

Audited Project Financial Statements

Project Number: 39176-044

Loan/Grant Number: 3116

Period covered: 1 January 2014 to 31 December 2015

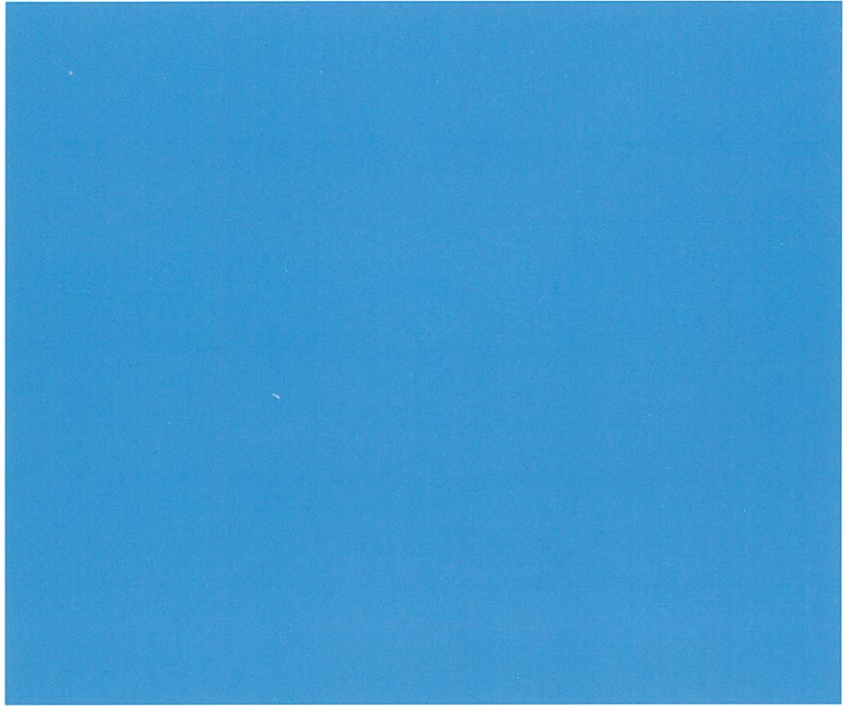
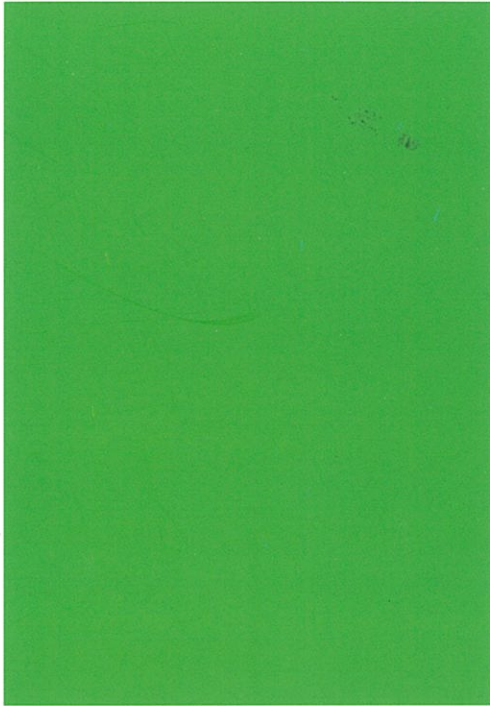
AZE: Road Network Development Program, Project 4

Prepared by "Azeravtoyol" OJSC

For the Asian Development Bank

Date received by ADB: 9 March 2017

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the Azeravtoyol OJSC.



ROAD NETWORK DEVELOPMENT PROGRAM

PROJECT 4 LOAN 3116 AZE

**SPECIAL PURPOSE FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT AUDITOR**

**FOR THE YEARS ENDED 31 DECEMBER 2014
AND 31 DECEMBER 2015**

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STATEMENT OF MANAGEMENT RESPONSIBILITIES


Management has prepared and is responsible for the special purpose project financial statements and related notes of the Road Network Development Program Project 4, Loan 3116 AZE (hereinafter the "Project") financed by the Asian Development Bank (the "ADB") and the Government of Azerbaijan (the "GOA"). These have been prepared in accordance with the basis of accounting described in Note 2 and Note 3 to the accompanying special purpose project financial statements.

