
Report on the Republika Srpska part of the Project Financial Statements of the

IRRIGATION DEVELOPMENT PROJECT

of the Ministry of Finance and Treasury of Bosnia and Herzegovina

Financed by:

- IDA Credit No. 5098 - BA

For the year ended 31 December 2020

CONTENTS

1	Introduction	1
2	Independent Auditor's Report	3
3	Project financial statements for the year 2020	6
4	Notes to the project financial statements	10

APPENDICES

A.1	Designated account statement - IDA Credit No. 5098 - BA	12
A.2	Local bank account - Government contribution	13
B	SoE Withdrawal Schedule of IDA Credit No. 5098 - BA	14
C	Reconciliation between World Bank's disbursement statements in XDR and IDA Credit account in EUR according to the balance sheet; SoE Withdrawal Schedule of IDA Credit No. 5098 - BA	15

IRRIGATION DEVELOPMENT PROJECT

of the Ministry of Finance and Treasury of Bosnia and Herzegovina

1. Introduction

1.1 Objectives of the Project

The Project objective of the Irrigation Development Project (the "Project") is to improve the performance of the irrigation systems and the irrigation institutions to support agricultural producers in the project areas.

The Project objective would be achieved through:

- (i) Rehabilitating irrigation and drainage infrastructure, including construction, reconstruction, upgrading, and modernization, on existing agricultural land;
- (ii) Introduction of new technologies in irrigated agriculture; and
- (iii) Institutional development, strengthening of water resources management institutions and introducing a participatory approach to water management.

The project would support better water resources planning and management for sustainable use of the water resources in irrigation and drainage, mitigation of the impact of droughts and floods, and in general preparing more suitable adaptation strategies that can also cope with climate change

1.2 Components and activities of the Project

The Project is comprised of the following three components:

Component 1: Infrastructure Investment

The main activities include rehabilitation with some construction, reconstruction, upgrading and modernization and also the introduction of new technologies that promote water use efficiency such as drip irrigation and low-pressure sprinklers. This component will finance the implementation of irrigation and drainage infrastructure rehabilitation of about 12-13 subprojects, of which 6 each located in Republika Srpska ("RS") and the Federation of Bosnia and Herzegovina ("FB&H"). The subprojects are selected from the long-lists of potential sub-projects that were prepared by the two Ministries. The sub-projects are all located in existing agricultural land that in the past has been supplied with irrigation on existing agricultural lands.

The project will be implemented in three phases. Phase I will comprise about 4 schemes - Mostarsko polje, Široki Brijeg and Goražde in FB&H, and Novo Selo, Bijeljina and Pelagićevo in RS, that would be completely prepared, in order to start the works during the first year of the project. About 9 additional sub-projects will be in different stages of readiness by effectiveness and will be grouped into Phases 2 and 3. This component will fund the Phases 2 and 3 sub-projects preparation, as well as for their subsequent implementation.

Component 2: Irrigation Modernization

This component includes strengthening the capacity of Ministries, the Water Agencies, Irrigation Extension services in FB&H and RS including participating municipalities and cantons, in addressing new sector policies, establishing and facilitating the capacity of WUAs, oversight and maintenance arrangements for the introduced infrastructure and facilities, the fee determination, fee collection and management, sub-project level equipment for demonstrating water-monitoring good practices, and related water resources and irrigation management.

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina

1. Introduction (continued)

1.2 Components and activities of the Project (continued)

This Component includes 3 main Subcomponents

(i) **Subcomponent (2a) Agency-level Strengthening:** this subcomponents will support the: (i) Development of the regulatory framework for operating irrigation schemes (tariff methodology, benchmarking of financial and technical performance, etc.) and (ii) Support the preparation of future irrigation strategies for the Entities. This sub-component would also support establishing a Technical Working Group comprising representatives of both Entities to enhance the learning from experiences across the country and help improve policy coordination.

(ii) **Subcomponent (2b) Farm-level Irrigation Advisory Service (IAS) and Modernization:** This subcomponent would finance (i) Strengthening the knowledge of the Entities field-level advisors on IAS, train WUAs on Operations and Maintenance, including on water quality and environmental aspects of irrigation and drainage); (ii) support on-farm demonstrations of water-saving good practices and (iii) finance on-farm water-management equipment for each Subproject serving no less than 1,000 ha (soil-moisture monitoring kits, water-flow meters, etc.

