Public Disclosure Authorized

Public Disclosure Authorized

中华人民共和国重庆市审计局

Chongqing Municipal Audit Bureau of the People's Republic of China

审 计 报 告

Audit Report

渝审报〔2018〕58号

CHONGQING AUDIT REPORT〔2018〕NO.58

项目名称：世界银行贷款重庆市小城镇水环境综合治理项目

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank

贷款号：8456-CN

Loan No. : 8456-CN

项目执行单位：重庆市发展和改革委员会

Project Entity: Chongqing Development and Reform Commission

会计年度：2017

Accounting Year: 2017

目　录
Contents

一、审计师意见.....1

I. Auditor's Opinion 3

二、财务报表及财务报表附注.....5

II . Financial Statements and Notes to the Financial Statements.....5

（一）资金平衡表.....5

i. Balance Sheet 5

（二）项目进度表.....7

ii. Summary of Sources and Uses of Funds by Project Component...7

（三）贷款协定执行情况表.....9

iii. Statement of Implementation of Loan Agreement.....9

（四）专用账户报表.....10

iv. Special Account Statement.....10

（五）财务报表附注.....12

v. Notes to the Financial Statements.....15

三、审计发现的问题及建议.....18

III. Audit Findings and Recommendations.....21

一、审计师意见

审计师意见

重庆市发展和改革委员会:

我们审计了世界银行贷款重庆市小城镇水环境综合治理项目 2017 年 12 月 31 日的资金平衡表及截至 2017 年 12 月 31 日的项目进度表、贷款协定执行情况表和指定账户报表等特定目的财务报表及财务报表附注(第 5 页至第 14 页)。

(一)项目执行单位及重庆市财政局对财务报表的责任

编制上述财务报表中的资金平衡表、项目进度表及贷款协定执行情况表是你委的责任,编制指定账户报表是重庆市财政局的责任,这种责任包括:

1. 按照中国的会计准则、会计制度和本项目贷款协定的要求编制项目财务报表,并使其实现公允反映;

2. 设计、执行和维护必要的内部控制,以使项目财务报表不存在由于舞弊或错误而导致的重大错报。

(二)审计责任

我们的责任是在执行审计工作的基础上对财务报表发表审计意见。我们按照中国国家审计准则和国际审计准则的规定执行了审计工作,上述准则要求我们遵守审计职业要求,计划和执行审计工作以对项目财务报表是否不存在重大错报获取合理保证。

为获取有关财务报表金额和披露信息的有关证据,我们实施了必要的审计程序。我们运用职业判断选择审计程序,这些程序包括对由于舞弊或错误导致的财务报表重大错报风险的评估。在进行风险评估时,为了设计恰当的审计程序,我们考虑了与财务报表相关的内部控制,但目的并非对内部控制的有效性发表意见。审计工作还包括评价所选用会计政策的恰当性和作出会计估计的合理性,以及评价财务报表的总体列报。

我们相信,我们获取的审计证据是适当的、充分的,为发表审计意见提供

了基础。

（三）审计意见

我们认为，第一段所列财务报表在所有重大方面按照中国的会计准则、会计制度和本项目贷款协定的要求编制，公允反映了重庆市小城镇水环境综合治理项目 2017 年 12 月 31 日的财务状况及 2017 年度的财务收支、项目执行和指定账户收支情况。

（四）其他事项

我们还审查了本期内报送给世界银行 1 号至 2 号提款申请书及所附资料。我们认为，上述资料符合贷款协议的要求，可以作为申请提款的依据。

本审计师意见之后，共同构成审计报告的还有两项内容：财务报表及财务报表附注和审计发现的问题及建议。

重庆市审计局

2018 年 6 月 30 日

地址：中国重庆市渝北区龙溪街道金山路 8 号
邮政编码：401147
电话：+86-23-67523216
传真：+86-23-67523216

I. Auditor's Opinion

Auditor's Opinion

To Chongqing Development and Reform Commission

We have audited the special purpose financial statements (from page 5 to page 14) of Chongqing Small Towns Water Environment Management Project Financed by the World Bank, which comprise the Balance Sheet as of December 31, 2017, the Summary of Sources and Uses of Funds by Project Component, the Statement of Implementation of Loan Agreement and the Designated Account Statement for 2017, and Notes to the Financial Statements.

