

Ministry of Energy, Small Business and Entrepreneurship
Project Execution Unit

Public Sector Smart Energy Programme (PSSEP)
Project No.BA-L1025

Financial Statements

Loan Contract No. 2748/OC-BA

Non-Reimbursable Financing Agreement No. ATN/EX-133616-BA

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)

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For the period April 1, 2020 to March 31, 2021
(Expressed in United States Dollars)

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INDEPENDENT AUDITOR'S REPORT

TO INTER-AMERICAN DEVELOPMENT BANK AND THOSE CHARGED WITH GOVERNANCE OF THE MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT EXECUTION UNIT – PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Public Sector Smart Energy Programme (“The Project”), executed by the Ministry of Energy, Small Business and Entrepreneurship, Project Execution Unit, and financed with funds from the Inter-American Development Bank (“IDB”) Loan Agreement No. 2748/OC-BA, Non-Reimbursable Financing Agreement No. ATN/EX-13316-BA (“Loan agreements”) and local counterpart funds from the Government of Barbados which comprise the statement of cash flows, the statement of cumulative investments for the period April 1, 2020 to March 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompany financial statements present fairly, in all material respects, the financial position of the Project as at March 31, 2021, and its financial performance and its cash flows for the period then ended in accordance with the basis of accounting noted below.

Basis for 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 Project in accordance with the International Ethics Standards Board for Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 4 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist The Project to meet the requirements of The Inter-American Development Bank. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

TO INTER-AMERICAN DEVELOPMENT BANK AND THOSE CHARGED WITH GOVERNANCE OF THE MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT EXECUTION UNIT – PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)

Report on the Audit of the Financial Statements (Cont'd)

Responsibilities of Management and those charged with governance for the Financial Statements (cont'd)

In preparing the financial statements, management is responsible for assessing The Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Project or to cease operations, or has no realistic alternative but to do so.

The Project Execution Unit is responsible for overseeing The Project's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

INDEPENDENT AUDITOR'S REPORT

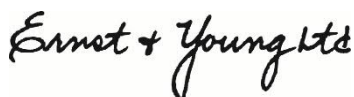
TO INTER-AMERICAN DEVELOPMENT BANK AND THOSE CHARGED WITH GOVERNANCE OF THE MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENURSHIP, PROJECT EXECUTION UNIT – PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Project to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Barbados
28 July 2021

MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)

Statement of Cash Flows

For the period April 1, 2020 to March 31, 2021


(Expressed in United States Dollars)

Reporting Period: April 1, 2020 - March 31, 2021						Restated Reporting Period: April 1, 2019 - March 31, 2020						
CASH RECEIVED	NOTES	IDB	EC	EC US\$ (EQUIVALENT)	GOB	TOTAL	NOTES	IDB	EC	EC US\$ (EQUIVALENT)	GOB	TOTAL
		\$	EURO €		\$	\$		\$	EURO €		\$	\$
Accumulated cash at the beginning of period		10,337,004	4,852,375	5,527,549	2,437,293	18,301,846		6,580,472	1,677,745	1,953,256	1,596,748	10,130,476
Activity during period:												
Disbursement (GOB)		-	-	-	2,081,473	2,081,473	6	-	-	-	840,545	840,545
Reimbursement of Payments Made:												
Component One												
Advance Of Funds	7/11	1,933,096	-	-	-	1,933,096		939,809	-	-	-	939,809
Direct Payment	11	-	-	-	-	-		2,234,916	3,174,630	3,574,293	-	5,809,209
Reimbursement	11	-	-	-	-	-		72,420	-	-	-	72,420
Component Two												
Advance Of Funds	7/11	419,764	-	-	-	419,764		-	-	-	-	-
Direct Payment		-	-	-	-	-		-	-	-	-	-
Reimbursement	11	338,520	-	-	-	338,520		-	-	-	-	-
Component Three												
Advance Of Funds	7/11	600,398	-	-	-	600,398		276,383	-	-	-	276,383
Direct Payment		-	-	-	-	-		-	-	-	-	-
Reimbursement	11	236,082	-	-	-	236,082		233,004	-	-	-	233,004
		3,527,860	-	-	-	3,527,860		3,756,532	3,174,630	3,574,293	-	7,330,825
Net Total Cash Received		13,864,864	4,852,375	5,527,549	4,518,766	23,911,179		10,337,004	4,852,375	5,527,549	2,437,293	18,301,846

The accompanying notes form an integral part of these financial statements.

Approved by the Project Execution Unit on July 26, 2021 and signed on its behalf by:


 Mr. Ron C Blades, Project Accountant


 Ms. Keisha Reid, Project Manager


 Mr. Andrew Gittens, Permanent Secretary (SA)

MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)


Statement of Cash Flows (cont'd)
 For the period April 1, 2020 to March 31, 2021
 (Expressed in United States Dollars)

Reporting Period: April 1, 2020 - March 31, 2021						Restated Reporting Period: April 1, 2019 - March 31, 2020						
DISBURSEMENTS MADE		IDB	EC	EC US\$ (EQUIVALENT)	GOB	TOTAL		IDB	EC	EC US\$ (EQUIVALENT)	GOB	TOTAL
		\$	EURO €		\$	\$		\$	EURO €		\$	\$
Cumulative Disbursements at beginning of period		8,796,127	4,852,375	5,527,549	2,437,293	16,760,969		4,603,652	1,677,745	1,953,256	1,596,748	8,153,656
Activity during period:												
Component One												
Reimbursements	11	-	-	-	-	-		36,059	-	-	-	36,059
Direct Payment	11	-	-	-	-	-		2,234,916	3,174,630	3,574,293	-	5,809,209
Justification	7/11	914,809	-	-	-	914,809		1,024,364	-	-	-	1,024,364
Government expenditure not eligible for reimbursement		-	-	-	11,167	11,167		-	-	-	33,417	33,417
Pending Reimbursement/Justification (IDB)	13	-	-	-	-	-		-	-	-	222,696	222,696
Prior Period Expenditure Now Being Reimbursed	11	-	-	-	-	-		36,360	-	-	-	36,360
Prior Period Expenditure Now Being Justified	11	222,696	-	-	-	222,696		625,924	-	-	-	625,924
Component Two						-						
Reimbursements		338,520	-	-	-	338,520		-	-	-	-	-
Government expenditure not eligible for reimbursement		-	-	-	11,125	11,125		-	-	-	-	-
Pending Reimbursement/Justification (European Union)	13	-	-	-	832,490	832,490		-	-	-	14,632	14,632
Pending Reimbursement/Justification (IDB)					358,740	358,740					-	-
Component Three												
Reimbursements	11	140,380	-	-	-	140,380		93,360	-	-	-	93,360
Justification		317,703	-	-	-	317,703			-	-	-	-
Government expenditure not eligible for reimbursement		-	-	-	203,963	203,963	6	-	-	-	164,256	164,256
Pending Reimbursement/Justification (European Union)	13	-	-	-	32,571	32,571	6	-	-	-	2,965	2,965
Pending Reimbursement/Justification (IDB)	13	-	-	-	631,417	631,417	6	-	-	-	402,579	402,579
Prior Period Expenditure Now Being Reimbursed	11	95,702	-	-	-	95,702		139,645	-	-	-	139,645
Prior Period Expenditure Now Being Justified	7/11	85,669	-	-	-	85,669		1,847	-	-	-	1,847
Funds disbursed during project:		2,115,479	-	-	2,081,473	4,196,952	6	4,192,475	3,174,630	3,574,293	840,545	8,607,313
Total cash disbursements	13	10,911,606	4,852,375	5,527,549	4,518,766	20,957,921		8,796,127	4,852,375	5,527,549	2,437,293	16,760,969
AVAILABLE CASH AS OF END OF YEAR	12	2,953,258	-	-	-	2,953,258		1,540,877	-	-	-	1,540,877

The accompanying notes form an integral part of these financial statements.

