

Audited Project Financial Statements

Project Number: 48192
Grant Number: 0389/0390
Period covered: 1 July 2015 to 30 June 2016

Kingdom of Tonga: Cyclone Ian Recovery Project

Prepared by Ministry of Infrastructure

For the Asian Development Bank
Date received by ADB: 31 March 2017

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INDEPENDENT AUDITOR'S REPORT

To The Chief Executive Officer Ministry of Finance and National Planning

We have audited the accompanying Consolidated Financial Statement, Statement of Government Contribution Summary, Statement of Imprest Funding Summary, Statement of Direct payment summary with accompanying notes for Cyclone Ian Recovery Project (CIRP) as set out on pages 5 to 14 for the financial period ended 30th June 2016

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the Financial Statement on the cash basis accounting as accordance with the Public Finance Management Act 2002 and fair presentation of the financial statements in accordance with the International Public Sector Accounting Standards *Financial Reporting under the Cash Basis of Accounting* 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.

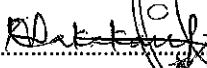
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Supreme Audit Institution (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 entity's preparation and fair presentation 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 entity's internal control. An audit also included evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unqualified audit opinion.

Unqualified Opinion

In my opinion, the Financial Statements as shown on page 5 to 14, have been presented fairly in all material respects the receipts and payments of Cyclone Ian Recovery Project for the year ended 30th June 2016 in accordance with the International Public Sector Accounting Standards *Financial Reporting under the Cash Basis of Accounting*.


Kelepi Makakaulaki II, CA(ANZ)
ACTING AUDITOR GENERAL

Nuku'alofa
30th March, 2017



CYCLONE IAN RECOVERY PROJECT

A Grant Agreement between the Government of Tonga and the Asian Development Bank



Project Management Unit

Financial Statements For the year ended 30 June 2016

CYCLONE IAN RECOVERY PROJECT

Prepared by the Project Management Unit of the Government of Tonga in accordance with the Grant Agreement

Project Management Unit

December 2016

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MANAGEMENT REPORT

The financial reports for the second year ending 30 June 2016 (for Components 2 & 3) of the Cyclone Ian Recovery Project (CIRP) are presented herewith together with the independent auditor's opinion thereon.

Progress

Per the project scope by year end the following categories and related activities were carried out:

- i. Over USD 4.5m (TOP 9.66m) worth of planned reconstruction of schools and staff houses, as well as procurement of new furniture were incurred. Government has also committed to its obligations under the Grant Agreement by paying USD 0.483m (TOP 1.073m) worth of Customs Duty and Consumption Taxes on the project resources.
- ii. Over USD 200k (TOP 457k) of Consultancy costs have also been incurred relating to the on-going deployment of the Project Engineer to oversee the construction during the period under Efficient Management category. This was in accordance with the agreed costs sharing allocation involving ADB and Government of New Zealand funds.

Financial Management & Procurement

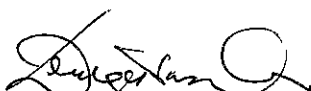
Grant proceeds have been disbursed in accordance with ADB's current Disbursement Policy and the detailed arrangement involving ADB, Government of New Zealand and HM Government. Direct payment, reimbursement and imprest account system have been established and operated efficiently under the authority and signatory of the Ministry of Finance & National Planning - the Executing Agency of this project.

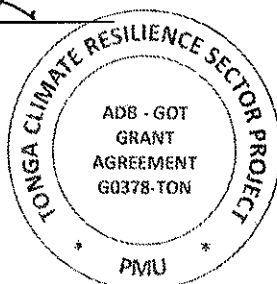
All goods and services incurred this year have been procured in accordance with ADB's Procurement Guidelines.

In the opinion of the management the accompanying statement for the year ended 30 June 2016 is drawn up in accordance with Government's accounting laws and regulations which are consistent with international accounting principles and practices, as to give a true and fair view of the cash flows and in-kind contributions on the overall project activities.

This report should be read in conjunction with the financial statements set out on pages 5 to 13.

Dated at Nuku'alofa, Tonga, this 28th day of December 2016.


Daniel Hamala
Project Accountant &
Contracts Administrator




Kelela Tonga
Project Director &
Acting CEO of Ministry of Infrastructure






CYCLONE IAN RECOVERY PROJECT
CONSOLIDATED FINANCIAL STATEMENT
For the Year Ended 30 June 2016.

