EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO, (85200-IQ)

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
Ministry of Electricity
FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F,H,AL-SALMAN & CO,
PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS
BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

Independent auditor's report
To the management of Emergency Operation for Development Project

Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) - Ministry of Electricity
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st 2023, The preparation of the financial statement is the responsibility of project managements team (PMT), Our responsibility is to express an opinion on these financial statements based on our audit,

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023,

We have conducted our audit in accordance with International Standards on Auditing, Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement, An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements, An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation, We believe that our audits provide a reasonable basis for our opinion,

Opinion

(a) The Projects Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach,

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project,

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement,

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B,Sc, FCCA
F,H,Al-Salman & Co,
Public Accountants, Auditors & Consultants
Baghdad - Iraq
Baghdad, Republic of Iraq
Date: June 27th 2024

MINISTRY OF ELECTRICITY
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO, (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U,S, DOLLARS

	Notes	Allocated amounts for the life of the project USD	Actual receipts and payments since inception to 31 December 2022 USD	Actual receipts and payments in year 2023 USD	Accumulated receipts and payments balance as of 31 December 2023 USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO, 85200-IQ)	3-1		68,625,456	265,272	68,890,728
Receipts from Tenders Revenue			31,206	(31,206)	–
Total cash receipts		**70,000,000**	**68,656,662**	**234,066**	**68,890,728**
CASH PAYMENTS					
Cash Payments for Components			(68,523,405)	(2,660)	(68,526,065)
Total cash payments	3-2	**70,000,000**	**(68,523,405)**	**(2,660)**	**(68,526,065)**
Cash at Bank as at end of the period	4				**364,663**

PMT Manager
Abdul Wahhab Kadim Mawyesh

Financial Management
Laila Manea Mohsin

وزارة الكهرباء
E-O-D-P
AF
مشروع التمويل الاضافي
لقرض البنك الدولي

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area,

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring,

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024.

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(1) Goods, works, non-consulting services, consultants' services, and Operating Costs for Parts 1 and 6(a) of the Project	**70,000,000**	**68,890,728**	**(68,526,065)**	**364,663**

3 CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total CASH RECEIPTS from date of inception to 31 December 2023:

	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	19,427,706	265,272	19,692,978
Direct payments	49,197,750	–	49,197,750
Total	**68,625,456**	**265,272**	**68,890,728**

3-2 The following table summarizes total Cash Disbursements from date of inception To 31 December2023:

	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	67,391,128	—	67,391,128
Civil work	313,488	—	313,488
Consultant services	400,788	—	400,788
Operation costs	418,001	2,660	420,661
Non-Consultancy services	—	—	—
Total	**68,523,405**	**2,660**	**68,526,065**

3-3 The office equipment it was Equivalent with actual Inventory.

4- FUND BALANCE

	2023 USD	2022 USD
Fund balance per bank as at 31 December	**364,663**	**133,257**
Add:		
Bank fees	—	—
Operating Advance	—	—
Less:		
Bank fees	—	—
Recovering an Operating advance	—	—
Outstanding checks	—	—
Fund balance per books as at 31 December	**364,663**	**133,257**

5. REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO, 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development,

6. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting,
The accounting policies have been applied consistently throughout the period,
The financial statements have been presented in U,S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ),

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks,

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-Loan No, 85200-IQ),

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project,

7. GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished,

EMERGENCY OPERATION DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF ELECTRICITY

Funded by

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

F. H. Al-Salman & Co

Public Accountants, Auditors & Tax Consultants

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

2002

No: FHS/188/24

Date: 27/6/2024

Ministry of Electricity

Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)

Funded by the International Bank for Reconstruction and Development

Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

EMERGENCY OPERATION FOR DEVELOPMENT PROJECT
(P 155732)
LOAN NO. (85200-IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS

(DEPARTMENT OF PROJECTS FUNDED EXTERNALLY)

FUNDED BY

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

Independent auditor's report
To the management Emergency Operation for Development Project
Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) / Ministry of Construction, Housing, Municipalities and Public Works / Department of Projects Funded Externally.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad - Iraq

Baghdad, Republic of Iraq
Date: June 27th 2024

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project USD	Actual receipts and payments since inception to 31 December 2022 USD	Actual receipts and payments in year 2023 USD	Accumulated receipts and payments balance as of 31 December 2023 USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 85200-IQ)	3-1		59,806,635	-	59,806,635
Total cash receipts		**62,000,000**	**59,806,635**	**-**	**59,806,635**
CASH PAYMENTS					
Cash Payments for Components			(59,634,272)	(7,262)	(59,641,534)
Total cash payments	3-2	**62,000,000**	**(59,634,272)**	**(7,262)**	(59,641,534)
Cash at Bank as at end of the period	4				**165,101**

PMT Manager
Ihsan Sattar Majhool

Financial Management
Halah Adnan Abdulameer

The notes on pages from 1 to 5 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area.

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring.