Approved by the Project Execution Unit on July 26, 2021 and signed on its behalf by:


 Mr. Ron C Blades, Project Accountant


 Ms. Keisha Reid, Project Manager


 Mr. Andrew Gittens, Permanent Secretary (SA)


MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERY PROGRAMME (PSSEP)


Statement of Cumulative Investments
For the period April 1, 2020 to March 31, 2021
(Expressed in United States Dollars)

ITEM	NOTES	Expenditure at end of the period (April 1, 2020 to March 31, 2021)					NOTES	Movement during the period (April 1, 2020 to March 31, 2021)					NOTES	Restated Expenditure at end of the period (April 1, 2019 to March 31, 2020)				
		IDB	EC		GOB	TOTAL		IDB	EC		GOB	TOTAL		IDB	EC		GOB	TOTAL
		\$	EURO €	US EQUIVALENT	\$	\$		\$	EURO €	US EQUIVALENT	\$	\$		\$	EURO €	US EQUIVALENT	\$	\$
Component One:	11/13	8,062,244	4,561,875	5,144,349	67,580	13,274,173	11/13	914,809	-	-	11,167	925,976		7,147,435	4,561,875	5,144,349	56,413	12,348,197
1.1 EE Retrofits for public lights implemented		2,305,180	4,561,875	5,144,349	35,732	7,485,261		-	-	-	11,167	11,167		2,305,180	4,561,875	5,144,349	24,565	7,474,094
1.2 EE Retrofits for public buildings implemented		-	-	-	2,259	2,259		-	-	-	-	-		-	-	-	2,259	2,259
1.3 Solar PV for public buildings		5,757,064	-	-	29,589	5,786,653		914,809	-	-	-	914,809		4,842,255	-	-	29,589	4,871,844
Component Two:	11/13	1,120,521	787,128	930,949	19,625	2,071,095	11/13	697,260	701,397	832,490	11,125	1,540,875		423,261	85,731	98,459	8,500	530,220
2.1 Public Electric Vehicles with Solar PV implemented		1,120,521	-	-	18,895	1,139,416		697,260	-	-	11,125	708,385		423,261	-	-	7,770	431,031
2.2 Ocean Power Studies		-	787,128	930,949	730	931,679	-	-	701,397	832,490	-	832,490	6	-	85,731	98,459	730	99,189
Component Three:	11/13	3,061,638	29,649	35,536	924,422	4,021,596	11/13	1,089,500	27,166	32,571	203,963	1,326,034		1,972,138	2,483	2,965	720,459	2,695,562
3.1 Capacity Building, Institutional Strengthening and Public Awareness		965,387	-	-	14,017	979,404		773,740	-	-	-	773,740	6	191,647	-	-	14,017	205,664
3.2 Monitoring & Evaluation and Project Management		2,096,251	29,649	35,536	910,405	3,042,192	-	315,760	27,166	32,571	203,963	552,294	6	1,780,491	2,483	2,965	706,442	2,489,898
Component Four:		-	290,500	383,200	-	383,200		-	-	-	-	-		-	290,500	383,200	-	383,200
4.1 Administrative fees (5%)		-	290,500	383,200	-	383,200		-	-	-	-	-		-	290,500	383,200	-	383,200
TOTAL	13/14	12,244,403	5,669,152	6,494,034	1,011,627	19,750,064		2,701,569	728,563	865,061	226,255	3,792,885		9,542,834	4,940,589	5,628,973	785,372	15,957,179

The accompanying notes form an integral part of these financial statements.

Approved by the Project Execution Unit on July 26, 2021 and signed on its behalf by:


Mr. Ron C Blades, Project Accountant


Ms. Keisha Reid, Project Manager


Mr. Andrew Gittens, Permanent Secretary (SA)

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP,
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

1. Programme description

The Public Sector Smart Energy Programme's ("PSSEP") overall objective is to promote sustainable energy in the Public Sector of Barbados and reduce its consumption of fossil fuels.

In particular, the PSSEP aims to: (i) install renewable energy systems on government owned buildings and retrofit those buildings and public street lights with energy efficient technologies; (ii) undertake a pilot project for the introduction of electric vehicles to the government's fleet of vehicles and facilitate studies for ocean energy and (iii) assist with capacity building, institutional strengthening and public awareness to enhance sustainability of these investments in the energy sectors.

The achievement of the PSSEP's objectives will be done through the implementation of the following four (4) components:

Component One: Retrofit of Government Buildings with Renewable Energy ("RE") and Energy Efficient ("EE") Technologies and Public Street Lights with EE Technologies

- i) ***Sub-Component 1.1: EE Retrofits for public street lights implemented*** – provides for the energy efficient retrofitting public street lights across the country of Barbados.
- ii) ***Sub-Component 1.2: EE Retrofits for public buildings implemented*** – provides for retrofitting of, at least 12 selected government buildings with energy efficient technologies.
- iii) ***Sub-Component 1.3: Solar PV for public buildings*** – provides for retrofitting of, at least 12 selected government buildings with photovoltaic systems.

Component Two: Pilot Project and Studies for encouraging the use of Renewable Energy

- i) **Sub-Component 2.1: Public Electric Vehicles with Solar PV charging stations implemented** – provides for the introduction of electric vehicles into the Public Sector's fleet, supporting photovoltaic charging stations and an electric vehicle study.
- ii) **Sub-Component 2.2: Ocean Power Studies** – provides for Ocean Energy studies, EDC Software and Data Collection Studies.

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP,
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

1. Programme description (cont'd)

Component Three: Capacity Building, Institutional Strengthening, Public Awareness and Project Management

- i) **Sub-Component 3.1: Capacity Building, Institutional Strengthening and Public Awareness** – provides financial support for the strengthening of public sector institutions and public awareness campaigns.
- ii) **Sub-Component 3.2: Monitoring and Evaluation and Project Management** – provides financial support for the Monitoring and Evaluation and Project Management of the PSSEP.

Component Four: Administrative Fees

- i) **Sub-Component 4.1: Administrative Fees** – provides for the administrative fees for the Non-Reimbursable Financing Agreement segment of the PSSEP.

2. Executing agency

The Executing Agency of the PSSEP is the Ministry of Energy, Small Business and Entrepreneurship, (MESBE) formerly the Ministry of Energy and Water Resources.

