

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO.GRT/ER-16412-JA  
FINANCIAL STATEMENTS

MARCH 31, 2021

MINISTRY OF SCIENCE ENERGY AND TECHNOLOGY  
INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO.GRT/ER-16412-JA

Financial statements  
Year ended March 31, 2021

CONTENTS

	Page
Auditor's Report - Audit of the Programme's Accounts	1-3
Statement of Cash Flows – Loans and Grant	4
Statement of Cumulative Investments – Loans and Grant	5
Notes to the Financial Statements	
1. Overview – Nature and activities of the Programme	6
2. Components of the Programme	7
3. Significant accounting policies	7-8
4. The Budget	8
5. Available cash balances	8-9
6. Advances pending justifications	9
7. Advance of funds	9
8. Disbursements made	9-10
9. Reconciliation between the statement of cash flows and the statement of cumulative investments	10
10. Reconciliation between the Programme's records and the IDB's records	10-11
11. Property, plant and equipment	11
12. Impact of the COVID-19 Pandemic	11



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#### INDEPENDENT AUDITORS' REPORT

To Ministry of Science Energy and Technology  
INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-  
REIMBURSABLE FINANCING AGREEMENT NO. GRT/ER-16412-JA

#### *Opinion*

We have audited the accompanying financial statements, which comprise the statement of cash flows, the statement of cumulative investments and a summary of significant accounting policies, and other explanatory information for the Energy Management and Efficiency Programme ("the Programme"), executed by the Ministry of Science Energy and Technology, and financed by the Inter-American Development Bank Loan Agreement No. 3877/OC-JA, Japan International Cooperation Agency Loan Agreement No. JM-F-P1 and European Union Caribbean Investment Facility Financing Agreement No. GRT/ER-16412-JA as of and for the year ended March 31, 2021 and have obtained all the information and explanations which were required.

In our opinion, the financial statements present fairly, in all material respects, the cash flows and cumulative investments for the Energy Management and Efficiency Programme for the year ended March 31, 2021, in accordance with the Cash Basis IPSAS: Financial Reporting under the Cash Basis of Accounting.



Page 2

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To Ministry of Science Energy and Technology  
INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-  
REIMBURSABLE FINANCING AGREEMENT NO. GRT/ER-16412-JA

*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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Programme in accordance with the International Ethics Standards Board for Accountants 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.

*Basis of Accounting*

Without modifying our opinion, we draw attention to note 3(a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to comply with the financial reporting provisions of Inter-American Development Bank Loan Agreement No. 3877/OC-JA, Japan International Cooperation Agency Loan Agreement No. JM-F-P1 and European Union Caribbean Investment Facility Non-reimbursable Financing Agreement No. GRT/ER-16412-JA. As a result, the financial statements may not be suitable for another purpose.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Cash Basis IPSAS: Financial Reporting under the Cash Basis of Accounting 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.

Those charged with governance are responsible for overseeing the Programme's financial reporting process.

*Auditors' 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 auditors' 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.





Page 3

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To Ministry of Science Energy and Technology  
INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-  
REIMBURSABLE FINANCING AGREEMENT NO. GRT/ER-16412-JA

*Auditors' Responsibilities for the Audit of the Financial Statements (Continued)*

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 Programme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

Chartered Accountants  
Kingston, Jamaica

July 27, 2021

INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

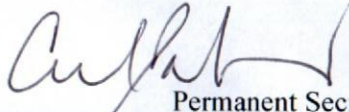
STATEMENT OF CASH FLOWS – LOANS AND GRANT


Year ended March 31, 2021

(Expressed in United States dollars)