Project Entity and Chongqing Finance Bureau's Responsibility for the Financial Statements

The preparation of the Balance Sheet, the Summary of Sources and Uses of Funds by Project Component and the Statement of Implementation of Loan Agreement is the responsibility of your commission, while the preparation of the Designated Account Statement is the responsibility of Chongqing Finance Bureau, which includes:
i. Preparing and fair presenting the accompanying financial statements in accordance with Chinese accounting standards and system, and the requirements of the project loan agreement;
ii. Designing, implementing and maintaining necessary internal control to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Government Auditing Standards of the People's Republic of China and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal control relevant to the entities' preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is appropriate and sufficient to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion, the financial statements identified in the first paragraph present fairly, in all material respects, financial position of Chongqing Small Towns Water Environment Management Project Financed by the World Bank as of December 31, 2017, its financial receipts and disbursements, the project implementation and the receipts and disbursements of Designated Account for 2017 in accordance with Chinese accounting standards and system, and the requirements of the project loan agreement.

Other Matter

We also examined the withdrawal applications from No.1 to No.2 and the attached documents submitted to the World Bank during the period. In our opinion, these documents comply with the project's loan agreement and can serve as basis for loan withdrawal.

The audit report consists of the Auditor's Opinion and two more parts hereinafter: Financial Statements and Notes to the Financial Statements, Audit Findings and Recommendations.

Chongqing Municipal Audit Bureau of the People's Republic of China
June 30, 2018

Address: No.8 Jinshan Road, Longxi Street, Yubei District,Chongqing, P.R. China
Postcode: 401147
Tel.: +86-23-67523216
Fax: +86-23-67523216

The English translation is for the convenience of report users; Please take the Chinese audit report as the only official version.

二、财务报表及财务报表附注

Ⅱ. Financial Statements and Notes to the Financial Statements

（一）资金平衡表

i. Balance Sheet

资金平衡表
BALANCE SHEET

2017年12月31日

(As of December 31, 2017)

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目　　单位：人民币元

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank　　Currency Unit:RMB Yuan

资金占用 Application of Fund	行次 Line No.	期初数 Beginning Balance	期末数 Ending Balance
一、项目支出合计 Total Project Expenditures	1	128,355,620.61	263,066,681.26
1、交付使用资产 Fixed Assets Transferred	2	-	-
2、待核销项目支出 Construction Expenditures to be Disposed	3	-	-
3、转出投资 Investments Transferred-out	4	-	-
4、在建工程 Construction in Progress	5	128,355,620.61	263,066,681.26
二、应收单位投资借款 Investments Loan Receivable	6	-	-
其中：应收生产单位世行贷款 Including: World Bank Investment Loan Receivable	7	-	-
三、拨付所属投资借款 Appropriation of Investment Loan	8	-	-
其中：拨付世行贷款 Including: Appropriation of World Bank Investment Loan	9	-	-
四、器材 Equipment	10	-	-
其中：待处理器材损失 Including: Equipment Losses in Suspense	11	-	-
五、货币资金合计 Total Cash and Bank	12	84,210,855.40	119,330,701.55
1、银行存款 Cash in Bank	13	84,190,297.56	119,305,664.11
其中：指定帐户存款 Including: Special Account	14	27,716,856.27	62,538,045.40
2、现金 Cash on Hand	15	20,557.84	25,037.44
六、预付及应收款合计 Total Prepaid and Receivable	16	82,612,007.22	108,018,491.47
其中：应收世行贷款利息 Including: World Bank Loan Interest Receivable	17	-	-
应收世行贷款承诺费 World Bank Loan Commitment Fee Receivable	18	-	-
应收世行贷款占用费 World Bank Loan Service-Fee Receivable	19	-	-
七、有价证券 Marketable Securities	20	-	-
八、固定资产合计 Total Fixed Assets	21	-	-
固定资产原价 Fixed Assets.Cost	22	-	-
减：累计折旧 Less: Accumulated Depreciation	23	-	-
固定资产净值 Fixed Assets.Net	24	-	-
固定资产清理 Fixed Assets Pending Disposal	25	-	-
待处理固定资产损失 Fixed Assets Losses in Suspense	26	-	-
资金占用合计 Total Application of Fund	27	295,178,483.23	490,415,874.28

资金平衡表（续）
BALANCE SHEET（continued）

2017年12月31日
(As of December 31, 2017)

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目
Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank

