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INDEPENDENT AUDITOR'S REPORT

To: Management of MOLDOVA WATER SECURITY AND SANITATION PROJECT (MWSSP)
and to: P.I. National Office for Regional and Local Development (NORLD)

Opinion

1. We have audited the Financial Statements of the "Moldova Water Security and Sanitation Project" (hereinafter "MWSSP"), prepared in accordance with the International Public Sector Accounting Standards (IPSAS), implemented by the principal recipient, Republic of Moldova, and managed by P.I. National Office for Regional and Local Development (hereinafter "NORLD"), for the period 5 August 2022 – 31 December 2023, which comprise the Statement of financial position, Summary of Sources and Uses of Funds, Statement of Designated Accounts and additional disclosures in explanatory notes to the Financial Statements.
2. In our opinion, the accompanying Financial Statements present fairly, in all material respects, financial position of the project as of 31 December 2023, in accordance with the International Public Sector Accounting Standards (IPSAS) and the terms of the Financing Agreement no. 70270-MD and Grant Agreement no. TF0B7739-MD.

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), including ISA 700 (Revised) "Forming an Opinion and Reporting on Financial Statements". Our responsibilities under these standards are described in detail in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent from the NORLD in accordance with the International Code of Ethics for Professional Accountants (including the International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), 2021 edition and in accordance with the professional ethics requirements relevant to the audit of financial statements in the Republic of Moldova, including Law on the audit of financial statements no. 271 of 15.12.2017 ("Law no. 271/2017"), and have fulfilled our other professional ethics responsibilities in accordance with those requirements and the IESBA Code, 2021 edition. 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 Financial Statements

4. Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.
5. In preparing the financial statements, management is responsible for assessing NORLD's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate NORLD or to cease operations, or has no realistic alternative but to do so.
6. Those charged with governance are responsible for overseeing the NORLD's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

7. Our objectives 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 and or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.
8. As a part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout 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 NORLD'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 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 NORLD'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 NORLD to cease to continue as a going concern.
 - 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.
 - Obtain sufficient appropriate audit evidence regarding the financial information to express an opinion on the financial statements.
9. We communicate with those in charge 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.
10. The audit engagement partner for which this independent auditor's report was prepared is Vasile Benderschi.

For and on behalf of **Moore Stephens KSC SRL**

Vasile Benderschi

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Date: 2024.06.28 16:54:40 EEST
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Certificate of qualification of the auditor AG Series No. 000121 of 8 February 2008

Moore Stephens KSC

Chisinau, Republic of Moldova

28 June 2024

MOLDOVA WATER SECURITY AND SANITATION PROJECT

FINANCIAL STATEMENTS

IDA Credit 70270-MD and GRANT No. TF0B7739-MD

**FOR THE PERIOD
05 AUGUST 2022 - 31 DECEMBER 2023**

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**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2022	31 December 2023
ASSETS			
Cash and cash equivalents			
Designated account 32611978228/595410116343AB	5	78,645	213,197
Designated accounts in MDL – 227201/595410116343AB		-	-
Money obtained from the sales of tender documents		-	-
Total cash and cash equivalents		78,645	213,197
Undisbursed balance			
Undisbursed balance IDA 70270-MD	3	43,950,000	43,387,953
Undisbursed balance TF B7739-MD	3	1,550,000	1,550,000
Total undisbursed balance		45,500,000	44,937,953
Cumulative project expenses			
Spent IDA 70270-MD	4, 5	71,355	498,778
Spent TF B7739-MD		-	-
Exchange rate differences		-	(72)
Total cumulative project expenses		71,355	498,850
TOTAL ASSETS		45,650,000	45,650,000
FUNDS AND LIABILITIES			
Funding			
Financing agreement IDA 6749-MD		44,100,000	44,100,000
Financing agreement TF B7739-MD		1,550,000	1,550,000
Total funds		45,650,000	45,650,000
TOTAL FUNDS AND LIABILITIES		45,650,000	45,650,000