The Project maintains internal accounting control systems and related policies and procedures designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorisation and properly recorded, and that accounting records may be relied upon for the preparation of financial statements and other financial information. The system contains self-monitoring mechanisms that allow management to be reasonably confident that controls, as well as the Project's administrative procedures and internal reporting requirements operate effectively. There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error or the circumvention or overriding of controls. Accordingly, even an effective internal control system can provide only reasonable assurance with respect to financial statements preparation.

Signed on behalf of project management:



Project Director
Jeyhun Yusifov



Project Finance Specialist
Tarana Karimova

24 January 2017

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REPORT OF INDEPENDENT AUDITOR**To the Management of the Road Network Development Program
Project 4 Loan 3116 AZE**

We have audited the accompanying special purpose project financial statements of the Road Network Development Program Project 4, Loan 3116 AZE (hereinafter the "Project") implemented by Azeravtoyol Open Joint Stock Company (OJSC) which comprise the statement of financial position as of 31 December 2014 and 31 December 2015, statement of receipts and payments (cash flows), statement of project expenditure by categories and statement of Imprest and project accounts for the year then ended and a summary of significant accounting policies and other explanatory information. We have also audited the Project's compliance with the conditions of the relevant Loan Agreements, the Asian Development Bank guidelines and Laws of the Azerbaijan Republic.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in Note 2 and Note 3 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.

Auditors' 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 on Auditing ("ISA") applicable to the audit of financial statements and to compliance auditing, with special reference to ISA 800 "The Independent Auditor's Report on Special Purpose Audit Engagements" and to the relevant Loan Agreements, the Asian Development Bank guidelines and Laws of the Azerbaijan Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement and about whether the Project has complied with the conditions of the relevant agreements, guidelines, laws and regulations.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates 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:

- a) the aforementioned financial statements and appended notes that were also the subject of the audit, fairly present in all material respects the financial position of the Project as at 31 December 2014 and 31 December 2015 and the results of its operations for the years applied on a basis consistent in all material respects with the basis of accounting described in Note 3 of the accompanying special purpose project financial statements;
- b) Azeravtoyol OJSC has in all material respects utilized the proceeds of the loan withdrawn from the Asian Development Bank only for purposes of the Project as agreed between the Asian Development Bank and the Government of the Azerbaijan Republic in accordance with the loan agreement; and no proceeds of the loan have been utilized for other purposes; and
- c) Azeravtoyol OJSC was in compliance at the balance sheet date in all material respects with the financial covenants of the loan agreement.

In addition:

- (i) (a) With respect to the statement of expenditures, adequate supporting documentation has been maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred; and
(b) expenditures are eligible for financing under Loan Agreement 3116 AZE
- (ii) (a) Imprest Accounts (page 9) give a true and fair view of the receipts collected and payments made during the years ended 31 December 2014 and 31 December 2015; and
(b) these receipts and payments support Imprest Account liquidations/replenishments during the years.

Basis of Accounting and Restriction on Distribution as Use

Without modifying our opinion we draw attention to Note 2 and Note 3 (Page 10-11) which describes the basis for accounting and the purpose of these financial statements. These financial statements may not be suitable for any other purpose. These special purpose project financial statements and auditor's report thereon are intended solely for the information and use of the management of the Project, the Government of the Azerbaijan Republic and the Asian Development Bank and are not intended to be and should not be used by anyone other than these specified parties.

RSM Azerbaijan LLC

24 January 2017

RSM Azerbaijan

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

	2015	2014	Cumulative
ASSETS AND PROJECT EXPENDITURE			
Cash at bank	17,581.04	-	17,581.04
Project expenditure	2,942,748.91	-	2,942,748.91
	2,960,329.95	-	2,960,329.95
SOURCES OF FUNDS			
Project financing	2,961,969.92	-	2,961,969.92
Foreign exchange difference	(1,639.97)	-	(1,639.97)
	2,960,329.95	-	2,960,329.95




Project Director
Jeyhun Yusifov




Project Finance Specialist
Tarana Karimova

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
STATEMENT OF RECEIPTS AND PAYMENTS (CASH FLOWS)
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