单位：人民币元
Currency Unit:RMB Yuan

资金来源 Sources of Fund	行次 Line No.	期初数 Beginning Balance	期末数 Ending Balance
一、项目拨款合计 Total Project Appropriation Funds	1	151,810,000.00	205,316,495.11
二、项目资本与项目资本公积 Project Capital and Capital Surplus	2		33,000,000.00
其中：捐赠款 Including:Grants	3		
三、项目借款合计 Total Project Investment Loan	4	109,258,590.25	228,862,400.63
1、项目投资借款 Total Project Investment Loan	5	103,728,960.25	184,073,969.03
（1）国外借款 Foreign Loan	6	43,356,250.00	123,105,322.18
其中：国际开发协会 Including:IDA	7		
国际复兴开发银行 IBRD	8	43,356,250.00	123,105,322.18
技术合作信贷 Technical Cooperation	9		
联合融资 Co-Financing	10		
（2）国内借款 Domestic Loan	11	60,372,710.25	60,968,646.85
2、其他借款 Other Loan	12	5,529,630.00	44,788,431.60
四、上级拨入投资借款 Appropriation of Investment Loan	13		
其中：拨入世行贷款 Including:World Bank Loan	14		
五、企业债券资金 Bond Fund	15		
六、待冲项目支出 Construction Expenditures to be Offset	16		
七、应付款合计 Total Payable	17	34,107,528.23	21,519,685.78
其中：应付世行贷款利息 Including: World Bank Loan Interest Payable	18		
应付世行贷款承诺费 World Bank Loan Commitment Fee Payable	19		
应付世行贷款占用费 World Bank Loan Service-Fee Payable	20		
八、未交款合计 Other Payable	21		
九、上级拨入资金 Appropriation of Fund	22		
十、留成收入 Retained Earning	23	2,364.75	1,717,292.76
资金来源合计 Total Sources of Fund	24	295,178,483.23	490,415,874.28

（二）项目进度表

ii. Summary of Sources and Uses of Funds by Project Subcomponent

项目进度表(一)

SUMMARY OF SOURCES AND USES OF FUNDS BY PROJECT COMPONENT I

本期截至2017年12月31日

(For the period ended December 31, 2017)

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目　　单位：人民币元

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank　　Currency Unit:RMB Yuan

	本期Current Period			累计Cumulative		
	本期计划额 Current Period Budget	本期发生额 Current Period Actual	本期完成比 Current Period % Completed	项目总计划额 Life of Pad	累计完成额 Cumulative Actual	累计完成比 Cumulative % Completed
资金来源合计 Total Sources of Funds	263,629,262.53	206,110,305.49	78.18%	1,252,790,000.00	467,178,895.74	37.29%
一、国际金融组织贷款 International Financing	70,869,024.33	79,749,072.18	112.53%	646,084,000.00	123,105,322.18	19.05%
1、IBRD	70,869,024.33	79,749,072.18	112.53%	646,084,000.00	123,105,322.18	19.05%
2、IDA						
二、配套资金 Counterpart Financing	192,760,238.20	126,361,233.31	65.55%	606,706,000.00	344,073,573.56	56.71%
1、无偿配套 Counterpart Financing without Compensation		86,506,495.11		238,316,495.11	238,316,495.11	100.00%
2、有偿配套 Counterpart Financing with Compensation		39,854,738.20		105,757,078.45	105,757,078.45	100.00%
资金运用合计 Total Application of Funds	295,040,154.97	134,711,060.65	45.66%	1,252,790,000.00	263,066,681.26	21.00%
1、荣昌项目 Flood and Wastwater Management in Rongchang District	68,670,000.00	30,367,021.00	44.22%	283,240,000.00	73,451,332.38	25.93%
2、潼南项目 Flood Management in Tongnan District	127,613,200.00	5,587,084.68	4.38%	267,650,000.00	57,613,909.27	21.53%
3、石柱项目 Flood and Wastwater Management in Shizhu County	58,716,206.86	58,716,206.86	100.00%	364,630,000.00	85,529,527.25	23.46%
4、彭水项目 Flood and Wastwater Management in Pengshui County	40,040,748.11	40,040,748.11	100.00%	337,270,000.00	46,471,912.36	13.78%
差异 Difference		71,399,244.84			204,112,214.48	
1、应收款变化 Chang in Receivables		25,406,484.25			108,018,491.47	
2、应付款变化 Chang in Payables		12,587,842.45			-21,519,685.78	
3、货币资金变化 Chang in Cash and Bank		35,119,846.15			119,330,701.55	
4、其他 Other		-1,714,928.01			-1,717,292.76	

项目进度表（二）
SUMMARY OF SOURCES AND USES OF FUNDS BY PROJECT COMPONENT Ⅱ

本期截至2017年12月31日

(For the period ended December 31, 2017)