	March 31, 2021				March 31, 2020			
	<u>IDB</u>	<u>JICA</u>	<u>EU – CIF</u>	<u>TOTAL</u>	<u>IDB</u>	<u>JICA</u>	<u>EU – CIF</u>	<u>TOTAL</u>
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>CASH RECEIVED</b>								
Accumulated cash at the beginning of the year	1,553,419	469,148	413,648	2,436,215	2,181,419	469,148	306,603	2,957,170
Activity during the year:								
Advance of funds	628,117	-	-	628,117	-	-	107,045	107,045
Refund to IDB	-	-	-	-	( 628,000)	-	-	( 628,000)
Accumulated cash receipt at the end of the year	<u>2,181,536</u>	<u>469,148</u>	<u>413,648</u>	<u>3,064,332</u>	<u>1,553,419</u>	<u>469,148</u>	<u>413,648</u>	<u>2,436,215</u>
<b>DISBURSEMENTS MADE</b>								
Cumulative cash disbursement at the beginning of the year	1,365,139	463,166	413,648	2,241,953	725,402	-	218,103	943,505
Activities during the year:								
Payments made for goods and services	<u>406,821</u>	<u>5,713</u>	<u>-</u>	<u>412,534</u>	<u>639,737</u>	<u>463,166</u>	<u>195,545</u>	<u>1,298,448</u>
Cumulative cash disbursement at the end of the year	<u>1,771,960</u>	<u>468,879</u>	<u>413,648</u>	<u>2,654,487</u>	<u>1,365,139</u>	<u>463,166</u>	<u>413,648</u>	<u>2,241,953</u>
Other –foreign exchange fluctuation	( 562)	-	-	( 562)	( 562)	-	-	( 562)
<b>AVAILABLE CASH AS AT THE END OF YEAR</b>	<u>410,138</u>	<u>269</u>	<u>-</u>	<u>410,407</u>	<u>188,842</u>	<u>5,982</u>	<u>-</u>	<u>194,824</u>

The financial statements on pages 4 to 11 were approved by the Ministry of Science and Technology on July 27, 2021 and signed on its behalf by

  
Permanent Secretary  
Carol Palmer CD, JP, Mrs.

  
Principal Financial Officer  
Richard Fonseca (Mr)

The accompanying notes form an integral part of the financial statements

INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

STATEMENT OF CUMULATIVE INVESTMENTS – LOANS AND GRANT

Year ended March 31, 2021

*(Expressed in United States dollars)*

CATEGORY	Cumulative Through March 31, 2020				Cumulative Movement during the year				Cumulative Through March 31, 2021			
	IDB US\$	JICA US\$	EU-CIF US\$	TOTAL US\$	IDB US\$	JICA US\$	EU-CIF US\$	TOTAL US	IDB US\$	JICA US\$	EU-CIF US\$	TOTAL US\$
<b>COMPONENT I: Retrofitting HEPA</b>												
Government Facilities												
Deep Retrofit - package 1C -Falmouth, Mandeville, KPH	167,924	-	-	167,924	-	-	-	-	167,924	-	-	167,924
Engineering & Supervision	15,794	-	-	15,794	2,980	-	-	2,980	18,774	-	-	18,774
Investment Grade audit of 7 Hospitals	155,855	-	-	155,855	-	-	-	-	155,855	-	-	155,855
Training Facilities Managers	187,406	-	-	187,406	-	-	-	-	187,406	-	-	187,406
	<u>526,979</u>	<u>-</u>	<u>-</u>	<u>526,979</u>	<u>2,980</u>	<u>-</u>	<u>-</u>	<u>2,980</u>	<u>529,959</u>	<u>-</u>	<u>-</u>	<u>529,959</u>
<b>COMPONENT II:</b>												
Implementation of an urban traffic management System	-	-	-	-	-	-	-	-	-	-	-	-
<b>COMPONENT III: Support to electricity planning</b>												
Electricity and Energy Planning in MSET	193,840	149,848	195,545	539,233	146,799	5,713	-	152,512	340,639	155,561	195,545	691,745
<b>COMPONENT IV: Project Administration</b>												
PEU Project Staff	425,023	294,418	-	719,441	234,947	-	-	234,947	672,795	294,418	-	967,213
Project Vehicle	87,752	-	-	87,752	-	-	-	-	87,752	-	-	87,752
Project Management	-	-	218,103	218,103	-	-	-	-	-	-	218,103	218,103
Operating expenses	67,962	-	-	67,962	2,193	-	-	2,193	57,330	-	-	57,330
	<u>580,737</u>	<u>294,418</u>	<u>218,103</u>	<u>1,093,258</u>	<u>237,140</u>	<u>-</u>	<u>-</u>	<u>237,140</u>	<u>817,877</u>	<u>294,418</u>	<u>218,103</u>	<u>1,330,398</u>
<b>COMPONENT V: Monitoring and Evaluation</b>												
Financial audits	40,483	-	-	40,483	19,340	-	-	19,340	59,823	-	-	59,823
Project Monitoring and Evaluation	23,100	18,900	-	42,000	-	-	-	-	23,100	18,900	-	42,000
	<u>63,583</u>	<u>18,900</u>	<u>-</u>	<u>82,483</u>	<u>19,340</u>	<u>-</u>	<u>-</u>	<u>19,340</u>	<u>82,923</u>	<u>18,900</u>	<u>-</u>	<u>101,823</u>
Total	<u>1,365,139</u>	<u>463,166</u>	<u>413,648</u>	<u>2,241,953</u>	<u>406,259</u>	<u>5,713</u>	<u>-</u>	<u>411,972</u>	<u>1,771,398</u>	<u>468,879</u>	<u>413,648</u>	<u>2,653,925</u>

