"Central Asia Regional Links Project - CARS-3" IDA Grant No. D385-KG, IDA Credit No. 6328-KG

Financial statements for the year ended December 31, 2023

and independent auditor's report



# "CENTRAL ASIA REGIONAL LINKS PROJECT - CARS-3" IDA GRANT NO. D385-KG, IDA CREDIT NO. 6328-KG

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### "CENTRAL ASIA REGIONAL LINKS PROJECT - CARs-3" IDA GRANT NO. D385-KG. IDA CREDIT NO. 6328-KG

### STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE PROJECT FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

The following statement, which should be read in conjunction with the independent auditor's responsibilities is made with a view to distinguish the respective responsibilities of management and those of the independent auditor in relation to the project financial statements of the Project "Central Asia Regional Links Project -CARs-3" IDA Grant No. D385-KG, IDA Credit No. 6328-KG (the "Project").

Management is responsible for the preparation of the project financial statements that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project parts of the Project for the year ended December 31, 2023 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

In preparing the project financial statements, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether IPSAS and WB Guidelines have been followed, subject to any material departures disclosed and explained in the project financial statements; and
- preparing the project financial statements on the assumption that the Project will be implemented in accordance with the established period.

Management is also responsible for:

- designing, implementing and maintaining effective and sound system of internal control and for revealing risks in system of internal control;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time. the Proiect financial position, and which enable them to ensure that the financial statements of the Project comply with IPSAS and WB Guidelines;
- keeping accounting in compliance with laws and regulations of the Kyrgyz Republic, and the requirements of the operational manual of the Project and the requirements of the World Bank;
- taking such steps as are reasonably available to them to safeguard the assets of the Project; and
- detecting and preventing fraud, error and other irregularities.

The project financial statements for the year ended December 31, 2023 were approved and authorized for issue on June 20, 2024 by the management of the Project.

On behalf of the Management:

Bariev Y. and communications of the

Kyrgyz Republic

Zainalov U.

First Deputy Minister of transport Head of the World Bank Projects Implementation Unit under the Ministry of transport and communications of the Kyrgyz

Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

Zhanyshbaeva A.

Financial Manager of the World Bank Projects Implementation Unit under the Ministry of transport and communications of the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic



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#### INDEPENDENT AUDITOR'S REPORT

To the Management of the Project "Central Asia Regional Links Project – CARs-3" under the Ministry of transport and communications of the Kyrgyz Republic

### Report on the project financial statements

#### **Opinion**

We have audited the accompanying project financial statements of the project "Central Asia Regional Links Project – CARs-3" (the "Project") which comprise the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the year ended December 31, 2023, and a summary of significant accounting policies and other explanatory information (the "project financial statements").

In our opinion, the accompanying project financial statements present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project parts of the Project for the year ended December 31, 2023 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Sector Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (the "ISAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the project financial statements section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter**

Without qualifying our opinion, we draw attention to Note 2 to the project financial statements, which describe the basis of accounting. These project financial statements were prepared for complying with the appropriate World Bank Guidelines and Financing, as well as the requirements of the Financing agreement. These circumstances do not lead to modification of auditor's opinion.

#### Other matter

The project financial statements are prepared to assist the Project to comply with the requirements of the World Bank. As a result, the project financial statements may not be suitable for another purpose

## Responsibilities of management and those charged with governance for the project financial statements

Management is responsible for the preparation and fair presentation of these project financial statements in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines"), and for such internal control as management determines is necessary to enable the preparation of the project financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibilities for the audit of the project financial statements

Our objectives are to obtain reasonable assurance about whether these project financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these project financial statements.

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

- Identify and assess the risks of material misstatement of the project financial statements, whether due to
  fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence
  that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material
  misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that
  are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness
  of the Project's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the project financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Project to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the project financial statements, including the disclosures, and whether the project financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kubat Alymkulov

Certified accountant, FCCA

Certificate of auditor of the Kyrgyz Republic

No. A 0069 dated October 19, 2009

Audit Partner

Director, Baker Tilly Bishkek LLC

Baker Tilly Bishkek LLC is registered in the "Register of audit organizations admitted for audit of public Interest entities and large entrepreneurship entities" of the Unified state register of auditors, audit organizations, professional audit associations. Individual registration number 2101510 dated August 9, 2023