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目　　单位：人民币元

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank　　Currency Unit:RMB Yuan

项目内容	项目支出 Project Expenditures							
	累计支出 Cumulative Amount	已交付资产 Assets Transferred				在建工程	待核销项目支出	转出投资
Project Component	Cumulative Expenditures	固定资产 Fixed Asset	流动资产 Current Asset	无形资产 Intangible Asset	递延资产 Deferred Asset	Work in Progress	Construction Expenditures to be Disposed	Investments Transferred-out
合计 Total	263,066,681.26					263,066,681.26		
1、荣昌项目 Flood and Wastwater Management in Rongchang District	73,451,332.38					73,451,332.38		
2、潼南项目 Flood Management in Tongnan District	57,613,909.27					57,613,909.27		
3、石柱项目 Flood and Wastwater Management in Shizhu County	85,529,527.25					85,529,527.25		
4、彭水项目 Flood and Wastwater Management in Pengshui County	46,471,912.36					46,471,912.36		

（三）贷款协定执行情况表
iii. Statement of Implementation of Loan Agreement

贷款协定执行情况表
STATEMENT OF IMPLEMENTATION OF LOAN AGREEMENT

本期截至2017年12月31日

(For the period ended December 31, 2017)

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank

单位：美元/人民币元

Currency Unit:USD/RMB Yuan

类别 Category	核定信贷金额 Loan Amount	本期提款数 Current-period Withdrawals		累计提款数 Cumulative Withdrawals	
	美元 USD	美元 USD	折合人民币 RMB	美元	折合人民币
(1) 工程 Works	89,830,000.00	7,800,058.40	50,967,141.60	7,800,058.40	50,967,141.60
(2) 货物、非咨询类服务、咨询类服务、培训和研讨会、增量运营费用 Goods, Non-Consulting Services, Consultants' Services, Training, Study Tours & Workshops, Incremental Operating Expenses	9,920,000.00	790,093.75	5,162,630.58	790,093.75	5,162,630.58
(3) 先征费 Front-end Fee	250,000.00			250,000.00	1,633,550.00
(4) 指定帐户 Designated Account		4,000,000.00	26,136,800.00	10,000,000.00	65,342,000.00
总计Total	100,000,000.00	12,590,152.15	82,266,572.18	18,840,152.15	123,105,322.18

（四）指定账户报表
iv. Designated Account Statement

指定账户收支表
DESIGNATED ACCOUNT STATEMENT

贷款号：LN8456

Loan No. LN8456

会计年度：2017

Fiscal Year: 2017

编报单位： 重庆市财政局

Prepared by: Chongqing Finance Bureau

开户行：光大银行重庆分行营业部
Depository Bank: Chongqing Branch , China Everbright Bank

账号：39411488000037562

Account No:39411488000037562

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank

A部分：本期指定帐户收支情况

Part a: Activity for the Current Period

货币名称和单位：美元

Currency: USD

项目 Item	金 额 Amount
年初余额	3, 995, 510. 49
Beginning Balance	
加 Add:	
1. 世界银行补充 Total Amount Deposited by World Bank	12, 590, 152. 15
（1）土建 Civil works	7, 800, 058. 40
（2）设备、咨询及培训等 Equipment, Consultants'Services and Training	790, 093. 75
（3）指定账户 Designated Account	4, 000, 000. 00
2. 利息收入 Total Interest Earned this Period	2, 305. 61
减 Deduct:	
1. 本年支付 Total Amount Withdrawn	7, 017, 088. 05
（1）土建 Civil Works	6, 086, 392. 53
（2）设备 Equipment	321, 421. 04
（3）咨询及培训 Consultants' Services and Training	609, 274. 48
2.利息收入转出 Interest Earnings Transferred-out	
3.世界银行回收 Total Amount Recovered by World Bank	
4.手续费支出 Bank Charges	
年末余额 Ending Balance	9, 570, 880. 20

财务报表说明是本表的组成部分（The notes is an integral part of the financial statements)

指定账户收支表(续)
DESIGNATED ACCOUNT STATEMENT（continued）

编报单位： 重庆市财政局

Prepared by: Chongqing Finance Bureau

项目名称:世界银行贷款重庆市小城镇水环境综合治理项目 单位：美元

Project Name: Chongqing Small Towns Water Environment Management Project Financed by the World Bank Currency: USD