The financial statements attached were signed and approved on behalf of the Project's management on 28 June 2024 by:

Mihail Croitoru,
Director ONDRL

Eugenia Veverița,
Financial Manager Specialist

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**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

SUMMARY OF SOURCES AND USES OF FUNDS

	Notes	31 December 2022	31 December 2023	Cumulative to date
Opening cash balances				
Designated account 32611978228/595410116343AB	5.1	-	78,645	-
Designated accounts in MDL – 227201/595410116343AB		-	-	-
Total opening cash balances		-	78,645	-
Add: Sources of funds				
IDA Credit 70270-MD	3	150,000	562,047	712,047
Grant TF B7739-MD	3	-	-	-
Total Sources of Funds		150,000	562,047	712,047
Less: Uses of Funds				
IDA Credit 6749-MD				
Goods, non-consulting services, consultants' services (including Project audits), Training and Operational Costs of the Project	4, 5	71,355	427,423	498,778
Exchange rate differences MWSSP		-	(72)	(72)
Total	5	71,355	427,351	498,706
Grant TF B7739-MD				
Goods, non-consulting services, consultants' services (including Project audits), Training and Operational Costs of the Project		-	-	-
Total		-	-	-
TOTAL USES OF FUNDS	5	71,355	427,351	498,706
Closing cash balances				
Designated account 32611978228/595410116343AB	4	78,645	213,197	213,197
Designated accounts in MDL – 227201/595410116343AB		-	-	-
TOTAL CLOSING CASH BALANCES		78,645	213,197	213,197

The financial statements attached were signed and approved on behalf of the Project's management on 28 June 2024 by:

Mihail Croitoru,
Director ONDRL

Eugenia Veverița,
Financial Manager Specialist

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**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

STATEMENT OF DESIGNATED ACCOUNTS

For the period: 05 August 2022 - 31 December 2023
Account No. : 32611978228
Depository Bank: National Bank of Moldova
SWIFT code: NBMDMD2X

Source IDA 6749-MD

	Notes	31 December 2023
Opening balance – 05 August 2022		-
Add:		
Sources of funds (excluding direct payments)	3	712,047
Deduct:		
Uses of funds		498,778
Exchange rate differences		(72)
Closing balance - 31 December 2023		213,197

The financial statements attached were signed and approved on behalf of the Project's management on 28 June 2024 by:

Mihail Croitoru,
Director ONDRL

Eugenia Veverița,
Financial Manager Specialist

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**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

1. GENERAL INFORMATION

Project description

The Moldova Water Security and Sanitation Project (hereinafter "Project") operates on the basis of: (i) financing agreement 7027-MD between the Republic of Moldova and the International Development Association ("IDA") in the amount of EUR 44,100,000, signed on April 21, 2022 and to the Grant agreement TF0B7739-MD between the Republic of Moldova and the World Bank in the amount of EUR 1,550,000, signed on April 19, 2022.

The development objective of the project is to: increase access to safely managed water supply and sanitation services in rural areas and selected cities and strengthen national and local institutional capacity for the provision of water supply and sanitation services;

In the event of an eligible crisis or emergency, project funds will be used to promptly and effectively respond to it.

The project components are: (1) increasing access to safely managed water supply and sanitation services in selected rural areas and cities; (2) strengthening the institutional capacity at national and local level for the provision of water supply and sanitation services; (3) project management and coordination; and (4) the emergency response component.

They comprise the following parts:

Part 1: Increasing access to safely managed water supply and sanitation services in selected rural areas and cities.