June 20, 2024

Bishkek, the Kyrgyz Republic

## "CENTRAL ASIA REGIONAL LINKS PROJECT – CARS-3" IDA GRANT NO. D385-KG, IDA CREDIT NO. 6328-KG

## SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID FOR THE YEAR ENDED DECEMBER 31, 2023

(in US dollars)

	Notes	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Opening balance	4	118,384	131,406	
Funding sources IDA Grant No. D385-KG IDA Credit No. 6328-KG	5 5	7,904,736 4,938,716	3,692,160	12,527,669 4,938,716
Total funds received	,	12,843,452	3,692,160	17,466,385
Other income	6	6,846	4,627	18,298
Total receipts		12,850,298	3,696,787	17,484,683
Expenses Works under Part A of the Project Works for Parts B and C of the Project and goods, non-	7	9,983,178	3,136,719	13,577,014
consulting services, consultants' services, training and incremental operating costs for the Project	7	2,598,865	566,569	3,514,216
Total expenses		12,582,043	3,703,288	17,091,230
Other expenses	8	4,768	6,521	11,582
Closing balance	4	381,871	118,384	381,871

On behalf of the Management:

Bariev Y.

First Deputy Minister of transport Head of the World Bank Projects and communications of the Implementation Unit under the

Kyrgyz Republic

Zainalov U

Head of the World Bank Projects Implementation Unit under the Ministry of transport and communications of the Kyrgyz

Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

Zhanyshbaeva A. Financial Manager of the World

Financial Manager of the World Bank Projects Implementation Unit under the Ministry of transport and communications of the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

The notes on pages 7-16 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

## "CENTRAL ASIA REGIONAL LINKS PROJECT -- CARS-3" IDA GRANT NO. D385-KG, IDA CREDIT NO. 6328-KG

### SUMMARY OF EXPENDITURES PAID BY PROJECT PARTS FOR THE YEAR ENDED DECEMBER 31, 2023

(in US dollars)

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Part A. Regional connections, associated facilities and			
equipment in Issyk-Kul oblast	9,983,178	3,136,719	13,577,014
Part B. Aviation safety and service provision	863,250	-	863,250
Part C. Sustainable tourism development in Issyk-Kul oblast	1,488,406	366,429	1,868,706
Part D. Project management and implementation	247,209	200,140	782,260
	12,582,043	3,703,288	17,091,230

On behalf of the Management:

Bariev Y.

and communications of the

**Kyrgyz Republic** 

Zainalov U.

First Deputy Minister of transport Head of the World Bank Projects Implementation Unit under the Ministry of transport and communications of the Kyrgyz

Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

Zhanyshbaeva A.

Financial Manager of the World **Bank Projects Implementation** Unit under the Ministry of transport and communications of the Kyrgyz Republic

June 20, 2024

Bishkek, the Kyrgyz Republic

The notes on pages 7-16 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

## "CENTRAL ASIA REGIONAL LINKS PROJECT – CARS-3" IDA GRANT NO. D385-KG, IDA CREDIT NO. 6328-KG

## NOTES TO THE PROJECT FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

(in US dollars)

#### 1. GENERAL INFORMATION

According to the Financing Agreement between the Kyrgyz Republic and International Development Association (the "IDA") dated July 3, 2019, IDA provided a Grant No. D385-KG in the amount of 19,700,000 Special Drawing Rights (the "SDR") and Credit No. 6328-KG in the amount of 19,700,000 SDR to the Kyrgyz Republic.

The Credit and the Grant were provided for implementation of the Project "Central Asia Regional Links Project - CARs-3" (the "Project").

The Financing Agreement became effective on January 30, 2020. The closing date of the Project is November 30, 2024.

#### **Project purpose**

The objectives of the Project are to increase regional connectivity and support sustainable tourism development in the Issyk-Kul oblast.

The Project comprises the following parts:

- Part A: Regional connections, associated facilities and equipment in Issyk-Kul oblast;
- Part B: Aviation safety and service provision;
- Part C: Sustainable tourism development in Issyk-Kul oblast;
- Part D: Project management and implementation.

#### Part A: Regional connections, associated facilities and equipment in Issyk-Kul oblast

Support to establish reliable road connection to the Republic of Kazakhstan via the Karkyra border crossing point through inter alia:

- 1. Rehabilitation of about 52 km of a road section in Issyk-Kul oblast, including and within scope proximity of the road linking Tyup with the Karkyra border crossing, as well as construction of road site facilities and links to access the San-Tash Tamerlane historical monument.
- 2. Provision of road maintenance equipment, in particular snow removal equipment to ensure year-round operation of the road linking Tyup to the Karkyra border crossing point.
- 3. Provision of consultants' services for works supervision.