OPENING BALANCES	Note	2015	2014	Cumulative
ADB Imprest account		-	-	-
Cash on hand		-	-	-
GOA Project Account		-	-	-
SOURCES OF FUNDS				
ADB funds for the Project	6	2,366,465.26	-	2,366,465.26
Replenishment/Advance to the Imprest account		170,000.00	-	170,000.00
GOA funds for the Project	6	425,504.66	-	425,504.66
		2,961,969.92		2,961,969.92
NET TRANSFER BETWEEN FUND SOURCES				
ADB share		(416.46)	-	(416.46)
GOA share		416.46	-	416.46
		-	-	-
PROJECT EXPENDITURE				
ADB share of expenditure	7	2,516,586.34	-	2,516,586.34
GOA share of expenditure	7	425,030.59	-	425,030.59
		2,941,616.93	-	2,941,616.93
Bank charges (GOA)		1,131.98	-	1,131.98
TOTAL EXPENDITURE	7	2,942,748.91	-	2,942,748.91
ADD/LESS: EXCHANGE DIFFERENCES				
Gains/(loss) ADB		(2,297.88)	-	(2,297.88)
Gains/(loss) GOA		657.91	-	657.91
		(1,639.97)	-	(1,639.97)
CLOSING BALANCES				
ADB Imprest account		14,424.02	-	14,424.02
Cash on hand		2,740.56	-	2,740.56
		17,164.58	-	17,164.58
GOA Project account		416.46	-	416.46
		17,581.04	-	17,581.04


 Project Director
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The notes set out on pages 10-17 form an integral part of these financial statements.

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
STATEMENT OF PROJECT EXPENDITURE BY CATEGORIES
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

	Note	2015	2014	Cumulative
Component 1				
Works				
Construction of Ganja-Qazax bridges	7	2,791,495.85	-	2,791,495.85
	7	2,791,495.85	-	2,791,495.85
Component 2				
Project management				
PIU support	7	150,121.08	-	150,121.08
	7	150,121.08	-	150,121.08
Bank charges		1,131.98	-	1,131.98
Total for the Project		2,942,748.91	-	2,942,748.91



Project Director
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ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
STATEMENT OF IMPREST AND PROJECT ACCOUNTS
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

	GOA Project Account	ADB Imprest Account	Cash on Hand
OPENING BALANCE	-	-	-
ADD			
Funds for the Project	425,504.66	170,000.00	-
	425,504.66	170,000.00	-
Less			
GOA expenditure			
VAT for Civil Works	425,030.59	-	-
Bank charges	1,131.98	-	-
	426,162.57	-	-
ADB expenditure			
Payroll (PIU support)	28,291.10	-	58,729.94
Income tax paid	15,738.25	-	-
Social insurance contribution	28,539.39	-	-
	72,568.74	-	58,729.94
Office expenses (PIU support)	-	-	18,057.44
Bank charges	-	764.96	-
	72,568.74	764.96	76,787.38
Total expenditure	498,731.31	764.96	76,787.38
ADD/(LESS):			
Converted from 3116 (ADB) to 3116 (GOA)	154,811.02	(154,811.02)	-
Withdrawn to cash on hand	(80,280.35)	-	80,280.35
	74,530.67	(154,811.02)	80,280.35
Add /(Less): Exchange difference Gains/(Losses)			
ADB	(1,545.47)	-	(752.41)
GOA	657.91	-	-
	(887.56)	-	(752.41)
CLOSING BALANCE	416.46	14,424.02	2,740.56


Project Director
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ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

1. BACKGROUND

Loan Agreement AZE 3116 (Ordinary Operations) dated 5 May 2014 between the Republic of Azerbaijan (the "Borrower" or "GOA") and Asian Development Bank (the "ADB") has been signed for the implementation of the Project Road Network Development Program, Project 4 Ganja-Qazax region (the "Project 4 - 3116 AZE" or the "Project").

ADB agreed to lend to the Borrower from ADB's ordinary capital resources an amount of USD 45,000,000 (forty five million US Dollars), as such amount may be converted from time to time through a currency conversion in accordance with the provisions of the loan agreement. The Project aims to provide an adequate, efficient, safe and sustainable road network in the Ganja-Qazax region of the territory of the Borrower.

