

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
(ADMINISTRATOR)**

**IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT
(PROJECT MANAGEMENT TEAM)**

**MINISTRY OF PUBLIC EDUCATION OF REPUBLIC OF UZBEKISTAN
(EXECUTING AGENCY)**

GLOBAL PARTNERHIP FOR EDUCATION TRUST FUND GRANT No.18066-UZ

**SPECIAL-PURPOSE CASH BASIS FINANCIAL STATEMENTS AND STATEMENTS OF
EXPENDITURES FOR THE PERIOD FROM APRIL 08, 2015 (COMMENCEMENT OF OPERATIONS)
TO DECEMBER 31, 2015**

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

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MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE
SPECIAL PURPOSE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2015

The Management of the Project Management Team (hereinafter – "PMT") is responsible for the preparation of the Special-Purpose Financial Statements (hereinafter – "Financial Statements") of the "Improving Pre-Primary and General Education Project of Uzbekistan" (hereinafter – "Project") funded by the Global Partnership for Education Trust Fund (hereinafter – "GPE TF") that present fairly the financial position of the Project as of 31 December 2015, and the funds received, and expenditures incurred for the year ended 31 December 2015, in compliance with International Public Sector Accounting Standards "Financial Reporting under the Cash Basis of Accounting" (hereinafter – "IPSAS-Cash Basis").

In preparing the Financial Statements, the management of the PMT is responsible for:

- Selecting suitable accounting policies and applying them consistently;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IPSAS-Cash Basis are insufficient to enable users to understand the impact of particular transactions, other events, and conditions on the Project's Special-Purpose Financial Statements; and
- Making an assessment of the Project's ability to continue as a going concern.

The Management of the Project is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Project;
- Maintaining adequate accounting records that are sufficient to show and explain the Project's transactions and disclose with reasonable accuracy at any time the fund balance of the Project, and which enable them to ensure that the Financial Statements of the Project comply with specific requirements in IPSAS-Cash Basis;
- Maintaining statutory accounting records in compliance with legislation of the Republic of Uzbekistan;
- Taking such steps as are reasonably available to them to safeguard the assets of the Project; and
- Preventing and detecting fraud and other irregularities.

The Financial Statements of the Project for the year ended 31 December 2015 were authorized for issue by the Project's Management on June 28, 2016.

On behalf of the Project's Management:



A. Abdurakhmonov
Financial Specialist

INDEPENDENT AUDITOR'S REPORT

To the Management of the Ministry of Public Education of Uzbekistan

Auditor's opinion

In our opinion, the accompanying special-purpose financial statements present fairly, in all material respects, the financial position of the "Improving Pre-Primary and General Education Project" (the Project) as at December 31, 2015, and the results of its operations for the year then ended in compliance with the International Public Sector Accounting Standards: "Financial Reporting under the Cash Basis of Accounting" (the IPSAS - Cash Basis) and with the all conditions of the GPE TF Grant Agreement.

We have audited the special-purpose financial statements (the Financial Statements), which comprise the specialized statement of cash receipts and payments, statement of financial position as at December 31, 2015 and statement of detailed costs for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Project within the meaning of Uzbek law and we have fulfilled our other responsibilities under those legislation requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Going Concern

The Project's Financial Statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless the management either intends to liquidate the Project or to cease operations, or has no realistic alternative but to do so. As part of our audit of the Financial Statements, we have concluded that the management's use of the going concern basis of accounting in the preparation of the Project's Financial Statements is appropriate.

Responsibilities of Management and Ministry of Public Education for the Financial Statements

Management of the Project is responsible for the preparation and fair presentation of these Financial Statements in accordance with the IPSAS - Cash Basis, and for such internal control as the management determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error. The Ministry of Public Education is responsible for overseeing the Project's Financial Statements reporting process.

Auditor's Responsibility

The objectives of our audit are to obtain reasonable assurance about whether the 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 audit opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit concluded in accordance with ISA 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 Financial Statements.

