



COUR DES COMPTES

P A R T II

FINANCIAL STATEMENTS OF THE EMERGENCY FARM RECONSTRUCTION PROJECT IN KOSOVO FOR THE IMPLEMENTATION PHASE FOR THE PERIOD ENDED 31 DECEMBER 2000

EXTERNAL AUDITOR'S REPORT

My staff audited the accompanying financial statements of the Implementation Phase of the Emergency Farm Reconstruction Project (EFRP) in Kosovo (financed by both the International Development Association - IDA - under Trust Fund - TF- Grant Agreement TF 023907 of 25 July 2000 for US\$ 10 Million and the Dutch Government under the Grant Agreement TF 023822 of 23 June 2000 for US\$ 1.8 Million) as of 31 December 2000 for the year then ended. The financial statements are the responsibility of the Director-General of the Food and Agriculture Organization (FAO), which implemented the project. My responsibility is to express an opinion on these financial statements based on the audit.

The audit was conducted in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations (UN), the Specialized Agencies and the International Atomic Energy Agency and with the terms of reference for the audit of the EFRP. These standards require that the audit be planned and carried out to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for our opinion.

In my opinion, the financial statements give a true and fair view of the Sources and Applications of Funds of the initial implementation phase of the EFRP in Kosovo as at 31 December 2000 for the year then ended in accordance with applicable accounting standards as detailed in paragraphs 15 to 16 of the attached management letter.

As requested by paragraph 4 of the TOR for the audit of the EFRP, my staff also audited the Statements of Expenditures (SOEs) used as the basis for the submission of withdrawal application. Two SOEs were submitted on 2 and 14 February 2001 for US\$ 763,744 and US\$ 1,234,138, respectively. The tests and controls applied included notably the examination of the SOEs' supporting documentation and the reconciliation between the SOEs and the financial statements. All expenditures were found to be eligible.



François LOGEROT
Premier président de la Cour des comptes
de la République française
External Auditor

14 November 2001



Kosovo, Federal Republic of Yugoslavia (Serbia and Montenegro)
Emergency Farm Reconstruction Project (EFRP) - Implementation Phase
IDA Grant No.023907and TF023822/ Project No. P069325

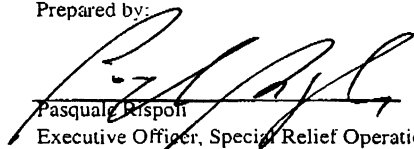
Financial Statements for the period ended 31 December 2000

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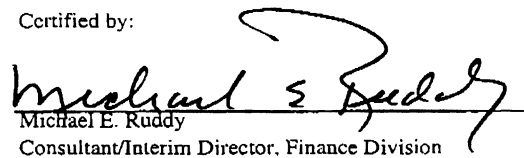
Financial Report

- I-A Statement of Sources and Uses of Funds for the period ended 31 December 2000 in US dollars thousands
- I-B Summary of Expenditures for the period ended 31 December 2000 in US dollars thousands
- Annex I Reconciliation between the amounts shown as received by the project from the World Bank and that shown as being disbursed by the World Bank for the period ended 31 December 2000 in US dollars
- Annex II Schedule listing individual Statement of Expenditures (SOE) withdrawal application by specific reference number and amount in US dollars for the period ended 31 December 2000

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Kosovo, Federal Republic of Yugoslavia (Serbia and Montenegro)
Emergency Farm Reconstruction Project (EFRP) - Implementation Phase
IDA Grant No.023907and TF023822/ Project No. P069325

Financial Report I-A

Statement of Sources and Uses of Funds for the period
ended 31 December 2000 (in US dollars ' 000)

	Actual /i		Planned				PAD /iii
	Year-To Date	Cumulative To-Date /ii	Year-To Date	Cumulative To-Date /ii	Year-To Date	Cumulative To-Date /ii	Life of Project
Opening Available Funds	-	-	-	-	-	-	-
IDA Grant including NL Grant	2,800	2,800	2,800	2,800	-	-	-
Other Funds	-	-	-	-	-	-	-
Total	2,800	2,800	2,800	2,800	-	-	-
Add:							
Sources of Funds	-	-	-	-	-	-	-
Special Financing (IDA&NL Grant)	4,313	4,313	4,313	4,313	-	-	11,800
Other Funds (interest on cash balance)	28	28	-	-	28	28	-
Total	4,341	4,341	4,313	4,313	28	28	11,800
Foreign Exchange Difference	-	-	-	-	-	-	-
Less:							
Uses of Funds by Expenditure Category							
1. Goods, including technical services	5,911	5,911	7,889	7,889	1,978	1,978	6,900
2. Consultants' services and training	124	124	1,157	1,157	1,033	1,033	2,150
3. Incremental operating costs	267	267	481	481	214	214	1,300
4. Works	-	-	-	-	-	-	250
5. Unallocated	-	-	-	-	-	-	1,200
Total	6,302	6,302	9,527	9,527	3,225	3,225	11,800
Closing Available Funds	-	-	-	-	-	-	-
IDA Grant including NL Grant	839	839	(2,414)	(2,414)	3,253	3,253	-
Other Funds	-	-	-	-	-	-	-
Total	839	839	(2,414)	(2,414)	3,253	3,253	-

NOTES

/i: The amounts are drawn from the ledger accounts of the project.