1. Support the expansion of access and quality of water supply and sanitation systems through, among others:
 - a. Investments in water supply, including the expansion and rehabilitation of regional water supply systems for water production and distribution, as well as the connection of services for LPAs (Local Public Authorities of the first level) in selected districts (including the preparation of relevant technical studies and documents management; technical supervision and citizen involvement activities).
 - b. Investments in wastewater, including the expansion and rehabilitation of wastewater systems in selected cities, including the construction and rehabilitation of sewage networks and the construction of new wastewater treatment plants (including the preparation of relevant technical studies and management documents; technical supervision ; and citizen involvement activities); and
 - c. The implementation of a pilot project in selected rural or peri-urban villages to improve household sanitation on site, according to a request-based approach, through among others: (i) the provision of technical assistance, (ii) the implementation of information campaigns and (iii) carrying out civil works.
2. Improving water, sanitation and hygiene (WASH) facilities - in selected medical and general education institutions, including, among others: (a) building water supply connections to centralized networks or to existing sources; connections to sewage systems; provision of built-in plumbing and handwashing facilities; (b) strengthening the capacity of relevant personnel to ensure the operation and proper maintenance of sanitary facilities; and (c) implementing a Communication Program on the importance of personal hygiene.

Part 2: Strengthening institutional capacity at national and local level for the provision of water supply and sanitation services

1. Strengthening the institutional capacity at the national level in the field of AAS. The aim is to strengthen the critical functions of facilitating and implementing the reform of the AAS sector, planning and monitoring investments and modernizing the sector, as well as strengthening the capacities of the specialists of the subdivision responsible for policies in the field of water supply and sanitation established within the Ministry of Infrastructure and of Regional Development (MIDR)
 - a. Preparation and implementation of a National Water Supply and Sanitation Sector Development Plan (PNSAAS), including its investment program and financing strategy; and strengthening the capacity of the DPDR within the MIDR designated to lead the preparation and implementation of the mentioned plan, which is referred to in Section I.A.3 of Annex 2;
 - b. Providing technical assistance to Local Public Authorities and Water Supply and Sewerage Operators to support the aggregation process into licensed regional operators, in accordance with the National Water Supply and Sewerage Sector Development Plan.
 - c. Preparation of policies, amendments, legislation, regulations and identified norms or codes of practice regarding water supply and sanitation; and providing capacity building to relevant entities;

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

1. GENERAL INFORMATION (CONTINUED)

- d. Development and implementation of a Management Information System ("MIS") for monitoring and evaluating the performance of Water Supply and Sewerage Operators; and,
 - e. Implementation of a professional development program for technical skills in water supply and sanitation management.
2. Improving the performance of WSS service providers. Development and implementation of a Performance Improvement Plan of the selected Water Supply and Sewerage Operators, - to support the implementation of a continuous and priority multi-year Performance Improvement Plan (PIP) of the selected WSS service operators involved in subcomponent 1.

Part 3: Project Management and Coordination

This component are including the activities of providing support to MIRD in carrying out fiduciary management activities of the project, including, among others: (a) financial management (including audits), procurement procedures, preparation of documentation according to the environmental and social requirements of the Project ; (b) capacity building for the partners involved in the implementation of the project; (c) ensuring the monitoring and evaluation of the Project; (d) implementation of communication requirements and citizen consultation; and (e) ensuring the current activity of the implementation unit that is subordinate to the National Office for Regional and Local Development.

Part 4: Emergency Response Unit (ERU)

A zero-sum provisional component is included, which will allow the rapid reallocation of credit/loan proceeds from other components during an emergency, under simplified procurement and payment procedures. This component allows the Government to request the World Bank to re-categorize and reallocate funding from other project components to cover emergency response and recovery costs.

Project management

World Bank

Task Team leader - Smita Misra
The World Bank, office in the Republic of Moldova
E-mail: smisra@worldbank.org

Co-Task Team Leader - Stepan Gabric
The World Bank, office in the Republic of Moldova
E-mail: sgabric@worldbank.org

The fiduciary unit of the Project:

National Office for Regional and Local Development
Executive Director – Mihail Croitoru
Email: mihail.croitoru@ondrl.gov.md

The Project Coordination Group (PCG) is responsible for overseeing the implementation of the project and coordinating working relationships with various government institutions

The structure of the Coordination Group for 2023 was as follows:

1. Secretary of State of the Ministry of Infrastructure and Regional Development, president of GCP;
2. State Secretary of the Ministry of the Environment, member;
3. State Secretary of the Ministry of Education and Research, member;
4. State Secretary of the Ministry of Health, member;
5. Secretary General of the Ministry of Internal Affairs, member;
6. State Secretary of the Ministry of Agriculture and Food Industry, member;
7. Head of the Development Funds Section of the Public Investments Directorate of the Ministry of Finance, member.

