

ACCOUNTABILITY ENHANCEMENT PROJECT
GRANT
NO. TF017651-YEM
Sana'a- R.O. Yemen

ACCOUNTABILITY ENHANCEMENT PROJECT
GRANT ON. TF017651 -YEM
Sana'a- R.O. Yemen

THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015

ACCOUNTABILITY ENHANCEMENT PROJECT
GRANT
NO. TF017651-YEM
Sana'a- R.O. Yemen

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Independent Auditor's Report

Director of the Project
Accountability Enhancement Project
Sana'a- R.O. Yemen

Report on the Financial Statements

We have audited the attached statement for the **Accountability Enhancement Project** GRANT NO. TF017651 -YEM , which consist of the Uses of Funds as of December 31, 2015, and the Designated Account for the financial year ended then, as well as the significant accounting policies and the Complementary Clarifications on the financial statements.

The Management's responsibility on the Financial Statements.

Management is responsible for the preparation and fair presentation of this Financial Statement in accordance with the cash basis of accounting described in Note 2 to the Financial Statement: this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the Financial Statement in the circumstances, and for such internal controls as management determines is necessary to enable the preparation of the Financial Statement that is free from material misstatement, whether due to fraud or error.

The Auditor's Responsibility.

Our responsibility is to express an opinion on these statements based on our audit. We conduct our audit in accordance with the International Standards on Auditing which requires from us to obey the career's moralities as well as planning and performing the auditing to obtain reasonable assurance about whether the financial statement is free of material misstatement.

The audit includes rendering of procedures to have auditing conductors about the treasury and the descriptions on the financial statements, and accrediting the procedures to follow as we esteem, including our evaluation of material misstatement risks in the financial statements of the Center whether caused by cheating or errors. During the evaluation of these risks, we take into consideration the internal control system of the preparation and presentation of the statements in an equitable view with aiming of designing the appropriate and followed auditing procedures and esteems prepared by the management and the safety of general presentation for the financial statements.

We believe that the auditing evidences which we gained them considered to be enough and reasonable to express our opinion on these statements.

The Opinion.

In our opinion, the statement presents fairly, in all material respects, the financial situation of the **Accountability Enhancement Project** GRANT NO. TF017651 – YEM as of **December 31, 2015** and the **Sources & Uses of Funds and the Designated Account**, for the financial year ended then, in accordance with the cash basis of accounting described in Note 2 to the Financial Statement and Laws followed by the project.

Report on other Legal and Regulatory Requirements

We have obtained from management the information and clarification that we deemed necessary for our audit. The Project keeps proper books of account, and the accompanying Financial Statement is in agreement with these books.

Ali Ishak & Co.
External Auditors
Partner in Charge,
Ali A. Ishak



Sana'a In: 26/5/2016

ACCOUNTABILITY ENHANCEMENT PROJECT GRANT

No. TF017651 -YEM

Sana'a- R.O. Yemen

STATEMENT OF SOURCES & USES OF FUNDS AS OF DECEMBER 31, 2015

PARTICULARS	NOTE	ACCUMULATED	FY 2015	ACCUMULATED
		31.12.2014		31.12.2015
		IDA	IDA	IDA
		AMOUNT	AMOUNT	AMOUNT
		US \$	US \$	US \$
SOURCES OF FUNDS				
GRANT NO.TF017651	3			
Initial Deposit (D/A)		700,000.00	0.00	700,000.00
Replenishments to D/A		0.00	99,612.57	99,612.57
Debit Accounts		0.00	0.00	0.00
Currency Deviations		0.00	0.00	0.00
TOTAL SOURCES OF FUNDS		700,000.00	99,612.57	799,612.57
Deduct:				
Uses Of Funds				
Goods	4	0.00	40,176.50	40,176.50
Capacity Building and Training	5	45,756.00	67,191.00	112,947.00
Recurrent Costs (PMU Oper.)	6			
PMU Salaries		48,975.00	89,740.00	138,715.00
Operating Costs		4,881.57	67,552.12	72,433.69
TOTAL Uses Of Funds		99,612.57	264,659.62	364,272.19
DIFFERENCE				
Ded: Debit Accounts Balance	7	600,387.43	(165,047.05)	435,340.38
Add: Openeing Balance		0.00	(9,703.00)	(9,703.00)
Closing Cash Balance	8	600,387.43	(174,750.05)	425,637.38