The Ministry's Project Execution Unit (PEU) is responsible for the implementation and financial coordination of all programme activities.

3. Programme cost

The Public Sector Smart Energy Programme (PSSEP) came into existence on November 15, 2013, after the signature of the Loan Contract No. 2748/OC-BA and the Non-Reimbursable Financing Agreement No. ATN/EX-133616-BA, between the Inter-American Development Bank (IDB), the European Commission (EC) and the Government of Barbados. The PSSEP is jointly financed with the IDB providing loan funds of \$17,000,000 US dollars and the EU providing grant funds in the amount of €5,810,000 European Euros (an estimated equivalent amount of US \$7,664,000) in grant funds.

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP,
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

3. Programme cost (cont'd)

The Amortization Schedule, Loan Interest Rates and Credit Fee details are stipulated in Section 1.05, 1.06 and 1.07 respectively in the Special Conditions section of the Loan Contract No. 2748/OC-BA.

The Final Amortization Date is twenty-five (25) years from the signature date of the Loan contract. The Loan shall be repaid by the borrower in semi-annual, consecutive and as far as possible equal instalments. The first instalment is due on the expiration date of the sixty-six (66) month period after the date of Loan contract signature, and the last instalment shall be paid no later than the Final Amortization Date. During the financial year of ending March 31, 2020, the 66 month period has expired and repayment of the loan principal commenced.

Interest is payable to the Bank semi-annually with the first interest payment due on the expiration date of the six (6) month period after the date of entry into the effect of the Loan contract. The Borrower shall pay interest on the outstanding loan balances at a LIBOR-Based Interest Rate between 1.12% to 2.11% (2019-2020 – 2.93% to 3.52%). The Government of Barbados shall pay a credit fee (commitment fee) on the undisbursed balance, at a percentage set by the Inter-American Development Bank periodically during its review of financial charges on ordinary capital loans. The credit fee is currently 0.50%, capped at 0.75% per annum.

The cost of activities undertaken for the reporting period (April 1, 2020 – March 31, 2021) is available below.

Inter-American Development Bank/European Commission (EC)	2021 Loan \$	2021 Grant €	2020 Loan \$	2020 Grant €
Balance of Approved Funds - Beginning	6,662,996	957,625	10,419,528	4,132,255
Less: Cost of programme activities reimbursed	(574,602)	-	(2,540,340)	(3,174,630)
Fund advanced pending justification	(2,953,258)	-	(1,216,191)	-
Balance of Approved Funds - Ending	3,135,137	957,625	6,662,997	957,625

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP,
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

3. Programme cost (cont'd)

Financing Cost (Inter-American Development Bank: Loan 2748/OC-BA)

Financing cost incurred on the loan segment of the PSSEP as at March 31, 2021 is as follows:

Description of Finance Cost	2021	2020
	\$	\$
Interest Expense	189,607	226,073
Commitment Fees	34,579	52,048
Total Finance Cost	224,186	278,121

During the financial period, two principal repayments were made amounting to \$525,394 (2020 - \$354,517).

4. Significant Accounting Policies

These financial statements have been prepared in accordance with accounting policies described below. They are not intended to present the financial condition or operational results of the Project in accordance with International Public Sector Accounting Standards (IPSAS) and have been prepared solely to facilitate the Project's reporting requirements to the Inter-American Development Bank. These financial statements are not intended for any other purpose. These are not intended to be general purpose financial statements directed towards the common information needs of a wide range of users as the statements do not conform to IPSAS 1 paragraphs 2 and 21.

a) Basis of preparation

The financial statements are prepared under the cash basis of accounting, recognizing revenue when the cash is received and expenses when the cash has been disbursed. This accounting policy differs from the International Public Sector Accounting Standards (IPSAS) under which transactions should be recorded when they occur and not when they are paid. However, in accordance with IPSAS provision has been made for the circumstances mentioned above within the "*Cash Basis IPSAS: Financial Reporting under the Cash basis of Accounting System.*" Accordingly, transactions have been entered into the accounting records and recognised in the financial statements in this manner.

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP,
PROJECT EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

4. Significant accounting policies (cont'd)

b) Foreign currency translation

The functional or main transactional currency of the Public Sector Smart Energy Programme (PSSEP) is the Barbados dollar (BBD \$), followed by the United States Dollar (USD \$) and the European Euro (Euro €). The United States dollar (US\$) is used for the presentation of the financial statements along with European Euro equivalent where applicable. The exchange rates used for the records and transactions are stipulated in the conditions of Article 4.09 of the General Conditions of the Loan Contract, Section 2.01 and 2.05 of the Non-Reimbursable Financing Agreement and the “Guidelines for the Implementation of The Disbursement Methods of the Inter-American Development Bank (IDB)” dated August 2016 and Memorandum – “United States Dollar Exchange Rate To Be Used For Project Reporting And The Use Of SmartStream As The Official Accounting System”, dated September 5, 2016.

Consequently, for the purpose of preparing the financial statements varying exchange rates were used to reflect the actual amounts advanced and reimbursed by the Inter-American Development Bank throughout the period being reported.

The exchange rate used in reimbursement transactions during the report period, for activities financed by the Inter-American Development Bank and the Government of Barbados is as follows: (i) \$2.025 to USD \$1.00.

All transactions (reimbursements and expenditures) financed by the European Commission (EC) used following exchange rates.

BARBADOS DOLLAR (BBD) TO EUROPEAN EUROS (EURO €)		
EXCHANGE RATES		
Transaction Date	Barbados Currency (BBD \$)	European Currency (Euro €)
July 22, 2014	\$2.74674	€1.00000
August 25, 2015	\$2.34020	€1.00000
December 16, 2015	\$2.21196	€1.00000
January 28, 2016	\$2.20386	€1.00000
January 5, 2018	\$2.44433	€1.00000
September 12, 2018	\$2.34739	€1.00000
September 25, 2018	\$2.38143	€1.00000
November 6, 2018	\$2.31295	€1.00000
March 6, 2019	\$2.29057	€1.00000
April 16, 2019	\$2.28986	€1.00000
June 3, 2019	\$2.26231	€1.00000
June 28, 2019	\$2.30323	€1.00000

**MINISTRY OF ENERGY, SMALL BUSINESS AND ENTREPRENEURSHIP, PROJECT
EXECUTION UNIT
PUBLIC SECTOR SMART ENERGY PROGRAMME (PSSEP)**

Notes to Financial Statements

For the period April 1, 2020 to March 31, 2021

(Expressed in United States Dollars)

4. Significant accounting policies (cont'd)

b) Foreign currency translation (cont'd)

BARBADOS DOLLAR (BBD) TO EUROPEAN EUROS (EURO €) EXCHANGE RATES		
Barbados Currency (BBD \$)	European Currency (Euro €)	
July 8, 2019	\$2.27274	€1.00000
July 15, 2019	\$2.28338	€1.00000
July 24, 2019	\$2.25917	€1.00000
August 28, 2019	\$2.24691	€1.00000
September 2, 2019	\$2.22371	€1.00000
December 15, 2020	\$2.46165	€1.00000
January 20, 2021	\$2.45568	€1.00000
February 2, 2021	\$2.44616	€1.00000
March 17, 2021	\$2.41242	€1.00000
March 19, 2021	\$2.38659	€1.00000
March 26, 2021	\$2.41293	€1.00000

c) Cash

Cash represents cash at bank.

d) Taxation

The Project is a governmental institution and is not subject to income tax.