(iii) **Subcomponent (2c) On-demand training:** This will finance demand-driven training for WUAs, related to improved agricultural technologies and practices and linking to markets.

Component 3: Project Implementation Support

Strengthening of institutional capacity of the RS Agriculture Project Coordination Unit ("APCU"), through the provision of technical assistance, training, incremental operating costs, and equipment for Project implementation.

1.3 Financing of the Project

1.3.1 IDA Credit No. 5098-BA

The State of Bosnia and Herzegovina ("B&H") is the borrower of the International Development Association (IDA) Credit No. 5098-BA amounting to the equivalent of XDR 25,800,000. Under the terms of a subsidiary finance agreement between B&H and RS, funds of the equivalent of XDR 13,222,000 have been lent to RS. Categories of cost items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each category and the percentage of expenditure for cost items so to be financed in each category are as follows:

Item	Amount of the Credit allocated (in XDR)	% of expenditure to be financed
(2) Goods, works, non-consulting services, consulting services, training and incremental operating costs for Part B of the Project	13,222,000	85%
Subtotal	13,222,000	

IDA Credit No. 5098 - BA became effective on 29 March 2013. Planned closing date was at 02 March 2020.

Baker Tilly Re Opinion d.o.o.
Grbavička 4
71000 Sarajevo
Bosna i Hercegovina

T: +387 (0) 33 552 150
F: +387 (0) 33 552 152

info@bakertilly.ba
www.bakertilly.ba

2. Independent Auditor's Report

To the State of Bosnia and Herzegovina,
Ministry of Finance and Treasury
Attn. of Minister of Finance and Treasury H.E. Mr. Vjekoslav Bevanda

Report on the Project Financial Statements

Opinion

We have audited the accompanying project financial statements of the Republika Srpska part of the Irrigation Development Project (the "Project"), which comprise of Summary of sources and uses of funds, Balance sheet, Designated account statement, Local Bank Account, Statement of loan withdrawals as of and for the year ended 31 December 2020, and a summary of significant accounting policies and other explanatory notes for the year then ended, financed under IDA Credit No. 5098 - BA.

In our opinion, the accompanying project financial statements present fairly, in all material aspects, the financial position of the Project as of 31 December 2020, and of the funds received and disbursed during the year then ended, in accordance with the cash basis of accounting based on International Public Sector Accounting Standard ("IPSAS"), as described in Note 4.1.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). In conducting audit we were also guided by the Bank's financial reporting and auditing requirements, Disbursement Guidelines for Investment Project Financing, the Loan Handbook for World Bank Borrowers and the World Bank's Procurement Framework. 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 Ministry of Finance and Treasury in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Project Financial Statements

The management of project coordination unit is responsible for the preparation of these project financial statements in accordance with the cash basis of accounting based on IPSAS, as described in Note 4.1., and for such internal control as management determines is necessary to enable the preparation of project financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Project or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the financial reporting process.

Responsibilities for the Audit of Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also: Identify and assess the risks of material misstatement of the project financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ~~Conclude on the appropriateness of management's use of the going concern basis of~~ accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Project to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the project financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

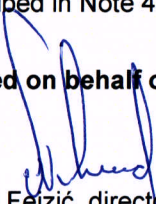
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other requirements

In addition, with respect to the Statement of Expenditure, adequate documentation supporting Disbursement Linked indicators or Performance Based Conditions and underlying expenditures have been maintained to support claims for reimbursements of expenditure occurred, and such expenditures were eligible and incurred for the purpose intended under IDA Credit No. 5098 - BA. Also, respective reports issued during the period were in agreement with the underlying books of account.

In addition, in our opinion, the accompanying designated account statements present fairly, in all material aspects, the funds received and disbursements made from the designated accounts of the Project for the year ended 31 December 2020, in accordance with the basis of accounting described in Note 4.1.