Attached Clarifications (from 1 to 9) constitute part of the Statements

Mohammed Abdulhkalid
Financial Manager

Eng.Abduljalil Al-Daba
Project Executive Director



**ACCOUNTABILITY ENHANCEMENT PROJECT
GRANT
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Sana'a- R.O. Yemen**

DESIGNATED ACCOUNT (D/A) AS OF DECEMBER 31,. 2015

PARTICULARS	Note	Designated Account
Account No		1243- 0010235
Name of Depository Bank		Central Bank of Yemen
Address		Sana'a , R.O.Yemen
Grant. No		TF017651
Currency		US Dollars
Initial Deposit to the D/A on Oct .22, 2014 :ADD		700,000.00
Replenishments to the Account during 2014		0.00
Replenishments to the Account during 2015		99,612.57
TOTAL		799,612.57
:DEDUCT		
Payments during 2014		116,581.00
Payments during 2015	9	269,775.43
TOTAL PAYMENTS UP TILL 31.12.2015		386,356.43
BALANCE AS OF 31.12.2015		413,256.14

Attached Clarifications (from 1 to 9) constitute part of the Statements

Mohammed Abdulhkalig
Financial Manager

Eng.Abduljalil Al-Daba
Project Executive Director



CLARIFICATIONS ON THE FINANCIAL STATEMENTS

1 - ABOUT THE PROGRAM:

Program name : Accountability Enhancement Project

Executing Agency: Supreme National Authority of Combating
Corruption(SNACC)

Total cost: 6,000,000 USD

Funders and the amount of funding.	Funders	Amount of funding	Funding ratio %
	IDA	\$6,000,000	100.00%
	Total	\$6,000,000	100.00%

The date of signing the grant agreement : July 10,2014

Closing Date : December 31,2016

Program Objectives :

The objective of the Project is to enhance the capacity of targeted accountability institutions to provide access to information and to improve enforcement of the anti-corruption law.

The Project consists of the following parts.

PART A: Supporting the Implementation of the National Anticorruption Strategy and Transparency and Anti-Corruption Action Plan

Strengthening the institutional capacity for improved enforcement of the Recipient's National Anticorruption Law, including: (a) establishing core systems and enhancing the institutional capacity of SNACC; (b) building the capacity of judges and prosecution lawyers of the Public Fund Courts (PFC); and (c) provision of training on combating and preventing corruption to government officials in seven pilot sectors and staff of COCA, all through the provision of training, technical advisory services and acquisition of goods.

PARTB: Supporting the Implementation of the Right to Access to Information Law

Strengthening the institutional capacity for implementation of the Right to Access to Information Law, including: (a) enhancing the institutional capacity of the Information Commissioner Office (ICO); (b) building the capacity of ministries, departments and agencies to effectively enforce the application of the Right of Access to Information Law; (c) conducting surveys to assess information infrastructure, adherence level of government institutions and public awareness and perception of the Right to Access to Information Law; and (d) conducting mass awareness about citizens' right to access to public information, all through the provision of training, technical advisory services, and acquisition of goods.

PARTC: Supporting the Yemen Anti-Corruption Coalition in Raising Demand for Good Governance in Seven Pilot Sectors

Strengthening the capacity of Yemen Anti-Corruption Coalition (Y ACC), for raising public awareness to combat corruption and demand good governance in seven pilot sectors through the provision of technical advisory services, training, operating costs and acquisition of goods.

PARTD: Project Management

Strengthening the capacity of the Project Management Unit for management and implementation of the Project including, fiduciary (financial and procurement) management, coordination and communication of Project activities, and monitoring and evaluation, through the provision of technical advisory services, training, operating costs and acquisition of goods.