The Project consists of the following components:

a) reconstruction of the following bridges situated in the Ganja-Qazax region:

- (i) the bridge located at kilometer 2.0 of the Akstafa-Poylu-Sadiqli-Georgian Border Road and crossing a railway;
- (ii) the bridge located at kilometer 17.0 of the Akstafa-Poylu-Sadiqli-Georgian Border Road and crossing the Kur River;
- (iii) the bridge located at kilometer 29.5 of the Akstafa-Poylu-Sadiqli-Georgian Border Road and crossing the Aji Dara River; and
- (iv) the bridge located at kilometer 0.1 of the Poylu-Duzqislaq-Qazax Road and crossing the Aghsafa River;

b) rehabilitation of approximately 30 kilometers of two-lane category III and category IV local roads in the Ganja-Qazax region; and

c) the provision of Project management support.

The Project is expected to be completed by 28 March 2017. The revised project closing date is 28 September 2017. Counterpart financing, as stipulated by the Agreements, is to be provided by the Government of the Republic of Azerbaijan.

2. BASIS OF PREPARATION

Basis of Accounting - these special purpose project financial statements (SPPFSs) are prepared in accordance with the International Public Sector Accounting Standard ("IPSAS") *Financial Reporting under the Cash Basis of Accounting* issued by the International Public Sector Accounting Standards Board ("IPSASB"), an independent standard-setting body within the International Federation of Accountants ("IFAC") and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the relevant ADB Guidelines.

Period of accounts - these special purpose project financial statements cover the financial year ended 31 December 2015. Comparative information is presented in respect of the previous year ended 31 December 2014. We also show the cumulative figures for the whole period.

These special purpose project financial statements cover the project implemented by the Project Implementation Unit established under the Azeravtoyol Open Joint Stock Company (the "Company").

3. ACCOUNTING POLICIES

3.1 Overall consideration

These Special Purpose Project Financial Statements have been prepared under the historical cost convention. The significant accounting policies that have been used in the preparation of these financial statements are summarized below.

3.2 Transactions and balances in foreign currencies

Functional and presentation currency

The Project is domiciled in the Republic of Azerbaijan where the local currency is the Azerbaijani Manat ("AZN"). The ADB portion of Project's transactions are funded and expended in United States dollars and GOA portion of transactions are funded and expended in AZN. In accordance with the requirements of the ADB, these special purpose project financial statements are presented in United States dollars ("US dollar", "USD" or "US\$"), which is the presentation currency of the Project.

**ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015**

(Amounts are expressed in US dollars unless otherwise indicated)

3. ACCOUNTING POLICIES (CONTINUED)

Foreign currency transactions and balances

Transactions in currencies other than the presentation currency are treated as transactions in foreign currencies. Cash receipts and payments arising from transactions in a foreign currency are recorded in the Project's presentation currency by applying to the foreign currency amount the exchange rate between the presentation currency and the foreign currency at the date of receipt and payment. Cash balances held in a foreign currency are reported using the closing rate, which is the spot exchange rate at the reporting date. Unrealised gains and losses arising from changes in foreign currency exchange rates are not cash receipts and payments. However, the effect of exchange rate changes on cash held in a foreign currency is reported in the statement of sources and uses of funds and other statements in order to reconcile cash at the beginning and the end of the period. These amounts are presented separately from cash receipts and payments and include the differences, if any, had those cash receipts and payments and balances been reported at end-of-period exchange rates. At 31 December 2015 and 2014, the official USD/AZN exchange rate set by the Central Bank of Azerbaijan ("CBAR") was 1.5594 and 0.7844 respectively.

3.3 Cash

Cash balances are items which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash balances include balances with the Azer-Turk Bank OJSC.

3.4 Funding

Project financing is recognised as a source of Project funds when the cash is received. The main funds for the Project are provided by the Asian Development Bank and the Government of the Azerbaijan Republic under relevant loan agreements.

3.5 Project expenditure

Project expenditure is recognised as a use of Project funds when payment is made. The Project expenditure is classified under certain categories in accordance with the signed loan agreements. In addition, the project expenditure is also disclosed by source considering the requirements of the funding parties.