A further description of the auditor's responsibilities for the audit of the financial statements that is part of this auditor's report is located at PKF MAK ALYANS LLC's website at: www.pkf.uz.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 of the accompanying Financial Statements, which describes the basis for preparation. The Financial Statements are prepared to assist the Project in complying with the financial reporting provisions of the GPE TF Grant Agreement referred to above. Accordingly, the accompanying Financial Statements may not be suitable for another purpose.

This report is intended solely for the Management of the Project and Global Partnership for Education Trust Fund and should not be distributed to or used by parties other than the Project and GPE TF.

PKF MAK ALYANS

22, Aviasozlar Street, 1st Passage
100016, Tashkent
Republic of Uzbekistan

June 28, 2016



MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

SPECIAL-PURPOSE STATEMENT OF CASH RECEIPTS AND PAYMENTS FOR YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

	31 December 2015		2015-2018	
	Budget	Actual	Variance Amount	Variance %
Opening Fund Balances				
Cash in USD		-		
Cash in UZS (USD equivalent)		-		
Total		-		
Sources of Funds: Funds Received				
GPE Trust Fund Grant – Direct Payments		1 670 018		
GPE Trust Fund Grant – Initial Advance		200 000		
GPE Trust Fund Grant – Replenishment		500 000		
Less: Intermediary bank commissions		(22)		
Total GPE Trust Fund Disbursements	49 900 000	2 369 996		
Contribution in distribution of goods	4 218 000	-		
Contribution in-kind	16 687 920			
Total Government funds	20 905 920	-		
TOTAL OF FUNDS RECEIVED	70 805 920	2 369 996		
Uses of Funds: Expenditure Incurred				
C1 – Improving Access to Quality Early Childhood Education Opportunities	(20 700 000)	(53 074)	(20 646 926)	0.25
C2 – Improving Conditions for Better Learning Outcomes in General Educational Secondary Schools	(23 115 000)	(1 399 752)	(21 715 248)	6.06
C3 – Strengthening the Capacity to Monitor the Education System	(6 085 000)	(363 595)	(5 721 405)	5.98
Investment financing (Distribution of goods)	(4 218 000)	-	(4 218 000)	-
Taxes and Duties	(16 687 920)	-	(16 687 920)	-
TOTAL EXPENDITURE INCURRED	(70 805 920)	(1 816 421)	(48 083 579)	3.64
FX Exchange Loss		(73)		
Closing Fund Balances				
Cash in USD		549 628		
Cash in UZS (USD equivalent)		3 874		
Total		553 502		

Signed on behalf of the Project's Management on June 28, 2016



D. Boltabaev
Project Coordinator



A. Abdurakhmonov
Financial Specialist

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

SPECIAL-PURPOSE STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

Items	Note		
		31.12.2015	31.12.2014
ASSETS			
Cash and cash equivalents:			-
Designated Account in USD	5	549 628	-
Special Account in UZS	6	3 874	-
Total current assets		553 502	-
Non-current assets			
Property, plant and equipment (net)	8	27 276	-
Total non-current assets		27 276	-
TOTAL ASSETS		580 778	-
LIABILITIES AND EQUITY/FINANCING			
Liabilities			
Accounts payable		-	-
Salary payable	9	5 803	-
Other liabilities		-	-
Total liabilities		5 803	-
Equity/Financing			
Financing from GPE Trust Fund		2 369 996	-
Less: Cumulative expenditures, net		(1 795 021)	-
Total Equity/Financing		574 975	-
TOTAL LIABILITIES AND EQUITY/FINANCING		580 778	-

Signed on behalf of the Project's Management on 28 June 2016



D. Boltabaev
Project Coordinator



A. Abdurakhmonov
Financial Specialist

Notes on pages 10 to 17 form an integral part of the Special-Purpose Cash Basis Financial Statements.


MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

SPECIAL-PURPOSE STATEMENT OF DETAILED COSTS FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

Components	Actual		Planned / Budget		Variance	
	2015	Cumulative	2015	Cumulative	2015	Cumulative
Component 1: Improving Access to Quality Early Childhood Education Opportunities						
Sub-component 1.1. Developing more flexible and efficient ECCE service provision	-	-	-	1 036 000	-	1 036 000
Sub-component 1.2. Implementing quality early childhood education opportunities	53 074	53 074	53 074	19 664 000	-	19 610 926
Sub-Total	53 074	53 074	53 074	20 700 000	-	20 646 926
Component 2: Improving Conditions for Better Learning Outcomes in General Educational Secondary Schools						
Sub-component 2.1. Supporting training programs for teachers and school managers	113 767	113 767	113 767	5 285 000	-	5 171 233
Sub-component 2.2. Supporting the implementation of minimum school standards	1 285 985	1 285 985	1 285 985	17 830 000	-	16 544 015
Sub-Total	1 399 752	1 399 752	1 399 752	23 115 000	-	21 715 248
Component 3: Strengthening the Capacity to Monitor the Education System						
Sub-component 3.1. Strengthening the education system monitoring capacity	217 192	217 192	217 192	5 000 000	-	4 782 808
Sub-component 3.2. Project management (including audit services)	146 403	146 403	146 403	1 085 000	-	938 597
Sub-Total	363 595	363 595	363 595	6 085 000	-	5 721 405
Total Project Expenditure	1 816 421	1 816 421	1 816 421	49 900 000	-	48 083 579


D. Boltabaev
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MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

SPECIAL-PURPOSE STATEMENT OF DETAILED COSTS FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

Category	Actual		Planned / Budget		Variance	
	2015	Cumulative	2015	Cumulative	2015	Cumulative
Investment financing (Distribution of goods)	-	-	-	4 218 000	-	4 218 000
Taxes and Duties	-	-	-	16 687 920	-	16 687 920
Total Uzbek Government contribution	-	-	-	20 905 920	-	20 905 920



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Project Coordinator



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Notes on pages 10 to 17 form an integral part of the Special-Purpose Cash Basis Financial Statements.

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

1 PROJECT AND ITS OPERATION

On October 29, 2014, the Government of Uzbekistan and the World Bank signed the Trust Fund Grant Agreement No.18066-UZ on the implementation of the Improving Pre-Primary and General Secondary Education Project (the Project). The Project, which is aligned with the Education Sector Plan (ESP) for the Republic of Uzbekistan 2013-2017, is being implemented since January 2015, and will close in January 2018. It is financed by a Global Partnership for Education (GPE) Trust Fund Grant of USD 49.9 Million plus USD 4.2 Million from the Government of Uzbekistan (GoU), in the form of investment financing. The GoU contribution will finance the distribution of goods (to be purchased using GPE grant funds) from Tashkent city to schools. And also the GoU would finance taxes and duties, including value-added tax and customs duties in the form of exemption; financing charges during implementation; all of which are estimated in the amount of US USD 16.7 Million. Thus, total Project financing would be equaled to USD 70.8 Million.

The Project is organized around three components and its sub-components, as described below, which relate to the following key dimensions of investments: access to quality early childhood education opportunities and learning conditions for students of general secondary education.

The objectives of the Project are to: (i) increase access of children aged 3-6 to quality early childhood care and education in rural Pre-Primary Institutions; (ii) to improve conditions for better learning outcomes of students of rural General Educational Secondary Schools, (iii) strengthen the education system monitoring capacity.

The Project consists of the following parts:

Part 1: Improving Access to Quality Early Childhood Education Opportunities

Provision of Training, goods, and technical assistance, as applicable, to improve access to quality early childhood education opportunities through:

Part 1.1. The development and subsequent assessment of flexible forms of early childhood care and education service provision, including, *inter alia*: (i) the design of the Half-day School Readiness Program; and (ii) the carrying out of communication campaigns aimed to, *inter alia*, emphasize the critical role of parents in promoting early childhood education and learning and raise awareness on child and forced labor issues and regulations.