The composition of the project implementation unit for the period 2022-2023 was as follows:

- Dorin Andros, Project Manager
- Veaceslav Hamitchii, chief engineer
- Anatol Burciu, water supply and sanitation engineer

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

1. GENERAL INFORMATION (CONTINUED)

- Vitalie Cernomoret, water supply and sanitation engineer
- Cornel Busuioc, Environmental Expert
- Natalia Vlădicescu, Expert in the social field
- Igor Zaporozjan, Procurement Expert
- Svetlana Corcodel, Procurement Expert
- Eugenia Veverita, Financial management specialist
- Constantin Iusco, Administrative assistant

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared in accordance with consistently applied accounting standards acceptable to the National Office for Regional and Local Development (NORLD).

NORLD applies the cash basis of accounting under the International Public Sector Accounting Standards (IPSAS). NORLD accounting system (books and records) provides the basis for the preparation of the financial statements of the Project and is established to record all transactions in respect of the Project and the NORLD.

These financial statements consist of:

- Statement of financial position,
- Summary of sources and uses of funds,
- Statement of designated accounts,
- Significant accounting policies and other explanatory notes.

Cash accounting was used in the preparation of these financial statements as the recording of cash receipts and payments is the main interest. Under the cash-based system income (or expenditure) is recognized when cash is received (or paid), regardless of when the goods or services are received.

The amounts are expressed in EUR and financial statements are prepared for the year ended 31 December 2023.

Functional and presentation currency/Exchange rates

For local payments in national currency (Moldovan Lei), the PIU will convert the equivalent amount of the Designated Account currency. The times between the conversion and actual payment should not be too large to avoid the accumulation of the exchange rate differences.

Exchange rate differences are not covered by project financing, if occur.

Transactions denominated in currencies other than EUR are translated at the exchange rate established by the National Bank of Moldova when they occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at last day of the reporting period. Foreign currency non-monetary assets and liabilities are translated at historical rates.

Designated account

The designated account is opened by the State Treasury at the National Bank of Moldova and is the account through which the replenishments are draw. All payments for eligible expenses are made from this Designated account and if the payment is local currency it is made through transitory account.

Upon effectiveness, two Designated Accounts (DA) specifically for this Project are opened in the National Bank of Moldova. The ceiling for the Designated Accounts is set at EUR 4 million for the IDA Credit and EUR 200 thousand for TF Grant; however in the early stages of Project implementation, the level of the advance required in the DA is determined by the projected expenditures and the advances disbursed may be of lower value to observe prudent disbursement management. The authorized signatories for withdrawal applications are coordinated with the line ministry and Ministry of Finance and are issued to the World Bank for endorsement.

Applications for withdrawal, together with supporting documents are sent electronically via World Bank ClientConnection IT system. The accounts (IBANs) planned to be used under the project like account in national currency and operating account for LPAs contributions will be opened in the State Treasury in accordance with budget classification requirements. The collected funds and their spending for project activities, including LPAs contributions, will be done based on general rules foreseen in the methodological norms regarding the accounting and financial reporting in the public institutions approved by the Minister of Finance Order no. 216/ 2015.

Disbursement Arrangements

The PIU financial management specialist is responsible for disbursement procedures.

Proceeds of the IDA credit/ TF Grant flow under the following disbursement methods:

- (i) Advances: from IDA/TF Grant to the corresponding Designated Account which is replenished based on SOEs and the necessary supporting documentation;
- (ii) direct payment to the contractors based on the withdrawal applications prepared by the PIU;
- (iii) Special Commitments
- (iv) reimbursement, when the PIU make project related payments from other sources and it is compensated with the same amount.