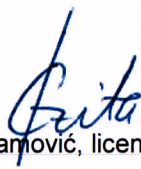
Signed on behalf of Baker Tilly Re Opinion d.o.o. Sarajevo


Nihad Fejzić, director and licensed auditor

Sarajevo, Bosnia and Herzegovina

5 March 2021




Ezita Imamović, licensed auditor

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

3. Project financial statements for the year 2020

3.1. Summary of sources and uses of funds under IDA Credit No. 5098 - BA, Government Contribution

	Ref.	Actual 2020	Cumulative 2020	Cumulative 2019	Cumulative budget	Cumulative variance
FINANCING						
IDA Credit No. 5098 - BA	3.1.1	1,427,719	15,885,378	14,457,659	15,433,244	(452,134)
Contribution	3.1.2	932,853	3,768,699	2,835,846	2,723,514	(1,045,185)
TOTAL FINANCING	3.2	2,360,572	19,654,077	17,293,505	18,156,758	(1,497,319)
PROJECT EXPENDITURE						
<i>By Category</i>						
Goods, works, non-consulting services, consulting services, training and incremental operating costs for Part B of the Project		3,034,817	19,404,956	16,370,139	18,156,758	(1,248,198)
TOTAL EXPENDITURE	3.2	3,034,817	19,404,956	16,370,139	18,156,758	(1,248,198)
PROJECT EXPENDITURE						
<i>By Component</i>						
Infrastructure Investment		3,005,703	18,504,946	15,499,243	16,486,478	(2,018,468)
Irrigation Modernization		1,227	311,536	310,309	881,681	570,145
Project implementation support		27,888	588,475	560,587	788,599	200,124
TOTAL EXPENDITURE	3.2	3,034,818	19,404,957	16,370,139	18,156,758	(1,248,199)

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

3. Project financial statements for the year 2020

3.1.1 Summary of sources and uses of funds under the IDA Credit No. 5098 - BA

	Ref.	Actual 2020	Cumulative 2020	Cumulative 2019	Cumulative budget	Cumulative variance
FINANCING						
IDA Credit No. 5098-BA					15,433,244	
Initial deposit		-	1,300,000	1,300,000		
Direct payments		670,760	4,472,035	3,801,275		
SoE replenishments		756,959	10,113,343	9,356,384		
TOTAL FINANCING	3.1	1,427,719	15,885,378	14,457,659	15,433,244	(452,134)
PROJECT EXPENDITURE						
By Category						
Goods, works, non-consulting services, consulting services, training and incremental operating costs for Part B of the Project		1,970,762	15,885,378	13,914,616	15,433,244	(452,134)
TOTAL EXPENDITURE	3.2	1,970,762	15,885,378	13,914,616	15,433,244	(452,134)

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

3. Project financial statements for the year 2020

3.1.2 Summary of sources and uses of funds under the Government contribution

	Ref.	Actual 2020	Cumulative 2020	Cumulative 2019	Cumulative budget	Cumulative variance
FINANCING						
Contribution		932,853	3,768,699	2,835,846	2,723,514	(1,045,185)
TOTAL FINANCING	3.1	932,853	3,768,699	2,835,846	2,723,514	(1,045,185)
PROJECT EXPENDITURE						
<i>By Category</i>						
Goods, works, non-consulting services, consulting services, training and incremental operating costs for Part B of the Project		1,064,056	3,519,579	2,455,523	2,723,514	(796,065)
TOTAL EXPENDITURE	3.2	1,064,056	3,519,579	2,455,523	2,723,514	(796,065)

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

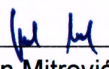
(all amounts in EUR, unless otherwise stated)

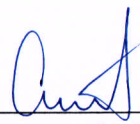
3. Project financial statements for the year 2020

3.2 Balance sheet as of 31 December 2020 showing accumulated funds of the Project and bank balances concerning World Bank funding

	Ref.	31 December 2020	31 December 2019
ASSETS			
Project expenditure under IDA Credit No. 5098 - BA	3.1.1	15,885,378	13,914,616
Project expenditure under Government contribution	3.1.2	3,519,579	2,455,523
		19,404,957	16,370,139
Designated account - IDA Credit No. 5098 - BA	A.1	-	543,041
Local bank account - Government contribution	A.2	249,120	380,325
		249,120	923,366
Total assets		19,654,077	17,293,505
LIABILITIES			
IDA Credit No. 5098 - BA	C.1	15,885,378	14,457,659
Contribution	3.1.2	3,768,699	2,835,846
Total liabilities		19,654,077	17,293,505