Item	Budget						Incurred During Period						Incurred To Date													
	ADB		NZ		TPL		GoT		Total		ADB		NZ		GoT		Total		ADB		NZ		GoT		Total	
	G-0389		G-0390		Investment		Duty/Tax		USD		G-0389		G-0390		Duty/Tax		TOP		G-0389		G-0390		Duty/Tax		TOP	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Z Funding Revenue	4,520,000	4,520,000	245,000	4,266,000	245,000	1,673,649	1,673,649	10,704,649	10,704,649	1,281,794	5,516,373	1,267,982	8,066,149	1,831,561	6,873,963	1,267,982	9,973,505	1,831,561	6,873,963	1,267,982	1,831,561	6,873,963	1,267,982	9,973,505		
1 Emergency Fund	4,520,000	4,520,000	245,000	4,266,000	245,000	1,673,649	1,673,649	10,704,649	10,704,649	1,281,794	5,516,373	1,267,982	8,066,149	1,831,561	6,873,963	1,267,982	9,973,505	1,831,561	6,873,963	1,267,982	1,831,561	6,873,963	1,267,982	9,973,505		
A. Power Sector	2,349,868	2,349,868	0	2,349,868	0	445,543	445,543	3,040,411	3,040,411	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
B. School Reconstruction	1,409,700	1,359,700	3,545,167	2,310,247	0	1,116,806	803,403	6,071,673	4,473,350	1,373,411	4,345,362	1,162,644	6,643,528	1,135,522	5,304,792	1,267,982	7,708,296	1,135,522	5,304,792	1,267,982	1,135,522	5,304,792	1,267,982	7,708,296		
1 Classroom Reconstruction	1,409,700	1,359,700	3,545,167	2,310,247	0	1,116,806	803,403	6,071,673	4,473,350	1,373,411	4,345,362	1,162,644	6,643,528	1,135,522	5,304,792	1,267,982	7,708,296	1,135,522	5,304,792	1,267,982	1,135,522	5,304,792	1,267,982	7,708,296		
2 Staff Quarters Reconstruction																										
3 Classroom furniture & material																										
4 Efficient Management																										
C. School Reconstruction	185,000	185,000	0	185,000	0	33,300	33,300	218,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
1 Removal of Asbestos	185,000	185,000	0	185,000	0	33,300	33,300	218,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
D. Recurrent costs	0	0	0	0	0	78,000	70,000	8,000	78,000	0	0	1,460	1,460	0	0	0	1,460	0	0	0	0	0	0	0		
1 Salaries & Ineligible Expenses	0	0	0	0	0	78,000	70,000	8,000	78,000	0	0	1,460	1,460	0	0	0	1,460	0	0	0	0	0	0	0		
2 Accommodation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Sub-total	3,944,568	3,944,568	3,545,167	2,310,247	0	1,673,649	1,673,649	9,408,384	7,000,000	1,373,411	5,516,373	1,269,442	8,159,227	1,720,432	6,873,963	1,269,442	9,863,837	1,720,432	6,873,963	1,269,442	1,720,432	6,873,963	1,269,442	9,863,837		
E. Contingencies	575,432	575,432	0	575,432	0	0	0	1,082,965	1,082,965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
X. Grand Total	4,520,000	4,520,000	4,052,700	2,310,247	0	1,673,649	1,673,649	10,491,349	7,000,000	1,373,411	5,516,373	1,269,442	8,159,227	1,720,432	6,873,963	1,269,442	9,863,837	1,720,432	6,873,963	1,269,442	1,720,432	6,873,963	1,269,442	9,863,837		
Y. Balance	0	0	213,300	213,300	0	0	0	213,300	213,300	(91,617)	(0)	(1,460)	(93,077)	111,129	(0)	(1,460)	109,668	111,129	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)	109,668		