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The minimum application size for direct payments or reimbursement under IDA Credit is EUR 200,000 and under TF Grant – EUR 25,000. Withdrawal applications for the replenishments of the DA are sent to IDA on a regular basis. The expenditures incurred from the DA are reported quarterly.

The Credit Closing date is January 31, 2027 or any other date subsequently agreed. The disbursement percentage for the credit proceeds set at 100 percent (inclusive of Taxes, except for VAT and custom duties) of Eligible Expenditures, consisting of goods, works, consultants' services, and training.

Disbursement Deadline Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by IDA. This date is provided for making payments for the goods and services delivered and accepted by the project Closing Date. No new expenditures may incur during this period, except for the final audit.

Filling of Supporting Documentation

Project expenditures made from the DA are reported to the IDA in SOE format. In addition, the SOE are accompanied by original or copy of reconciled bank statements and receipts and invoices for payments against contracts. To monitor disbursement information the PIU/NORLND and Ministry of Finance are using secure WB web-based portal "Client Connection" at <http://clientconnection.worldbank.org>. It is used for electronic submission of the withdrawal applications and authorized signatory letter, monitoring the status of the withdrawal applications and funding execution, and retrieving related policy, financial and procurement information and for reconciliation of the disbursement data while preparing the financial reports.

World Bank Direct Payments.

Direct Payment requests are prepared by the PIU by filling the respective form of the withdrawal application in the ClientConnection platform. The World Bank makes direct payment to the suppliers as instructed.

Project Management

The control activities under the project are as follows:

- *authorization procedures*: all payment requests are authorized by the persons indicated in the contracts and component's coordinators, if any;
- *each payment is authorized by* – the NORLND Director and Chief Accountant;
- *segregation of duties*: the main segregations are performed between Project Manager, Procurement staff, and Financial Management staff:
 - **Project procurement staff** is responsible for procurement arrangements, including monitoring the delivery of goods and services;
 - **Financial Management staff** – is responsible for devising the project budgets in line with the procurement plans, preparation of payment documents and verification in terms of expenditure eligibility, proper recording of transactions in the accounting system and maintaining records, preparation of financial reporting;
 - **Project Manager** and coordinators for specific components – should authorize and approve all payment requests, monitor activity of the procurement and FM staff, monitor contracts implementation, etc.

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

3. WITHDRAWAL SCHEDULE

Loan: IDA 70270
(IDA)
P173076 - Moldova Water Security
and Sanitation Project

WA	Type of request	Covered period	Disbursed amount, EUR	Documented amount, EUR	Paid Date	APPROVED	Credit IDA70270	Grant TFB7739	Date
						MDL Equivalent, historical value	44,100,000	1,550,000	
1	Advance to designated account		150,000	-	14-Oct-22	2,833,590	43,950,000	1,550,000	31.12.2022
2	SOE nr.1	14.10.2022 - 31.12.2022	71,355	71,355	28-Apr-23	1,419,770	43,878,645		
3	Advance to designated account		350,000	-	16-Jun-23	6,781,950	43,528,645		
4	SOE nr.2	01.01.2023 - 31.03.2023	55,201	55,201	20-Jun-23	1,080,892	43,473,443		
5	SOE nr.3	01.04.2023 - 30.06.2023	85,491	85,491	26-Sep-23	1,655,286	43,387,953	1,550,000	31.12.2023
		TOTAL	712,047	212,047		13,771,488			