Signed and authorised by:


 Mr Stefan Mitrović
 APCU Director


 Dragana Stojičić
 Financial Manager

Banja Luka, 5 March 2021

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
Project financial statements for the year ended
31 December 2020

(all amounts in EUR, unless otherwise stated)

4. Notes to the project financial statements

4.1 Basis of preparation and accounting records

These project financial statements have been prepared on the cash basis of accounting based on International Public Sector Accounting Standards issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the accounting policies below, which have been consistently followed in all material respects and comply with the "Guidelines: Annual Financial Reporting and Auditing for World Bank – Financed Activities", issued by the Financial Management Sector Board.

4.2 Accounting policies

The Project's fiscal year is 1 January to 31 December for the recording of all transactions.

Cash basis of accounting

All receipts and expenses under IDA Credit are recorded on actual receipt and payment basis of accounting as per approved categories.

Project expenditure is stated at original cost on the balance sheet.

Direct payments

Direct payments concern the amounts paid directly from the Credit account of the World Bank.

Statement of Expenditure (SoE)

Statements of Expenditure are used to state the expenditure under IDA Credit during a certain period. These statements are sent to the World Bank's disbursement specialist who authorises the payment of the expenditure through the Designated account.

Currency conversions

The reporting currency is EUR. Sources and use of funds (payments to suppliers and contractors) in currencies other than EUR have been converted to EUR using the currency rate at the moment of the transaction.

Bank balances, recorded on the balance sheet at year - end, have been converted at year-end rate.

Designated account

This is the total amount of the withdrawals from the Credit account for the Project. The Credit account is in XDR.

Local bank account

This concerns bank account at local bank (other than Designated account) in local currency translated at the exchange rate at the date of the balance sheet.

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
Project financial statements for the year ended
31 December 2020

(all amounts in EUR, unless otherwise stated)

4. Notes to the project financial statements (continued)

4.2 Accounting policies (continued)

Interest on Designated account

Interest earned on the Designated account belongs to the Borrower.

Interest on local bank account

Interest earned on the local bank account used for the other income is treated as additional source of financing of the Project.

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX A.1

DESIGNATED ACCOUNT STATEMENT

Account owned by: Ministry of Finance and Treasury of Bosnia and Herzegovina

Account No.: 5551101010451097

Depository Bank: Nova banka a.d. Banja Luka

Address: Kralja Alfonsa XIII 37 a, Banja Luka

Related Credit: IDA Credit No. 5098 - BA

Currency: EUR

	Ref.	EUR
Opening balance 1 January 2020	3.2	543,041
Add:		
World Bank replenishments	B	756,959
		756,959
Deduct:		1,300,000
Payments to suppliers - Expenditure under IDA Credit		1,300,000
Ending balance 31 December 2020	3.2	-

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX A.2

LOCAL BANK ACCOUNT STATEMENT

Account owned by: Ministry of Agriculture, Water Management and Forestry of RS

Account No.: 5551000008813485

Depository Bank: Nova banka a.d

Address: Kralja Alfonsa XIII 37 A, Banja Luka

Related Credit: Government contribution

Currency: BAM

	Ref.	BAM	EUR
Opening balance 1 January 2020	3.2	743,853	380,325
Add			
Contribution from Municipalities		478,357	244,580
Contribution from Government of RS		1,346,145	688,273
Tender documentation sold		-	
		1,824,502	932,853
Deduct:			
Payments to suppliers - Expenditure under Government		680,201	347,781
Payments to suppliers - Expenditure under Government after the Closing date		1,400,916	716,277
		2,081,117	1,064,058
Ending balance 23 April 2020		487,238	249,120

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX B SoE Withdrawal Schedule of IDA Credit No. 5098 - BA

	Initial deposit	Goods, works, non- consulting services, consulting services, training and incremental operating costs for Part B of the Project	Total application	Total replenished
Previous period	1,300,000	13,914,616	13,914,616	14,457,659
Application 23	-	432,659	432,659	432,659
Application 26	-	238,103	238,103	238,103
Total direct applications	-	670,762	670,762	670,762
Application 24 *	-	-	-	756,959
Application 25	(519,198)	519,198	519,198	-
Application 27	(616,723)	616,723	616,723	-
Application 28	(164,079)	164,079	164,079	-
Total SoE applications	(1,300,000)	1,300,000	1,300,000	756,959
Total 2020	(1,300,000)	1,970,762	1,970,762	1,427,719
As of 31 December 2020	-	15,885,378	15,885,378	15,885,380

* Application No. 24 was replenished in 2020, but expenses were made in 2019.

