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**GOVERNMENT OF BELIZE
MINISTRY OF WORKS:
George Price Highway Rehabilitation Project**

FINANCIAL REPORT

**LOAN CONTRACT NO. 3344/OC-BL and
EU/CIF Grant No. EDF/2015/362-165**

***Financial statements for the Twenty-eight Months Ended March 31, 2018 and
Independent Auditors' Report***

GOVERNMENT OF BELIZE
MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

Cost and Financing
(in US\$ 000)

Component	IDB	CIF (*)		Local	Total
	(US\$000)	(€000)	(US\$000)	(US\$000)	(US\$000)
Component 1. Civil works & maintenance	23,954	4,800	5,280	1,528	30,762
Replacement of Roaring Creek Bridge including approaches	3,476	2,600	2,860	-	6,336
Rehabilitation of GPH, environmental and social mitigation measures, utilities relocation	18,522	2,200	2,420	-	20,942
Construction supervision	1,800	-	-	-	1,800
2 years maintenance	156	-	-	156	312
Land acquisition	-	-	-	1,372	1,372
Component 2. Institutional strengthening	400	-	-	-	400
MOWT strengthening	400	-	-	-	400
Component 3. Engineering & administration	2,646	200	220	-	2,866
Administration (PEU Staff)	1,747	-	-	-	1,747
Studies and designs	449	-	-	-	449
Monitoring & evaluation	350	-	-	-	350
Communication strategy and Financial audits	100	200	220	-	320
Total	27,000	5,000	5,500	1,528	34,028

(*) The cost table was calculated using an approximate exchange rate of €1=US\$1.10 in order to determine the estimated project cost in one single currency. Euro equivalent in US Dollars will be calculated on current exchange rates at the time of payments.

The Project officially commenced operations on November 17, 2015 and is estimated to meet its objective within 84 months.

The financial statements and notes of the Project for the twenty-eight months ended March 31, 2018 follow on pages 5 to 14.

**GOVERNMENT OF BELIZE
MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

OBJECTIVE OF AUDIT

The objective of our audit is to provide IDB and EU with the assurance that Project resources are being managed in accordance with the terms of Loan Contract No. 3344 OC-BL and EU/CIF European Development Fund (EDF) Grant No. /2015/362-165 (accorded by CIF Management Agreement FED/2016/382-917 and CIF implementing agreement), in an environment in which there are adequate management, administrative and financial controls.

Our audit was conducted in accordance with the requirements of Project Financial Reports and Audit Guidelines and in accordance with International Standards on Auditing. Accordingly, our auditing procedures included tests of accounting records and controls along with other procedures considered necessary in the circumstances.

The specific objectives of our audit were:

1. To express an opinion as to whether the Statement of Cash Receipts and Disbursements and Statement of Cumulative Investments present fairly, in all material respects, the cash received and disbursements made for the twenty-eight months ended March 31, 2018 in accordance with International Public Sector Accounting Standards issued by the Public Sector Committee of the International Federation of Accountants;
2. To obtain a sufficient understanding of the George Price Highway Rehabilitation Project's internal controls and risk assessment procedures;
3. To report on material weaknesses in internal controls and inefficiencies encountered; and
4. To determine whether the George Price Highway Rehabilitation Project complied, in all material respects, with the terms of the loan and grant agreement and any other applicable laws and regulations.

SCOPE OF AUDIT

The scope of our audit included:

1. An evaluation of the internal control system of the Project;
2. A review of the financial transactions and accounting records for the purpose of providing an opinion as to whether the financial information of the Project is reasonably presented and in accordance with International Public Sector Reporting Standards (IPSAS) issued by the International Federation of Accountants (IFAC) and IDB's requirements;
3. An evaluation of compliance with the financial, accounting and operational contractual clauses and regulations;
4. A review of the supporting documentation and controls related to the activities and investments financed, procurement of goods and contracting of works and consulting services; and
5. A review of procedures used to record, control and maintain goods acquired with Project funds.