## INTER-AMERICAN DEVELOPMENT BANK

## ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME

LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

## Notes to the Financial Statements

March 31, 20211. Overview – Nature and activities of the Programme

Jamaica (the country) is the third largest island in the Caribbean region with an area of 11,000 square kilometers and a population of 2.72 million people. Jamaica has a small, open economy, characterized by low growth and high debt. Like many Caribbean countries, Jamaica relies on fossil fuels, importing over 90% of its energy needs and consuming an average of 20.4 million barrels of oil equivalent (BOE) of petroleum products per year.

Recognizing the costly implications of oil import dependency and the importance of contributing to an international agenda to reduce Green House Gasses emissions, the Government of Jamaica (GOJ) has made important efforts over the past few years to diversify the energy matrix. Supported by the National Energy Policy which seeks to create a modern, efficient, diversified and environmentally-sustainable energy sector for the island, and under the National Renewable Energy Policy 2010-2030 (NREP), efforts are underway to achieve 30% of the country's energy mix from Renewable Energy by 2030, with Liquefied Natural Gas (LNG) replacing oil as the main energy source.

The Inter-American Development Bank (IDB) is building on these initiatives, and together with the Japan International Cooperation Agency (JICA) and the European Union Caribbean Investment Facility (EU-CIF) is supporting the GOJ with a new Programme: "Energy Management and Efficiency Programme (EMEP or the Programme). The Loan Agreement between GOJ/IDB (3877/OC-JA) and GOJ/JICA (JM-F-P1) were signed on November 10, 2017 and November 23, 2017, respectively and the non-reimbursable financing agreement between GOJ/UE-CIF (GRT/ER-16412-JA) was signed January 30, 2018. The estimated cost of the Programme is US\$40,000,000 distributed over a 6 year period in accordance with the following source of funds:

	Loans and Grant			
	IDB US\$	JICA US\$	EU-CIF US\$	Total US\$
<b>COMPONENT 1:</b>				
Retrofitting HEPA Government facilities	<u>10,668,125</u>	<u>10,567,500</u>	<u>9,531,897</u>	<u>30,767,522</u>
<b>COMPONENT II:</b>				
Implementation of an urban Traffic Management System	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>	<u>3,500,000</u>
<b>COMPONENT III:</b>				
Support to electricity planning	<u>890,000</u>	<u>890,000</u>	<u>250,000</u>	<u>2,030,000</u>
<b>COMPONENT: IV</b>				
Project Management and other costs:				
Financial audits	90,000	90,000	-	180,000
Mid-term and final evaluation	50,000	50,000	-	100,000
Monitoring, evaluation and audit	265,000	125,000	-	390,000
Project management	<u>1,286,875</u>	<u>1,527,500</u>	<u>218,103</u>	<u>3,032,478</u>
	<u>1,691,875</u>	<u>1,792,500</u>	<u>218,103</u>	<u>3,702,478</u>
	<u>15,000,000</u>	<u>15,000,000</u>	<u>10,000,000</u>	<u>40,000,000</u>

These financial statements cover the year ended March 31, 2021 and the prior period covered the year ended March 31, 2020.



INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

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Notes to the Financial Statements (Continued)

March 31, 2021

2. Components of the Programme

The Programme constitutes of the following four components:

**Component 1. Retrofitting HEPA Government Facilities**

This component will finance the implementation of energy efficiency and renewable energy interventions in thirty (30) public sector facilities, including eleven (11) hospitals and nine (9) schools. This component will also finance lighting retrofits in fifty (50) government facilities, both inclusive of training for facility managers.

**Component 2. Implementation of an Urban Traffic Management System**

This component will finance the implementation of an Urban Traffic Management System (UTMS) in the Kingston Metropolitan Area, inclusive of training on the operations and maintenance of the System. The National Works Agency, Jamaica will carry out the operations and maintenance of the UTMS.

