

# **AUDITED PROJECT FINANCIAL STATEMENTS**

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Loan no. 1000003637

Period covered: 1 January 2018 to 31 December 2018

Ardahan Kars Artvin Development Project (AKADP)

Prepared by Board of Treasury

Received on 19 June 2019

The Audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those IFAD's Board of Directors, Management or Staff. These documents are made publicly available in accordance with the "IFAD Handbook for Financial Reporting and Auditing of IFAD-Financed Projects (2018)"





**MINISTRY OF TREASURY AND FINANCE  
BOARD OF TREASURY CONTROLLERS**

**ARDAHAN KARS ARTVİN DEVELOPMENT PROJECT**

**Implemented by  
MINISTRY of AGRICULTURE and FORESTRY**

**Financed Under IFAD Loan Agreement Numbered 803-TR**

**As of December 31, 2018 and For the Year Then Ended**

**Prepared by**

**Mehmet AK  
Senior Treasury Controller**

**Çiğdem KAHVECİ  
Treasury Controller**

**Ömer KAÇARAN  
Treasury Controller**

**Report's Number**

**72/3 42/4 53/3**



**INDEPENDENT AUDITOR'S REPORT**

**June 10, 2019**





REPUBLIC OF TURKEY  
MINISTRY OF TREASURY AND FINANCE  
Board of Treasury Controllers

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## **EXECUTIVE SUMMARY**



## EXECUTIVE SUMMARY

### A. Project Summary

The Republic of Turkey was provided a loan equivalent to SDR 12.080.000 by the loan agreement signed with International Fund for Agricultural Development (IFAD) on April 12, 2010. Having approved by the Council of Ministers on May 07, 2010 the loan agreement came into force and accordingly, the implementation of the Project started.

Furthermore, a Service Agreement between the United Nations Development Programme (UNDP) and Ministry of Agriculture and Forestry (previously Ministry of Food, Agriculture and Livestock) was signed on 10.01.2011. In the framework of this agreement, the UNDP contributes a grant from its own resources with the total amount of USD 250.000 to the project during implementation period.

This Project is implemented by Ministry of Agriculture and Forestry, General Directorate of Agricultural Reform (GDAR).

The overall objective of the Project is to reduce rural poverty in the Project area and the specific objectives of the Project are:

- To increase the assets and incomes of poor women and men smallholders as well as small enterprisers, who have the potential and willingness to move towards commercial agriculture and other income generating activities,
- To improve poor rural people's access to infrastructure providing direct and indirect benefits to primary producers and small enterprises,
- To strengthen institutional advisory services and capacitate project management.

The Project consists of the following three components:

- A. Smallholder and Non-Farm Enterprise Investments
- B. Rural Infrastructure Investments
- C. Institutional Strengthening and Project Management

The total amount of the Project is estimated as 26.415.000 USD. It was planned that total amount of the Project would be financed by IFAD (19.200.000 USD), Turkish Government (3.221.300 USD) and Project beneficiaries (3.993.700 USD). Total opening balance of TCMB special account and UNDP account, as of January 01, 2018 is 3.245.972,76 USD and closing balance, as of December 31, 2018 is 1.014.110,82 USD. According to the Project Financial Statements, 2.278.394,33 USD was disbursed in this audit period and 22.691.236,60 USD was disbursed cumulatively.



This report is prepared for all components of the Project.

## **B. Objectives of Audit**

The objectives of our audit are;

- a) To give an opinion on whether the financial statements, prepared as of December 31, 2018 and for the period then ended, present fairly, in all material respects, the financial position of the project in accordance with IPSAS, Financial Reporting under cash basis of accounting,
- b) To determine, as of December 31, 2018, whether the GDAR has complied, in all material respects, with the rules and procedures of the Loan Agreement numbered 803-TR,
- c) To examine whether adequate supporting documentation has been maintained to support claims to IFAD for reimbursements of expenditures incurred with respect to SOEs and evaluate eligibility of these expenditures for financing under the Loan Agreement.

## **C. Scope of Audit**

Ardahan-Kars-Artvin Development Project as of December 31, 2018 and for the period then ended in accordance with the IPSAS, Financial Reporting under cash basis of accounting. We have also performed a compliance audit on whether project activities are in line with the Loan Agreement.