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**INDEPENDENT AUDITORS' REPORT ON THE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS AND
STATEMENT OF CUMULATIVE INVESTMENTS
GOVERNMENT OF BELIZE, MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND
EU/CIF Grant No. EDF/2015/362-165**

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To: Government of Belize, Ministry of Works

Program: George Price Highway Rehabilitation Project

Audit Opinion

We have audited the accompanying financial statements of the George Price Highway Rehabilitation Project executed by the Government of Belize through the Ministry of Works and financed with funds from Inter-American Development Bank (IDB) Loan Contract No. 3344/OC-BL and Grant from the European Commission - Caribbean Investment Facility EU/CIF Grant No. EDF/2015/362-165 as of and for the 28 months ended March 31, 2018, which comprise the Statement of Cash Receipts and Disbursements as of the period ended March 31, 2108 and Statement of Cumulative Investments and the notes to the financial statements, which include a summary of the relevant accounting policies.

In our opinion, the accompanying Financial Statements of the George Price Highway Rehabilitation Project for the 28 months ended on March 31, 2018 have been prepared in all material respects, in accordance with the financial reporting requirements of the contractual clause, Article 8.01, Loan Contract No. 3344/OC-BL and the Audited Financial Reports and External Audit Management Handbook for projects financed by IDB.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Government of Belize, Ministry of Works and the George Price Highway Rehabilitation Project in accordance with the ethical requirements that are relevant to our audit of the financial statements in Belize and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent Auditors' Report
Page 2

Emphasis of Matter Paragraphs and Basis of Accounting, and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statements have been prepared to assist the George Price Highway Rehabilitation Project in accordance with the requirements of the Loan Contract No. 3344/OC-BL and EU/CIF Grant No. EDF/2015/362-165 and the Audited Financial Reports and External Audit Management Handbook for Projects Financed by the IDB. As a result, the financial statements may not be suitable for another purpose. Our report is intended only for the Executing Agency of the Project, IDB and the European Commission, and should not be distributed to other parties other than the Bank, European Commission or the Executing Agency of the Project. However, this report may become a public document, in which case its distribution would not be limited. Our opinion has not been modified in relation to this issue.

Management's responsibility

Management is responsible for the preparation of these financial statements in accordance with the requirements established in the contractual clause, Article 8.01, of the Loan Contract No. 3344/OC-BL and the Audited Financial Reports and External Audit Management Handbook for Projects Financed by the IDB and the grant agreement. In addition, management is responsible for establishing internal controls as they determine necessary to enable the preparation of statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our objective is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the International Standards on Auditing 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 financial statements.

Report on other legal and/or regulatory requirements

We did not observe any situation suggesting noncompliance with the financial clauses in the Inter-American Development Bank Loan Contract No. 3344/OC-BL and EU/CIF Grant No. EDF/2015/362-165 during the period examined by us.

Chartered Accountants
Belize City, Belize
June 21, 2018

GOVERNMENT OF BELIZE, MINISTRY OF WORKS
 GEORGE PRICE HIGHWAY REHABILITATION PROJECT
 LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

	Note	March 31, 2018			Total
		IDB	CIF	Local Counterpart	
CASH RECEIVED		\$	\$		\$
Accumulated as at beginning of period		-	-	-	-
Activity During the Period					
Disbursements (advances, reimbursements, direct payments)	3	3,999,320	-	48,730	4,048,050
Interest Received		-	-	-	-
Other		-	-	-	-
Total Cash Received		3,999,320	-	48,730	4,048,050
DISBURSEMENTS					
Beginning balance		-	-	-	-
Activity during the period					
Refunds		-	-	-	-
Payment for goods and services		2,725,369	-	48,730	2,774,099
Other		-	-	-	-
Total Cash Disbursements		2,725,369	-	48,730	2,774,099
Program Receipts Less Disbursements		1,273,951	-	-	1,273,951
Reimbursable from Program to MoW / (MoW to the Program)	6	1,913,720	-	-	1,913,720
AVAILABLE CASH BALANCE AS OF MARCH 31, 2018	4	3,187,671	-	-	3,187,671



Project Manager



Chief Executive Officer,
Ministry of Works

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

**GOVERNMENT OF BELIZE, MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
STATEMENT OF CUMULATIVE INVESTMENTS
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