**CYCLONE IAN RECOVERY PROJECT
STATEMENT OF GOVERNMENT CONTRIBUTION SUMMARY
For the Year Ended 30 June 2016.**

Item	Budget (USD)						Incurred During Period						Incurred To Date														
	ADB		NZ		TPL		GoT		Total		ADB		NZ		GoT		Total		ADB		NZ		GoT		Total		
	G-0389		G-0390		Investment		Duty/Tax		USD		G-0389		G-0390		Duty/Tax		USD		G-0389		G-0390		Duty/Tax		USD		
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP	
Z. Funding Revenue	4,520,000	4,266,000	245,000	1,673,649	10,704,649	10,704,649	1,673,649	1,673,649	10,704,649	10,704,649	0	0	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	0	0	0	0	1,267,982	1,267,982	1,267,982	1,267,982	
1 Emergency Fund	4,520,000	4,266,000	245,000	1,673,649	10,704,649	10,704,649	1,673,649	1,673,649	10,704,649	10,704,649	0	0	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	0	0	0	0	1,267,982	1,267,982	1,267,982	1,267,982	
A. Power Sector	2,349,868	0	245,000	445,543	3,040,411	3,040,411	445,543	445,543	3,040,411	3,040,411	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. School Reconstruction	1,409,700	3,545,167	0	1,116,806	6,071,673	6,071,673	1,116,806	1,116,806	6,071,673	6,071,673	0	0	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	0	0	0	0	1,267,982	1,267,982	1,267,982	1,267,982	
1 Classroom Reconstruction	1,359,700	2,310,247	0	803,403	4,473,350	4,473,350	803,403	803,403	4,473,350	4,473,350	0	0	1,162,644	1,162,644	1,162,644	1,162,644	1,162,644	1,162,644	0	0	0	0	1,162,644	1,162,644	1,162,644	1,162,644	
2 Staff Quarters Reconstruction		572,360	0	167,963	740,323	740,323	167,963	167,963	740,323	740,323	0	0	105,338	105,338	105,338	105,338	105,338	105,338	0	0	0	0	105,338	105,338	105,338	105,338	
3 Classroom furniture & material		539,560	0	118,440	658,000	658,000	118,440	118,440	658,000	658,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Efficient Management	50,000	123,000	0	27,000	200,000	200,000	27,000	27,000	200,000	200,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C. School Reconstruction	185,000	0	0	33,300	218,300	218,300	33,300	33,300	218,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1 Removal of Asbestos	185,000	0	0	33,300	218,300	218,300	33,300	33,300	218,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
D. Recurrent costs	0	0	0	78,000	78,000	78,000	78,000	78,000	78,000	78,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1 Salaries & Ineligible Expenses	0	0	0	70,000	70,000	70,000	70,000	70,000	70,000	70,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Accommodation	0	0	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	3,944,568	3,545,167	245,000	1,673,649	9,408,384	9,408,384	1,673,649	1,673,649	9,408,384	9,408,384	0	0	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	0	0	0	0	1,267,982	1,267,982	1,267,982	1,267,982	
E. Contingencies^b	575,432	507,533	0	0	1,082,965	1,082,965	0	0	1,082,965	1,082,965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
X. Grand Total	4,520,000	4,052,700	245,000	1,673,649	10,491,349	10,491,349	1,673,649	1,673,649	10,491,349	10,491,349	0	0	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	1,267,982	0	0	0	0	1,267,982	1,267,982	1,267,982	1,267,982	
Y. Balance	0.00	213,300.00	0.00	0.00	213,300.00	213,300.00	0.00	0.00	213,300.00	213,300.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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CYCLONE IAN RECOVERY PROJECT
STATEMENT OF IMPREST FUNDING SUMMARY
 For the Year Ended 30 June 2016.


Item	Budget						Incurred During Period (TOP)						Incurred To Date (TOP)					
	ADB G-0389 USD		NZ G-0390 USD		TPL Investment USD		GoT Duty/Tax USD		Total USD		ADB G-0389 TOP		NZ G-0390 TOP		GoT Duty/Tax TOP		Total TOP	
Z. Funding Revenue	4,520,000	4,266,000	245,000	1,673,649	1,673,649	10,704,649	361,191	0	0	361,191	750,181	0	0	0	0	0	750,181	
1 Emergency Fund	4,520,000	4,266,000	245,000	1,673,649	1,673,649	10,704,649	361,191	0	0	361,191	750,181	0	0	0	0	0	750,181	
A. Power Sector	2,349,868	0	245,000	445,543	445,543	3,040,411	0	0	0	0	0	0	0	0	0	0	0	
B. School Reconstruction	1,409,700	3,545,167	0	1,116,806	1,116,806	6,071,673	452,809	0	0	452,809	453,257	0	0	0	0	0	453,257	
1 Classroom Reconstruction	1,359,700	2,310,247	0	803,403	803,403	4,473,350	269,640	0	0	269,640	269,640	0	0	0	0	0	269,640	
2 Staff Quarters Reconstruction		572,360	0	167,963	167,963	740,323	93,766	0	0	93,766	93,766	0	0	0	0	0	93,766	
3 Classroom furniture & material		539,560	0	118,440	118,440	658,000	0	0	0	0	0	0	0	0	0	0	0	
4 Efficient Management	50,000	123,000	0	27,000	27,000	200,000	89,402	0	0	89,402	89,851	0	0	0	0	0	89,851	
C. School Reconstruction	185,000	0	0	33,300	33,300	218,300	0	0	0	0	185,795	0	0	0	0	0	185,795	
1 Removal of Asbestos	185,000	0	0	33,300	33,300	218,300	0	0	0	0	185,795	0	0	0	0	0	185,795	
D. Recurrent costs	0	0	0	78,000	78,000	78,000	0	0	0	0	0	0	0	0	0	0	0	
1 Salaries & Ineligible Expenses	0	0	0	70,000	70,000	70,000	0	0	0	0	0	0	0	0	0	0	0	
2 Accommodation	0	0	0	8,000	8,000	8,000	0	0	0	0	0	0	0	0	0	0	0	
Sub-total	3,944,568	3,545,167	245,000	1,673,649	1,673,649	9,408,384	452,809	0	0	452,809	639,052	0	0	0	0	0	640,512	
E. Contingencies^b	575,432	507,533	0	0	0	1,082,965	0	0	0	0	0	0	0	0	0	0	0	
X. Grand Total	4,520,000	4,052,700	245,000	1,673,649	1,673,649	10,491,349	452,809	0	0	452,809	639,052	0	0	0	0	0	640,512	
Y. Balance	0.00	213,300.00	0.00	0.00	0.00	213,300.00	(91,617)	0	0	(93,077)	111,129	0	0	0	0	0	109,669	