5. Cash

The available cash balances at March 31, 2021, in the Programme's bank accounts are itemized below.

	Responsible Agent	2021 \$	2020 \$
Central Bank of B'dos Special Deposit Account No. 243652	MEWR	5,068,737	6,868,295
Central Bank of B'dos Special Deposit Account No. 242633	MEWR	-	-
		<u>5,068,737</u>	<u>6,868,295</u>

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6. Prior Period Adjustment

The PSSEP Annual Operating Plan (AOP) 2020 was submitted to the IDB under correspondence MEE 36/2/1/3/13 Vol. III, dated February 25, 2020, which contained proposed Budget and Scope of Works changes to the Programme, adjustments were made within the existing budgetary ceilings. As a result, adjustments were made to the prior period financial statements.

The following adjustments were required to accurately reflect the activities of the Public Sector Energy Programme as at the end of the prior period (April 1, 2019 to March 31, 2020). **Table: 6.1** and **Table: 6.2** below contain the details on the changes in the Statement of Cash Flows and the Statement of Cumulative Investments respectively.

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6. Prior period adjustment (cont'd)

Table: 6.1

Restatement of Prior Period Balance on the Statement of Cash Flow					
Investment Category	IDB \$	EC (EUROS)	EC (US EQUIVALENT) \$	GOB \$	TOTAL \$
CASH RECEIVED					
<i>Net Total Cash Received</i>					
<i>Balance as at March 31, 2020</i>	10,337,004	4,852,375	5,527,549	2,437,061	18,301,614
<u>Adjustments</u>					
<i>Omitted expenditure transaction under component 3.2</i>	-	-	-	232	232
					-
Restated Amount	10,337,004	4,852,375	5,527,549	2,437,293	18,301,846
DISBURSEMENT MADE					
<i>Balance as at March 31, 2020</i>	8,796,127	4,852,375	5,527,549	2,437,061	16,760,737
<u>Adjustments</u>					
<i>Omitted expenditure transaction under component 3.2</i>	-	-	-	232	232
					-
Restated Amount	8,796,127	4,852,375	5,527,549	2,437,293	16,760,969

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6. Prior period adjustment (cont'd)

Table: 6.2

Restatement of Prior Period Balance on the Statement of Cumulative Investments					
Investment Category	IDB \$	EC (EUROS)	EC (US EQUIVALENT) \$	GOB \$	TOTAL \$
3.1 Capacity Building, Institutional Strengthening and Public Awareness					
<i>Balance as at March 31, 2020</i>	192,315	-	-	13,349	205,664
<u><i>Adjustments</i></u>					-
<i>Reclassification of expenditure from IDB Financed Expenditure to Government Contribution Expenditure under component 3.1</i>	(668)	-	-	668	-
<i>Restated Amount</i>	191,647	-	-	14,017	205,664
3.2 Monitoring & Evaluation and Project Management					
<i>Balance as at March 31, 2020</i>	1,499,032	12,058	13,241	977,407	2,489,680
<u><i>Adjustments</i></u>					-
<i>Reclassification of expenditure from EU Financed Expenditure to IDB Financed Expenditure under component 3.2</i>	10,276	(9,575)	(10,276)	-	-
<i>Adjustment to correct calculation error of non-reimbursable salaries and taxes</i>	-	-	-	(14)	(14)
<i>Reclassification of expenditure from Government Contribution Expenditure to IDB Financed Expenditure to under component 3.2</i>	271,183	-	-	(271,183)	-
<i>Omitted expenditure transaction under component 3.2</i>	-	-	-	232	232
<i>Restated Amount</i>	1,780,491	2,483	2,965	706,442	2,489,898

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7. Advances and Justifications

During the course of the reporting period for the Public Sector Smart Energy Programme, USD \$2,953,258 was advanced under Disbursement Request No. 24, dated December 4, 2020. The amount of USD \$1,540,877 was submitted to IDB under Disbursement Request No. 23, dated December 1, 2020, to justify funds advanced to the PEU during the previous financial year. Therefore, USD \$2,953,258 remains unjustified as at March 31, 2021 (2020 – USD \$1,540,877).

8. Government of Barbados (Local Counterpart) Funds

The local counterpart funds reflect travel allowances, NIS Contributions, Income Tax portion of the salaries, some Government of Barbados training activities and other activities not eligible for loan and grant funding under the PSSEP. The local counterpart fund as at March 31, 2021, is USD \$1,011,626 (2020 – USD \$1,055,669) (Statement of Cumulative Investments). The local counterpart funds for the prior financial year is USD \$785,372 (USD\$ 643,439).

9. Procurement of goods and services

All procurement activities under the PSSEP were executed in accordance with the procurement policies of the Inter-American Development Bank and the Government of Barbados. The policies are available in the following documents:

- Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (GN-2349-9), of March 2011.
- Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-9), of March 2011.
- Financial Administration and Audit Act. CAP 5 (Chapter 5)
- Financial Management and Audit (Financial) Rules 2011.

The Table below shows the procurement activities of the PSSEP Project, during the Retroactive Period of June 25, 2012 – November 15, 2013 in accordance with Section 3.03 of the PSSEP Loan Contract No. 2748/OC-BA and the period of November 16, 2013 – March 31, 2021:

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9. Procurement of goods and services (cont'd)