INVESTMENT CATEGORY/ COMPONENTS	MOVEMENTS DURING THE PERIOD ENDED MARCH 31, 2018				CUMULATIVE AT THE END OF MARCH 31, 2018			
	IDB	CIF	Local Counterpart	Total	IDB	CIF	Local Counterpart	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Component I: Civil Works & Maintenance								
1.1 Replacement of Roaring Creek Bridge	1,318,198	-	-	1,318,198	1,318,198	-	-	1,318,198
1.2 Rehabilitation Of George Price Highway	1,027,041	-	-	1,027,041	1,027,041	-	-	1,027,041
1.3 Construction Supervision	-	-	-	-	-	-	-	-
1.4 Two year Maintenance	-	-	-	-	-	-	-	-
1.5 Land Acquisition	-	-	48,730	48,730	-	-	48,730	48,730
TOTAL	2,345,239	-	48,730	2,393,969	2,345,239	-	48,730	2,393,969
Component II: Institutional Strengthening								
2.1 Ministry of Works Strengthening	13,301	-	-	13,301	13,301	-	-	13,301
TOTAL	13,301	-	-	13,301	13,301	-	-	13,301
Component III: Engineering & Administration								
3.1 Administration	366,829	-	-	366,829	366,829	-	-	366,829
3.2 Studies & Designs	-	-	-	-	-	-	-	-
3.3 Monitoring & Evaluation	-	-	-	-	-	-	-	-
3.4 Communication Strategy & Audits	-	-	-	-	-	-	-	-
TOTAL	366,829	-	-	366,829	366,829	-	-	366,829
CONTINGENCIES	-	-	-	-	-	-	-	-
FINANCE CHARGES	-	-	-	-	-	-	-	-
TOTAL INVESTMENT	2,725,369	-	48,730	2,774,099	2,725,369	-	48,730	2,774,099


Project Manager


Chief Executive Officer,
Ministry of Works

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

**GOVERNMENT OF BELIZE, MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
NOTES TO THE FINANCIAL STATEMENT
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

1. PROJECT STATUS

The Government of Belize (hereinafter referred to as "the Borrower") has received a Loan (hereinafter referred to as "the Loan") from the Inter-American Development Bank (IDB) and Grant from the European Commission - Caribbean Investment Facility (EU/CIF) (hereinafter referred to as "the Grant"), to finance a portion of the cost of the George Price Highway Rehabilitation Project.

The main objective of the project is to substantially improve the road connectivity within Belize's main districts and with Central America by rehabilitating the George Price Highway road infrastructure between miles 47.9 in Belmopan and 67.3 in Santa Elena to national standards, decreasing travel time and costs, reducing road fatalities and injuries, and ensuring road accessibility by improving the climate change resilience of the corridor.

A.1. Introduction

Special conditions precedent to execution of certain activities of the project:

According to loan contract 334/OC-BL the Executing Agency should submit final engineering designs satisfactory to the Bank prior to the call for bids for the civil works of Component 1. The Final Design for the George Price Highway Rehabilitation Project was completed by Halcrow Group (Trinidad and Tobago) Ltd. and was reviewed by the Supervision Consultant and the Ministry of Works and thereafter submitted to the Bank on February 16, 2017. The call for bids for the civil works was launched on April 14, 2017.

A second condition precedent was the launch of the call for bids for the specialized supervision firm prior to the invitation for pre-qualification for the civil works Component 1. The MOW launched the request for proposal for the specialized supervision firm on February 17, 2017 while the call for bids for section I civil works commenced on April 3, 2017.

Special condition prior to the beginning of the civil works required that the specialized supervision firm be contracted and all authorization, licenses or permits necessary for the execution of civil works, including the ownership and clearance of the right of way, and supporting documentation be submitted to the Bank. As at October 2017 the Specialized Supervision Firm – IMC Worldwide – had been contracted to supervise the Civil Works for Sections 1, 2, & 3 of the George Price Highway Rehabilitation.