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The custom of the terms of the grant

Category	Amount in USD	Percentage of Expenditures to be Financed (inclusive of Taxes)
Goods, non-consulting services, consultants' services and Training under Part A of the Project	2,550,000	100 %
Goods, non-consulting services, consultants' services and Training under Part B of the Project	1,275,000	100 %
Goods, non-consulting services, consultant services, Operating Costs and Training under Part C of the Project	1,250,000	100 %
Goods, consultants' services, Training and Operating Costs under Part D of the Project	925,000	100 %
Total Cost	6,000,000	

2 - SIGNIFICANT ACCOUNTING POLICIES

A - Program Financial statements

These statements reflect the activities referred in note {1} and exclude all their transaction assets and liabilities of the Accountability Enhancement Project

B - Accounting principle:

The financial statements are prepared following the cash basis of accounting whereby receipts and disbursements are recognized when received and paid respectively rather when earned or incurred. In addition, receivables, payables, prepayments, and accrued expenses are not reflected in the accompanying statement.

C - Fixed Assets:

The Fixed Assets are expensed and charged to the program on the date of purchase.

D - program Expenditures

The program disbursements are accounted at the time of payment irrespective of the receipt of the goods and services

E - Statement of sources and Uses Funds :

Statement of sources and uses of funds represent all financial sources of the program during period amounts received from IDA grant contribution and type of uses classified on level of each kind of the expenses.

F – Foreign currencies:

The program is recording its transactions in US dollar. Non-US dollar transactions are recorded in US dollar at the rate of exchange ruling at the date of transaction. Monetary assets denominated in Non-US dollar currencies at the year – end are retranslated to US dollar at the rate of exchange ruling at the year – end. All differences are taken to statement of Sources user of funds

J - payments from grant:

The world Banks withdrawal from the accounts of the grant on behalf of the program, under the withdrawal requests . Which are used either directly or for the expenses of feeding the special account for expenses paid by the program

H - Payments from Designated Account {DA}:

Payments from Special Account {SA} to cover the expenses of the program by withdrawal requests and are feed the Designated Account of the grant on the basis of documents submitted documentary evidence proving the health of clouds and under the terms of the grant allocated.

I - Comparing Figures

The figures were categorized according to the needs of showing the financial statements for the current year .

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3- IDA GRANT

PARTICULARS	Balance on 31/12/2014	ACCUMULATED 31.12.2015 2015	Balance on 31/12/2015
Goods	0.00	40,176.50	40,176.50
Capacity Building and Training	45,756.00	67,191.00	112,947.00
Operating Costs	53,856.57	157,292.12	211,148.69
Other Debit Accounts (Note 7)	0.00	9,703.00	9,703.00
Cash in Banks	600,387.43	(174,750.05)	425,637.38
TOTAL IDA GRANT CONTRIBUTION	700,000.00	99,612.57	799,612.57

4- Goods

PARTICULARS	Balance on 31/12/2014	Transactions During year 2015	Balance on 31/12/2015
Office Supplies			
PMU equipment		27,106.50	27,106.50
PMU furniture		13,070.00	13,070.00
TOTAL GOODS	0.00	40,176.50	40,176.50

5- Capacity Building and Training

PARTICULARS	Balance on 31/12/2014	Transactions During year 2015	Balance on 31/12/2015
Travel cost and accommodation	31,940.00	48,378	80,318.00
Tickets for the participants in the exploratory to visit Romania, Slovenia	13,816.00	18,813	32,629.00
Total Local Training and workshops	45,756.00	67,191.00	112,947.00

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6- PMU OPERATING COSTS

PARTICULARS	Balance on 31/12/2014	Transactions 2015	Balance on 31/12/2015
PMU Staff Salaries	48,975.00	89,740.00	138,715.00
Serving of Office Machines and Equipment		930.71	930.71
Bank charges	9.31	27.00	36.31
Project Meetings Expenses		22,200.00	22,200.00
Advertising costs	2,045.69	4,338.28	6,383.97
Security Guard services		5,600.00	5,600.00
Stationery		3,852.69	3,852.69
Translation services	1,076.57	1,263.75	2,340.32
Water and Power Services		241.42	241.42
Audit Fees		3,000.00	3,000.00
Transportations		2,764.46	2,764.46
Assistant Staff Salaries		7,830.00	7,830.00
Other Expenses		1,621.29	1,621.29
Office Rent	1,750.00	13,350.00	15,100.00
Communications services		532.52	532.52
TOTAL OPERATING COSTS	53,856.57	157,292.12	211,148.69

