“Higher Education Project”
Grant No. D082-TJ, Credit No. 5702-TJ

The project financial statements
for the years ended December 31, 2017 and 2016

and independent auditors' report
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STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION AND
APPROVAL OF THE PROJECT FINANCIAL STATEMENTS FOR
THE YEARS ENDED DECEMBER 31, 2017 AND 2016

The following statement, which should be read in conjunction with the independent auditors’ responsibilities
is made with a view to distinguish the respective responsibilities of management and those of the independent
auditors in relation to the project financial statements of the Project “Higher Education Project”, Grant No.
D082-TJ, Credit No. 5702-TJ (the “Project”).

Management is responsible for the preparation of the project financial statements that present fairly, in all
material respects, the summary of funds received and expenditures paid and the summary of expenditures
paid by project components for the years ended December 31, 2017 and 2016 in accordance with
International Public Sector Accounting Standard “Financial Reporting Under the Cash Basis of Accounting”
(the “IPSAS”) issued by the International Public Accounting Standards Board of the International Federation
of Accountants and the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial
Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”).

In preparing the project financial statements, management is responsible for:

* selecting suitable accounting policies and applying them consistently;
* making judgments and estimates that are reasonable and prudent;
* stating whether IPSAS and WB Guidelines have been followed, subject to any material departures
disclosed and explained in the project financial statements; and
* preparing the project financial statements on a going concern basis, unless it is inappropriate to presume
that the Project will continue its activity for the foreseeable future.

Management is also responsible for:

* designing, implementing and maintaining effective and sound system of internal control and for
revealing risks in system of internal control;
* maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial
position of the Project, and which enable them to ensure that the project financial statements of the
Project comply with IPSAS and WB Guidelines;
* compliance with laws and regulations of the Republic of Tajikistan, accounting system of the Project
and the requirements of the World Bank;
* taking such steps as are reasonably available to them to safeguard the assets of the Project; and
* detecting and preventing fraud and other irregularities.

The project financial statements for the years ended December 31, 2017 and 2016 were approved and
authorized for issue on May 18, 2018 by the management of the Project.

On behalf of the Management

N. Said
Minister of Education and Science of the Republic of Tajikistan

May 18, 2018
Dushanbe, Republic of Tajikistan

N. Amirov
Chief Accountant

May 18, 2018
Dushanbe, Republic of Tajikistan
INDEPENDENT AUDITOR’S REPORT

To the management of the Project “Higher Education Project” under the Ministry of Education and Science of the Republic of Tajikistan and the State Committee on Investments and Government Property Management of the Republic of Tajikistan.

Report on the project financial statements

Opinion

[1] We have audited the project financial statements of the Project “Higher Education Project” (the “Project”), which comprise the summary of funds received and expenditures paid and the summary of expenditures paid by project components for the years ended December 31, 2017 and 2016, and a summary of significant accounting policies and other explanatory information (the “project financial statements”).

[2] In our opinion, the accompanying project financial statements present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project components of the Project for the years ended December 31, 2017 and 2016 in accordance with International Public Sector Accounting Standard “Financial Reporting Under the Cash Basis of Accounting” (the “IPSAS”) issued by the International Public Sector Accounting Standards Board of the International Federation of Accountants, and the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”).

Basis for opinion

[3] 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 project financial statements section of our report. We are independent of the Project 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 our audit of the financial statements, and we have fulfilled our other 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.

Emphasis of matter

[4] Without qualifying our opinion, we draw attention to Note 2 to the project financial statements, which describes the basis of accounting. These project financial statements were prepared for complying with the appropriate World Bank Guidelines and Financing agreement requirements.

Other matter

[5] The project financial statements are prepared to assist the Project to comply with the requirements of the World Bank. As a result, the project financial statements may not be suitable for another purpose.

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Bulgaria
Sofia T: +359 2 9580980

An independent member of Baker Tilly International
Responsibilities of management and those charged with governance for the project financial statements

[6] Management is responsible for the preparation and fair presentation of the project financial statements in accordance with International Public Sector Accounting Standard “Financial Reporting Under the Cash Basis of Accounting” (the “IPSAS”) issued by the International Public Accounting Standards Board of the International Federation of Accountants, and the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”), and for such internal control as management determines is necessary to enable the preparation of the project financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities for the audit of the project financial statements

[7] 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 the project financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 project 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 project 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.

We also 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.