Land acquisition and compensation: As at December 2017 parcel 814 was acquired compulsorily, parcel 813 was acquired via private treaty for Section I – Roaring Creek Bridge. For section II, parcel 3376 was acquired compulsorily while there were delays with the acquisition of parcel 189 was acquired via private treaty between the land owner and the Ministry of Natural Resources a few weeks after the reporting period. For section III, parcel 52 and 51 was acquired compulsorily and parcels 1763, 3372 was acquired via private treaty. As at December 31, parcels 50, 3062, 2675 and 30 were remaining to be acquired via private treaty. Copies of all compulsory land acquisition and private treaty agreements were submitted to the Bank along with a detailed summary of meetings with land owners in fulfillment of the Bank's resettlement policy. In section I, one family has agreed to be relocated to St Mathew's village where a parcel with access to all utilities has been identified and a house will be purchased. It is expected that the relocation will be complete by June, 2018.

**GOVERNMENT OF BELIZE, MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

1. PROJECT STATUS (Continued)

Component 1: The works were divided into three lots with the Roaring Creek Bridge being Section 1. The contract for the works for Section 1 has been signed and the contractor is expected to mobilize soon. The remaining two lots/section were designated for road works and other necessary interventions. The expected duration of the works is 18 months.

Civil works for replacement of the Roaring Creek Bridge: The project includes the construction of a bridge at Roaring Creek that will accommodate two-way traffic, while being above the flood plains, the upgrading of Garbutt's Creek Bridge to increase the Hydraulic capacity. The bridge has suffered severe damage from flash flooding in the resilience of the roadway and reduce the probability of flooding of nearby properties. The contract for Section 1 was signed on December 18, 2017 with M&M Engineering Consultants Ltd.

Civil works for the rehabilitation of the GPHR: includes horizontal and vertical realignments of the road at several locations to internationally accepted standards. The works also includes five feet wide paved shoulders and the placing of guardrails, where necessary, along with signage and road markings. All this will be done under strict supervision to ensure compliance with the environmental requirements for the project. Section 2 contract is expected to be signed in January 2018. The delay to sign Section 2 has to do with the difficulties being faced to complete the Land acquisition. In an effort to ensure that the contract is signed as soon as possible the original length of Section 2 was reduced by 150 meters since, within that portion, there is one land owner that is being difficult.

Section 2 procurement process has been completed while Section 3 is under way. The procurement process allowed for a firm to bid for one or all sections, depending on its ability to meet the requirements of the process. The evaluation process will ensure that the firm or firms meet the necessary Technical and Financial requirements to be able to qualify for the contract.

In, 2017 a Cabinet directive was given that all land acquisition for road expansion be dealt with by the Ministry of Natural Resources. The Ministry of Natural Resources was tasked with the responsibility to redo the evaluations, conduct negotiations and execute the acquisition of the required portions of land on behalf of the Ministry of Works. Negotiations are underway with the affected land owners. The Ministry of Works and the PEU have been in constant communication for Section 1 has been completed while one parcel in Section 2 agreement is pending to be signed. The land owner has agreed to the sum offered; however, at the end of the reporting period he had not signed the agreement as yet.

Supervision of the civil work: IMC Worldwide has commenced the Design review of the Final Design that was done by Halcrow Group (Trinidad and Tobago) Ltd. And is expected to continue doing so until the end of February 2018.

Two years' maintenance of the Civil works: It is expected that the project along with counterpart resources will finance that cost of maintenance for a period of two years subsequent to the completion of the civil works.

**GOVERNMENT OF BELIZE, MINISTRY OF WORKS
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LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

1. PROJECT STATUS (Continued)

Utilities relocation: The estimates for BEL amounts to BZ \$164,279.70, BTL estimate is BZ \$119,307 and BWSL estimate is BZ \$4,003,879 for section 1-3, of which BZ \$2,003,879 is to be financed by the project and BZ \$2,000,000 by BWSL. As at December 31, 2017 two meeting with BWSL have taken place one to discuss the estimate and to request that a review of the design be done and the other to discuss the execution of the works. It was agreed that the design would be revised and also that the civil works to place the pipes would be done by the same contractor selection to execute the civil works for each section.