Item	Work Breakdown	Activity as per Procurement Plan Description	Registration No. of IDB Awarded Contract[1]	Contract signature/ Date of Commitment	Name of Supplier or Contractor	Contract/ Commitment Period		Contract/ Commitment amount (a)	Total Payments made (b)	Available Balance (c) (c = a-b)
						Start Date (MMDDYYYY)	End Date (MMDDYYYY)			
1	1.1.1.1	BL&P Consultancy (Funds Re-classified)		27-Apr-17	Barbados Light & Power Co. Ltd.	28-Apr-17	15-Oct-18	-	-	-
2	1.1.1.2	Procurement of 25,000 Street Lights (Completed)	BAA0559	21-Jan-19	Caribbean LED Lighting Inc.	1/31/2019	13-Dec-19	5,798,478	5,798,478	-
3	1.1.1.3	Procurement of Independent Expert Consultant	BAA0953	6-Jun-15	Daniel J. Wong	6-Jul-15	28-Feb-18	79,836	79,836	-
4	1.1.1.4	Procurement of Light Measurement Equipment (Completed)	N/A	N/A	Central Purchasing Department	N/A	N/A	2,551	2,551	-
5	1.1.1.6	Procurement of 3,000 LED Streetlights for GEED (Completed)	BAA0558	21-Jan-19	Caribbean LED Lighting Inc.	1/31/2019	30-Sep-19	1,580,786	1,580,786	-
6	1.1.1.7	Procurement of a Streetlighting Technical Expert - Phase 2	N/A	N/A	Daniel J. Wong	N/A	N/A	23,486	23,486	-
7	1.2.1.1	Procurement of contractor for ER retrofits for 12 public buildings			Procurement in Progress	N/A	N/A	2,716,049	-	2,716,049
8	1.2.1.3	Procurement for Supervision of EE & RE retrofits for public buildings			Procurement in Progress	N/A	N/A	200,000	-	200,000
9 - 12	1.3.1.1	Solar PV for Public Buildings - Supply & Installation of Grid Tied Photovoltaic Systems on 13 Gov't Buildings	BAA0554	11-Dec-17	Solar Watt Systems Inc.	7-Dec-17	28-Feb-19	4,769,835	4,769,835	-
	1.3.1.5	Procurement of RE Installation of Phase 2 of Solar PV Generated	CCB/CBA/1036/2019	27-Jan-20	Solar Watt Systems Inc.	27-Jan-20	29-Nov-20	1,170,430	585,215	585,215
	1.3.1.6	Procurement of RE installations for QEH	CCB/CBA/1036/2019	27-Jan-20	Solar Watt Systems Inc.	27-Jan-20	29-Nov-20	659,188	329,594	329,594
	1.3.1.7	Procurement of Electrical Supply for QEH RE System	CCB/CBA/1036/2019	27-Jan-20	Procurement in Progress	N/A	N/A	50,000	-	50,000
13	1.3.1.2	Procurement of Consulting Services for design of RE retrofits (Completed)	N/A	N/A	Kevin Devonish	N/A	N/A	16,356	16,356	-
14	1.3.1.3	Procurement of Consulting Services for Structural Integrity of Buildings for Phase 2 RE Retrofits	BAA1172	10-May-18	Loretta C. Walker	16-Jul-18	28-Sep-18	47,778	47,778	-
15	1.3.1.4	Procurement of Consulting Services for design of Phase 2 of Solar PV	BAA1170	2-Aug-18	Jerry Franklin	7-Aug-18	30-Apr-19	24,642	24,642	-

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9. Procurement of goods and services (cont'd)

Activity as per Procurement Plan			Registration No. of IDB Awarded Contract[1]	Contract signature/ Date of Commitment	Name of Supplier or Contractor	Contract/ Commitment Period		Contract/ Commitment amount (a)	Total Payments made (b)	Available Balance (c) (c=a-b)
Item	Work Breakdown	Description				Start Date (MMDDYYYY)	End Date (MMDDYYYY)			
Component Two										
16	2.1.1.1	Procurement of 6 electric vehicles and Charging Units (Completed)	BAA0553	9-Jun-17	Megapower Ltd.	9-Jun-17	31-Dec-17	314,230	314,230	-
17	2.1.1.2	Procurement of 2 Electric Vehicles - Pilot (Completed)	BAB0037	N/A	Megapower Ltd.	9-Jun-17	31-Dec-17	113,969	113,969	-
18	2.1.1.3	Procurement of Electric Vehicle Decals	N/A	N/A	Procurement in Progress	N/A	N/A	15,000	-	15,000
19	2.1.1.4	Procurement of Electric Vehicle Data Loggers	N/A	N/A	Procurement in Progress	N/A	N/A	8,400	-	8,400
20	2.1.2.3	Procurement of 2 Electric Vehicle Charging Units (Completed)	CCB/CBA/851/2016	N/A	Megapower Ltd.	N/A	N/A	2,684	2,684	-
21	2.1.3.1	Procurement of Supply of Electric Buses and installation of charging units	BAA0569	N/A	Megapower Ltd. & BYD Panama	N/A	N/A	695,648	691,927	3,721
22	2.1.3.2	Procurement of Supply of Electrical Cabling Works for 2 Charging Stations	N/A	N/A	Procurement in Progress	N/A	N/A	14,815	-	14,815
23	2.1.4.1	Consultancy for the Electric Vehicle Study	CCB/CBA/367/2020		Antonio Sealy	N/A	N/A	53,333	5,333	48,000
24	2.2.1.1	Capacity Building for Ocean Energy Component		N/A	N/A	N/A	N/A	38,880	38,880	-
25	2.2.2.1	Procurement of Ocean Energy Consultant - Ocean Energy Studies	BAA1188	27-Jan-20	ITPE Limited	27-Jan-20	27-Oct-20	820,350	774,144	46,206
26	2.2.2.2	Procurement of Marine Energy Technical Specialist	BAA1180	17-Dec-19	John Patrick McGlynn	6-Mar-19	6-Nov-19	73,158	72,978	180
28	2.2.4.1	Procurement of Data Collection Study - GIS (Completed)	BAA0945	5-Feb-16	Ms Kimberley Baldwin	13-Jul-15	9-Dec-15	15,535	15,535	-
29	2.2.5.1	Marine Spatial Mapping & Ocean Energy Location Guidance Services (Completed)	MEE 36/2/1/3/11/2	29-Nov-17	Ms Kimberley Baldwin	4-Dec-17	31-Jul-18	30,321	30,321	-

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9. Procurement of goods and services (cont'd)

	Activity as per Procurement Plan		Registration No. of IDB Awarded Contract[1]	Contract signature/ Date of Commitment	Name of Supplier or Contractor	Contract/ Commitment Period		Contract/ Commitment amount (a)	Total Payments made (b)	Available Balance (c) (c =a-b)
Item	Work Breakdown	Description				Start Date (MMDDYYYY)	End Date (MMDDYYYY)			
Component Three										
30 - 31	3.1.1.1 3.1.2.1	Procurement of Capacity Building and Institutional Strengthening Consultancy - staff and external partners trained & knowledge management tools implemented¹	CCB/CBA/964/2019	14-Jan-19	LCI Consulting Incorporated	18-Nov-19	21-Sep-20	325,508	325,508	-
32	3.1.1.2	Preliminary Training programmes: staff and external partners (Retroactive) (Completed)	CCB/CBA/699/2013 CCB/CBA/1799/2015	N/A	N/A	N/A	N/A	25,105	25,105	-
33	3.1.1.3	Training Programme - Staff and External Partners - Phase 1	CCB/CBA/996/2018 CCB/CBA/444/2017	N/A	N/A	N/A	N/A	69,033	69,033	-
34	3.1.1.4	Training VII World Forum (Completed)	CCB/CBA/231/2018	N/A	N/A	N/A	N/A	6,064	6,064	-
35	3.1.1.5	Training Programme - Staff and External Partners - Phase 2 (Financial Modelling) (Completed)	CCB/CBA/593/2018	N/A	N/A	N/A	N/A	4,524	4,524	-
36 - 37	3.1.1.6	Staff and External Partners trained (PURC) Research Unit (Completed)	CCB/CBA/996/2018	N/A	N/A	N/A	N/A	10,757	10,757	-
	3.1.1.8	Staff and External Partners Trained - Research Unit - Senior Economist (Completed)						9,870	9,870	-
38	3.1.1.7	Phase 2 Staff and external partners trained			Procurement in Progress	N/A	N/A	-	-	-
39	3.1.1.9	Procurement of Knowledge Management tools (PLEXOS Software)			Energy Exemplar LLC			80,000	80,000	-
41	3.1.1.11	Procurement of Capacity Building - MEWR - Business Process Re-engineering Tools			Procurement in Progress	N/A	N/A	203,500	-	203,500
38	3.1.1.12	Staff and External Partners Trained - PURC - Research Unit - Economist 1 - PPP Certificate Course (Completed)	CCB/CBA/457/2019	N/A	N/A	N/A	N/A	4,993	4,993	-
39	3.1.1.13	Energy Expo 2019	CCB/CBA/896/2019	5-Nov-19	Barbados Conference Services Ltd.	21-Nov-19	22-Nov-19	13,910	13,910	-
40	3.1.1.14	Procurement of Laptops for the Ministry of Energy & Water Resources	CCB/CBA/180/2020	N/A	DE Computers Unlimited Inc.	N/A	N/A	15,509	15,509	-
41	3.1.1.15	Procurement of Laptops for the Ministry of Energy & Water Resources Additional Laptop Computers	CCB/CBA/259/2020	N/A	DE Computers Unlimited Inc.	N/A	N/A	7,092	7,092	-
42	3.1.1.16	Procurement of Knowledge Management tools (ETAP Software)			Operation Technology Inc.	N/A	N/A	26,775	26,775	-

