursements</b>		<b>64,173</b>	<b>(69,664)</b>



Mr. Bounkouang Souvannaphanh  
Executive Director

28 MAR 2014

Mrs. Boualy Sayavong  
Head of Finance and Administration Division

28 MAR 2014

The accompanying notes on pages 6 to 13 form an integral part of the financial statements. The auditor's report is on pages 2 and 3.

MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786

STATEMENT OF FUND BALANCE  
AS AT 30 SEPTEMBER 2013

	Notes	As at 30 September 2013 USD	As at 30 September 2012 USD
Opening fund balance		180,325	249,989
Surplus/(deficit)		64,173	(69,664)
<b>Closing fund balance</b>		<b>244,498</b>	<b>180,325</b>
<i>Represented by:</i>			
Cash on hand and cash at banks	5	238,354	175,709
Advances	6	6,144	4,616
<b>Total current assets</b>		<b>244,498</b>	<b>180,325</b>



Mr. Bounkouang Souvannaphanh  
Executive Director

28 MAR 2014

Mrs. Boualy Sayavong  
Head of Finance and Administration Division

28 MAR 2014

The accompanying notes on pages 6 to 13 form an integral part of the financial statements. The auditor's report is on pages 2 and 3.

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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**1. General information**

On 22 April 2011, the International Development Association (IDA), acting as administrator of the Japan Social Development Fund (JSDF) and the Government of the Lao People's Democratic Republic (GoL) signed Grant Agreement Number TF097786 to provide a grant of USD2,621,500 for the purpose of financing the Mobilising Ethnic Communities for Improved Livelihoods and Wellbeing Project (the Project).

The GoL will carry out the Project through the Poverty Reduction Fund (PRF or Project Implementation Entity) under the subsidiary grant agreement signed by the GoL and the PRF on 8 July 2011, in which the PRF commits to the objective of the Project and undertakes to carry out such objective.

The objective of the Project is to pilot an innovative, livelihood-focused, community-driven development programme in five selected poverty reduction priority districts in Houphan and Savannakhet provinces, enabling 28,800 households in ethnic communities in rural areas of Lao PDR to improve their livelihoods and wellbeing through group-based activities. The implementation of the Project was approved by the IDA for the period from 22 April 2011 to 22 April 2015.

The eligible expenses that will be financed out of the proceeds of the grant are allocated to the following categories:

**Category 1:** Goods, consultants' services and training

**Category 2:** Incremental operating costs

**Category 3:** Sub-grants under Part (b) of the Project

The Project is managed by the management of the Poverty Reduction Fund. As at 30 September 2013, the Project had 10 full-time employees.

The Project's address is Poverty Reduction Fund, Souphanouvong Road, Vientiane, Lao People's Democratic Republic. The Project's financial statements were authorised for issue by the Executive Director (Bounkouang Souvannaphanh) on 28 March 2014.

**2. Significant accounting policies**

**a. Basis of preparation**

The financial statements are expressed in United States dollars (USD), and have been prepared under the historical cost convention and the cash basis of accounting, except for advances. Under the cash basis of accounting, transactions are recorded when cash is paid or received by the Project. Advances are included in the statement of fund balance and presented as 'advances' until the advance is cleared by its owner and recorded as a payment.

**b. Cash receipts**

Cash receipts represent cash received from the IDA, and are recognised when they are actually received rather than when earned or, in the case of direct payments by the IDA, when the Project receives a notification of payment regarding the payment from the IDA.



**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

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**2. Significant accounting policies (continued)**

**c. Cash disbursements**

Cash disbursements represent all cash expenses of the Project for the activities funded by the IDA, paid in line with the Project's objectives and approved budgets. They are recorded when disbursed, except for advances, which are recognised as expenses after they are cleared and evidence of payment is received by the Project.

**d. Disbursements of sub-grants**

Sub-grants are made available by the Project from the proceeds of the financing to Kum Bans located in the Project's targeted provinces to finance sub-projects under Category 3 2, in accordance with the provisions of the sub-grant agreement.

The disbursement of sub-grants to Kum Bans by the Project is recognised as expenditure on the date money is transferred to the Kum Bans.

**e. Fixed assets**

The cost of fixed assets is charged to expenditure at the time the disbursements are made. Fixed assets purchased are charged to the category to which they relate. The Project maintains fixed asset registers at each location, which include vehicles, office equipment and furniture, for control purposes only.

**f. Advances**

Advances represent amounts paid in advance to the Project's employees for the purposes of travel to provinces, districts or overseas, or for meetings, workshops or conferences. Advance payments for Project activities are credited to cash and debited to the advance account at the time the advance is provided to the recipient. The expenses related to the advanced amount are recorded to the related expenditure category line on the date of liquidation, and any excess amount is debited to the cash account upon receipt by the Project. Outstanding advances are included in the statement of fund balance and presented as advances.

**g. Foreign currency**

The measurement and presentation currency of the Project is US dollars. Transactions arising in currencies other than US dollars are translated to US dollars using the rates prevailing at the transaction dates. Cash balances in currencies other than US dollars are translated into US dollars using the rate at the period end. All foreign exchange differences arising are included in the statement of receipts and disbursements. The exchange rate prevailing as at 30 September 2013 was USD1 to LAK 7,837.