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

4. EXPENDITURE BY PROJECT ACTIVITY

Project Components/Activities Moldova Water Security and Sanitation Project	31 December 2023	31 December 2023	Cumulative to date
1. Increasing access to safely managed WSS services in selected rural areas and towns	-	27,722	27,772
1.1 Expanding access and quality of WSS services			
1.1.1. Riscani sub-project	-	-	-
1.1.2. Cahul rayon & ATU Gagauzia sub-project	-	-	-
1.1.2.1. Detailed Engineering Design	-	14,892	14,892
1.1.3. Soroca sub-project	-	-	-
1.1.4. On-site sanitation	-	-	-
1.2: Improving resilient WASH facilities in public social institutions			
1.2.1. WASH facility rehabilitation and/or new construction in schools	-	-	-
1.2.2. WASH facility rehabilitation and new construction HCF	-	-	-
1.2.3. Detailed design and author supervision.	-	-	-
1.2.4. WASH engineer/coordination/institution screening/monitoring	-	11,647	11,647
1.2.5. Development of handwashing/ hygiene education materials and capacity development.	-	-	-
1.3. Publication of advertisements	-	981	981
1.4. Promotion materials	-	202	202
2: Strengthening institutional capacity at national and local levels for WSS service delivery	-	27,885	27,885
2.1. Building national institutional capacity for WSS	-	25,262	25,262
2.2. Improving performance of WSS service providers	-	-	-
2.3. Publication of advertisements	-	677	677
2.4. Promotional materials, VIDEO spots	-	1,946	1,946
3: Project management and coordination	71,355	372,816	443,171
3.1. Financial audits	-	-	-
3.2. Office/IT equipment for PIU, RDA, MIRD	-	38,431	38,431
3.3. RDA incremental operating costs	-	-	-
3.4. Environmental and Social specialists for RDA	-	-	-
3.5. RDA WSS technical consultants to support implementation	-	-	-
3.6. M&E surveys	-	-	-
3.7. Training for PIU and RDA staff	-	1,589	1,589
3.8. PIU incremental operating costs	-	28,193	28,193
3.9. PIU staff salary	71,355	291,616	362,971
3.10. Publication of advertisements	-	1,227	1,227
3.11. Business trips	-	10,760	10,760
Total expenses	71,355	427,423	498,778
Exchange rate differences	-	(72)	(72)
Overall Total	71,355	427,351	498,706

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

**5. SUMMARY OF SUMMARY REPORTS USED AS THE BASIS FOR THE SUBMISSION OF QUARTERLY WITHDRAWAL APPLICATIONS
5.1. PART I BY SOURCES**

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	31 December 2023	Cumulative to date
Opening Cash Balance(s)							
Designated Accounts (MWSSP)							
Bank: EUR Credit 70270-MD	-	78,645	23,443	414,509	369,038	78,645	-
Money obtained from the sales of tender documents	-	-	-	-	-	-	-
Total opening cash balance	-	78,645	23,443	414,509	369,038	78,645	-
Add: Sources of Funds for MWSSP							
Designated accounts:	150,000	-	476,556	85,491	-	562,047	712,047
Source: IDA Credit 70270-MD	150,000	-	476,556	85,491	-	562,047	712,047
Source: TFOB7739	-	-	-	-	-	-	-
Interest earned (if any)	-	-	-	-	-	-	-
Other sources (if any)	-	-	-	-	-	-	-
Total sources	150,000	-	476,556	85,491	-	562,047	712,047
Less: Uses of Funds (by expenditure category for each financier in accordance with Financing Agreement and by each implementing agency)							
Goods, works, non-consulting services, consultants' services (including Project audits), Training and Operational costs of the Project, from which:	71,355	55,201	85,492	130,951	155,780	427,423	498,778
IDA 70270	71,355	55,201	85,492	130,951	155,780	427,423	498,778
TF B7739	-	-	-	-	-	-	-
Total uses	71,355	55,201	85,492	130,951	155,780	427,423	498,778
Exchange rate differences (+gain, -loss)							
Designated accounts	-	(1)	1	(11)	(61)	(72)	(72)
Other accounts	-	-	-	-	-	-	-
Closing Cash Balance							
Designated Accounts	78,645	23,443	414,509	369,038	213,197	213,197	213,197
Account in MDL	-	-	-	-	-	-	-
Other accounts	-	-	-	-	-	-	-
Total closing cash balance	78,645	23,443	414,509	369,038	213,197	213,197	213,197

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

**NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT
5. SUMMARY OF SUMMARY REPORTS USED AS THE BASIS FOR THE SUBMISSION OF QUARTERLY WITHDRAWAL APPLICATIONS (CONTINUED)
5.2. PART II BY PROJECT'S ACTIVITIES**