#### Part B: Aviation safety and service provision

Support to strengthen the safety and service provision of the aviation sector through inter alia:

- 1. A review of the State Safety Program to, inter alia, identify Civil Aviation Agency's (the "CAA") institutional and capacity challenges for compliance with International Civil Aviation Organization (the "ICAO") standards and recommended practices.
- Provision of technical assistance for drafting aviation bylaws for the Air Code as well as strengthening CAA's oversight and monitoring capacity for compliance with ICAO standards and recommended practices, including training safety inspectors and other staff of CAA, and provision of software and equipment to upgrade CAA's record keeping capabilities.

3. A review of the educational program of the Kyrgyz Aviation Institute, capacity building, acquisition of testing software for aviation personnel and a flight training device, and repair of the Aviation Institute's facilities.

### Part C: Sustainable tourism development in Issvk-Kul oblast

Support for the development of sustainable tourism in Issyk-Kul oblast through inter alia:

- 1. Development of a sustainable tourism strategy and master plan for the Recipient, including application on a pilot basis of Tourism Satellite Accounts for Issyk-Kul oblast.
- 2. Rehabilitation and/or construction of about five publicly-owned tourist service centers.
- 3. Providing support for the establishment and development of community-based geoparks in Tyup and Aksuu, the two eastern districts of Issyk-Kul oblast.

#### Part D: Project management and implementation

Support for Project management and implementation including inter alia: the provision of goods, consultants' services and training, incremental operating costs (including a financial audit).

Project management

The Project is implemented by the World Bank Projects Implementation Unit (the "PIU") within the Ministry of transport and communications of the Kyrgyz Republic.

#### 2. PRESENTATION OF THE PROJECT FINANCIAL STATEMENTS

#### Basis of preparation

These project financial statements have been prepared in accordance with the International Public Sector Accounting Standard (the "IPSAS") "Financial Reporting under the Cash Basis of Accounting" issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

Under the cash basis system income (or expenditure) is recognized when cash is received (or paid) irrespective of when goods or services are received or provided.

The Project's approved budget disclosed by categories of expenses is not publicly available and as such comparison of budget and actual amounts is not presented in these project financial statements.

These project financial statements consist of:

- Summary of funds received and expenditures paid;
- Summary of expenditures paid by project parts;
- Notes to the project financial statements, including short description of main statements of accounting policy and other descriptive notes.

The reporting currency of these project financial statements is US dollars (the "USD").

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Cash basis of accounting

Project financial statements are prepared on a cash basis of accounting. The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the Project. The project financial statements prepared under the cash basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the project financial statements is balances of cash and changes therein.

#### Foreign currency operations

Funds received are translated into US dollars at official exchange rate of Special Drawing Rights (the "SDR") at the date of funds receipt.

Operations in foreign currency initially are counted in functional currency using the currency exchange rate set by commercial bank on a date of operation.

All payments made in local currency are translated into US dollars at the official exchange rate defined by serving commercial bank at the date of transaction.

Monetary assets and liabilities expressed in foreign and national currencies are converted to functional currency at official exchange rate on a date settled by the serving commercial bank.

All foreign exchange differences resulted from maturity or recalculation are included in the summary of funds received and expenditures paid.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and due from banks, which can be converted to the corresponding amount of cash in the short-term.

#### **Taxes**

Calculation and payment of personal income tax and social security contributions to the Social Fund of the Kyrgyz Republic from income of staff and consultants is made in accordance with the requirements and rates of the Tax Code of the Kyrgyz Republic and relevant legislation of the Kyrgyz Republic.

#### **Expenses**

The expenses are recorded in the period when they were actually paid.

#### Sources of funds

The funds were provided by the IDA to the Project by advance payments/initial deposit, replenishment of designated account or through direct payment to the end supplier of goods and/or services.

#### Other income

Other income represents interest income accrued by the serving bank on the outstanding balances of cash on designated account and income from selling of tender documents.

#### Other expenses

Other expenses comprise payments for bank services of interest and tender accounts, as well as the transfer of accrued interest income to the Ministry of Finance of the Kyrgyz Republic.