Baker Tilly Klitou and Partners SRL

Chisinau, Republic of Moldova

May 18, 2018
## SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

*(in US dollars)*

<table>
<thead>
<tr>
<th>Notes</th>
<th>For the year ended December 31, 2017</th>
<th>For the year ended December 31, 2016</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>4</td>
<td>464,265</td>
<td>-</td>
</tr>
<tr>
<td>Funds received</td>
<td>5</td>
<td>756,549</td>
<td>500,000</td>
</tr>
<tr>
<td>IDA Grant No. D082-TJ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDA Credit No. 5702-TJ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds received</td>
<td>756,549</td>
<td>500,000</td>
<td>1,256,549</td>
</tr>
<tr>
<td>Project expenses</td>
<td>6</td>
<td>512,029</td>
<td>35,735</td>
</tr>
<tr>
<td>Goods, works, non-consulting services, and consultants' services, grants, training and incremental operating costs under the Project</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total project expenses</td>
<td>512,029</td>
<td>35,735</td>
<td>547,764</td>
</tr>
<tr>
<td>Foreign exchange loss</td>
<td>681</td>
<td>-</td>
<td>681</td>
</tr>
<tr>
<td>Closing balance</td>
<td>4</td>
<td>709,466</td>
<td>464,265</td>
</tr>
</tbody>
</table>

On behalf of the Management:

N. Said Amirov
Minister of Education and Science of the Republic of Tajikistan

May 18, 2018
Dushanbe, Republic of Tajikistan

The notes on pages 8-14 form an integral part of the project financial statements.
The independent auditors' report is on pages 3-5.
**HIGHER EDUCATION PROJECT**
GRANT NO. D082-TJ, CREDIT NO.5702-TJ

**SUMMARY OF EXPENDITURES PAID BY PROJECT COMPONENTS**
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**
*(in US dollars)*

<table>
<thead>
<tr>
<th>Component</th>
<th>For the year ended December 31, 2017</th>
<th>For the year ended December 31, 2016</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Institutional level improvements</td>
<td>439,002</td>
<td>3,676</td>
<td>442,678</td>
</tr>
<tr>
<td>2. System level interventions</td>
<td>23,600</td>
<td>1,657</td>
<td>25,257</td>
</tr>
<tr>
<td>3. Project management, monitoring and evaluation</td>
<td>49,427</td>
<td>30,402</td>
<td>79,829</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>512,029</strong></td>
<td><strong>35,735</strong></td>
<td><strong>547,764</strong></td>
</tr>
</tbody>
</table>

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On behalf of the Management:

N. Said
Minister of Education and Science of the Republic of Tajikistan

May 18, 2018
Dushanbe, Republic of Tajikistan

Amirov
Chief Accountant

May 18, 2018
Dushanbe, Republic of Tajikistan

The notes on pages 8-14 form an integral part of the project financial statements.
The independent auditors’ report is on pages 3-5.
NOTES TO THE PROJECT FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(in US dollars)

1. GENERAL INFORMATION

According to the Financing Agreements between the Republic of Tajikistan and International Development Association (the “IDA”) signed on August 7, 2015, the IDA provided a Grant No. D082-TJ in the amount of 4,900,000 Special Drawing Rights and a Credit No. 5702-TJ in the amount of 6,000,000 SDR to the Republic of Tajikistan.

The Financing was provided for the Project “Higher Education Project” (the “Project”).

Project purpose

The objective of the Project is to develop mechanisms that improve and monitor the quality and labor-market relevance of higher education.

The Project comprises the following components:

Component I: Institutional level improvements;
Component II: System level interventions;
Component III: Project management, monitoring and evaluation.

Component I: Institutional level improvements.

Sub-component 1.1: Just-in-Time Grants to Re/Up Skill Workforce

Provision of grants (Just-in-Time Grants) to Eligible Education Institutions to develop and deliver short-term programs or courses that align with the sectors, skills and competencies in immediate demand in the labor market, all in accordance with the Project Operation Manual (the “POM”).

Sub-component 1.2: Competitive Grant Program for Universities

Establishment and operation of a Competitive Grant Program through the provision of grants (Competitive Grants) to Eligible Education Institutions to develop and deliver short-term program or courses that align with the sectors, skills and competencies in immediate demand in the labor market, all in accordance with the POM.

Component II: System level interventions.

Sub-component 2.1: Quality Assurance Enhancements

Capacity development for monitoring and improving quality of higher education through (a) implementing minimum standards for conducting and reporting on graduate tracer studies; (b) building capacity of the relevant Recipient’s authorities and higher education institutions for quality assurance consistent with the European Standards and Guidelines for Quality Assurance in the European Higher Education Area; and (c) developing, piloting, and approving new standards and guidelines for external and internal quality assurance at institutions of higher education.