Project Components/Activities	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	31 December 2023	Cumulative to date
Moldova Water Security and Sanitation Project							
1. Increasing access to safely managed WSS services in selected rural areas and towns	-	309	2,000	8,189	17,224	27,722	27,722
1.1 Expanding access and quality of WSS services							
1.1.1. Riscani sub-project	-	-	-	-	-	-	-
1.1.2. Cahul rayon & ATU Gagauzia sub-project	-	-	-	-	-	-	-
1.1.2.1. Detailed Engineering Design	-	-	-	2,953	11,939	14,892	14,892
1.1.3. Soroca sub-project	-	-	-	-	-	-	-
1.1.4. On-site sanitation	-	-	-	-	-	-	-
1.2: Improving resilient WASH facilities in public social institutions							
1.2.1. WASH facility rehabilitation and/or new construction in schools	-	-	-	-	-	-	-
1.2.2. WASH facility rehabilitation and new construction HCF	-	-	-	-	-	-	-
1.2.3. Detailed design and author supervision.	-	-	-	-	-	-	-
1.2.4. WASH engineer/coordination/institution screening/monitoring	-	-	-	-	-	-	-
1.2.5. Development of handwashing/ hygiene education materials and capacity development.	-	-	1,533	5,057	5,057	11,647	11,647
1.3. Publication of advertisements	-	309	467	179	26	981	981
1.4. Promotion materials	-	-	-	-	202	202	202
2: Strengthening institutional capacity at national and local levels for WSS service delivery	-	48	448	2,023	25,366	27,885	27,885
2.1. Building national institutional capacity for WSS	-	-	-	-	25,262	25,262	25,262
2.2. Improving performance of WSS service providers	-	-	-	-	-	-	-
2.3. Publication of advertisements	-	48	448	77	104	677	677
2.4. Promotional materials, VIDEO spots	-	-	-	1,946	-	1,946	1,946
3: Project management and coordination	71,355	54,844	83,043	120,739	113,190	371,816	443,171
3.1. Financial audits	-	-	-	-	-	-	-
3.2. Office/IT equipment for PIU, RDA, MIRD	-	-	5,391	28,305	4,735	38,431	38,431
3.3. RDA incremental operating costs	-	-	-	-	-	-	-
3.4. Environmental and Social specialists for RDA	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

**FINANCIAL STATEMENTS OF THE PROJECT
FOR THE PERIOD 05 AUGUST 2022 - 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

5.2. PART II BY PROJECT'S ACTIVITIES (CONTINUED)

3.5. RDA WSS technical consultants to support implementation	-	-	-	-	-	-	-
3.6. M&E surveys	-	-	-	-	-	-	-
3.7. Training for PIU and RDA staff	-	-	348	1,241	-	1,589	1,589
3.8. PIU incremental operating costs	-	299	9,020	8,269	10,605	28,193	28,193
3.9. PIU staff salary	71,355	54,339	67,922	82,343	87,012	291,616	362,971
3.10. Publication of advertisements	-	206	362	581	78	1,227	1,227
3.11. Business travels	-	-	-	-	10,760	10,760	10,760
	71,355	55,201	85,491	130,951	155,780	427,423	498,778
<i>Exchange rate differences</i>	-	(1)	1	(11)	(61)	(72)	(72)
Total MWSSP	71,355	55,200	85,492	130,940	155,719	427,351	498,706

**MOLDOVA AGRICULTURAL COMPETITIVENESS PROJECT
FINANCIAL STATEMENTS OF THE PROJECT
FOR THE YEAR ENDED 31 DECEMBER 2023
(all amounts are expressed in EUR, unless otherwise mentioned)**

NOTES TO THE FINANCIAL STATEMENTS OF THE PROJECT

6. SUBSEQUENT EVENTS

Up to the date of signing the financial statements, no events have occurred that would significantly affect the financial statements or require adjustments. All relevant events have been taken into account and properly reflected in these financial statements.