#### 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2023 and 2022 comprise:

	Source of financing	Currency	December 31, 2023	December 31, 2022
Designated account Interest account Interest account	IDA Grant No. D385-KG Other Other	US dollar US dollar Kyrgyz som	375,156 6,676 39	113,746 4,634 4
			381,871	118,384

## 5. FUNDS RECEIVED

The funds received were provided by the following methods and sources of financing:

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
IDA Grant No. D385-KG			
Initial deposit	400,000	200,000	800,000
Replenishment of designated account	2,554,241	406,226	3,279,878
Direct payment	4,950,495	3,085,934	8,447,791
	7,904,736	3,692,160	12,527,669
IDA Credit No. 6328-KG			
Direct payment	4,938,716		4,938,716
Direct payment	4,938,716	<del></del> -	4,938,716
	12,843,452	3,692,160	17,466,385

## 6. OTHER INCOME

Other income comprises the following:

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Interest income Tender income	6,846	4,627	16,496 1,802
	6,846	4,627	18,298

7. EXPENSES

Breakdown of expenses by nature, categories and sources of financing is presented as follows:

Cumulative	Grant Credit No. D385-KG No. 6328-KG	1,419,222 1,366,046 516,845	3,302,113	8,068,140 4,938,717	8,068,140 4,938,717	426.030	188.055	42.386	27,090	20,000	16,859	15,300	8,343	- ',596	3,020	4,048	18,036	782,260	12,152,513 4.938.717
r ended 31, 2022	dit 28-KG		•		1		ı		•	•	•			•	•	. 1	•		
For the year ended December 31, 2022	Grant No. D385-KG	50,785	417,214	3,085,934	3,085,934	108,255	47,752	14,045	6,450	4 1	5,720	696,4	1,586	2,000 1 408	4 784	334	1,757	200,140	3,703,288
ar ended 31, 2023	Credit No. 6328-KG			4,938,717	4,938,717	1	•		1	1	•	ı	•	, ,	•	•		• 1	4,938,717
For the year ended December 31, 2023	Grant No. D385-KG	911,320 985,746 516,845	2,413,911	4,982,206	4,982,206	138,865	61,645	14,296	8,586	, 0	4,368	7,090	1,367	1,594	65	315	4,434	247,209	7,643,326
	Consultant's services	Consulting services and supervision of construction work Consulting services in the field of tourism Consulting services for aviation component.	Civil works	Construction works	Incremental onerating costs.	Salary of PIU Staff	Social Fund contributions	Audit services	Office rental	Transportation and political maintenance and	Pusiness frin expenses	Information systems support	Communication costs	Office materials and supplies	Training	Information services	Other expenses		

## 8 OTHER EXPENSES

Other expenses comprise the following:

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Bank fees	1,087	4,719	6,099
Transfer of accrued interest income to the Ministry of finance of the Kyrgyz Republic	3,681	1,802	5,483
	4,768	6,521	11,582

## 9. FINANCIAL POSITION

Financial position as at December 31, 2023 and 2022 is as follows:

	December 31, 2023	December 31, 2022
ASSETS AND EXPENSES		
Cash and cash equivalents	381,871	118,384
Cumulative expenses	17,091,230	4,509,187
Other expenses	11,582	6,814
TOTAL ASSETS AND EXPENDITURES	17,484,683	4,634,385
FINANCING		
Funds received	17,466,385	4,622,933
Other income	18,298	11,452
TOTAL FINANCING	17,484,683	4,634,385

#### 10. WITHDRAWAL APPLICATIONS

Withdrawal applications for the year ended December 31, 2023 are presented as follows:

DA Grant No. D385-KG	Sources of Ap financing	plicatio	n Date	Initial advance	Replenishment of designated account	Direct payment	Total
24							
24		21	March 2, 2023	_	362.303	_	362.303
25 April 26, 2023 - 387,401 - 387,401 26 May 11, 2023 - 614,551 614,551 27 May 15, 2023 - 149,238 149,238 28 June 12, 2023 - 46,053 46,053 29 July 12, 2023 - 542,101 - 542,101 30 July 12, 2023 - 73,556 73,556 31 August 14, 2023 - 158,291 158,291 32 July 14, 2023 - 257,078 - 257,078 33 August 7, 2023 - 186,491 186,491 34 September 12, 2023 - 18,818 - 518,818 35 October 3, 2023 - 1,964,382 1,964,382 36 October 3, 2023 - 1,964,382 1,964,382 36 October 3, 2023 - 469,450 37 October 3, 2023 - 675,892 675,892 38 October 6, 2023 - 161,525 161,525 39 November 3, 2023 - 73,556 73,556 40 October 31, 2023 - 73,556 73,556 40 October 15, 2023 - 144,951 144,951 42 December 19, 2023 - 144,951 144,951 42 December 19, 2023 - 232,559  IDA Credit No. 6328-KG  1 December 21, 2023 - 963,657 963,657 5 December 21, 2023 - 4,938,716 4,938,716		24		400,000	_	-	·
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38  October 6, 2023			October 5, 2023	~	-	469,450	469,450
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40 October 31, 2023 - 486,540 - 486,540 41 December 15, 2023 - 144,951 144,951 42 December 19, 2023 - 232,559  400,000 2,554,241 4,950,495 7,904,736  IDA Credit No. 6328-KG  1 December 21, 2023 - 3,023,801 3,023,801 3 December 21, 2023 - 721,366 721,366 4 December 20, 2023 - 963,657 5 December 21, 2023 - 229,892 - 4,938,716 4,938,716				-	-	161,525	161,525
December 15, 2023				-	-	73,556	73,556
42 December 19, 2023 232,559 232,559  400,000 2,554,241 4,950,495 7,904,736  IDA Credit No. 6328-KG  1 December 21, 2023 3,023,801 3,023,801 3 December 21, 2023 721,366 721,366 4 December 20, 2023 - 963,657 5 December 21, 2023 229,892 229,892  4,938,716 4,938,716				-	486,540	-	486,540
## ## ## ## ## ## ## ## ## ## ## ## ##			December 15, 2023	-	-	144,951	144,951
IDA Credit No. 6328-KG  1 December 21, 2023 3,023,801 3,023,801 3 December 21, 2023 - 721,366 721,366 4 December 20, 2023 - 963,657 963,657 5 December 21, 2023 - 229,892 229,892  4,938,716 4,938,716		42	December 19, 2023		<u> </u>	232,559	232,559
No. 6328-KG  1 December 21, 2023 3,023,801 3,023,801 3 December 21, 2023 721,366 721,366 4 December 20, 2023 - 963,657 963,657 5 December 21, 2023 229,892 229,892  4,938,716 4,938,716			_	400,000	2,554,241	4,950,495	7,904,736
3 December 21, 2023 721,366 721,366 4 December 20, 2023 - 963,657 5 December 21, 2023 229,892 229,892 4,938,716 4,938,716							
3 December 21, 2023 721,366 721,366 4 December 20, 2023 - 963,657 5 December 21, 2023 229,892 229,892 4,938,716 4,938,716		1	December 21, 2023	_	-	3,023,801	3,023,801
4       December 20, 2023       -       -       963,657       963,657         5       December 21, 2023       -       -       229,892       229,892         -       -       4,938,716       4,938,716       4,938,716		3		-	-		
5 December 21, 2023 229,892 229,892 - 4,938,716 4,938,716				_	-		
				-	<u> </u>		
400,000 2,554,241 9,889,211 12,843,452			_			4,938,716	4,938,716
				400,000	2,554,241	9,889,211	12,843,452

Withdrawal application No. 22 for IDA Grant No. D385-KG in the amount of 400,000 US dollars was deleted.

Withdrawal application No. 23 for IDA Grant No. D385-KG in the amount of 400,000 US dollars was deleted.

Withdrawal application No. 23 for IDA Credit No. 6328-KG in the amount of 90,771.58 US dollars was deleted.

Withdrawal applications for the year ended December 31, 2022 are presented as follows:

Sources of financing	Application	Date	Initial advance	Replenishment of designated account	Direct payment	Total
IDA Grant No. D385-KG						
	12	January 25, 2022	~	75,125		75,125
	13	June 29, 2022	-	45,780	-	45,780
	14	June 29, 2022	200,000	-	_	200,000
	15	October 3, 2022	_	-	1,724,822	1,724,822
	17	October 3, 2022	-	-	483,143	483,143
	16	October 12, 2022	-	-	683,439	683,439
	18	October 12, 2022	-	_	194,530	194,530
	20	October 18, 2022 _		285,321		285,321
		-	200,000	406,226	3,085,934	3,692,160

## 11. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated accounts for the year ended December 31, 2023 and 2022 is presented as follows:

Source of financing	IDA Grant No. D385-KG	Total		
Currency	US dollar			
Bank account	129900422000401	5		
Bank	RSK Bank, OJSC	•		
Bank's location	80/1 Moskovskaya str., Bishkek, Kyrgyz Republic			
Balance as at December 31, 2021	124,874	124,874		
Initial deposit	200,000	200,000		
Replenishment of designated account	406,226	406,226		
Total funds received	606,226	606,226		
Expenses paid	395,370	395,370		
Transfer to transit account	221,984	221,984		
Balance as at December 31, 2022	113,746	113,746		
Initial deposit	400,000	400,000		
Replenishment of designated account	2,554,241	2,554,241		
Total funds received	2,954,241	2,954,241		
Expenses paid	1,384,403	1,384,403		
Transfer to transit account	1,308,428	1,308,428		
Balance as at December 31, 2023	375,156	375,156		

### 12. UNDRAWN FUNDS

Undrawn funds as at December 31, 2023 are presented as follows:

	IDA Grant No. D385-KG in SDR	IDA Credit No. 6328-KG in SDR
Approved amount of financing Disbursed during the period from January 30, 2020 to December 31, 2023	19,700,000 9,499,435	19,700,000 3,689,781
Undrawn amount as at December 31, 2023	10,200,565	16,010,219
	IDA Grant No. D385-KG inSDR	IDA Credit No. 6328-KG inSDR
Funds received as at January 1, 2023	No. D385-KG	No. 6328-KG
Funds received as at January 1, 2023  Disbursed during the year ended December 31, 2023	No. D385-KG inSDR	No. 6328-KG

### 13. COMMITMENTS

In the normal course of activities, the Project concludes agreements with suppliers of goods and services in accordance with the established budget and procurement plan.

Commitments as at December 31, 2023 are presented as follows:

Counterparty	Contract No.	Contract Currency	Cost per Contract (in currency)	Paid up to December 31, 2023 (in currency)	Remaining amount to be paid (in currency)
China Road and Bridge					
Corporation	CARS3/ICB/CW/1/1	Kyrgyz som	2,595,358,043	1,035,573,562	1,559,784,481
Yug-Stroyservice, LLC	CARS3/NCB/CW/1-2	Kyrgyz som	118,298,916	34,644,966	83,653,950
Lotos Group, LLC Expertise and Technical	CARS3/NCB/CW/1/1	Kyrgyz som	29,561,593	9,670,360	19,891,233
supervision, LLC	CARs3/CS/CQS/04	Kyrgyz som	12,102,400	3,332,790	8,769,610
Avangard and Co., LLC Azamat Omurgaziev, civi	CARs3/NCB/CW/2 iICARS3/CS/QCBS/02/	Kyrgyz som	35,089,863	30,304,881	4,784,982
engineer Orozbaev Nurlan,	1	Kyrgyz som	883,751	-	883,751
individual consultant	CARS-3/CS-IC-02	Kyrgyz som	636,170	512,470	123,700
Expert engineering, LLC Pan Arab Consulting	CARS-3/CS-CDS/01	US dollars	6,131,300	1,226,260	4,905,040
Engineers JCF Strategy Consulting	CARS3/CS/QCBS/01	US dollars	2,560,611	897,441	1,663,170
Lda	CARs3/CS/QCBS/06	US dollars	408,664	306,483	102,181
Baker Tilly Bishkek, LLC THR Asesores en	CARS3/CS/LCS/01	US dollars	70,976	42,385	28,591
Turismo Hoteleria	CARs3/CS-QCBS-02-				
Recracion SA/TBSC	1	US dollars	1,069,723	1,051,668	18,055
ArchiVision, LLC		US dollars	73,725	64,800	8,925

### 14. LEGAL CASES

There were no any legal claims related to the Project.

## 15. EVENTS AFTER THE REPORTING DATE

During 2024 until the date of issue of these project financial statements, the IDA provided financing to the Project as follows:

Sources of financing	Application	Date	Replenishment of designated account	Direct payment	Total
IDA Grant No. D385-KG	3				
	43	February 8, 2024	-	94,650	94,650
	44	February 21, 2024		88,780	88,780
	45	March 27, 2024	-	78,627	78,627
	46	March 27, 2024	548,532	-	548,532
	47	April 25, 2024	421,117	-	421,117
	48	May 24, 2024	462,955	**	462,955
	49	June 12, 2024	<u>-</u>	109,388	109,388
			1,432,604	371,445	1,804,049

As at the date of issue of the project financial statements no other significant events or transactions occurred which should be disclosed in the project financial statements, except for the events or transactions described above.



Contact us

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