Works

Works are construction or civil works financed out of the proceeds of the loans, and including services such as drilling or mapping, and project related services that are provided as part of a single responsibility or turnkey contract, but excluding consulting services.

Goods

Goods means equipment and materials financed out of the proceeds of the loan; and including related services such as transportation, insurance, installation, commissioning, training, and initial maintenance, but excluding consulting services;

Consulting

Consulting services rendered by consultants are for a finite period of time and have a well-defined scope of work described by clear terms of reference (TOR), and are generally of an intellectual nature. They cover a wide range of diverse activities, which may entail but are by no means limited to feasibility studies, advisory services, construction supervision, policy studies, strategy formulation, and preparation of key documents such as tender documents, training, quality control, financial and accounting services, environmental or social impact studies, economic and financial analyses, professional editing, and public information provision.

3.6 Project management

Project Implementation Unit (PIU) is established within the Company to undertake day-to-day Project management and implementation functions. The PIU support expenditure covers the PIU staff salaries and income tax paid, incremental office expenses and bank charges. In addition, the payments for the external financial audit services are included under the Project management category as per signed loan agreements.

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

3. ACCOUNTING POLICIES (CONTINUED)

Employee benefits

Short-term employee benefits

The cost of short term employee benefits is recognized in the period in which the payments are made.

Retirement and other employee benefits

The PIU does not have any pension arrangements separate from the state pensions system of the Republic of Azerbaijan, which requires current contributions by the employer calculated as a percentage of gross salary. Such expenses are recognized in the period the payments are made.

3.7 Taxation

Tax expense represents the payment of the Value Added Tax (VAT), Withholding Tax (WHT) and income tax from employees. VAT is paid based on invoices submitted for the completed works and provided services at the rate stipulated by the Tax Code of the Republic of Azerbaijan during the reporting period (2015 and 2014: at 18%). WHT is paid for consulting services at rate of 10% during the reporting period (rate for 2015 and 2014: at 10%). Income tax from employees' salaries is paid based on the gross salaries according to the signed contracts.

The tax legislation of the Republic of Azerbaijan in particular may give rise to varying interpretations and amendments and management interpretations may differ from that of tax authorities. Management believes that the PIU has made all tax payments that are due.

4. METHOD OF WITHDRAWAL

ADB Imprest Account

The Imprest/Special account maintained with Azer-Turk Bank OJSC is a designated disbursement account of the Project to effect the payment of eligible expenditure, within defined limits, which does not require individual authorisation from the ADB. Available amounts were drawn down within the limits determined by the Loan Agreement.

Direct payments from the Loan account

Under this method, the PIU prepares applications based on supporting documents which are submitted to the ADB. Payments are made from the Loan account directly to the contractors and consultants.

Project account (GOA)

The Project maintains a separate account where the GOA funds are accumulated. The funds are further disbursed to pay VAT for the payment to contractors and consultants. Any unused balance on the Project account at 31 December is carried forward to next financial year.

Statement of expenditure ("SOE")

The statement of expenditures (SOE) procedure is used for reimbursement of eligible expenditures for Project management support and individual consultants and to liquidate advances provided into the imprest account, in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Borrower and ADB.

5. OPERATING ENVIRONMENT

The Project's principal activities are within the Republic of Azerbaijan. Laws and regulations affecting entities operating in the Republic of Azerbaijan are subject to rapid changes and the Project's operations could be at risk as a result of negative changes in the political and economic environment.

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

6. FUNDS PROVIDED FOR THE PROJECT

	2015	2014	Cumulative
ADB share			
Direct payments for civil works (Note 9)	2,366,465.26	-	2,366,465.26
Replenishment/Advance to the Imprest account (Note 9)	170,000.00	-	170,000.00
	2,536,465.26	-	2,536,465.26
GOA Share			
GOA funds	425,504.66	-	425,504.66
	2,961,969.92	-	2,961,969.92