A.3. Component-level progress

A.3.1. Component 1

Civil Works and Maintenance

This component will finance: (i) the civil works for the rehabilitation of the George Price Highway mile 47.9 (Belmopan) to 67.3 (Beginning of Santa Elena Bypass); (ii) the civil works for the replacement of the Roaring Creek Bridge (mile 48); (iii) the supervision of the civil works; (iv) two years of maintenance of the civil works once concluded; and (v) land acquisition, compensation and utilities relocation required to execute the civil works.

The civil works will include the following measures to address road safety and climate change resiliency issues: (i) road safety will be improved through the provision of better pavement conditions, improved drainage, pedestrian facilities, a paved shoulder and increased signing and marking; and (ii) the rehabilitated roadway will be designed to withstand an increased incidence of severe weather due to climate change and result in bridges designed to remain above flood levels and sufficient drainage and elevation of the roadway to prevent localized flooding.

A.3.2. Component 2

Institutional Strengthening

This component will finance activities to strengthen the Ministry of Works, particularly the PEU and the RMU in the following areas, among others: (i) structuring of performance-based contracts for maintenance; (ii) environmental safeguards application in accordance with the Bank's policies; (iii) utilization of national standards or another preferred highway design and testing code by staff and/or training/studies in other related areas; and (iv) training in the use of HDM-4.

A.3.3. Component 3

Engineering and Administration

This component will finance activities that support the administration of the project, including: (i) the contracting of PEU's key personnel fully dedicated to the project which are a project manager/engineer, a financial specialist, a procurement officer and an administrative assistant; (ii) renting and furnishing office space for the PEU; and (iii) acquisition of equipment for project execution and oversight.

This component will also finance: (i) sector studies, environmental and social studies, technical studies and additional engineering designs related to the project; (ii) monitoring and evaluation; and (iii) financial audits.

**GOVERNMENT OF BELIZE, MINISTRY OF WORKS
 GEORGE PRICE HIGHWAY REHABILITATION PROJECT
 LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
 NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
 FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)**

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in United States dollars (USD) under the historical cost convention and conformity with International Public Sector Accounting Standard (IPSAS), "Financial Reporting under the Cash Basis of Accounting", issued by the Public Sector Committee of the International Federation of Accountants. The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period as for the financial statements. The official exchange rate for reporting purposes is fixed at BZ\$2 = US\$1. Euro currency: the original budget was calculated using an approximate exchange rate of €1=US\$1.10. The final cost of the project will be reported at its end, using actual amounts spent in USD Dollars and in Euros. Euro currency equivalent in US Dollars will be calculated on current exchange rates at the time of payments.

The Project's accounting and financial reporting system aims to enable users to assess the accountability of the funds available for its activities. In order to satisfy this objective, the following accounting policies have been adopted.

- (a) The "cash basis" which is a comprehensive basis of accounting other than generally accepted accounting principles used in preparation of the financial statements. Cash received from the IDB is recognized when effectively deposited in the Project's bank account. Disbursements are recognized when they are paid.
- (b) All costs related to the Project's activities are classified, where appropriate, according to the work plan budget for the period.
- (c) No depreciation is charged on fixed assets acquired from Project's funds.
- (d) The Project's Statement of Cash Receipts and Disbursements reflects activities relating to IDB Loan No. 3344 OC-BL, EU/CIF Grant No. EDF/2015/362-165 and counterpart contribution.
- (e) The IDB Project's funds are deposited into account #311093, GOB/ IDB Civil Works - George Price Highway at the Central Bank of Belize upon IDB's approval.

3. CASH AND BANK BALANCES

The available cash balance as of March 31, 2018, as held in the Project's bank account.

	US \$
Central Bank of Belize a/c # 311093	
Statement balance at March 31, 2018	3,187,671
Total cash and bank balance	<u>3,187,671</u>

GOVERNMENT OF BELIZE, MINISTRY OF WORKS
 GEORGE PRICE HIGHWAY REHABILITATION PROJECT
 LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
 NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
 FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

4. ADVANCES PENDING JUSTIFICATION

Balance in Bank Accounts at March 31, 2018	\$3,187,671
Funds Already Used and Pending Justification (note 9)	<u>2,481,061</u>
Reconciled Revolving Fund Balance	5,668,732
Advance Fund Balance per LMS1	<u>3,755,012</u>
	1,913,720
	<u>(1,913,720)*</u>
Difference	<u>\$ -</u>

*As at March 31, 2018; Government of Belize (GOB) has used its monies totaling \$1,913,720, for Project expenses. This is reimbursable to GOB by the Program Unit and pending justification to the IDB.