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**CYCLONE IAN RECOVERY PROJECT
STATEMENT OF DIRECT PAYMENT SUMMARY
For the Year Ended 30 June 2016.**


Item	Budget						Incurred During Year						Incurred To Date														
	ADB		NZ		TPL		GoT		Total		ADB		NZ		GoT		Total										
	G-0389		G-0390		USD		Duty/Tax		USD		G-0389		G-0390		Duty/Tax		G-0389										
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	TOP	TOP	TOP	TOP	TOP	TOP	TOP	TOP									
Z. Funding Revenue	4,520,000	4,266,000	245,000	1,673,649	10,704,649	0.4500	920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,342	4,520,000	4,266,000	245,000	1,673,649	10,704,649	0	920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,342	
1 Emergency Fund	4,520,000	4,266,000	245,000	1,673,649	10,704,649		920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,342	4,520,000	4,266,000	245,000	1,673,649	10,704,649	0	920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,342	
A. Power Sector	2,349,868	0	245,000	445,543	3,040,411		0	0	0	0	0	0	0	2,349,868	0	245,000	445,543	3,040,411	0	0	0	0	0	0	0	0	
B. School Reconstruction	1,409,700	3,545,167	0	1,116,806	6,071,673		920,603	5,516,373	6,436,976	968,339	6,873,963	0	7,842,302	1,409,700	3,545,167	0	1,116,806	6,071,673	0	920,603	5,516,373	6,436,976	968,339	6,873,963	0	7,842,302	
1 Classroom Reconstruction	1,359,700	2,310,247	0	803,403	4,473,350		865,881	4,345,362	5,211,244	865,881	5,304,792	0	6,170,673	1,359,700	2,310,247	0	803,403	4,473,350	0	865,881	4,345,362	5,211,244	865,881	5,304,792	0	6,170,673	
2 Staff Quarters Reconstruction		572,360	0	167,963	740,323		49,093	648,687	697,780	49,093	929,406	0	978,499		572,360	0	167,963	740,323	0	49,093	648,687	697,780	49,093	929,406	0	978,499	
3 Classroom furniture & material		539,560	0	118,440	658,000		0	326,174	326,174	0	326,174	0	326,174		539,560	0	118,440	658,000	0	0	326,174	326,174	0	326,174	0	326,174	
4 Efficient Management	50,000	123,000	0	27,000	200,000		5,628	196,150	201,778	53,365	313,591	0	366,956	50,000	123,000	0	27,000	200,000	0	5,628	196,150	201,778	53,365	313,591	0	366,956	
C. School Reconstruction	185,000	0	0	33,300	218,300		0	0	0	113,041	113,041	0	113,041	185,000	0	0	33,300	218,300	0	0	0	0	113,041	0	113,041	0	
1 Removal of Asbestos	185,000	0	0	33,300	218,300		0	0	0	113,041	113,041	0	113,041	185,000	0	0	33,300	218,300	0	0	0	0	113,041	0	113,041	0	
D. Recurrent costs	0	0	0	78,000	78,000		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1 Salaries	0	0	0	78,000	78,000		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Accommodation	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	3,944,568	3,545,167	245,000	1,673,649	9,408,384		920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,343	3,944,568	3,545,167	245,000	1,673,649	9,408,384	0	920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,343	
E. Contingencies	575,432	507,533	0	0	1,082,965		0	0	0	0	0	0	0	575,432	507,533	0	0	1,082,965	0	0	0	0	0	0	0	0	
X. Grand Total	4,520,000	4,052,700	245,000	1,673,649	10,491,349		920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,343	4,520,000	4,052,700	245,000	1,673,649	10,491,349	0	920,603	5,516,373	6,436,976	1,081,380	6,873,963	0	7,955,343	
Y. Balance	0	213,300	0	0	213,300		0	(0)	(0)	0	(0)	0	(0)	0	213,300	0	0	213,300	0	0	0	(0)	0	(0)	0	(0)	