/ii Project to-date.

/iii: The figures in this column are derived from the Project Appraisal Document (PAD), reflecting any subsequent updating.

Kosovo, Province of the Federal Republic of Yugoslavia (Serbia/Montenegro)
Emergency Farm Reconstruction Project (EFRP) - Implementation Phase
Project Grant No. TF 023907 and TF 023822

Financial Report I-B

Summary of expenditures for the period ended 31 December 2000

(in US dollars '000)

Project Activities /i	Actual		Planned		Variance		PAD /ii
	Year-To Date	Cumulative To-Date	Year-To Date	Cumulative To-Date	Year-To Date	Cumulative To-Date	Life of Project
1. Support to re-establish National Cattle Herd	3,381	3,381	4,271	4,271	890	890	4,430
a. Cattle	3,122	3,122	3,632	3,632	510	510	3,632
b. Post-delivery services	209	209	424	424	215	215	532
b1. Veterinary services	-	-	303	303	303	303	411
b2. Feed concentrate	209	209	121	121	(88)	(88)	121
c. Sub-Consultants (NGO)	25	25	40	40	15	15	199
d. Transport	25	25	175	175	150	150	67
2. Veterinary Services	63	63	1,240	1,240	1,177	1,177	1,300
a. Support to Private Veterinarians	63	63	500	500	437	437	560
a1. Equipment for private veterinarians	59	59	354	354	295	295	396
a2. Training for private veterinarians	4	4	146	146	142	142	164
b. Rehabilitation of Central Diagnostic Laboratory (CDL)	-	-	438	438	438	438	438
c. Re-establishment of public animal health services	-	-	302	302	302	302	302
3. Farm machinery repair and equipment	2,426	2,426	2,713	2,713	287	287	3,270
a. Repair of farm machinery	696	696	577	577	(119)	(119)	867
b. New tractors	1,730	1,730	1,836	1,836	106	106	1,836
c. Distribution services	-	-	47	47	47	47	47
d. Farm implements	-	-	-	-	-	-	-
e. Sub-Consultants (NGO)	-	-	253	253	253	253	520
4. Agriculture Policy Capacity Building	-	-	525	525	525	525	900
5. PMT Expenditures	432	432	778	778	346	346	1,900
a. Personnel Costs	138	138	448	448	310	310	998
b. Other Operating Expenditure	103	103	136	136	33	33	418
c. Program Support (FAO HQ)	191	191	194	194	3	3	484
Total Project Expenditure	6,302	6,302	9,527	9,527	3,225	3,225	11,800

NOTES

/i: The items under "Project Activities" will be those agreed between the Borrower and the Bank at the time of appraisal as reflected in the Project Appraisal Document (PAD) and as subsequently amended.

/ii: The figures in this column are derived from the PAD, reflecting any subsequent updating.

Kosovo, Federal Republic of Yugoslavia (Serbia and Montenegro)
 Emergency Farm Reconstruction Project (EFRP) - Implementation Phase
 IDA Grant No.023907and TF023822/ Project No. P069325

Annex I Reconciliation between the amounts shown as received by the project from the World Bank and that shown as being disbursed by the World Bank for the period ended 31 December 2000 (in US dollars)

List of funds received

Amount	Type of reimbursement	Date sent	Date disbursed
2,400,000	Advance IDA	Jul-00	17-Aug-00
400,000	Advance-NL	Jul-00	17-Aug-00
2,774,700	Letter of credit	04-Oct-00	29-Nov-00
1,538,300	Letter of credit	20-Oct-00	various
28,338	Interest earned		n.a.
Total			
<u>7,141,338</u>			

Received by the project from the World bank	Disbursed by the World Bank
yes	
yes	
	yes
credit from FAO	yes

Kosovo, Federal Republic of Yugoslavia (Serbia and Montenegro)
 Emergency Farm Reconstruction Project (EFRP) - Implementation Phase
 IDA Grant No.023907and TF023822/ Project No. P069325

Annex II Schedule listing individual statement of expenditure (SOE) withdrawal application by specific reference number and amount US dollars for the period ended 31 December 2000

List of funds received

Withdrawal application	Amount	Type of reimbursement	Date sent	Date disbursed
Application 1 TF 23097	2,400,000	Advance IDA	Jul-00	17-Aug-00
Application 1 TF 23822	400,000	Advance-NL	Jul-00	17-Aug-00
Total	<u>2,800,000</u>			

Note

As at December 31, 2000 no SOE withdrawal application were submitted to World Bank since the advances were sufficient to cover for expenditures