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
Project financial statements for the year ended
31 December 2020

(all amounts in EUR, unless otherwise stated)

**APPENDIX C Reconciliation between World Bank's disbursement statements in XDR
and IDA Credit account in EUR according to the balance sheet;
SoE Withdrawal Schedule of IDA Credit No. 5098 - BA**

	Changes in IDA Credit (in XDR)	Exchange rate used	Changes in IDA Credit (in EUR)
Original amount	13,222,000	1.133819	15,433,244
Cumulative disbursements			
as of 31 December 2015	3,457,511		3,955,944
Withdrawal 05	220,163	1.255017	276,309
Cumulative disbursements			
as of 31 December 2016	3,677,674		4,232,253
Calculated undisbursed balance as of 31 December 2016	9,544,326		11,200,991
Withdrawal 6	202,215	1.236708	250,082
Withdrawal 7	816,052	1.196269	976,218
Withdrawal 8	391,029	1.198361	468,594
Withdrawal 9	415,344	1.198361	497,732
Withdrawal 10	1,115,292	1.198361	1,336,522
Cumulative disbursements			
as of 31 December 2017	6,617,606		7,761,401
Withdrawal 11	305,952	1.209268	369,978
Withdrawal 12	335,254	1.212359	406,448
Withdrawal 13	289,755	1.197519	346,987
Withdrawal 14	479,735	1.219421	584,999
Withdrawal 15	385,668	1.204180	464,413
Withdrawal 16	298,487	1.199452	358,021
Withdrawal 17	434,240	1.212964	526,718
Cumulative disbursements			
as of 31 December 2018	9,146,697		10,818,965
Withdrawal 18	671,629	1.230045	826,135

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina
 Project financial statements for the year ended
 31 December 2020

(all amounts in EUR, unless otherwise stated)

Withdrawal 19	552,142	1.228612	678,368
Withdrawal 20	344,542	1.248545	430,176
Withdrawal 21	891,422	1.245278	1,110,069
Withdrawal 22	476,591	1.246238	593,946
Cumulative disbursements as of 31 December 2019	12,083,023		14,457,659
Withdrawal 23	348,823	1.240338	432,659
Withdrawal 24	600,385	1,260790	756,959
Withdrawal 26	189,347	1,257493	238,103
Cumulative disbursements as of 31 December 2020	13,221,578		15,885,380
Potential exchange rate gain			452,136

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina

Project financial statements for the year ended 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX A.2

LOCAL BANK ACCOUNT STATEMENT

Account owned by: Ministry of Agriculture, Water Management and Forestry of FB&H

Account No.: 3387202238028138

Depository Bank: UniCredit Bank d.d

Address: Kardinala Stepinca b.b., Mostar

Related Credit: Government contribution

Currency: BAM

	Ref.	BAM	EUR
Opening balance 1 January 2020	3.2	1,756,225	897,943
Add:			
VAT returns (considered as Government contribution)		2,560,147	1,308,982
Transfer from Designated account		76,117	38,918
Tender documentation sold		100	52
Interest		207	106
		4,392,796	2,246,001
Deduct:			
Payments to suppliers - Expenditure under Government		2,103,507	1,075,506
Transfer to petty cash		6,000	3,068
		2,109,507	1,078,574
Ending balance 31 December 2020	3.2	2,283,289	1,167,427

Note:

	Amount in BAM
Amount of 15% Government FBiH co-financing per applications for justification	710,154.76
Direct payment 15% co-financing Government FBiH	933,156.18
100% payment Government FBiH till 30 June 2020	104,772.96
100% payment Government FBiH after 30 June 2020	304,705.54
Supposed to be paid	2,052,786.44
Paid from Government FBiH for the year 2020	2,103,507.00
Paid from petty cash Government FBiH for the 2020	5,460.00
Paid total	2,108,968

Paid more from the Government FBiH funds for BAM 56,182 or EUR 28,726 + debt from the year 2019 in the amount of EUR 10,192. This amount was transferred to the Government FBiH account (table above).