**CYCLONE IAN RECOVERY PROJECT
CONSOLIDATED FINANCIAL STATEMENT
For the Year Ended 30 June 2016.**

Item	Budget						Incurred During Period (USD)						Incurred To Date (USD)							
	NZ		TPL		GoT		ADB		NZ		GoT		ADB		NZ		GoT			
	G-0390	Investment	Duty/Tax	Total	G-0389	G-0390	Duty/Tax	Total	G-0389	G-0390	Duty/Tax	Total	G-0389	G-0390	Duty/Tax	Total	G-0389	G-0390	Duty/Tax	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Z. Funding Revenue	4,520,000	4,266,000	1,673,649	10,704,649	581,251	2,545,176	567,035	3,693,462	855,417	3,226,728	567,035	3,693,462	855,417	3,226,728	567,035	3,693,462	855,417	3,226,728	567,035	4,649,179
1 Emergency Fund	4,520,000	4,266,000	1,673,649	10,704,649	581,251	2,545,176	567,035	3,693,462	855,417	3,226,728	567,035	3,693,462	855,417	3,226,728	567,035	3,693,462	855,417	3,226,728	567,035	4,649,179
A. Power Sector	2,349,868	0	445,543	3,040,411	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. School Reconstruction	1,409,700	3,545,167	1,116,806	6,071,673	623,842	2,545,176	567,035	3,736,053	647,742	3,226,728	567,035	3,736,053	647,742	3,226,728	567,035	3,736,053	647,742	3,226,728	567,035	4,441,505
1 Classroom Reconstruction	1,359,700	2,310,247	803,403	4,473,350	515,702	2,002,361	519,964	3,038,027	515,702	2,484,802	519,964	3,038,027	515,702	2,484,802	519,964	3,038,027	515,702	2,484,802	519,964	3,520,468
2 Staff Quarters Reconstruction		572,360	167,963	740,323	64,992	307,429	0	372,421	64,992	448,294	0	372,421	64,992	448,294	0	372,421	64,992	448,294	0	513,286
3 Classroom furniture & material		539,560	118,440	658,000	0	147,115	47,071	194,187	0	147,115	47,071	194,187	0	147,115	47,071	194,187	0	147,115	47,071	194,187
4 Efficient Management	50,000	123,000	27,000	200,000	43,148	86,271	0	131,419	43,148	146,517	0	131,419	43,148	146,517	0	131,419	43,148	146,517	0	213,564
C. School Reconstruction	185,000	0	33,300	218,300	0	0	0	0	150,490	0	0	0	150,490	0	0	0	150,490	0	0	150,490
1 Removal of Asbestos	185,000	0	33,300	218,300	0	0	0	0	150,490	0	0	0	150,490	0	0	0	150,490	0	0	150,490
D. Recurrent costs	0	0	78,000	78,000	0	0	665	665	0	0	665	665	0	0	665	665	0	0	665	665
1 Salaries & Ineligible Expenses	0	0	70,000	70,000	0	0	665	665	0	0	665	665	0	0	665	665	0	0	665	665
2 Accommodation	0	0	8,000	8,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	3,944,568	3,545,167	1,673,649	9,408,384	623,842	2,545,176	567,035	3,736,718	798,232	3,226,728	567,035	3,736,718	798,232	3,226,728	567,035	3,736,718	798,232	3,226,728	567,035	4,592,660
E. Contingencies*	575,432	507,533	0	1,082,965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
X. Grand Total	4,520,000	4,052,700	1,673,649	10,491,349	623,842	2,545,176	567,035	3,736,718	798,232	3,226,728	567,035	3,736,718	798,232	3,226,728	567,035	3,736,718	798,232	3,226,728	567,035	4,592,660
Y. Balance	0	213,300	0	213,300	(42,592)	(0)	(665)	(43,257)	57,185	(0)	(665)	(43,257)	57,185	(0)	(665)	(43,257)	57,185	(0)	(665)	56,520

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CYCLONE IAN RECOVERY PROJECT
STATEMENT GOVERNMENT CONTRIBUTION SUMMARY
For the Year Ended 30 June 2016.