5. LOCAL COUNTERPART FUNDS

	Period Ended November 30, 2015	Year Ended March 31, 2018	Cumulative as at March 31, 2018
Advance Fund/Replenishments (page 8)	\$ -	\$48,730	\$48,730
Direct Payments	-	-	-
TOTAL	<u>\$ -</u>	<u>\$48,730</u>	<u>\$48,730</u>

The Government of Belize has committed to contributing a sum of US\$ 1,528,000. As of March 31, 2018, the government has contributed a sum of \$48,730, which equates to 3% of the total committed. Local counterpart funding is concentrated in the land acquisition and maintenance component of the budget.

6. PRIOR PERIOD ADJUSTMENT

There is no prior period adjustment applicable to the first financial statement period.

GOVERNMENT OF BELIZE, MINISTRY OF WORKS
 GEORGE PRICE HIGHWAY REHABILITATION PROJECT
 LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
 NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
 FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

7. PROCUREMENT STATUS OF GOODS AND SERVICES

Status of Processes (to date)	# Processes	Amount (US\$)	%
Not started	6	3,020,216	8.88
Ongoing/underway	3	11,868,062	34.88
Awarded (includes completed)	13	19,139,722	56.24
Total	22	34,028,000	100.00%

8. RECONCILIATION OF STATEMENT OF CASH RECEIVED AND DISBURSEMENTS WITH THE STATEMENT OF CUMULATIVE INVESTMENTS

Current Period:	US\$	US\$
Disbursements Made as per Statement of Cash Flows	-	2,725,369
Less: Reconciling Items:	-	-
Disbursements as per Statement of Cumulative Investments	-	2,725,369

GOVERNMENT OF BELIZE, MINISTRY OF WORKS
 GEORGE PRICE HIGHWAY REHABILITATION PROJECT
 LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
 NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
 FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

9. RECONCILIATION BY CATEGORY OF INVESTMENT OF THE PROGRAM'S RECORDS WITH THE IDB'S RECORDS

CATEGORY	Cumulative Balance as per:		Variance	Explanation for Variances
	Program's Records (Statement of Cumulative Investments)	IDB's Records (LMS 1 Executive Financial Summary)		
Component I: Civil Works & Maintenance				
1.1 Replacement of Roaring Creek Bridge	\$1,318,198	\$ -	\$1,318,198	
1.2 Rehabilitation Of George Price Highway	1,027,041	-	1,027,041	
1.3 Construction Supervision	-	-	-	
1.4 Two year Maintenance	-	-	-	
1.5 Land Acquisition	-	-	-	
TOTAL	2,345,239	-	2,345,239	
Component II: Institutional Strengthening				
2.1 Ministry of Works Strengthening	13,301	13,301	-	
TOTAL	13,301	13,301	-	
Component III: Engineering & Administration				
3.1 Administration	366,829	231,007	135,822	
3.2 Studies & Designs	-	-	-	
3.3 Monitoring & Evaluation	-	-	-	
3.4 Communication Strategy & Audits	-	-	-	
TOTAL	366,829	231,007	135,822	
Advance Fund Balance as at March 31, 2018:	1,273,951	3,755,012	(2,481,061)	Funds that are pending justification; see also note 4.
Total at March 31, 2018	\$3,999,320	\$3,999,320	\$ -	

GOVERNMENT OF BELIZE, MINISTRY OF WORKS
GEORGE PRICE HIGHWAY REHABILITATION PROJECT
LOAN CONTRACT NO. 3344/OC-BL AND EU/CIF Grant No. EDF/2015/362-165
NOTES TO THE FINANCIAL STATEMENT (CONTINUED)
FOR THE 28 MONTHS ENDED MARCH 31, 2018 (IN US DOLLARS)

10. AUTHORIZATION DATE

The financial statements were authorized on June 21, 2018 by a Representative from Ministry of Works and the George Price Highway Rehabilitation Project Manager.

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