Part 1.2. The implementations of quality early childhood education opportunities through, *inter alia*: (i) the implementation of the Half-day School Readiness Program in selected education institutions located in rural areas; (ii) a nationwide distribution of storybooks to parents of children 3 to 6; (iii) the carrying out of training activities for teachers; and (iv) the provision of furniture, outdoor and indoor recreation equipment, teaching and learning materials.

Part 2: Improving Conditions for Better Learning Outcomes in General Educational Secondary Schools

Provision of Training, goods and technical assistance, as applicable, to improve conditions for better learning outcomes in selected General Educational Secondary Schools located in rural areas through:

Part 2.1. The improvement of the conditions of training and retraining institutes for teacher and school personnel (including methodologists, school principals and pedagogical staff) through, *inter alia*: (i) the development of a training management information system and teaching materials; (ii) the revision of the contents and current regulatory framework of in-service training for teachers and school managers; (iii) the provision of equipment to carry out training activities; and (iv) the preparation and delivery of specific training programs (on, *inter alia*, education management, pedagogic techniques and distance learning, child and forced labor issues and regulations).

Part 2.2. The implementation of minimum learning standards for General Educational Secondary Schools through, *inter alia*, the provision of teaching and learning materials and ICT equipment.

Part 3: Strengthening the Capacity to Monitor the Education System

Provision of goods, technical assistance, Training and Incremental Operating Costs, as applicable, to strengthen the capacity to monitor the Recipient's education system through, *inter alia*:

Part 3.1. (i) The development and carrying out of standardized assessments of students in grades 4 and 9; (ii) the analysis and dissemination of said assessments' results; (iii) the improvement of MOPE's current management information systems and capacity on education quality monitoring; and (iv) the provision of ICT equipment to selected education departments and MOPE.

Part 3.2. The support of project management and implementation activities (including auditing services).

**MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN**

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

The main beneficiary of the Trust Fund Grant is the MOPE. The MOPE is responsible for the management and implementation of the Project under the Trust Fund Grant Agreement, as well as for achieving the planned results. The Project Management Team (PMT) has been established within the MOPE and it shall provide periodic reports and annual progress reports to the WB/GPE TF.

The PMT within the MOPE is located at 5, Mustaqillik Square, Tashkent city, 100016, Uzbekistan.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These special-purpose Financial Statements have been prepared in accordance with the International Public Sector Accounting Standard (IPSAS) "Financial Reporting under the Cash Basis of Accounting" promulgated by the International Federation of Accountants (IFAC). Those standards require that cash receipts shall be effective when received and expenditures of funds shall be effective when they are paid rather than when incurred.

The Financial Statements prepared under the cash basis provide readers with information about the sources of cash raised during the period, the purpose for which cash was used and the cash balances at the reporting date. The measurement focus in the financial statements is balances of cash and changes therein.

The Project's special- purpose cash basis Financial Statements are prepared on the basis of cash receipts and disbursements which are a comprehensive basis of accounting.

Cash and cash equivalents

Cash and cash equivalents are recognized at cost and include cash at cash desk, cash at designated and special accounts at domestic banks and cash in transit.

During FY 2015, USD 699 978 of Trust Funds Grant were disbursed by the World Bank acting as administrator of the GPE for the Project management purposes.

Project expenditures

The Project's special-purpose cash basis Financial Statements are prepared based upon the accounting records of the PMT, which are maintained in both USD and UZS. The initial accounting records consist of summaries of disbursement documents and other payment vouchers.

Accounting of PMT within the MOPE is conducted in accordance with the applicable laws of the Republic of Uzbekistan with the specific implementation of the Project, including applying cash method.

The policy management programs also include preparation of detailed of cost report on a cash basis in accordance with International Accounting Standards for the Public Sector. The accounting is carried out using the Accounting software 1C.