Item	Budget						Incurred During Period (USD)						Incurred To Date (USD)														
	ADB		NZ		TPL		GoT		Total		ADB		NZ		GoT		Total		ADB		NZ		GoT		Total		
	G-0389	USD	G-0390	USD	Investment	USD	Duty/Tax	USD	USD	USD	G-0389	USD	G-0390	USD	Duty/Tax	USD	USD	USD	G-0389	USD	G-0390	USD	Duty/Tax	USD	USD	USD	
Z. Funding Revenue																											
1 Emergency Fund	4,520,000		4,266,000		245,000		1,673,649		10,704,649		0		0		567,035		567,035		0		0		567,035		567,035		
	4,520,000		4,266,000		245,000		1,673,649		10,704,649						567,035		567,035						567,035		567,035		
A. Power Sector																											
	2,349,868		0		245,000		445,543		3,040,411		0		0		0		0		0		0		0		0		0
B. School Reconstruction																											
1 Classroom & Staff Quarters Reconstruction	1,409,700		3,545,167		0		1,116,806		6,071,673		0		0		567,035		519,964		0		0		567,035		519,964		567,035
2 Staff Quarters Reconstruction	1,359,700		2,310,247		0		803,403		4,473,350		0		0		0		0		0		0		0		0		519,964
3 Classroom furniture & material			572,360		0		167,963		740,323		0		0		47,071		0		0		0		47,071		0		0
4 Efficient Management			539,560		0		118,440		658,000		0		0		0		0		0		0		0		0		47,071
	50,000		123,000		0		27,000		200,000		0		0		0		0		0		0		0		0		0
C. School Reconstruction																											
1 Removal of Asbestos	185,000		0		0		33,300		218,300		0		0		0		0		0		0		0		0		0
	185,000		0		0		33,300		218,300		0		0		0		0		0		0		0		0		0
D. Recurrent costs																											
1 Salaries & Ineligible Expenses	0		0		0		78,000		78,000		0		0		0		0		0		0		0		0		0
2 Accommodation	0		0		0		70,000		70,000		0		0		0		0		0		0		0		0		0
	0		0		0		8,000		8,000		0		0		0		0		0		0		0		0		0
Sub-total	3,944,568		3,545,167		245,000		1,673,649		9,408,384		0		0		567,035		567,035		0		0		567,035		567,035		567,035
E. Contingencies^b																											
	575,432		507,533		0		0		1,082,965		0		0		0		0		0		0		0		0		0
X. Grand Total	4,520,000		4,052,700		245,000		1,673,649		10,491,349		0		0		567,035		567,035		0		0		567,035		567,035		567,035
Y. Balance	0.00		213,300.00		0.00		0.00		213,300.00		0		0		0		0		0		0		0		0		(0)

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CYCLONE IAN RECOVERY PROJECT
STATEMENT OF IMPREST FUNDING SUMMARY
For the Year Ended 30 June 2016.

Item	Budget						Incurred During Period (USD)						Incurred To Date (USD)							
	ADB		NZ		TPL		GoT		ADB		NZ		GoT		ADB		NZ		GoT	
	G-0389		G-0390		Investment		Duty/Tax		G-0389		G-0390		Duty/Tax		G-0389		G-0390		Duty/Tax	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Z. Funding Revenue	4,520,000	4,266,000	245,000	1,673,649	10,704,649	163,891	0	163,891	0	0	163,891	0	0	163,891	0	0	0	0	0	357,657
1 Emergency Fund	4,520,000	4,266,000	245,000	1,673,649	10,704,649	163,891	0	163,891	0	0	163,891	0	0	163,891	0	0	0	0	0	357,657
A. Power Sector	2,349,868	0	245,000	445,543	3,040,411	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. School Reconstruction	1,409,700	3,545,167	0	1,116,806	6,071,673	206,482	0	206,482	0	0	206,482	0	0	206,482	0	0	0	0	0	206,706
1 Classroom Reconstruction	1,359,700	2,310,247	0	803,403	4,473,350	123,282	0	123,282	0	0	123,282	0	0	123,282	0	0	0	0	0	123,282
2 Staff Quarters Reconstruction		572,360	0	167,963	740,323	42,751	0	42,751	0	0	42,751	0	0	42,751	0	0	0	0	0	42,751
3 Classroom furniture & material		539,560	0	118,440	658,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Efficient Management	50,000	123,000	0	27,000	200,000	40,450	0	40,450	0	0	40,450	0	0	40,450	0	0	0	0	0	40,673
C. School Reconstruction	185,000	0	0	33,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	93,767
1 Removal of Asbestos	185,000	0	0	33,300	218,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	93,767
D. Recurrent costs	0	0	0	78,000	78,000	0	0	665	0	0	665	0	0	665	0	0	0	0	0	665
1 Salaries & Ineligible Expenses	0	0	0	70,000	70,000	0	0	665	0	0	665	0	0	665	0	0	0	0	0	665
2 Accommodation	0	0	0	8,000	8,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	3,944,568	3,545,167	245,000	1,673,649	9,408,384	206,482	0	206,482	0	0	206,482	0	0	206,482	0	0	0	0	0	301,137
E. Contingencies^b	575,432	507,533	0	0	1,082,965	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
X. Grand Total	4,520,000	4,052,700	245,000	1,673,649	10,491,349	206,482	0	206,482	0	0	206,482	0	0	206,482	0	0	0	0	0	301,137
Y. Balance	0.00	213,300.00	0.00	0.00	213,300.00	(42,592)	0	(665)	0	(665)	(43,256)	0	(665)	0	0	0	0	0	0	(665)

BT 

CYCLONE IAN RECOVERY PROJECT
STATEMENT OF DIRECT PAYMENT SUMMARY
 For the Year Ended 30 June 2016.