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina

Project financial statements for the year ended 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX A.3

PETTY CASH STATEMENT

Address: PIU; Sarajevo
Related Credit: Government contribution
Currency: BAM

	Ref.	BAM	EUR
Opening balance 1 January 2020	3.2	373	191
Add:			
Transfer from Local account		6,000	3,068
		6,373	3,259
Deduct:			
Payments to suppliers - Expenditure under Government		5,460	2,792
		5,460	2,792
Ending balance 31 December 2020	3.2	913	467

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina

Project financial statements for the year ended 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX B SoE Withdrawal Schedule of IDA Credit No. 5098-BA

	Initial deposit	Goods, works, non- consulting services, consulting services, training and incremental operating costs for Part A of the Project	Total application	Total replenished
Previous periods	1,122,063	7,520,471	7,520,471	8,035,784
Application 34-2		305,991	305,991	305,991
Application 35		98,492	98,492	98,492
Application 38		555,843	555,843	555,843
Application 40		403,556	403,556	403,556
Application 42		607,245	607,245	607,245
Application 43		598,812	598,812	598,812
Application 44		538,197	538,197	538,197
Total Direct payments	-	3,108,136	3,108,136	3,108,136
Application 36*	-	-	-	295,921
Application 37*	-	-	-	310,829
Application 39	-	700,637	700,637	700,637
Application 41	-	192,623	192,623	192,623
Application 45	-	526,248	526,248	526,248
Application 46**	(276,090)	276,090	276,090	-
Application 47**	(370,639)	370,639	370,639	-
Total SoE applications	(646,729)	2,066,237	2,066,237	2,026,258
Return of initial deposit***	(475,334)			(475,334)
Total 2020	(1,122,063)	5,174,372	5,174,372	4,659,060
Cumulative 2020	-	12,694,843	12,694,843	12,694,844

* Applications No. 36 and No. 37 was replenished in 2019, but expenses were made in 2020.

** Applications No. 46 and No. 47 was replenished in 2020, but expenses were made in 2019.

*** Refund of unspent initial deposit in the amount of 475,334.15. Received at the World Bank 475,259.15 difference of 75 EUR is the fee of the intermediary bank.

IRRIGATION DEVELOPMENT PROJECT
of the Ministry of Finance and Treasury of Bosnia and Herzegovina

Project financial statements for the year ended 31 December 2020

(all amounts in EUR, unless otherwise stated)

APPENDIX C Reconciliation between World Bank's disbursement statements in XDR and IDA Credit account in EUR according to the balance sheet as at 31 December 2020; SoE Withdrawal Schedule of IDA Credit No. 5098-BA

	Changes in IDA Credit (in XDR)	Exchange rate used	Changes in IDA Credit (in EUR)
Original amount	12,578,000	1.1319295	14,237,409
Total disbursed in 2019	6,603,045		8,035,784
Withdrawal 34-2	246,079	1.2434665	305,991
Withdrawal 35	79,363	1.2410317	98,492
Withdrawal 36	238,229	1.2421703	295,921
Withdrawal 37	249,705	1.2447848	310,829
Withdrawal 38	440,869	1.2607894	555,843
Withdrawal 39	555,713	1.2607892	700,637
Withdrawal 40	325,390	1.2402225	403,556
Withdrawal 41	153,260	1.2568380	192,623
Withdrawal 42	485,921	1.2496784	607,245
Withdrawal 43	482,668	1.2406291	598,812
Withdrawal 44	433,810	1.2406285	538,197
Withdrawal 45	426,218	1.2346921	526,248
Total disbursed in 2020	4,117,225		5,134,394
Cumulative disbursements in 2020	10,720,270		13,170,178
Return in WB	(397,550)		(475,334)
Calculated undisbursed balance as of 31 December 2020	10,322,720		12,694,844
Undisbursed balance as per World Bank Summary for December 2020	10,322,720	1.202846	12,416,642
Potential exchange rate loss	-		(278,202)