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9. Procurement of goods and services (cont'd)

	Activity as per Procurement Plan		Registration No. of IDB Awarded Contract[1]	Contract signature/ Date of Commitment	Name of Supplier or Contractor	Contract/ Commitment Period		Contract/ Commitment amount (a)	Total Payments made (b)	Available Balance (c) (c =a-b)
Item	Work Breakdown	Description				Start Date (MMDDYYYY)	End Date (MMDDYYYY)			
Component Three										
43	3.1.3.1	Procurement of public education consultant -Primary, secondary and tertiary institutions trained, certification and Licensing Completed			Global Sustainable Energy Consultants Ltd.	N/A	N/A	433,220	114,405	318,815
44	3.1.3.2	Procurement of Laboratory equipment - primary, secondary and tertiary institutions			Procurement in Progress	N/A	N/A	53,000	-	53,000
45	3.1.4.1	Procurement of Public awareness consultant - energy labelling, online resources, media resources, public outreach events and educational entities completed	BAA1192		Izertis S.A.	27-Feb-20	27-Nov-20	275,013	252,511	22,502
46	3.2.1.1	Procurement for M& E Consultant -Mid-term review (update CQS steps with above)	CCB/CBA/160/2017 MEE 36/2/1/3/17/1	20-Mar-17	Oswaldo Patino Garrido	20-Mar-17	30-Aug-17	37,700	37,700	-
47	3.2.2.1	Procurement for M& E Consultant - final evaluation			Procurement in Progress	N/A	N/A	75,000	-	75,000
48	3.2.4.1	Consultancy Services - Energy Audits for EE & RE Retrofits of Gov't Buildings	BAA1060	11-Dec-17	Energy Dynamics Limited	28-Aug-17	30-Jun-18	215,179	215,179	-
49	3.2.5.1	Annual Financial Audits	BAA1220	23-Oct-18	Ernst & Young Professional Services Ltd.	23-Oct-18	15-Mar-21	119,814	85,536	34,278
50-51	3.2.6.4	Consultancy Services - Project Coordinator	CCB/CBA/2013/2015	16-Dec-15	Mr. Marlon Moore	12-May-14	31-Jul-15	68,615	68,615	-
	3.2.6.4	Consultancy Services - Project Coordinator	CCB/CBA/2013/2015	16-Dec-15	Mrs. Lana Chandler	15-May-14	31-Jul-15	78,859	78,859	-
52	3.2.6.5	Procurement of Consultancy Services to provide ongoing EE/RE Services for PEU (Technical Specialist)	BAA1174	5-Sep-18	Mr. Kevin Devonish	10-Sep-18	12-Jun-18	101,630	101,630	-
53	3.2.6.6	Procurement of Financial Support Consultant	BAA1058	13-Dec-17	Ms. Samantha Thompson	2-Aug-17	1-Nov-18	25,284	25,284	-
54	3.2.6.7	Consultancy Services for a Program Advisor	BAA1054		Mrs. Lana Chandler	15-Mar-17	14-May-17	10,855	10,855	-
55	3.2.6.8	Consultancy Services - Program Advisor	BAA1173	15-Nov-17	Mrs. Lana Chandler	15-Nov-17	14-Feb-18	16,283	16,283	-
56	3.2.6.9	Procurement of Project Coordinator for Component 1	BAA1175	6-Sep-18	Mrs. Lana Chandler	24-Sep-18	23-Oct-20	168,257	162,830	5,427
57	3.2.6.10	Consulting Services for a Project Coordinator	BAA1175	12-Dec-19	Mr. Marlon Moore	24-Sep-18	22-Feb-19	23,704	23,704	-
58	3.2.6.11	Procurement of Consultant for Financial Support II	BAA1169	11-Dec-18	Ms. Samantha Thompson	20-Dec-18	19-Mar-20	23,704	23,704	-
59	3.2.6.12	Procurement of Consultant for Financial Support III	BAA1171	11-Dec-18	Ms. Samantha Thompson	20-Dec-18	19-Jul-20	21,620	17,778	3,842
60	3.2.6.13	Procurement of Technical Specialist (SSS) Phase II	CCB/CBA/480/2020	25-Sep-20	Kevin Devonish	25-Oct-20	25-Sep-21	58,074	24,198	33,876
61	3.2.7.2	Procurement of furniture and equipment for PEU office	N/A	N/A	N/A	N/A	N/A	13,101	13,101	-
62	3.2.9.1	Consultancy Services for a M & E Specialist to Support the PSSEP	BAA1176	12-Dec-19	Mr. Marlon Moore	25-Nov-19	23-Oct-20	44,543	44,543	-
						TOTAL		22,001,833	17,234,413	4,767,420

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10. Investment Categories – Budgetary Adjustments

The Project Execution Unit submitted to the IDB, a request to adjust the budgets for the Components and Sub-components of both the loan and grant funds of the PSSEP. Approval was granted by the IDB under Correspondence Reference No.CCB/CBA/622/2020, dated December 9, 2020. **Table 10.1** below provides details of the budget amendments.