In accounting, the following articles are used:

- Taking into account the actual costs;
- Accounting of cash;
- Accounting of cash transactions;
- Accounting of fixed assets;
- Accounting of stocks;
- Accounting of remuneration;
- Settlements with debtors and creditors;
- Reporting.

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

The Financial Management of the Project is carried out by the following main points:

- 1) Analysis of the performance costs;
- 2) Analysis of cash expenses and for transfers;
- 3) Analysis of financial condition;
- 4) An analysis of budget execution.

An analytical account of the sums received by the Project of funding is separate from the breakdown of the total amount financed by categories of expenditure.

At the end of each month / quarter are counted up all the items of expenditure for the quarter and total year to-date, in order to identify the remainder and in a similar way to keep records of cash expenditures for transfers.

Foreign currency translation

(i) Functional and Presentation currencies

The functional currency of the Project is the currency of the primary economic environment in which it operates. The Project's functional currency is Uzbek Soums ("UZS"), as the major portion of its transactions are in UZS. These special-purpose Financial Statements of the Program are also presented in the presentation currency of US Dollars ("USD") as this is convenient for the readers of the financial statements.

(ii) Transactions and Balances

The assets' additions and expenditure paid for in UZS were translated into USD using the following principles of transaction:

- Monetary assets denominated in UZS have been translated into USD using the official rate of exchange of the Central Bank of Uzbekistan ("CBU") on the date of conversion;
- All income/expenditure earned/incurred in UZS denominated into USD were recorded as an official exchange rate of CBU, effective at the date of receipt or payment of the funds;
- Gain/Loss resulting from the transaction of UZS into USD: Cash & cash equivalents outstanding as at reporting date are translated into USD at the official rate of the CBU effective at the reporting date.

The official exchange rate set by the CBU and effective, as at 31 December 2015 was UZS 2,809.98 to USD 1 (2014: UZS 2,422.40 to USD 1). Exchange restrictions and controls exist relating to converting the UZS into other currencies. At present, the UZS is not a convertible currency outside Uzbekistan.

Bank Accounts of the Project

During the period from January 01, 2015 to December 31, 2015, the PMT held in Uzbekistan bank USD Designated Grant Account for GPE Trust Fund Split Disbursements, UZS Special Account and other accounts at named JSCB "NATIONAL BANK".

The PMT operates a Designated Grant Account in accordance with the provisions laid down in the Grant Agreement.

The USD Designated Grant Account represents revolving funds provided from the GPE Trust Fund to facilitate prompt disbursement of funds. The funds are maintained at JSCB "NATIONAL BANK". The USD Designated/Grant Account is used to cover the GPE Trust Fund's share of eligible expenditures in both local and foreign currencies. The eligible expenditures are reported to the World Bank through Expenditure Reports/SOE. The USD Special/Grant Account is replenished by the GPE Trust Fund on the basis of request, prepared by the PMT for validation of USD Designated Account.

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

The UZS Special Account was opened to convert the funds received on USD Designated Grant Account for Grant proceeds from WB/GPE and for payments to suppliers and withdrawal of cash.

The outstanding balances of the above accounts as at December 31, 2015 are disclosed in Note 5.

3 SUBSEQUENT EVENTS

There are no events after the end of the reporting period, which would require adjustment to or disclosure in these financial statements.

4 APPROVAL OF SPECIAL-PURPOSE FINANCIAL STATEMENTS

The special-purpose Financial Statements were approved by the Management of the Project for issue on 28 June 2016.