Our audit was conducted in accordance with International Standards on Auditing published by International Federation of Accountants (IFAC) applicable to the audit of financial statements and compliance auditing.

The project was completed as of March 31, 2018. During our audit work, we have carried out audit procedures for current year expenditures and did not perform any procedures for cumulative amounts presented in the financial statements.

## **D. Audit Results**

For the financial statements of project; our audit resulted with an unqualified opinion.

In addition, as of December 31, 2018, General Directorate of Agricultural Reform has complied, in all material respects, with the rules and procedures of the Loan Agreement.

With respect to SOEs, adequate supporting documentation has been maintained to support claims to the IFAD for reimbursements of expenditures incurred; and these expenditures are eligible for financing under the Loan Agreement.



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MINISTRY OF TREASURY AND FINANCE  
Board of Treasury Controllers

**E. Management Recommendation**

Since the project is closed down in 2018, no project specific management letter has been prepared. A combined management letter has been prepared dated June 10, 2019 due to the fact that the GDAR has been conducting several IFAD projects.

**INDEPENDENT AUDIT REPORT'S & FINANCIAL  
STATEMENTS OF THE PROJECT**





## **INDEPENDENT AUDITOR'S REPORT**

### **TO MINISTRY of AGRICULTURE and FORESTRY**

#### **General Directorate of Agricultural Reform**

#### **Opinion**

We have audited the Statement of Sources and Uses of Funds, the Statement of Cumulative Investments, the Statement of Requests for Reimbursement (SOE Statement) and the Statement of Special Account of the Ardahan-Kars-Artvin Development Project as of December 31, 2018, and for the period then ended, and the notes to the financial statements, including the summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and cash flows of the Ardahan-Kars-Artvin Development Project as of December 31, 2018 and for the period then ended in accordance with International Public Sector Accounting Standards, financial reporting under the cash basis of accounting.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of this report. We are independent of the General Directorate of Agricultural Reform within the meaning of "*IFAC Code of Ethics for Professional Accountants*" ethical requirements and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter in the Financial Statement**

Without modifying our opinion, we draw attention to Note "2" to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist General Directorate of Agricultural Reform to comply with the financial reporting provisions of the loan agreement referred to above. As a result, the financial statements may not be suitable for another purpose.

#### **Going Concern**

The Project financial statements have not been prepared using the going concern basis of accounting. The project was completed as of March 31, 2018.



## **Responsibilities of Management and Those Charged with Governance or other appropriate terms for the Financial Statements**

General Directorate of Agricultural Reform is responsible for the preparation and fair presentation of these financial statements in accordance with IPSAS, Financial Reporting under cash basis of accounting and the Loan Agreement Numbered 803-TR, 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.

Those charged with governance are responsible for overseeing the GDAR's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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 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 planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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MINISTRY OF TREASURY AND FINANCE  
Board of Treasury Controllers

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to 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.

We are also required to provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of Loan Agreement, we also report the following;

- 1) General Directorate of Agricultural Reform, as of December 31, 2018 has complied with, in all material respects, the requirements of the Loan Agreement Numbered 803-TR.
- 2) With respect to SOEs, adequate supporting documentation has been maintained to support claims to the IFAD for reimbursement of expenditures incurred, and these expenditures are eligible for financing under the Loan Agreement Numbered 803-TR.

Ahmet TUTAL  
Acting Chairman of  
Board of Treasury Controllers

Akif Bülent BOYACIOĞLU  
(Audit Partner)  
Vice Chairman



REPUBLIC OF TURKEY  
MINISTRY OF TREASURY AND FINANCE  
Board of Treasury Controllers

Mehmet AK  
Senior Treasury Controller

Çiğdem KAHVECİ  
Treasury Controller

Ömer KAÇARAN  
Treasury Controller

Date: June 10, 2019

Address: Ministry of Treasury and Finance

Board of Treasury Controllers

06510, Emek, ANKARA/TURKEY

**Ministry of Agriculture and Forestry**  
**Ardahan-Kars-Artvin Development Project, Loan No. (IFAD- 803 TR)**  
**STATEMENT OF SOURCES and USES of FUNDS**  
**As of December 31,2018 and For the year then Ended**  
**(In US Dollars)**