Item	Budget						Incurred During Year (USD)						Incurred To Date (USD)									
	ADB		NZ		TPL		GoT		ADB		NZ		GoT		ADB		NZ		GoT			
	G-0389	USD	G-0390	USD	USD	Duty/Tax	USD	G-0389	USD	G-0389	USD	G-0390	USD	Duty/Tax	USD	G-0389	USD	G-0390	USD	Duty/Tax	USD	
Z. Funding Revenue	4,520,000		4,266,000		245,000	1,673,649		10,704,649		417,360		2,545,176		0		497,759		3,226,728		0		3,724,487
1 Emergency Fund	4,520,000		4,266,000		245,000	1,673,649		10,704,649		417,360		2,545,176		0		497,759		3,226,728		0		3,724,487
A. Power Sector	2,349,868		0		245,000	445,543		3,040,411		0		0		0		0		0		0		0
B. School Reconstruction	1,409,700		3,545,167		0	1,116,806		6,071,673		417,360		2,545,176		0		441,036		3,226,728		0		3,667,763
1 Classroom Reconstruction	1,359,700		2,310,247		0	803,403		4,473,350		392,421		2,002,361		0		392,421		2,484,802		0		2,877,223
2 Staff Quarters Reconstruction			572,360		0	167,963		740,323		22,241		307,429		0		22,241		448,294		0		470,535
3 Classroom furniture & material			539,560		0	118,440		658,000		0		147,115		0		0		147,115		0		147,115
4 Efficient Management	50,000		123,000		0	27,000		200,000		2,698		88,271		0		26,374		146,517		0		172,891
C. School Reconstruction	185,000		0		0	33,300		218,300		0		0		0		56,724		0		0		56,724
1 Removal of Asbestos	185,000		0		0	33,300		218,300		0		0		0		56,724		0		0		56,724
D. Recurrent costs	0		0		0	78,000		78,000		0		0		0		0		0		0		0
1 Salaries	0		0		0	70,000		70,000		0		0		0		0		0		0		0
2 Accommodation	0		0		0	8,000		8,000		0		0		0		0		0		0		0
Sub-total	3,944,568		3,545,167		245,000	1,673,649		9,408,384		417,360		2,545,176		0		497,759		3,226,728		0		3,724,487
E. Contingencies	575,432		507,533		0	0		1,082,965		0		0		0		0		0		0		0
X. Grand Total	4,520,000		4,052,700		245,000	1,673,649		10,491,349		417,360		2,545,176		0		497,759		3,226,728		0		3,724,487
Y. Balance	0		213,300		0	0		213,300		0		(0)		0		0		(0)		0		(0)

CYCLONE IAN RECOVERY PROJECT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2016.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity and Compliance

The Cyclone Ian Recovery Project is a Grant Agreement between HM Government and the Asian Development Bank (ADB). It was signed on 25th June 2014 and was financially operative as at December of the same year. The Project Management Unit (PMU) is responsible for the management and disbursement of the project funds. The Project's financial statements have been prepared on cash basis in accordance with the Public Finance Management Act 2002 (amended 2010).

(b) Basis of Preparation

(i) Statement of Compliance

The financial statement has been prepared in accordance with the International Public Sector Accounting Standards: Financial Reporting Under the Cash Basis of Accounting, adopted by the International Public Sector Accounting Standards Board (IPSASB) and the requirement of PRIF Grant No. TF012699 and ASTAE Grant No. TF012318

(ii) Basis of Measurement

The financial statement has been prepared under the cash basis of accounting. All transactions are realized when they have been paid from the TERM funds. Transactions that remain unpaid or unsettled as at balance date is not disclosed in the financial statement

(iii) Significant Accounting Estimates and Judgment

2. WITHDRAWALS ON PROJECT FUND

There was no significant accounting estimate or management judgment that was used in the process of applying the entity's accounting policies.

(a) Government Contribution

In absence of a formal waiver for Duties & Taxations in the project's Grant Agreement the Ministry of Finance & National Planning during the financial year paid the contractors' Consumption Tax components. Also covered by GoT were the USD 665 (TOP 1,460) bank charges incurred in the operation of the project's Imprest account.