7. PROJECT EXPENDITURE

For the year ended 31 December 2015

	ADB	GOA	Total
Component 1			
Works for construction of Ganja-Qazax bridges	2,366,465.26	425,030.59	2,791,495.85
	2,366,465.26	425,030.59	2,791,495.85
Component 2			
PIU support (Note 8)	150,121.08	-	150,121.08
	150,121.08	-	150,121.08
Bank charges	-	1,131.98	1,131.98
	2,516,586.34	426,162.57	2,942,748.91

For the year ended 31 December 2014

	ADB	GOA	Total
Component 1			
Works for construction of Ganja-Qazax bridges	-	-	-
	-	-	-
Component 2			
PIU support (See Note 8)	-	-	-
	-	-	-
Bank charges	-	-	-
	-	-	-

Cumulative as of 31 December 2015

	ADB	GOA	Total
Component 1			
Works for construction of Ganja-Qazax bridges	2,366,465.26	425,030.59	2,791,495.85
	2,366,465.26	425,030.59	2,791,495.85
Component 2			
PIU support (See Note 8)	150,121.08	-	150,121.08
	150,121.08	-	150,121.08
Bank charges	-	1,131.98	1,131.98
	2,516,586.34	426,162.57	2,942,748.91

ROAD NETWORK DEVELOPMENT PROGRAM
 PROJECT 4, LOAN 3116 AZE
 NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
 FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
 (Amounts are expressed in US dollars unless otherwise indicated)

8. PIU SUPPORT EXPENDITURE

	2015	2014	Cumulative
ADB share			
PIU Salaries			
Payroll (Net of tax)	87,021.04	-	87,021.04
Income tax	15,738.25	-	15,738.25
Social insurance contributions	28,539.39	-	28,539.39
	131,298.68	-	131,298.68
PIU administrative cost (office expenses)	18,057.44	-	18,057.44
Bank charges/Conversion fee	764.96	-	764.96
	150,121.08	-	150,121.08

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

9. APPLICATIONS FOR WITHDRAWAL SCHEDULE

Civil Works

For the year ended 31 December 2015

Works for construction of Ganja-Qazax bridges

Appl. No	Name of contractor	Project	Currency	Application amount	Application date	Amount disbursed	Paid amount USD equivalent	Value date
2	Korpu-Bina-Tikinti LLC	Advance Payment	AZN	2,479,109.00	19-Nov-2015	2,479,109.00	2,366,465.26	16-Dec-2015
Total of work for 2015							2,366,465	

No disbursement is made for works for construction of Ganja-Qazax bridges in the year ended 31 December 2014.

Replenishment of Imprest account

For the year ended 31 December 2015

Appl. No	Fund for	Currency	Application amount	Application date	Amount disbursed	Paid amount USD equivalent	Value date
1	Project Implementation Unit	USD	170,000.00	23-Jun-2015	170,000.00	170,000.00	30-Jul-2015
Total for 2015							170,000.00

No disbursement is made for replenishment of Imprest account in the year ended 31 December 2014.

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

10. STATEMENT OF EXPENDITURE (SOE) SCHEDULES

For the year ended 31 December 2015

Appl. N	Date of Application	For the period	PIU Salaries	PIU Admin cost	Total expenditure (USD)	Amount requested (USD)	Amount paid (USD)	Value date
1	23-06-15	Initial advance	145,367.00	24,633.00	170,000.00	170,000.00	170,000.00	30-Jul-2015
			145,367.00	24,633.00	170,000.00	170,000.00	170,000.00	

Reconciliation table	USD
Total of SOEs submitted in 2015	170,000.00
Add/(Less)	
Bank charges	(1,706.44)
Closing balances	(17,581.04)
Foreign exchange differences	(591.44)
PIU expenditure for 2015	150,121.08

There is no disbursement for the PIU expenditure of the year 2014.

ROAD NETWORK DEVELOPMENT PROGRAM
PROJECT 4, LOAN 3116 AZE
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 31 DECEMBER 2015
(Amounts are expressed in US dollars unless otherwise indicated)

11. EVENTS AFTER THE REPORTING PERIOD

Non-adjusting events

No significant non-adjusting events have occurred between the reporting date and the date of authorisation of these special purpose project financial statements.

Adjusting events

No significant adjusting event has occurred between the reporting date and the date of authorisation of these special purpose project financial statements.

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