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated : June 27th 2024 .

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(2) Goods, works, non-consulting services, consultants' services, and Operating Costs, for Parts 2, 5(a), 5(d)(ii), and 6(b) of the Project	62,000,000	59,806,635	(59,641,534)	**165,101**

IN U.S. DOLLARS

3 CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total Cash Receipts from date of inception to 31 December 2023:

	Actual cash Receipts since inception to 31 December 2022	Actual cash Receipts in year 2023	Accumulated cash Receipts balance as of 31 December 2023
	USD	USD	USD
Designated bank account	43,188,698	-	43,188,698
Direct payments	16,617,937	-	16,617,937
Total	**59,806,635**	-	**59,806,635**

3-2 The following table summarizes total Cash Disbursements from date of inception to 31 December2023:

	Actual Disbursements since inception to 31 December 2022	Actual Disbursements in year 2023	Accumulated Disbursements balance as of 31 December 2023
	USD	USD	USD
Goods and Equipment	31,365,155	-	31,365,155
Civil work	26,225,366	-	26,225,366
Non-Consultancy services	85,904	-	85,904
Consultant services	1,099,288	2,000	1,101,288
Operation costs	858,559	5,262	863,821
Total	**59,634,272**	**7,262**	**59,641,534**

3-3 The office equipment it was Equivalent with actual Inventory.

4- FUND BALANCE

	2023 USD	2022 USD
Fund balance per bank as at 31 December	165,101	172,363
Add:		
Bank fees	-	-
Operating Advance	-	-
Less:		
Bank fees	-	-
Recovering an Operating advance	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**165,101**	**172,363**

5- REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO. 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6- BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ).

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No. 85200-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7- GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

EMERGENCY OPERATION DEVELOPMENT PROJECT
(P 155732)
LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS

(DEPARTMENT OF PROJECTS FUNDED EXTERNALLY)

FUNDED BY

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER
ON
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H. AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

No: FHS/188/24

Date: 27/6/2024

Ministry of Construction, Housing, Municipalities and Public Works – Department of Project Funded Externally

Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)

Funded by the International Bank for Reconstruction and Development

Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No . (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

EMERGENCY OPERATION FOR DEVELOPMENT *PROJECT*
(P 155732)
LOAN NO, (85200-IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS

ROAD AND BRIDGES DIRECTORATE

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.
PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS
BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

Independent auditor's report
To the management of Emergency Operation for Development Project
Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) / Ministry of Construction, Housing, Municipalities and Public Works - Road and Bridges Directorate Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st 2023, the preparation of the financial statement is the responsibility of project managements team (PMT), Our responsibility is to express an opinion on these financial statements based on our audit,

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023,

We have conducted our audit in accordance with International Standards on Auditing, Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement, An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements, An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation, We believe that our audits provide a reasonable basis for our opinion,

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach,

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project,

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement,

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B,Sc, FCCA
F,H,Al-Salman & Co,
Public Accountants, Auditors & Consultants
Baghdad - Iraq
Baghdad, Republic of Iraq
Date: June 27th 2024

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS - ROAD AND BRIDGES DIRECTORATE
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO, (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U,S, DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments since inception to 31 December 2022	Actual receipts and payments in year 2023	Accumulated receipts and payments balance as of 31 December 2023
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO, 85200-IQ)	3-1		135,592,229	18,000	135,610,229
Total cash receipts		**135,700,000**	**135,592,229**	**18,000**	**135,610,229**
CASH PAYMENTS					
Cash Payments for Components			(135,287,182)	(273,759)	(135,560,941)
Total cash payments	3-2	**135,700,000**	**(135,287,182)**	**(273,759)**	**(135,560,941)**
Cash at Bank as at end of the period	4				**49,288**

3/7/2024

Financial Management
Adwaa Qasim Mohammed

PMT Manager
Hussien Jasim Kadhem
4-7-2024

The notes on pages from 1 to 5 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area,

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring,

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(3) Goods, works, non-consulting services, consultants' services, and Operating Costs, for Parts 3, 5(b), 5(c), and 6(c) of the Project	**135,700,000**	**135,610,229**	**(135,560,941)**	**49,288**

3 CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total CASH RECEIPTS from date of inception to 31 December 2022:

	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	92,708,850	-	92,708,850
Direct payments	42,883,379	18,000	42,901,379
Total	**135,592,229**	**18,000**	**135,610,229**

3-2 The following table summarizes total CASH DISBURSEMENTS from date of inception To 31 December 2023:

	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	10,680,851	4,575	10,685,426
Civil work	121,685,145	18,000	121,703,145
Consultant services	1,834,183	61,280	1,895,463
Operation costs	1,087,003	189,904	1,276,907
Non-Consultancy services	—	—	—
Total	**135,287,182**	**273,759**	**135,560,941**

3-3 The office equipment it was Equivalent with actual Inventory.