7- DEBIT ACCOUNTS

PARTICULARS	Balance on 31/12/2014	Transactions During year 2015	Balance on 31/12/2015
Advance to SNACC		9,703.00	9,703.00
TOTAL DEBIT ACCOUNTS	0.00	9,703.00	9,703.00

8- CASH IN BANKS

PARTICULARS	Balance on 31/12/2014	Transactions During year 2015	Balance on 31/12/2015
Central Bank of Yemen (US \$)(DA)	583,419.00	(170,162.86)	413,256.14
Central Bank of Yemen (Rial)(LA)	16,968.43	(4,587.19)	12,381.24
TOTAL CASH IN BANKS	600,387.43	(174,750.05)	425,637.38

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9- LIST OF CLAIMS PAIED FROM THE DESIGNATED ACCOUNT FY ENDED 31.12.2015

((Amounts in US \$))

CLAIM NO.	DATE	GOODS	Capacity Building and Training	Salaries (PMU Oper.)	PMU OPERATING COSTS	Advance to SNACC	TOTAL
7	07/01/2014			5,090.00			5,090.00
8	12/01/2015				10,050.00		10,050.00
9	12/01/2015				7,950.00		7,950.00
12	18/01/2015		30,590.00				30,590.00
17	27/01/2015		18,813.00				18,813.00
14	02/02/2015				2,100.00		2,100.00
16	02/02/2015				3,714.93		3,714.93
13	05/02/2014		7,977.00				7,977.00
15	11/02/2015			4,250.00			4,250.00
19	22/02/2015		9,280.00				9,280.00
19-1	04/03/2015		531.00				531.00
22	12/03/2015				1,200.00		1,200.00
23	24/03/2015			5,650.00			5,650.00
23	24/03/2014			5,650.00			5,650.00
29	16/04/2015				2,100.00		2,100.00
28	21/04/2015	10,820.00					10,820.00
26	23/04/2015	27,106.50					27,106.50
27	11/05/2015			5,650.00			5,650.00
30	20/05/2015			7,050.00			7,050.00
31	20/05/2015			7,050.00			7,050.00
34	05/07/2015			7,050.00			7,050.00
32	09/07/2015				20,100.00		20,100.00
35	09/07/2015				2,100.00		2,100.00
33	14/07/2015				800.00		800.00
36	14/07/2015				800.00		800.00
39	14/07/2015			7,050.00			7,050.00
40	15/07/2015				2,000.00		2,000.00
38	03/08/2015				1,000.00		1,000.00
41	23/08/2015			7,050.00			7,050.00
43	20/09/2015			7,050.00			7,050.00
37	19/10/2015	2,250.00					2,250.00
46	19/10/2015				800.00		800.00
45	21/10/2015			7,050.00			7,050.00
44	22/10/2015				800.00		800.00

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9- LIST OF CLAIMS PAIED FROM THE DESIGNATED ACCOUNT FY ENDED 31.12.2015

((Amounts in US \$))

CLAIM NO.	DATE	GOODS	Capacity Building and Training	Salaries (PMU Oper.)	PMU OPERATING COSTS	Advance to SNACC	TOTAL
47	11/11/2015						
48	17/11/2015				4,800.00		4,800.00
49	23/11/2015				1,050.00		1,050.00
50	23/11/2015				800.00		800.00
51	09/12/2015			7,050.00			7,050.00
52	28/12/2015				800.00		800.00
53	28/12/2015			7,050.00		9,703.00	9,703.00
TOTAL FY 2015		40,176.50	67,191.00	89,740.00	62,964.93	9,703.00	269,775.43
OPENING BALANCE		0.00	45,756.00	48,975.00	21,850.00	0.00	116,581.00
TOTAL WITHDRAWALS FROM D/A TILL 31.12.2015		40,176.50	112,947.00	138,715.00	84,814.93	9,703.00	386,356.43