Sources of Funds	Notes	Actual		(6) Planned (SAR)		Variance	
		YTD	Cumulative	YTD	Cumulative	YTD	Cumulative
A- Government Contributions	(5)	46.496,31	4.674.231,71	0,00	3.221.300,00	0,00	1.452.931,71
B- Beneficiaries Contribution	(5)	0,00	2.348.493,09	0,00	3.993.700,00	0,00	-1.645.206,91
C- UNDP Grand		14.106,86	195.611,17	0,00	250.000,00	0,00	-54.388,83
D- Foreign Loan (IFAD)		0,00	16.412.316,97	0,00	19.200.000,00	0,00	-2.787.683,03
1- Direct Payments		0,00	0,00	0,00	0,00	0,00	0,00
2- Special Account		0,00	16.412.316,97	0,00	0,00	0,00	0,00
a) Advance		0,00	2.500.000,00	0,00	0,00	0,00	0,00
b) SOE Procedures		0,00	10.916.957,78	0,00	0,00	0,00	0,00
c) Summary Sheet Procedures		0,00	2.995.359,19	0,00	0,00	0,00	0,00
E- Refunds to Special Account		0,00	88.760,17	0,00	0,00	0,00	0,00
F- Refunds to IFAD	(7)	-14.070,79	-14.070,79	0,00	0,00	0,00	0,00
<b>TOTAL</b>		<b>46.532,38</b>	<b>23.705.342,32</b>	<b>0,00</b>	<b>26.665.000,00</b>	<b>0,00</b>	<b>-3.034.347,06</b>
<b>Uses of Funds</b>							
A- Smallholder and Non-Farm Enterprise							
Investments		12.854,43	7.635.766,37	0,00	11.231.000,00	0,00	-3.595.233,63
B- Village Infrastructure Investments		1.939.393,89	11.434.523,21	0,00	10.370.000,00	0,00	1.064.523,21
C- Institutional Strengthening and Project Management							
TOTAL		326.146,01	3.620.947,02	0,00	4.814.000,00	0,00	-1.193.052,98
		<b>2.278.394,33</b>	<b>22.691.236,60</b>	<b>0,00</b>	<b>26.415.000,00</b>	<b>0,00</b>	<b>-3.723.763,40</b>
<b>Cash at the beginning of the period</b>							
TCMB special account		14.070,79					
UNDP Account (Loan )		249.590,08					
UNDP Account (Government)		2.982.311,89					
UNDP Balance(Grant)		0,00					
<b>Cash at the beginning of the period</b>	(6)	<b>3.245.972,76</b>					
TCMB special account		0,00					
UNDP Account (Loan )		0,00					
UNDP Account (Government)		1.014.110,82					
UNDP Balance(Grant)		0,00					
<b>Cash at the end of the period</b>	(7)	<b>1.014.110,82</b>					

  
**Prepared by**  
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**Agriculture Engineer**

  
**Controlled by**  
**İsmail COZOĞLU**  
**Head of Department**

  
**Approved by**  
**Hasan ÖZLÜ**  
**General Director**



**Ministry of Agriculture and Forestry**  
**Ardahan-Kars-Artvin Development Project Loan No: (IFAD-803 TR)**  
**STATEMENT OF CUMULATIVE INVESTMENTS**  
**As of December 31,2018 and For the year then Ended**  
**(In US Dollars)**


	Actual		(6) Planned (SAR)		Variance	
	YTD	Cumulative	YTD	Cumulative	YTD	Cumulative
<b>INVESTMENTS:</b>						
<b>I- Investment Costs</b>						
A- Civil Works	1.939.393,89	11.434.523,21	0,00	10.522.300,00	0,00	912.223,21
B- Equipment and Goods	12.854,43	192.242,35	0,00	102.300,00	0,00	89.942,35
C- Agricultural Inputs	0,00	529.730,16	0,00	1.490.000,00	0,00	-960.269,84
D- Vehicles	0,00	381.978,55	0,00	882.800,00	0,00	-500.821,45
E- Technical Assistance	0,00	0,00	0,00	1.282.000,00	0,00	-1.282.000,00
F- Training and Workshops	0,00	572.987,31	0,00	1.088.700,00	0,00	-515.712,69
G- Co-financing	0,00	6.479.016,18	0,00	8.922.000,00	0,00	-2.442.983,82
<b>Total Investment Costs</b>	<b>1.952.248,32</b>	<b>19.590.477,77</b>	<b>0,00</b>	<b>24.290.100,00</b>	<b>0,00</b>	<b>-4.699.622,23</b>