**h. Designated account replenishments**

The designated account replenishments represent cash received by the Project under Grant Agreement No. TF097786. The designated account is replenished by the IDA in accordance with the Statement of Expenditure (SOE) and the Withdrawal Application, which are prepared by the Project and approved by the National Treasury, Ministry of Finance, Lao PDR.

The replenishments are made to the designated account at the Bank of Lao PDR (BoL) and are used exclusively to cover the IDA's share of eligible expenses under Grant Agreement No. TF097786.

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

**3. Designated bank account replenishments**

For the period from 1 October 2012 to 30 September 2013

<b>Application number</b>	<b>Date of application</b>	<b>Particulars</b>	<b>USD</b>
No. 009	18 October 2012	DA-A IDA TF097786	27,802
No. 010	10 January 2013	DA-A IDA TF097786	89,871
No. 011	15 March 2013	DA-A IDA TF097786	93,161
No. 012	15 March 2013	DA-A IDA TF097786	20,576
No. 013	17 May 2013	DA-A IDA TF097786	34,386
No. 014	6 June 2013	DA-A IDA TF097786	61,431
No. 015	2 July 2013	DA-A IDA TF097786	69,312
No. 016	31 July 2013	DA-A IDA TF097786	59,060
No. 017	28 August 2013	DA-A IDA TF097786	53,718
No. 018	19 September 2013	DA-A IDA TF097786	43,192
<b>Total replenishments of designated account No. 0000010056200100</b>			<b>552,509</b>
<b>Accumulated total replenishments of designated account as at 30 September 2013</b>			<b>950,156</b>

Withdrawal applications (W/A) for the Project are submitted to the IDA by Project management through the Ministry of Finance. W/A No. 001 for USD 250,000 dated 20 September 2011 is an advance from the IDA to the Project for the initial implementation activities of the Project.

**Accumulated total replenishments of designated account as at 1 October 2011**

<b>Application number</b>	<b>Date of application</b>	<b>Particulars</b>	<b>USD</b>
No. 001	20 September 2011	DA-A IDA TF097786	250,000
<b>Total replenishments of designated account No. 0000010056200100</b>			<b>250,000</b>
<b>Total accumulated total replenishments of designated account as at 1 October 2011</b>			<b>250,000</b>

For the period from 1 October 2011 to 30 September 2012

<b>Application number</b>	<b>Date of application</b>	<b>Particulars</b>	<b>USD</b>
No. 002	8 February 2012	DA-A IDA TF097786	11,371
No. 003	12 March 2012	DA-A IDA TF097786	28,720
No. 004	22 April 2012	DA-A IDA TF097786	3,554
No. 005	1 June 2012	DA-A IDA TF097786	43,401
No. 006	19 June 2012	DA-A IDA TF097786	15,160
No. 007	31 August 2012	DA-A IDA TF097786	19,587
No. 008	7 September 2012	DA-A IDA TF097786	25,854
<b>Total replenishments of designated account No. 0000010056200100</b>			<b>147,647</b>
<b>Accumulated total replenishments of designated account as at 30 September 2012</b>			<b>397,647</b>

MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786

NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013

4. Summary of disbursements by component

	Total budget ("Unaudited")	Accumulated as at 30 September 2013	For the period 1 October 2012 to 30 September 2013	Accumulated as at 30 September 2012	For the period 1 October 2011 to 30 September 2012
	USD	USD	USD	USD	USD
<b>Component 1: Training and Consultancy</b>					
Training, monitoring costs and information, education and communication (IEC) materials	257,080	230,783	177,202	53,581	53,581
Consultancy - local staff	630,420	187,305	138,677	48,628	48,628
Consultancy - international goods	214,000	174,016	64,478	109,538	109,538
Component 1 expenditure subtotal	<b>1,101,500</b>	<b>592,104</b>	<b>380,357</b>	<b>211,747</b>	<b>211,747</b>
<b>Component 2: Incremental operating costs</b>					
Incremental operating costs	120,000	22,373	16,798	5,575	5,564
Component 2 expenditure subtotal	<b>120,000</b>	<b>22,373</b>	<b>16,798</b>	<b>5,575</b>	<b>5,564</b>
<b>Component 3: Sub-grants</b>					
Sub-grants under Part (b) of the Project	1,400,000	91,181	91,181	-	-
Component 3 expenditure subtotal	<b>1,400,000</b>	<b>91,181</b>	<b>91,181</b>	<b>-</b>	<b>-</b>
<b>Total disbursements</b>	<b>2,621,500</b>	<b>705,658</b>	<b>488,336</b>	<b>217,322</b>	<b>217,311</b>

Source of budget: Total budget provided by the Head of Finance and Administration Division of the Project.

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

**4. Summary of disbursements by component (continued)**

**Component 1 : Training and Consultancy**

This represents salary for staff hired on a full-time basis, consultant costs for international consultants and procurement of computers. As at 30 September 2013, the Project had 10 employees and 1 international advisor (as at 30 September 2012: 13 employees and 1 international advisor).