B 部分：指定账户调节

PART B-Account Reconciliation

1. 世界银行首次存款总额	10, 000, 000. 00
Amount Advanced by World Bank	
减少 Deduct:	
2. 世界银行回收总额	
Total Amount Recovered by World Bank	
3. 本期期末指定账户首次存款净额	10, 000, 000. 00
Outstanding Amount Advanced to the Designated Account at the End of this Period	
4. 指定账户期末余额	
Ending Balance of Designated Account	
增加 Add	
5. 截至2017年12月31日已申请但尚未回补金额	
Amount Claimed but not yet Credited at December 31, 2017	
申请书号	
Application No.	
6. 截至2017年12月31日已支付但尚未申请报账金额	431, 766. 30
Amount Withdrawn but not yet Claimed at December 31, 2017	
7. 服务费累计支出	
Cumulative Service Charges	
减少 Deduct	
8. 利息收入（存入指定账户部分）	2, 646. 50
Interest Earned (if Included in Designated Account)	
9. 本期期末指定账户预付款总额	429, 119. 80
Total Advance to Designated Account Accounted for at the End of this Period	

财务报表说明是本表的组成部分（The notes is an integral part of the financial statements)

（五）财务报表附注

财务报表附注

1.项目概况

世界银行贷款重庆市小城镇水环境综合治理项目贷款号为8456-CN，项目实施旨在降低城市洪水风险，改善项目实施区县污水基础设施。项目于2015年3月5日签订贷款协定，计划总投资13亿人民币，其中世行贷款1亿美元。贷款期20年（含宽限期5年），计划实施5年，关账日期为2020年12月31日。项目执行单位为市发展改革委，项目共涉及4个区县，具体内容为：1.荣昌濑溪河防洪及水环境治理项目；2.潼南县城大佛坝河段水环境保护及防洪护岸综合治理项目；3.石柱县龙河城区堤防及水环境综合治理项目；4.彭水县靛水新城乌江滨江段防洪护岸综合治理项目。

2.财务报表编制范围

世界银行贷款重庆市小城镇水环境综合治理项目包括荣昌区、潼南区、彭水县、石柱县4个子项目。本表的汇总范围包括所有子项目的财务报表和市财政局的指定账户报表。

3.主要会计政策

项目财务管理按世界银行项目有关规定设置账户，做到专款专用。

3.1 本表以2017年1月1日至2017年12月31日为会计年度；

3.2 以“权责发生制”为记账原则，采用借贷复式记账法记账；

3.3 以2017年12月31日的决算汇率（1美元=6.5342元人民币）核算外汇损益；

3.4 以人民币为记账本位币；

3.5 按照财政部发布的《世界银行贷款项目会计核算办法》进行会计核算。

4.报表科目说明

4.1 项目支出

截至本年末项目累计支出 263,066,681.26 元，其中：荣昌项目支出 73,451,332.38 元；潼南项目 57,613,909.27 元；石柱项目 85,529,527.25 元；彭水项目 46,471,912.36 元。

4.2 拨付所属投资借款：

期末余额 0 元。

4.3 器材：

期末余额 0 元。

4.4 货币资金：

期末余额：119,330,701.55 元，其中：指定账户存款 9,570,880.20 美元（折合人民币 62,538,045.40 元）。

4.5 预付款及应收款

期末余额 108,018,491.47 元，主要为：1.潼南预付及应收款 32,307,055.67 元。主要为：拨付梓潼街道办事处实施的征地拆迁费和预付工程款；2.荣昌项目预付及应收款 65,562,802.34 元，主要为预付工程款和预付征地补偿款。

4.6 应付款

期末余额 21,519,685.78 元，主要为项目应付工程款项及质量保证金等。

4.7 其他应交款：

期末余额 0 元。

4.8 留成收入:

期末余额 1,717,292.76 元。主要为石柱子项目没收山东省水利工程局有限公司投标保证金。

4.9 世界银行贷款

截至本年末累计发生世界银行贷款 18,840,152.15 美元（折合人民币 123,105,322.18 元），为贷款总额的 18.84%。

4.10 配套资金

本年配套资金计划数 192,760,238.20 元，实际到位 126,361,233.31 元，完成计划数的 65.55%。

截至本年末配套资金累计到位 344,073,573.56 元，完成项目总计划 56.71%。其中：无偿配套资金 238,316,495.11 元，有偿配套资金 105,757,078.45 元。

5.指定账户使用情况

根据本项目贷款协定的要求，重庆市财政局于 2015 年为本项目在中国光大银行重庆分行营业部开设了指定账户。账号为：39411488000037562，该账户由重庆市财政局管理。2017 年，该账户向世界银行提款 12,590,152.15 美元，利息收入 2,305.61 美元，发生支付 7,017,088.05 美元，期末余额 9,570,880.20 美元（折合人民币 62,538,045.40 元）。