<b>II- Recurring Costs</b>						
<b>Total Recurring Costs</b>	<b>326.146,01</b>	<b>3.100.758,84</b>	<b>0,00</b>	<b>2.124.900,00</b>	<b>0,00</b>	<b>975.858,84</b>

<b>Project Investments</b>	<b>2.278.394,33</b>	<b>22.691.236,60</b>	<b>0,00</b>	<b>26.415.000,00</b>	<b>0,00</b>	<b>-3.723.763,40</b>
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**INVESTMENTS BY SUB-CATEGORIES**

Category Name	YTD	Cumulative	YTD	Cumulative	YTD	Cumulative
1- Civil Works	1.939.393,89	11.434.523,21	0,00	10.522.300,00	0,00	912.223,21
2- Technical Assistance, Training and Workshop:	12.854,43	574.220,90	0,00	985.100,00	0,00	-410.879,10
3- Vehicles, Equipment and Materials	0,00	572.987,31	0,00	2.370.700,00	0,00	-1.797.712,69
4- Co-financing of Investments	0,00	6.479.016,18	0,00	8.922.000,00	0,00	-2.442.983,82
5- Agricultural Inputs	0,00	529.730,16	0,00	1.490.000,00	0,00	-960.269,84
6- Recurrent Costs	326.146,01	3.100.758,84	0,00	2.124.900,00	0,00	975.858,84
<b>TOTAL</b>	<b>2.278.394,33</b>	<b>22.691.236,60</b>	<b>0,00</b>	<b>26.415.000,00</b>	<b>0,00</b>	<b>-3.723.763,40</b>

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Ministry of Agriculture and Forestry  
Ardahan-Kars-Artvin Development Project Loan No: (IFAD-803 TR)  
**STATEMENT OF REQUESTS FOR DISBURSEMENT (SOE STATEMENT)**  
As of December 31, 2018 and For the year then Ended  
(In US Dollars)

**I. Request Reimbursed**

Application Date	Number	Disbursement Categories					TOTAL	Amount Paid	Date of Payment
		1- Civil Works	2- Vehicles, Equipment and Materials	3- Technical Assistance, Training and Workshops	4- Co-financing of Investments	5- Agricultural Inputs	6- Recurrent Costs	7- Unallocated	
28.02.2018	MFAL-18	888.221,46	-3.330,03	20.801,57	459.231,81	0,00	314.308,85	0,00	0,00
19.04.2018	MFAL-19	212.337,51	0,00	0,00	0,00	0,00	37.252,57	0,00	0,00
		<b>1.100.558,97</b>	<b>-3.330,03</b>	<b>20.801,57</b>	<b>459.231,81</b>	<b>0,00</b>	<b>351.561,42</b>	<b>0,00</b>	<b>0,00 -</b>

**II. Requests Pending Reimbursement**

Application Date	Number	Disbursement Categories					TOTAL	Amount Paid	Date of Payment
		1- Civil Works	2- Technical Assistance, Training and Workshops	3- Vehicles, Equipment and Materials	4- Co-financing of Investments	5- Agricultural Inputs	6- Recurrent Costs	7- Unallocated	
		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
		<b>1.100.558,97</b>	<b>-3.330,03</b>	<b>20.801,57</b>	<b>459.231,81</b>	<b>0,00</b>	<b>351.561,42</b>	<b>0,00</b>	<b>0,00</b>
<b>TOTAL AMOUNT REQUESTED</b>									


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General Director

**Ministry of Agriculture and Forestry**  
**Ardahan-Kars-Artvin Development Project Loan No: (IFAD-803 TR)**  
**SPECIAL ACCOUNT STATEMENT**  
**ACCOUNT NO: [REDACTED]**  
**AT CENTRAL BANK**  
**For the year ended December 31, 2018**  
**(In US Dollars)**