**Component 2: Incremental operating costs**

This mainly pertains to vehicle maintenance costs and fuel costs.

**Component 3: Sub-grants**

This relates to part (b) of the Project: providing sub-grants to eligible village self-help groups (SHGs) through a competitive, transparent and participatory selection process to support the planning, implementation and sustainability of livelihood activities, including, (i) provision of input support for production and marketing through sub-grants and in-kind contributions including labour and materials from villagers, (ii) empowering SHGs through training and technical assistance and (iii) promoting sustainability of community assets and SHGs through basic financial literacy and links to finance and markets.

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

**5. Cash on hand and at banks**

	As at 30 September 2013 USD	As at 30 September 2012 USD
<b>Cash on hand</b>		
Cash on hand at provinces	4	88
Cash on hand at Vientiane	4,464	1,447
<b>Total cash on hand</b>	<b>4,468</b>	<b>1,535</b>
<b>Cash at banks</b>		
Operating accounts	-	-
Vientiane operating account	-	-
Province operating accounts	37,196	602
<b>Total operating accounts</b>	<b>37,196</b>	<b>602</b>
Designated account (BOL)	196,690	173,572
<b>Total cash at banks</b>	<b>196,690</b>	<b>173,572</b>
<b>Total cash on hand and at banks</b>	<b>238,354</b>	<b>175,709</b>

The cash on hand balance comprises individual petty cash balances maintained at each office for small payments made by the Project.

Cash at bank represents cash deposited in current accounts at local banks, bearing no interest.

Operating accounts are bank accounts opened at local banks by each office of the Project (three offices in total) to manage funds received from the designated account. Operating accounts are normally current accounts that bear no interest.

The details of the designated account are as follows:

**Designated account**

Account No: 0000010056200101  
 Account Name: Poverty Reduction Fund Project II  
 Depository Bank: Bank of Lao PDR (BOL)  
 Type of account: Current account  
 Interest rate: Nil  
 Address: Yonet Road, PO Box 2925, Vientiane, Lao PDR  
 Related credit: IDA Grant No. TF097786-LA  
 Currency: USD

*Note: The Project uses the Poverty Reduction Fund II Project designated account as its designated bank account for receiving funds from donors.*

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

**6. Advances**

Advances by province	At 30 September 2013 USD	At 30 September 2012 USD
- Vientiane	2,566	2,739
- Houaphan	3,578	1,877
- Savannakhet	-	-
Total advances outstanding	<u>6,144</u>	<u>4,616</u>

Advances as at 30 September 2013 were mainly advances to the Project's staff for conducting Kum Ban and village training. All such advances were cleared in October and November 2013.

**7. Statement of designated account**

	For the period from 1 October 2012 to 30 September 2013 USD	For the period from 1 October 2011 to 30 September 2012 USD
<b>Opening balance of designated bank account</b>	173,572	249,989
Add: Designated bank account replenishments (Note 3)	552,509	147,647
Add: Total cash on hand, advances and cash at bank at opening	6,753	-
Less: Total disbursements for the period (Note 4)	(488,336)	(217,311)
Less: Advances (Note 6)	(6,144)	(4,616)
Less: Replenishments to operating accounts (Note 5)	(37,196)	(602)
Less: Cash on hand (Note 5)	(4,468)	(1,535)
<b>Closing balance of designated bank account</b>	<u>196,690</u>	<u>173,572</u>

**MOBILISING ETHNIC COMMUNITIES FOR IMPROVED LIVELIHOODS AND WELLBEING PROJECT FUNDED BY THE INTERNATIONAL DEVELOPMENT ASSOCIATION, ACTING AS ADMINISTRATOR OF THE JAPAN SOCIAL DEVELOPMENT FUND, UNDER GRANT AGREEMENT No.TF097786**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013**

**7. Statement of designated account (continued)**

	For the period from 1 October 2012 to 30 September 2013 USD	For the period from 1 October 2011 to 30 September 2012 USD
<b>Reconciliation of designated account</b>		
Amounts advanced to the Project by the IDA	250,000	250,000
Less: Total amount recovered by the IDA	-	-
<b>Total advanced to the Project by the IDA</b>	<b>250,000</b>	<b>250,000</b>
Designated account ending balance (Note 5)	196,690	173,572
Amounts withdrawn by the Project but not yet replenished by the IDA*	53,310	76,428
<b>Total advanced to the Project by the IDA</b>	<b>250,000</b>	<b>250,000</b>

\*This amount was replenished through W/A 019. The replenishment for W/A 019 was received in October 2013.

**8. Commitments**

The details of commitments as at 30 September 2013 are shown below.

	As at 30 September 2013 USD
Local consultants*	30,781
<b>Total</b>	<b>30,781</b>

\*Committed contracts for local consultants mainly comprise contracts for local full-time staff, who work on the monitoring and implementation of the Projects. Contracts are usually entered into for a period of 3, 6 or 12 months. Thus the commitment balances are expected to be cleared within one year from the reporting date.