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

5 Statements of Cash Balances of the Project

The Project had the following Cash Balances as at December 31, 2015 at JSCB "NATIONAL BANK":

Sources of funds	Currency	Note	Name of account	Amount in USD
GPE TF Grant Account	USD	6	Designated Grant Account	549 628
UZS Special Account	UZS	7	Special Account	3 874
Total				553 502

6 Statements of USD Designated Grant Account

Account No.: 22696840100101044003
Depository Bank: JSCB "NATIONAL BANK"
Address: Tashkent, Uzbekistan
Related Grant No.: GPE TF 18066-UZ
Currency: US Dollars (USD)

Statement of USD Designated Grant Account as at December 31, 2015

	USD
Opening Balance as at January 01, 2015	-
GPE TF Initial Advance (including intermediary bank commission of USD 11)	200 000
Replenishment (including intermediary bank commission of USD 11)	500 000
Cash Outflow:	
Transfer to UZS Special Account (Conversion)	(142 350)
Financing eligible expenditure	(8 000)
Commissions of intermediary bank	(22)
Closing Balance as at December 31, 2015	549 628



D. Boltabaev
Project Coordinator



A. Abdurakhmonov
Financial Specialist

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

7 Statements of UZS Special Account

Account No.: 22696000400101044003
Depository Bank: JSCB "NATIONAL BANK"
Address: Tashkent, Uzbekistan
Related Grant No.: GPE TF 18066-UZ
Currency: Uzbek Soums (UZS)

Statement of UZS Special Account as at December 31, 2015

	USD Equivalent
Opening Balance as at January 01, 2015	-
Cash Inflow:	
Transfer from USD Designated Grant Account	142 350
Cash Outflow:	
Financing of eligible expenditure	(138 403)
FX Loss	(73)
Closing Balance as at 31 December 2015	3 874

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
 IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

8 Property List Purchased with GPE TF Grant

Item	Computers	Furniture	Office Equipment	TOTAL
Cost as at December 31, 2014	-	-	-	-
Revalued Cost as at January 01, 2015	-	-	-	-
Acquisitions during the year	18 711	6 880	4 000	29 591
Accumulated Depreciation for the year	(1 559)	(478)	(278)	(2 314)
Net value as at December 31, 2015	17 152	6 402	3 722	27 276

9 Statement of Salary Payable

	31 December 2015	31 December 2014
Salary payable		
Salary payable to consultants:		
- Remuneration	4 051	-
- Pension fund contribution (1%)	90	-
- Personal Income Tax	1 662	-
Total Salary payable	5 803	-

MINISTRY OF PUBLIC EDUCATION OF THE REPUBLIC OF UZBEKISTAN
IMPROVING PRE-PRIMARY AND GENERAL SECONDARY EDUCATION PROJECT OF UZBEKISTAN

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2015

Tabular amounts are presented in US Dollars

10 GPE Trust Fund Grant Proceeds

	December 31, 2015	Cumulative
Grant Proceeds		
GPE Trust Fund Split Disbursements into Designated Grant Account	700 000	700 000
Less: Intermediary bank commissions held	22	22
Total GPE TF Grant Proceeds	699 978	699 978

11 Statement of Expenses (including reconciliation) for the year ended December 31, 2015

STATEMENT OF EXPENDITURE – GPE TF No.18066-UZ

WDA number	Component 3 Sub-Component 3.2. (PMT)	Liquidated from Designated account
2	31,173.26	31,162.26
3	104,164.45	104,153.45
Total	135,337.71	135,315.71

Note:

(1) Withdrawal Application No.1 was used for an Initial Advance Payment.

(2) Total amount of expenditure for the period November 25 – December 31, 2015 equaled to USD 11,076.31, which are not claimed by the Project in 2015.

Reconciliation of financing made through Designated Account – GPE TF Grant No.18066-UZ

	FY 2015
Expenditure per SOE	135,337.71
Less: Expenditure per SOE not reimbursed/liquidated by WB as at December 31, 2015	-
Less: Intermediary bank commissions held	22.00
Total financing made through Designated Account	135,315.71

12 Direct Payments

WDA number	Year	Expenditure by Sub-Components				Total
		1.2	2.1	2.2	3.1	
4	2015	-	-	1,285,984.92	-	1,285,984.92
5	2015	13,789.97	113,767.29	-	217,192.11	344,749.37
6	2015	39,284.00	-	-	-	39,284.00
TOTAL		53,073.97	113,767.29	1,285,984.92	217,192.11	1,670,018.29