<b>Opening Balance</b>		<b>14.070,79</b>
Reimbursements to SA		<b>0,00</b>
a) Advance	0,00	
b) SOE Procedure	0,00	
c) Summary Sheet	0,00	
Refunds to IFAD		<b>-14.070,79</b>
<b>Available Funds</b>		<b>0,00</b>
Transfers to UNDP Project Account for Expenditures		0,00
Service Charges for The Account		0,00
<b>Total Project Transfers</b>		<b>0,00</b>
Closing Balance in Project Special Account		<b>0,00</b>
<b>Closing Balance</b>		<b>0,00</b>

  
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# MINISTRY OF AGRICULTURE AND FORESTRY

## Ardahan-Kars-Artvin Development Project

(Loan No: IFAD 803 TR)

### NOTES TO THE PROJECT FINANCIAL STATEMENTS

By 31 December 2018 and for the year then ended

#### 1. OBJECTIVES AND NATURE OF THE PROJECT

The Loan Agreement for Ardahan-Kars-Artvin Development Project was signed between the Government of the Republic of Turkey and International Fund for Agricultural Development (IFAD) on 12 April 2010. Having approved by the Board of Ministers on 07 May 2010, the Loan Agreement with IFAD came into force. Then implementation is started.

Furthermore, Service Agreement between UNDP and Ministry of Agriculture and Forestry (previously Ministry of Food, Agriculture and Livestock) was signed on 10.01.2011. In the framework of this agreement, UNDP committed to contribute a grant from its own resources with the total amount of \$ 250.000 during project period.

The overall objective of the project is to decrease rural poverty and to ensure improvement in agricultural production in Ardahan, Kars and Artvin Provinces. To achieve this objective, the project aims to:

- To increase wealth and income levels of the poor male and female farmers and small rural entrepreneurs who have potential and desire to canalize to commercial agriculture and other income generating activities,
- To improve access of poor rural community to rural infrastructure providing direct and indirect support to main producers and smallholders,
- To strengthen institutional consultancy services and improve project management capacity.

Project consists of three components: A) Smallholder and Non-Farm Enterprise Investments, B) Rural Infrastructure Investments, C) Institutional Strengthening and Project Management.

IFAD has agreed to provide the Government of the Republic of Turkey a Loan equivalent to SDR 12.080.000 (\$ 19.200.00).

According to the Loan Agreement signed with IFAD, Project closing date has been set as 30 September 2015 and loan deadline is set as 31 March 2016. The Project completion date is extended to 30 September 2016 and the closing date to 31 March 2017 with the letter dated 10 December 2014 by which IFAD Management approved one year extension of the Project. Then with the letter dated 13 June 2015, IFAD Management has approved one more year extension as the Project completion date is 30 September 2017 and closing date is 31 March 2018.

#### 2. MAIN ACCOUNTING POLICIES

- a) The financial statements have been prepared in accordance with Cash Basis IPSAS, Financial Reporting under the cash basis of accounting. Under that basis, income is recognized when funds are received and expenses are recognized when payment is made. The accounting policies have been applied consistently throughout the period. There is no material transaction pending disbursement as of December 31, 2018.

- b) There is a Special Account at T.R. Central Bank for IFAD (94 84 01 005). Withdrawals from the Special Account are transferred to UNDP Project Account (Bank of America, USD Account 3752207404, ACH Routing Number 111000012) and payments are made from this account in accordance with Cost Sharing Service Agreement signed on 10 January 2011. Furthermore, some allowances allocated from the General Budget as Public Contribution are transferred to 170-1201038 numbered Account of UNDP at Garanti Bank Commercial Branch.
- c) After using the entire amount stated in the Project agreement and settling its balance, the Special Account is closed.
- d) Transactions are recorded in local currency Turkish Lira (TL), exchange difference doesn't arise since Accounts of the Ministry is cash-oriented. For preparing the statements of Sources and Uses of Funds and Cumulative Investments, receipt of local currency is translated to US dollars using the exchange rate current at the date of receipt.
- e) Fixed assets procured with the Project funds are registered in the Ministry of Agriculture and Forestry, General Directorate of Agrarian Reform and transferred to project provinces by using historical cost. No amortization has been made for those project assets.