**Component 3. Support to electricity planning**

This component will support the Ministry of Science, Energy and Technology with the country's medium to long-term electricity and energy plan.

**Component 4. Project administration and other costs**

This component will support the Programme Executing Unit (PEU) through the contracting of consultant expertise for programme, financial and procurement management. This component will also support the contracting of additional experts such as those covering: environmental impact management, electricity safety and compliance, quantity surveying, and monitoring and evaluation.

3. Significant accounting policies

(a) Basis of accounting

The financial statements have been prepared using the cash basis of accounting, recognising revenue when the cash is received and recognising expenses when the cash has been disbursed. This accounting policy differs from International Public Sector Accounting Standards (IPSAS) under which transactions should be recorded when they occur and not when they are paid. However, IPSAS have been applied to circumstances such as those discussed in the chapter "Cash Basis IPSAS: Financial Reporting under the Cash Basis of Accounting."

Unless otherwise indicated, the financial statements are presented in United States Dollar (US\$).

## INTER-AMERICAN DEVELOPMENT BANK

## ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME

LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

## Notes to the Financial Statements (Continued)

March 31, 20213. Significant accounting policies (continued)

## (b) Foreign currency transactions

The Programme's accounting records are maintained in United States dollars. However, Programme expenditure is incurred mainly in Jamaican dollars. Expenditure incurred in Jamaican dollars is translated to United States dollars at the rates of exchange in force on the date on which the disbursement currency is converted into local currency pursuant to article 4.10(b)i.

## (c) Property, plant and equipment

When equipment and other property, plant and equipment are procured with Programme's resources they are expensed in the statement of cash flows. No depreciation is charged on these assets and therefore no depreciation charge is reflected on the financial statements.

## (d) Restricted use of Project funds and other assets

In accordance with the Loan and Grant Agreements between the IDB, JICA and EU-CIF, funds available in the Special Account are restricted to project purposes only. Property, plant and equipment procured with project funds are restricted to project purposes. A fixed assets register to account for all assets will be maintained.

4. The Budget

The budget allocations for the Programme were as follows:

	<u>US\$</u>
Year ended March 31, 2021 (J\$134.73 million)	<u>962,350</u>
Year ended March 31, 2020 (J\$208.11 million)	<u>1,600,000</u>

Budgeted expenditure represents amounts that were included in the National Budget of Jamaica for the fiscal years ended March 31, 2021 and March 31, 2020.

5. Available cash balances

The available cash balances as at year end in the Programme's bank accounts were:

**Loan**

	<u>2021</u> US\$	<u>2020</u> US\$
Bank of Jamaica – United States dollars Special Account No. 810533	346,425	146,515
Bank of Jamaica – United States dollars Special Account No. 810541	269	269
National Commercial Bank Jamaica Limited – Jamaica dollars Special Account # 35-118-7212	<u>63,713</u>	<u>48,040</u>
<b>Total</b>	<u>410,407</u>	<u>194,824</u>

## INTER-AMERICAN DEVELOPMENT BANK

## ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME

LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

## Notes to the Financial Statements (Continued)

March 31, 20215. Available cash balances (continued)

At March 31, 2021, National Commercial Bank Jamaica Limited bank account was J\$9.3 million (US\$63,712) [2020: J\$6.4 million (US\$48,040)].

During the financial years ended March 31, 2021 and March 31, 2020 there were no interest earned on this account.

6. Advances pending justifications

As at March 31, 2021, the amount pending justification to the IDB amounted to US\$36,264 (2020: US\$461,844) for expenditures incurred but not yet submitted for approval.

As at March 31, 2021, the amount pending justification to the JICA amounted to US\$5,713 (2020: US Nil) for expenditures incurred but not yet submitted for approval.

The Programme did not have any amount pending justification from EU-CIF for the financial years ended March 31, 2021 and March 31, 2020.

7. Advance of funds

The Executing Agency may request disbursements under the advance of funds method. The amount of the advance of funds shall be set by the Bank on the basis of the liquidity needs of the project in order to cover periodic projections of eligible expenditures during a period of up to six (6) months.

8. Disbursement made

During the year, requests to IDB and EU-CIF for disbursements by way of advances were as follows:

<u>March 31, 2021</u>			
<u>Date</u>	<u>Disbursement #</u>	<u>Amount requested</u> US\$	<u>Amount recorded in the Programme's financial statements to March 31, 2021</u> US\$
<u>IDB*</u>			
December 16, 2020	12	219,285	219,285
March 18, 2021	14	<u>408,832</u>	<u>408,832</u>
		<u>628,117</u>	<u>628,117</u>

\* Request numbers 10,11,13 represent advance justification requests.