Table 10.1

	Component/Subcomponent/Activity	CURRENT APPROVED AMOUNT		TRANSFERRED AMOUNT		REVISED BUDGET	
		IDB USD\$	EU USD\$	IDB \$	EU USD\$	IDB USD\$	EU USD\$
1	Retrofit of Government Buildings with RE & EE and Public Street Lights with EE	13,286,608	4,645,300	(1,432,338)	(83,424)	11,854,270	4,561,876
1.1	EE Retrofits for public lights implemented	3,850,000	4,645,300	(1,533,652)	(83,424)	2,316,348	4,561,876
1.2	EE Retrofits for public buildings implemented	3,936,608	-	(1,120,559)	-	2,816,049	-
1.3	Solar PV for public buildings	5,500,000	-	1,221,872	-	6,721,872	-
2	Pilot Project and studies for encouraging the use of RE	513,392	758,000	877,164	45,987	1,390,556	803,987
2.1	Public Electric Vehicles with Solar PV implemented	513,392	-	877,164	-	1,390,556	-
2.2	Ocean Power Studies	-	758,000	-	45,987	-	803,987
3	Capacity Building, Institutional Strengthening, Public Awareness and Project Management	3,200,000	116,200	555,174	37,437	3,755,174	153,637
3.1	Capacity Building, Institutional Strengthening and Public Awareness	1,700,000	-	(44,388)	-	1,655,612	-
3.2	Monitoring and Evaluation and Project Management	1,500,000	116,200	599,562	37,437	2,099,562	153,637
4	Administrative Fees	-	290,500	-	-	-	290,500
4.1	Administrative fees (5%)	-	290,500	-	-	-	290,500
	Programme Total	17,000,000	5,810,000	-	-	17,000,000	5,810,000

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11. Disbursements Made

The rules and guidelines for conditions pertaining to the disbursement of funds from the IDB are available in Chapter III of the Special Conditions and Chapter IV of the General Conditions of the Loan Contract No. 2748/OC-BA and Chapter III of Non-Reimbursable Agreement No. ATN/EX-133616-BA and Guidelines for the Implementation of the Disbursement Methods of the Inter-American Development Bank (IDB)” dated August 2016.

Tables 11.1 and 11.2 below give an overview of all the Disbursement Activities during the reporting period, for the IDB and EC respectively:

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11. Disbursements Made (cont'd)

Table 11.1

PROGRAMME: Public Sector Smart Energy Programme (PSSEP) Loan Contract No: 2748/OC-BA

Disbursement Request Value Date	Period of Expenditure	Contract No:	Disbursement Request No:	Disbursement Type	Amount Received IDB (USD) \$	Justified IDB (USD) \$	Project Component
10 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	23	Justification	-	222,696	One
10 December 2020	April 1, 2020 - March 31, 2021	2748/OC-BA (Loan)	23	Justification	-	914,809	One
					233,004	1,137,505	
16 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	24	Advance of Funds	1,933,096	-	One
					1,933,096	-	
SUB-TOTAL					2,166,100	1,137,505	
16 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	24	Advance of Funds	419,764	-	Two
					419,764	-	
18 December 2020	April 1, 2020 - March 31, 2021	2748/OC-BA (Loan)	25	Reimbursement of Payments	338,520	-	Two
					338,520	-	
SUB-TOTAL					758,284	-	

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11. Disbursements Made (cont'd)

PROGRAMME: Public Sector Smart Energy Programme (PSSEP) Loan Contract No: 2748/OC-BA

Disbursement Request Value Date	Period of Expenditure	Contract No:	Disbursement Request No:	Disbursement Type	Amount Received IDB (USD) \$	Amount Justified IDB (USD) \$	Project Component
10 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	23	Justification	-	85,669	Three
10 December 2020	April 1, 2020 - March 31, 2021	2748/OC-BA (Loan)	23	Justification	-	317,703	Three
					758,284	403,372	
16 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	24	Advance of Funds	600,398		Three
					600,398	-	
18 December 2020	November 15, 2013 - March 31, 2019	2748/OC-BA (Loan)	25	Reimbursement of Payments	16,283	-	Three
18 December 2020	April 1, 2019 - March 31, 2020	2748/OC-BA (Loan)	25	Reimbursement of Payments	79,419	-	Three
18 December 2020	April 1, 2020 - March 31, 2021	2748/OC-BA (Loan)	25	Reimbursement of Payments	140,380	-	Three
					236,082	-	
SUB-TOTAL					1,594,764	403,372	
TOTALS					4,519,148	1,540,877	

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12. Disbursements Made (cont'd)

Table 11.2

Disbursement Request Value Date	Period of Expenditure	Contract No:	Disbursement Request No:	Disbursement Type	Amount Received European Commission (EUROS) \$	Amount Received European Commission (USD EQUIVALENT) \$	Project Component
18 June 2019	April 1, 2019 - March 31, 2020	ATN/EX-13316-BA	4	Direct Payment	474,464	533,910	One
18 June 2019	April 1, 2019 - March 31, 2020	ATN/EX-13316-BA	5	Direct Payment	479,084	533,910	One
23 August 2019	April 1, 2019 - March 31, 2020	ATN/EX-13316-BA	6	Direct Payment	178,658	198,852	One
04 September 2019	April 1, 2019 - March 31, 2020	ATN/EX-13316-BA	2	Direct Payment	807,483	900,973	One
17 December 2019	April 1, 2019 - March 31, 2020	ATN/EX-13316-BA	3	Direct Payment	1,234,941	1,406,648	One
TOTALS					3,174,630	3,574,293	

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13. Reconciliation between the Statement of Cash Flows (IDB & EC) and Central Bank of Barbados (CBB) Special Deposits Accounts

	<u>IDB</u> \$	<u>EC</u> €
Available cash as per Statement of Cash Flows	2,953,258	-
Balance as per CBB Special Deposit Account No. 243652	<u>(5,068,737)</u>	<u>-</u>
Differences	<u>(2,115,479)</u>	<u>-</u>

The Reconciliation Statements showed in Table 12.1 below, accounts for the differences between the Statement of Cash Flows and the CBB Special Deposit Accounts, as at the period ending March 31, 2021. No reconciliation activity was required for the European Commission grant financed segment of the PSSEP.

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12. Reconciliation between the Statement of Cash Flows (IDB & EC) and Central Bank of Barbados (CBB) Special Deposits Accounts (Cont'd)

Table 12.1

PROGRAMME: Public Sector Smart Energy Programme (PSSEP) Loan Contract No: 2748/OC-BA Reconciliation of Statement of Cash Flows with the Central Bank of Barbados Special Deposit Account No: 243652 FOR THE PERIOD ENDED MARCH 31, 2021 (Expressed in US Dollars)		
Current Period:	USD \$	USD \$
Available cash balance on Statement of Cash Flows		2,953,258
Add: Reconcilable Items		
Sub-Total	-	
Less: Reconcilable Items		
Advance of Funds received for Disbursement Request No. 12 and 22 and justified under Disbursement Request No. 23 to be transferred to the Treasury of Barbados.	1,540,877	
Reimbursed funds received for Disbursement Request No. 25 to be transferred to the Treasury of Barbados.	574,602	
Sub-Total	2,115,479	(2,115,479)
Balance as per account at CBB (US Special Deposit Account No: 243652)		5,068,737

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**13. Reconciliation between the Statement of Cash Flows (IDB & EC) and the Statement of
Cumulative Investments**

	<u>IDB</u>
	\$
Disbursements Made: Total Cash Disbursement on Statement of Cash Flows	10,911,606
Balance as per Statement of Cumulative Investment	<u>(12,244,403)</u>
Differences	<u>(1,332,767)</u>