### **3. FINANCIAL STATEMENTS**

In accordance with the loan agreements between the Turkish Government and IFAD, funds available in the Special Accounts are restricted to project purposes only. Project funds still unused at the end of the project will be returned to the Ministry of Treasury and Finance for distribution to providers in accordance with the provisions of the corresponding financing agreement. Fixed assets procured with the project funds belonged to the beneficiary institutions and are restricted to project purposes until the project completion. Ministry of Agriculture and Forestry together with the beneficiary institutions will keep adequate records to control those assets during the project and sub-project implementation period.

### **4. IFAD LOAN and UNDP GRANT**

In pursuance with the agreement signed between the Government of Turkey and IFAD on April 12, 2010, IFAD committed to extend a Loan equivalent to SDR 12.080.000. The repayment of this fund will be in 29 equal semi-annual installments of 402.667, payable on each 1 June and 1 December, commencing on 1 June 2013 and ending on 1 June 2027, and one final installment of SDR 402.667, payable on 1 December 2027, in the Loan Service Payment Currency.

UNDP contributes as grant from its own resources in the total amount of USD 250.000 during the project period as per Service Agreement dated January 10, 2011 signed by Ministry of Agriculture and Forestry and UNDP. By 31 December 2018, out of \$ 250,000, \$ 195.611,17 has been used.

### **5. USING PLAN OF FUND RESOURCES**

The reporting period covers between 01 January 2018 and 31 December 2018, fund resources and tables indicating their usage are prepared accordingly.

Exchange rates determined in "Investment Preparation Guidelines" prepared by Ministry of Development according to decision of the Supreme Planning Council and published in the Official Gazette (3,7335 for 2018) are used for Government Contributions, internal budget funds transferred to UNDP Project Account and stamp tax becoming due upon the funds transferred to UNDP Project Account and Expenditures, realized as national currency (TL). Utilization from internal budget transferred to UNDP is based on average exchange rate determined by UNDP every month.



## 6. CASH AVAILABILITY AT JANUARY 1, 2018

Cash available at January 1, 2018, expressed in US dollars, included:

	Loan Funds (IFAD+ Government Contribution) USD
Special Account at TR Central Bank	14.070,79
UNDP Account (Foreign Loan )	249.590,08
UNDP Account (Government Funds )	2.982.311,89
UNDP Grant	0,00
<b>TOTAL</b>	<b>3.245.972,76</b>

## 7. CASH AVAILABILITY AT DECEMBER 31, 2018

Cash available at December 31, 2018, expressed in US dollars, included:


	Loan Funds (IFAD+ Government Contribution) USD
Special Account at TR Central Bank	0,00
UNDP Account (Foreign Loan )	0,00
UNDP Account (Government Funds )	1.014.110,82
UNDP Grant	0,00
<b>TOTAL</b>	<b>1.014.110,82*</b>


\* There is 5,08 US Dollar difference between closing balance submitted to IFAD for 2017 financial year and the current cash available submitted to Treasury Audit by UNDP. Then this amount has been recorded as correction in AKADP Account Balance Table by UNDP. Thus the cash at the end of 2017 financial period has been risen to \$ 3.245.967,68 which should be \$ 3.245.967,68, and this amount has transferred to 2018 balance.

The total balance of \$ 14.070,79 which was available in the Project Special Account in T.R. Central Bank as of 31 December 2017 has been refunded to IFAD in 2018 and the balance has been zero in the account.

Until 31 December 2018 from the beginning of the Project, total funds transferred to UNDP Account is \$ 16.105.027,80. Adding \$ 150.368,40 for purchasing vehicles through State Supply Office in 2013, total funds transferred to UNDP account is \$ 16.255.396,20. Total of this amount has been spent by 31 December 2018 and UNDP Foreign Loan Balance has been zero in the account.

Balance of Government Contribution is \$ 1.014.110,82. In this respect, net cash amount of Project resources has been \$ 1.014.110,82 as of December 31, 2018.

  
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