## INTER-AMERICAN DEVELOPMENT BANK

## ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME

LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
FINANCING AGREEMENT NO. GRT/ER-16412-JA

## Notes to the Financial Statements (Continued)

March 31, 2021

8. Disbursement made (continued)

March 31, 2020			
<u>Date</u>	<u>Disbursement #</u>	<u>Amount requested</u> US\$	<u>Amount recorded in the Programme's financial statements to March 31, 2020</u> US\$
<u>EU-CIF</u>			
September 9, 2019	2	<u>107,045</u>	<u>107,045</u>

9. Reconciliation between the statement of cash flow and the statement of cumulative investments

	<u>2021</u> US\$	<u>2020</u> US\$
Statement of cash flow	<u>410,407</u>	<u>194,824</u>
Statement of cumulative investment:		
Advance	822,941	1,493,272
Expense	<u>(412,534)</u>	<u>(1,298,448)</u>
	<u>410,407</u>	<u>194,824</u>
	<u>-</u>	<u>-</u>

10. Reconciliation between the Programme's records and the IDB's records

<u>Investment Category</u>	<u>2021</u>		<u>Difference</u> US\$
	<u>IDB's records</u> US\$	<u>IDB Loan</u> Programme's records US\$	
Retrofitting HEPA Government Facilities	529,959	529,959	-
Support to Electricity Planning	328,892	340,639	(11,747)
Project Administration	793,360	817,877	(24,517)
Monitoring and Evaluation	<u>82,923</u>	<u>82,923</u>	<u>-</u>
Total	<u>1,735,134</u>	<u>1,771,398</u>	<u>(36,264)*</u>



## INTER-AMERICAN DEVELOPMENT BANK

ENERGY MANAGEMENT AND EFFICIENCY PROGRAMME  
 LOAN AGREEMENT NOS.3877/OC-JA AND JM-F-P1 AND NON-REIMBURSABLE  
 FINANCING AGREEMENT NO. GRT/ER-16412-JA

Notes to the Financial Statements (Continued)  
 March 31, 2021

10. Reconciliation between the Programme's records and the IDB's records (continued)

<u>Investment Category</u>	<u>2020</u>		<u>Difference</u> US\$
	<u>Cumulative</u> <u>Investments</u> <u>from IDB</u> <u>funds as per</u> <u>IDB's records</u> US\$	<u>IDB Loan</u> <u>Cumulative</u> <u>Investments</u> <u>from IDB</u> <u>funds as per</u> <u>Programme's records</u> US\$	
Retrofitting HEPA Government Facilities	207,665	526,979	(319,314)
Support to Electricity Planning	143,571	193,840	( 50,269)
Project Administration	498,977	580,738	( 81,761)
Monitoring and Evaluation	<u>53,083</u>	<u>63,583</u>	<u>( 10,500)</u>
Total	<u>903,296</u>	<u>1,365,140</u>	<u>(461,844)</u>

\*The difference of US\$36,264 (2020: US\$461,844) represents expenditure not yet submitted to IDB.

11. Property, plant and equipment

During the year, assets totalling US\$ NIL (2020: \$13,052) were purchased by the Programme and funded by IDB funds.

<u>Acquisition</u>	<u>2020</u>	
	<u>Description</u>	<u>Cost US\$</u>
10/05/19	Power Edge R730xd Server Dell Networking Cable	<u>13,052</u>

12. Impact of the COVID-19 Pandemic

The World Health Organization in March 2020 declared the novel coronavirus, COVID-19, as a global pandemic. As a first step we instituted measures at our properties to safeguard and protect our stakeholders by not only providing information to our employees, business partners and clients but equipping all personnel with supplies to prevent contagion and establishing protocols to access our premises. In addition, we have been working with our staff to ensure common areas are thoroughly cleaned and sanitized and we engaged our flexi-work plan to minimize the number of employees in our premises whilst enabling a work from home strategy to continue operating our business.

It was agreed that while these measures persisted the execution of the Programme and its' costs could be affected mainly by the duration and spread of the outbreak, (ii) the restrictions and advisories from Government and (iii) the overall effects on the economy. However, as of the audit report date, Government restrictions have significantly relaxed.