V. Notes to Financial Statements

Notes to Financial Statements

1. Project Overview

The loan No. of Chongqing Small Towns Water Environment Management Project Financed by the World Bank is 8456-CN. The objective is to reduce flood risks and improve wastewater infrastructure service. The loan agreement was signed on March 5, 2015. The planned investment is about RMB1.3 billion yuan, including USD100 million of the World Bank loan. The project covers 2 counties and 2 districts, and the main activities include: 1. Flood and Wastewater Management Project of Laixihe in Rongchang District; 2.Water Environment Protection and Flood Management Project of Dafoba area in Tongnan District; 3. Flood and Wastewater Management Project of Longhe area in Shizhu County; 4.Flood and Wastewater Management of Wujiang River in Pengshui County.

2. Consolidation Scope of the Financial Statements

Consolidation scope of the financial statements covers sub-projects of Rongchang, Tongnan, Pengshui and Shizhu, as well as the Designated Account statement prepared by Chongqing Finance Bureau.

3. Accounting Policies

The financial management of the project is in accordance with relevant provisions of the World Bank to ensure the capital can be used for specified purpose only.

3.1 The fiscal year was from January 1, 2017 to December 31, 2017.

3.2 The accrual basis and the debit/credit double entry bookkeeping method are adopted.

3.3 The exchange rate adopted to calculate exchange gains and losses was the exchange rate on December 31, 2017, which is USD1= RMB 6.5342 yuan.

3.4 RMB is used as the recording currency of bookkeeping.

3.5 The Financial statements were prepared according to the requirement of Accounting Methods for the World Bank Financed Project issued by MOF.

4. Explanation of Subjects

4.1 Project Expenditure

The accumulated project expenditure by the end of this year was RMB263,066,681.26 yuan, including: Rongchang RMB73,451,332.38 yuan, Tongnan RMB57,613,909.27 yuan, Shizhu RMB85,529,527.25 yuan, Pengshui RMB46,471,912.36 yuan.

4.2 Appropriation of Investment Loan

The ending balance was RMB0 yuan.

4.3 Equipment

The ending balance was RMB0 yuan.

4.4 Cash and Bank

The ending balance was RMB119,330,701.55 yuan, among which the fund in the Designated Account was USD9,570,880.20 (equivalent to RMB62,538,045.40 yuan) .

4.5 Prepaid and Receivable

The ending balance was RMB108,018,491.47 yuan, mainly including: 1. RMB32,307,055.67 yuan of prepaid and receivable funds of Tongnan , mainly land acquisition and house demolition compensation fee appropriated to Zitong Street Office and prepaid project funds ; 2. RMB65,562,802.34 yuan of prepaid and receivable funds of Rongchang, mainly prepaid project funds and prepaid land acquisition and house demolition compensation fee.

4.6 Payable

The ending balance was RMB21,519,685.78 yuan, mainly the payable project funds and the quality guarantee deposit.

4.7 Other Payables

The ending balance was RMB0 yuan.

4.8 Retained Earnings

The ending balance was RMB1,717,292.76 yuan, mainly the tender bond confiscated by Shizhu which was provided by Shandong Hydraulic Engineering Bureau Co., Ltd.

4.9 The World Bank Loan:

By the end of the year, the accumulated withdrawal amount of the World Bank loan was USD18,840,152.15(equivalent to RMB123,105,322.18 yuan), accounting for 18.84% of the total loan.

4.10 Counterpart Funds:
In 2017, the counterpart funds in place were RMB126,361,233.31 yuan, accounting for 65.55% of the annual plan(RMB192,760,238.20 yuan).
The cumulative counterpart funds in place were RMB344,073,573.56 yuan, accounting for 56.71% of the total plan. Hereinto, the counterpart funds without compensation were RMB238,316,495.11 yuan, and the counterpart funds with compensation were RMB105,757,078.45 yuan.

5. Designated Account
According to the loan agreement, the Designated Account was set in Chongqing Branch, China Everbright Bank in 2015, with the account number of 39411488000037562. This account is in the charge of Chongqing Finance Bureau. In 2017, the withdrawal amount from the World Bank was USD12,590,152.15, the interest was USD2,305.61, and the disbursement was USD7,017,088.05.Thus, the ending balance was USD9,570,880.20 (equivalent to RMB62,538,045.40 yuan).