Sub-component 2.2: System-Wide Education Curriculum Reform

Provision of support to the Recipient’s reform of state-defined curriculum at the university level by (a) conducting a detailed employer survey similar to the Skills Towards Employability and Productivity (the “STEP”) measurement survey; and (b) assisting with revising the state-defined curriculum for no less than five clusters of academic specialties.
Sub-component 2.3: Assessment of Higher Education Financing

Carrying out of assessment of the Recipient’s approach to financing mechanisms for higher education.

Component III: Project management, monitoring and evaluation.

 Provision of support to the Ministry of Education and Science of the Republic of Tajikistan for Project coordination, communication, implementation, management, monitoring and evaluation through the provision of goods, consultants’ services, non-consulting services, Training, and Incremental Operating Costs, including Project audits.

Project management

The Project is implemented by Ministry of Education and Science of the Republic of Tajikistan.

Financing Agreements were signed on August 7, 2015 and became effective on January 4, 2016. The closing date of the Project is October 31, 2021. The first financing for the Project was received from Grant No. D082-TJ on July 26, 2016.

2. PRESENTATION OF THE PROJECT FINANCIAL STATEMENTS

 Basis of preparation

These project financial statements have been prepared in accordance with the International Public Sector Accounting Standard (the “IPSAS”) “Financial Reporting under the Cash Basis of Accounting” issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”).

Under the cash basis system income (or expenditure) is recognized when cash is received (or paid) irrespective of when goods or services are received or provided.

The Project’s approved budget disclosed by categories of expenses is not publicly available and as such comparison of budget and actual amounts is not presented.

These project financial statements consist of:

- Summary of funds received and expenditures paid;
- Summary of expenditures paid by project components;
- Notes to the project financial statements, including short description of main statements of accounting policy and other descriptive notes.

The reporting currency of these project financial statements is US dollars (the “USD”).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

 Cash basis of accounting

The project financial statements are prepared on a cash basis of accounting. The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the Project. The project financial statements prepared under the cash basis provide information on the sources of funds, the purpose of uses of funds, and cash balances at the reporting date. The measurement focus in the project financial statements is balances of cash and changes therein.
Foreign currency

Operations in foreign currency initially are counted in functional currency by the official currency exchange rate settled by the National Bank of Tajikistan (the “NBT”) on a date of operation.

Funds received are translated into US dollars at official exchange rate of Special Drawing Rights (the “SDR”) at the date of funds receipt. All payments made in local currency are translated into US dollars at the official exchange rate defined by the National Bank of Tajikistan, at the date of transaction.

Monetary assets and liabilities expressed in foreign currency are converted to functional currency at official exchange rate on a date settled by the NBT.

All foreign exchange differences resulted from maturity or recounting are included in the summary of funds received and expenditures paid.

Non-monetary items are valued according to their historic cost in foreign currency, which are recalculated on rates of the initial operation date.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and due from banks, which can be converted to the corresponding amount of cash in the short term.

Balances of advances paid to employees at the end of the period are also part of closing cash position.

Taxes

Calculation and payment of personal income tax and social security contributions from income of local staff and consultants is made in accordance with the requirements and rates of the Tax Code of the Republic of Tajikistan.

Project expenses

The expenses are recorded in the period when they were actually paid.

Sources of funds

The funds were provided by the World Bank to the Project by advance and reimbursement.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2017 and 2016 comprise:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated account Grant No. D082-TJ</td>
<td>USD</td>
<td>709,245</td>
<td>463,272</td>
</tr>
<tr>
<td>Transit account Grant No. D082-TJ</td>
<td>TJS</td>
<td>21</td>
<td>63</td>
</tr>
<tr>
<td>Cash on hands Grant No. D082-TJ</td>
<td>TJS</td>
<td>180</td>
<td>927</td>
</tr>
<tr>
<td>Advances to employees Grant No. D082-TJ</td>
<td>TJS</td>
<td>20</td>
<td>3</td>
</tr>
</tbody>
</table>

709,466                      464,265
5. FUNDS RECEIVED

The funds received are presented by the following financing methods and sources of financing:

<table>
<thead>
<tr>
<th></th>
<th>For the year ended</th>
<th>For the year ended</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31, 2017</td>
<td>December 31, 2016</td>
<td></td>
</tr>
<tr>
<td>Grant No.</td>
<td>Credit No.</td>
<td>Grant No.</td>
<td>Credit No.</td>
</tr>
<tr>
<td>D082-TJ</td>
<td>5702-TJ</td>
<td>D082-TJ</td>
<td>5702-TJ</td>
</tr>
<tr>
<td>Advances</td>
<td>300,000</td>
<td>500,000</td>
<td>800,000</td>
</tr>
<tr>
<td>Reimbursement of</td>
<td>456,549</td>
<td>-</td>
<td>456,549</td>
</tr>
<tr>
<td>expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>756,549</td>
<td>500,000</td>
<td>1,256,549</td>
</tr>
</tbody>
</table>

6. PROJECT EXPENSES

Project expenses by components are presented in the summary of expenditures paid by project components. The Project expenses on major categories are presented in the summary of funds received and expenditures paid. Breakdown of the Project expenses by nature and by sources of financing is presented as follows:

<table>
<thead>
<tr>
<th></th>
<th>For the year ended</th>
<th>For the year ended</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 31, 2017</td>
<td>December 31, 2016</td>
<td></td>
</tr>
<tr>
<td>Grant No. D082-TJ</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Just-in-time grants</td>
<td>396,741</td>
<td>-</td>
<td>396,741</td>
</tr>
<tr>
<td>Local consultants</td>
<td>69,046</td>
<td>14,221</td>
<td>83,267</td>
</tr>
<tr>
<td>International consultants</td>
<td>40,456</td>
<td>-</td>
<td>40,456</td>
</tr>
<tr>
<td>Goods</td>
<td>-</td>
<td>14,983</td>
<td>14,983</td>
</tr>
<tr>
<td>Business trip expenses</td>
<td>4,717</td>
<td>974</td>
<td>5,691</td>
</tr>
<tr>
<td>Stationery</td>
<td>-</td>
<td>5,389</td>
<td>5,389</td>
</tr>
<tr>
<td>Other expenses</td>
<td>1,069</td>
<td>168</td>
<td>1,237</td>
</tr>
<tr>
<td></td>
<td>512,029</td>
<td>35,735</td>
<td>547,764</td>
</tr>
</tbody>
</table>
7. FINANCIAL POSITION

Financial position as at December 31, 2017 and 2016 comprises:

<table>
<thead>
<tr>
<th>ASSETS AND EXPENDITURES</th>
<th>December 31, 2017</th>
<th>December 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>709,466</td>
<td>464,265</td>
</tr>
<tr>
<td>Cumulative project expenses</td>
<td>547,764</td>
<td>35,735</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS AND EXPENDITURES</strong></td>
<td><strong>1,257,230</strong></td>
<td><strong>500,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign exchange gain</td>
<td>681</td>
</tr>
<tr>
<td>Funds received</td>
<td>1,256,549</td>
</tr>
<tr>
<td><strong>TOTAL FINANCING</strong></td>
<td><strong>1,257,230</strong></td>
</tr>
</tbody>
</table>

8. WITHDRAWAL APPLICATIONS

Withdrawal applications for years ended December 31, 2017 and 2016 comprise:

<table>
<thead>
<tr>
<th>Source of financing</th>
<th>Application</th>
<th>Date</th>
<th>Advance</th>
<th>Goods, works, non-consulting services, and consultants' services, grants, training and incremental operating costs under the Project</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant No. D082-TJ</td>
<td>1</td>
<td>July 26, 2016</td>
<td>500,000</td>
<td>-</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>April 25, 2017</td>
<td>300,000</td>
<td>-</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>November 1, 2017</td>
<td>-</td>
<td>456,549</td>
<td>456,549</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>800,000</strong></td>
<td><strong>800,000</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>456,549</strong></td>
<td><strong>456,549</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>1,256,549</strong></td>
<td><strong>1,256,549</strong></td>
</tr>
</tbody>
</table>

Deleted withdrawal applications for the years ended December 31, 2017 and 2016 comprise:

<table>
<thead>
<tr>
<th>Source of financing</th>
<th>Application</th>
<th>Date</th>
<th>Advance</th>
<th>Goods, works, non-consulting services, and consultants' services, grants, training and incremental operating costs under the Project</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit No. 5702-TJ</td>
<td>1</td>
<td>September 29, 2016</td>
<td>500,000</td>
<td>-</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>500,000</strong></td>
<td><strong>500,000</strong></td>
</tr>
</tbody>
</table>
9. STATEMENT OF DESIGNATED ACCOUNT

Designated account for the years ended December 31, 2017 and 2016 comprise:

Designated account Grant No. D082-TJ
Bank CJSC “Spitamen Bank”
Currency US Dollars
Bank account 20206840680800000419
Bank’s location 4 Shamsi str., Dushanbe, 734064, Republic of Tajikistan

Balance as at January 1, 2016

Advances received 500,000
Total funds received 500,000
Transfer between accounts 36,728

Balance as at December 31, 2016 463,272

Advances received 300,000
Reimbursement of expenses 456,549
Total funds received 756,549
Expenditures paid 33,174
Transfer between accounts 477,402

Balance as at December 31, 2017 709,245

10. UNDRAWN FUNDS

As at December 31, 2017 undrawn funds are presented as follows:

Grant No. Credit No.
D082-TJ 5702-TJ

Approved financing amount 4,900,000 6,000,000
Disbursed for the years ended December 31, 2016 and 2017 904,594 -

Undrawn amount 3,995,406 6,000,000

Grant No. Credit No.
D082-TJ 5702-TJ

Financing received as at January 1, 2016 - -
Disbursed for the years ended December 31, 2016 and 2017 904,594 -

Financing received as at December 31, 2017 904,594 -
11. COMMITMENTS

In the normal course of activities, the Project concludes agreements with suppliers of goods and services in accordance with the established budget and procurement plan.

Contract value of obligations valid as at December 31, 2017 was as follows:

<table>
<thead>
<tr>
<th>Counterparty</th>
<th>Contract No.</th>
<th>Currency</th>
<th>Contract value</th>
<th>Paid up to December 31, 2017</th>
<th>Remaining amount to be paid</th>
</tr>
</thead>
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<tr>
<td>Institute of Economics and Commerce of Tajik State University of Commerce</td>
<td>№1/3</td>
<td>Tajik somoni</td>
<td>236,250</td>
<td>189,000</td>
<td>47,250</td>
</tr>
<tr>
<td>in Khujand city</td>
<td></td>
<td></td>
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<tr>
<td>Institute of Technology and Innovation Management in Kulob city</td>
<td>№1/21</td>
<td>Tajik somoni</td>
<td>132,130</td>
<td>105,697</td>
<td>26,434</td>
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<td>Russian-Tajik Slavonic University</td>
<td>№1/5</td>
<td>Tajik somoni</td>
<td>228,323</td>
<td>182,657</td>
<td>45,666</td>
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<tr>
<td>Private Enterprise &quot;Centre of Foreign Languages</td>
<td>№1/1</td>
<td>Tajik somoni</td>
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<td>191,984</td>
<td>47,997</td>
</tr>
<tr>
<td>Engineering and Pedagogical College in Dushanbe city</td>
<td>№1/11</td>
<td>Tajik somoni</td>
<td>237,000</td>
<td>189,610</td>
<td>47,390</td>
</tr>
<tr>
<td>Polytechnic University of Tajikistan</td>
<td>№1/15</td>
<td>Tajik somoni</td>
<td>221,730</td>
<td>177,384</td>
<td>44,346</td>
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<tr>
<td>State University of Dangaran city</td>
<td>№1/18</td>
<td>Tajik somoni</td>
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<td>179,926</td>
<td>44,981</td>
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<td>№1/19</td>
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<td>Tajik somoni</td>
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<td>200,960</td>
<td>50,239</td>
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<td>Mining and Metallurgical Institute of Tajikistan</td>
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<td>Tajik somoni</td>
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<td>114,000</td>
<td>28,500</td>
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<td>Tajik somoni</td>
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<td>44,631</td>
</tr>
<tr>
<td>Educational Institution &quot;Nuri Hirad&quot;</td>
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<td>Tajik somoni</td>
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<td>178,086</td>
<td>44,522</td>
</tr>
<tr>
<td>Professional lyceum of services and tourism in Dushanbe</td>
<td>№1/2</td>
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<td>189,485</td>
<td>47,408</td>
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<td>Public association &quot;Dusti&quot;</td>
<td>№1/20</td>
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<td>225,594</td>
<td>180,475</td>
<td>45,119</td>
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<td>Isfara Branch of Technological University of Tajikistan</td>
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<td>48,712</td>
<td>12,088</td>
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<tr>
<td>State Institute of Educational Center for Professional Studies in Khoroson city</td>
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<td>Tajik somoni</td>
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<td>209,602</td>
<td>167,687</td>
<td>41,915</td>
</tr>
</tbody>
</table>

12. LEGAL CASES

There were no any legal cases related to the Project.

13. EVENTS AFTER THE REPORTING DATE

As at the date of issue of the project financial statements no significant events or transactions occurred, which should be disclosed in the project financial statements.