Contractors	TOP	USD
BB Construction	250,151.88	109,116.25
Puloka Construction	166,516.05	72,634.30
Willow Cove Industries	65,992.37	29,670.17
Ca'Bella Pacific	175,020.39	78,724.17
Kiwi (Tonga) Ltd	78,570.93	35,341.20
Five Star Construction	426,392.58	194,477.66
Uhila Furniture	36,899.55	16,597.42
A & A Retailer	68,438.22	30,474.02
<i>Bank Charges - Imprest account</i>	<i>1,460.14</i>	<i>665.09</i>
Total	1,269,442.11	567,700.29

(b) Imprest Funding

Total of 2 withdrawals through the Imprest Funding system totalling USD 163,891 (TOP 361,191) were paid out from the ADB fund (G0389) during the year:

	TOP	USD
IF003	158,738.74	72,321.37
IF004	202,452.66	91,569.34
Total	361,191.40	163,890.71

(c)

Direct Payments

Total of 55 withdrawals through Direct Payment system from the 2 funds totalling USD 2,962,536 (TOP 6,436,976) were paid out under Consultancy and Work categories during the year:

Direct Payment No.	ADB (G0389)		GoNZ (G0390)		Total	
	TOP	USD	TOP	USD	TOP	USD
DP010	5,628.66	2,698.10			5,628.66	2,698.10
DP011	0.00	0.00	189,559.13	89,320.27	189,559.13	89,320.27
DP012	0.00	0.00	14,090.21	6,637.90	14,090.21	6,637.90
DP013	27,493.95	12,342.03	102,665.94	48,335.13	130,159.89	60,677.16
DP014	44,427.78	20,032.48	92,095.35	43,358.49	136,523.13	63,390.97
DP015	122,942.88	55,102.99	221,960.72	107,895.10	344,903.60	162,998.09
DP016	54,124.48	24,924.32	126,503.04	61,493.12	180,627.52	86,417.44
DP017	88,421.25	39,515.46	83,799.12	40,650.95	172,220.37	80,166.41
DP018	180,484.69	81,091.79	223,452.61	108,396.84	403,937.30	189,488.63
DP019	311,415.70	142,410.42	291,380.01	141,348.42	602,795.71	283,758.84
DP020	85,663.76	39,242.58	119,880.02	58,153.79	205,543.78	97,396.37
DP021			6,399.00	3,001.77	6,399.00	3,001.77
DP022			87,773.98	41,174.77	87,773.98	41,174.77
DP023			215,223.29	99,971.20	215,223.29	99,971.20
DP024			92,427.73	43,357.84	92,427.73	43,357.84
DP025			141,249.49	66,260.12	141,249.49	66,260.12
DP026			245,303.54	112,152.76	245,303.54	112,152.76
DP027			81,895.67	37,385.36	81,895.67	37,385.36
DP028			97,136.56	44,342.83	97,136.56	44,342.83
DP029			191,490.96	87,415.60	191,490.96	87,415.60
DP030			47,002.33	21,456.56	47,002.33	21,456.56
DP031			85,581.33	39,435.87	85,581.33	39,435.87
DP032			68,296.20	31,266.00	68,296.20	31,266.00
DP033			10,380.42	4,712.71	10,380.42	4,712.71
DP034			129,832.51	59,437.32	129,832.51	59,437.32
DP035			13,095.16	5,946.51	13,095.16	5,946.51
DP036			108,260.75	49,161.21	108,260.75	49,161.21
DP037			207,410.72	94,185.21	207,410.72	94,185.21
DP038			160,483.72	72,875.66	160,483.72	72,875.66
DP039			148,180.00	67,288.54	148,180.00	67,288.54
DP040			18,979.47	8,318.70	18,979.47	8,318.70
DP041			9,962.51	4,252.00	9,962.51	4,252.00
DP042			15,492.74	6,612.30	15,492.74	6,612.30
DP043			304,866.25	136,854.44	304,866.25	136,854.44
DP044			29,323.20	13,069.35	29,323.20	13,069.35
DP045					0.00	0.00
DP046			82,522.62	37,044.40	82,522.62	37,044.40
DP047			56,577.00	25,397.41	56,577.00	25,397.41
DP048			27,381.51	12,288.82	27,381.51	12,288.82
DP049			621,466.79	277,236.32	621,466.79	277,236.32
DP050			131,576.53	58,893.64	131,576.53	58,893.64
DP051			9,570.80	4,315.47	9,570.80	4,315.47
DP052			22,876.70	10,356.28	22,876.70	10,356.28
DP053			349,043.55	157,383.71	349,043.55	157,383.71
DP054			163,336.54	74,644.79	163,336.54	74,644.79
DP055			21,577.91	9,934.47	21,577.91	9,934.47
DP056			25,818.74	11,613.27	25,818.74	11,613.27
DP057			23,190.96	10,542.61	23,190.96	10,542.61
FY2016	920,603.15	417,360.17	5,516,373.32	2,545,175.83	6,436,976.47	2,962,536.00