The difference of \$1,332,767 is explained in Table 13.1 below:

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13. Reconciliation between the Statement of Cash Flows (IDB & EC) and the Statement of Cumulative Investments (cont'd)

Table 13.1

PROGRAMME: Public Sector Smart Energy Programme (PSSEP) Loan Contract No: 2748/OC-BA Reconciliation of Statement of Cash Flows with the Statement of Cumulative Investments FOR THE PERIOD ENDED MARCH 31, 2021 (Expressed in US Dollars)		
	IDB	
Current Period:	\$	\$
Disbursements Made: Total Cash Disbursement on Statement of Cash Flows		10,911,606
Add: Reconcilable Items		
Expenditure eligible for financing from the Inter-American Development Bank under Component One		
Expenditure eligible for financing from the Inter-American Development Bank under Component Two	358,740	
Expenditure eligible for financing from the Inter-American Development Bank under Component Three (Current Reporting Period)	631,417	
Expenditure eligible for financing from the Inter-American Development Bank under Component Three (Previous Reporting Period)	342,640	
Expenditure eligible for financing from the Inter-American Development Bank under Component Four		
	1,332,797	
Less: Reconcilable Items		
	-	1,332,797
Balance as Statement of Cumulative Investments		12,244,403

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13. Reconciliation between the Statement of Cash Flows (IDB & EC) and the Statement of Cumulative Investments (cont'd)

Reconciliation of Statement of Cash Flows (EC) and Statement of Cumulative Investments:

	<u>EC</u>	<u>EC</u>
	Euros €	USD \$
		(Equivalent)
Disbursements Made: Total Cash Disbursement on Statement of Cash Flows	4,852,375	5,527,549
Balance as per Statement of Cumulative Investment	<u>(5,669,152)</u>	<u>(6,494,034)</u>
Differences	<u>(816,777)</u>	<u>(966,485)</u>

The difference of €816,777 (USD \$966,485) is explained in Table 13.2 below:

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13. Reconciliation between the Statement of Cash Flows (IDB & EC) and the Statement of Cumulative Investments (cont'd)

Table 13.2

PROGRAMME: Public Sector Smart Energy Programme (PSSEP) Non-Reimbursable Financing Agreement No. ATN/EX-13316-BA Reconciliation of Statement of Cash Flows with the Statement of Cumulative Investments FOR THE PERIOD ENDED MARCH 31, 2021 (Expressed in European Euros)				
Current Period:	EC (EUROS €)	EC (USD\$ EQUIVALENT)	EC (EUROS €)	EC (USD\$ EQUIVALENT)
Disbursements Made: Total Cash Disbursement on Statement of Cash Flows			4,852,375	5,527,549
Add: Reconcilable Items				
<i>Expenditure eligible for financing from the European Union under Component One</i>	-	-		
<i>Expenditure eligible for financing from the European Union under Component Two</i>	787,128	930,949		
<i>Expenditure eligible for financing from the European Union under Component Three</i>	29,649	35,536		
<i>Expenditure eligible for financing from the European Union under Component Four</i>	-	-		
<i>Exchange Rate calculation adjustment</i>	-	-		
	816,777	966,485	-	-
Less: Reconcilable Items				
	-	-	816,777	966,485
Balance as Statement of Cumulative Investments			5,669,152	6,494,034

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14. Reconciliation by investment categories between the programme's records and the IDB's records

The Inter-American Development Bank's LMS Executive Financial Summary as at March 31, 2021 indicated the following:

Statement of Cumulative Disbursement & IDB's Records of LMS Executive Financial Summary

	IDB \$
Disbursements as per IDB's LMS Executive Financial Summary by Investment Category	13,864,864
Add Variance:	
IDB Expenditure to be reimbursed and justified at a later date	<u>(1,620,461)</u>
Disbursements as per Statement of Cumulative Investments	<u>12,244,403</u>

Statement of Cumulative Disbursement & EC's Records of LMS Executive Financial Summary

	EC Euros €	EC (USD \$ Equivalent)
Disbursements as per IDB's LMS Executive Financial Summary by Investment Category	4,852,375	5,527,549
Add Variance:		
EC Expenditure to be reimbursed at a later date	<u>816,777</u>	<u>966,485</u>
Disbursements as per Statement of Cumulative Investments	<u>5,669,152</u>	<u>6,494,034</u>

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14. Reconciliation by investment categories between the programme's records and the IDB's records (cont'd)

Category		Cumulative Balance as Per:						Variance (Amount)			Variance (Percentage)		Comments
		Program's Records (Statements of Cumulative Investments)			IDB's Records (LMS 1 Executive Financial Summary)								
No.	Name	IDB \$	EC EUROS	EC US EQUIVALENT \$	IDB \$	EC EUROS	EC US EQUIVALENT \$	IDB \$	EC EUROS	EC US EQUIVALENT	IDB %	EC %	
1	Component 1: Retrofit of Government Buildings with RE & EE and Public Street Lights with EE	8,062,244	4,561,875	5,144,349	9,995,340	4,561,875	5,144,349	(1,933,096)	-	-	-24%	0%	The IDB Variance amount of - \$1,933,096 represents, the Advance of Funds under Disbursement Request No. 24, to be expended and justified at a later date.
2	Component 2: Pilot Project and studies for encouraging the use of RE	1,120,521	787,128	930,949	1,181,545	-	-	(61,024)	787,128	930,949	-5%	100%	The IDB Variance amount of - \$61,024 represents, (1) the amount of \$358,740 which is expected to be justified or reimbursed at a later date, less (2) the Advance of Funds (\$419,764) under Disbursement Request No. 24, to be expended and justified at a later date. The EU Variance amount of 787,128 (US\$938,949) represents the outstanding expenditure to be reimbursed at a later date.
3	Component 3: Capacity Building, Institutional Strengthening, Public Awareness and Project Management	3,061,638	29,649	35,536	2,687,979	-	-	373,659	29,649	35,536	12%	100%	The IDB Variance amount of \$373,659 represents, (1) the amount of \$631,417 which is expected to be justified and reimbursed at a later date, less (2) the Advance of Funds (\$257,758) under Disbursement Request No. 24, to be expended and justified at a later date. The EU Variance amount of 29,649, (US\$35,536) represents the outstanding expenditure to be reimbursed at a later date.
4	Component 4: Other Costs	-	290,500	383,200	-	290,500	383,200	-	-	-	0%	0%	
Totals		12,244,403	5,669,152	6,494,034	13,864,864	4,852,375	5,527,549	(1,620,461)	816,777	966,485	-13%	14%	

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15. Contingencies

There were no contingencies as at March 31, 2021.

16. Covid-19

As a result of the Covid-19 Pandemic, the Project Execution Unit (PEU) in its attempt to adhere to the health protocols and the conditions of the national shutdown and curfews, the PEU sought and received the Government's Cabin and Inter-American Development Bank's approval to extend the programme for a twelve month period.

The PEU is expected to record any additional cost associated with the extension of the programme under the Government of Barbados financing category.