4- Fund Balance

	2023 USD	2022 USD
Fund balance per bank as at 31 December	49,288	305,047
Add:		
Bank fees	–	–
Tender fees	–	–
Operating Advance	–	–
Less:		
Bank fees	–	–
Tender fees	–	–
Outstanding checks	–	–
Fund balance per books as at 31 December	49,288	305,047

5. REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO, 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development,

6. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting,
The accounting policies have been applied consistently throughout the period,
The financial statements have been presented in US Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ),

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks,

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No, 85200-IQ),

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project,

7. GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished,

EMERGENCY OPERATION DEVELOPMENT PROJECT (P 155732)

LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS

ROAD AND BRIDGES DIRECTORATE

Funded by

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER ON FINANCIAL STATEMENTS THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.
PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS
BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

2002

No: FHS/188/24

Date: 27/6/2024

Ministry of Construction, Housing, Municipalities and Public Works - Road and Bridges Directorate

Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)

Funded by the International Bank for Reconstruction and Development

Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA

F.H.Al-Salman & Co.

Public Accountants, Auditors & Consultants

Baghdad – Iraq

EMERGENCY OPERATION FOR DEVELOPMENT PROJECT
(P 155732)
LOAN NO. (85200-IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

Ministry of Health

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

2002

Independent auditor's report

To the management of Emergency Operation for Development Project
Emergency Operations for Development is Project (P 155732) Loan No. (85200-IQ) - Ministry of Health
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad - Iraq

Baghdad, Republic of Iraq
Date: June 27th 2024

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

MINISTRY OF HEALTH
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project USD	Actual receipts and payments since inception to 31 December 2022 USD	Actual receipts and payments in year 2023 USD	Accumulated receipts and payments balance as of 31 December 2023 USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 85200-IQ) Part (A-4)	3-1	18,000,000	15,152,698	-	15,152,698
Receipts from IBRD (LOAN NO. 85200-IQ) Part (C-4)	3-1	35,825,000	5,000,000	-	5,000,000
UNOPS			7,806,788	(235,481)	7,571,307
Refunded amounts			-	(585,517)	(585,517)
			12,806,788	(820,998)	11,985,790
Total cash receipts		**53,825,000**	**27,959,486**	**(820,998)**	**27,138,488**
CASH PAYMENTS					
Cash Payments for Components - Part (A-4)	3-2	**18,000,000**	(15,056,781)	-	(15,056,781)
Cash Payments for Components - Part (A-4)	3-2	**35,825,000**	(12,806,788)	813,327	(11,993,461)
Advance settlement			(2,196)	-	(2,196)
Difference settlement			(3,033)	-	(3,033)
			(12,812,017)	813,327	(11,998,690)
Total cash payments		**53,825,000**	**(27,868,798)**	**813,327**	**(27,055,471)**
Cash at Bank as at end of the period	4				**83,017**

PMT Manager
Husam Alwan Kareem

Financial Management
Adnan Abdulhassan Kayem

The notes on pages from 1 to 5 are integral part of these financial statements

1- GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area.

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Health (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of Health in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring.

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024.

IN U.S. DOLLARS

1 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(4) (a) Goods, non-consulting services, consultant services, and Operating Costs for Parts 4(a), 5(e), and 6(d) of the Project	18,000,000	15,152,698	(15,056,781)	**95,917**
(4) (c) Goods, non-consulting services, consultant services, and Operating Costs for Parts 4(b)(ii) of the Project	35,825,000	11,985,790	(11,998,690)	**(12,900)**
Total	**53,825,000**	**27,138,488**	**(27,055,471)**	**83,017**

IN U.S. DOLLARS

3- CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total Cash Receipts from date of inception to 31 December 2023:

	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	8,001,888	–	8,001,888
Direct payments	12,150,810	(585,517)	11,565,293
UNOPS	7,806,788	(235,481)	7,571,307
	19,957,598	(820,998)	19,136,600
Total	**27,959,486**	**(820,998)**	**27,138,488**

3-2 The following table summarizes total Cash Disbursements from date of inception to 31 December 2023:

	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	27,682,437	(820,998)	26,861,439
Civil work	-	-	-
Consultant services	-	-	-
Operation costs	181,132	7,671	188,803
Advance settlement	2,196	-	2,196
Difference settlement	3,033	-	3,033
	186,361	7,671	194,032
Non-Consultancy services	-	–	-
Total	**27,868,798**	**(813,327)**	**27,055,471**

3-3 The office equipment it was Equivalent with actual Inventory.

4- FUND BALANCE

	2023 USD	2022 USD
Fund balance per bank as at 31 December	83,017	90,688
Add:		
Bank fees	-	-
Operating Advance	-	-
Less:		
Bank fees	-	-
Refund to World Bank	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**83,017**	**90,688**

5 REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO. 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project
(P 155732) Loan No. (85200-IQ).

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No. 85200-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

EMERGENCY OPERATION DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF HEALTH

Funded by

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER
ON
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

2002

No: FHS/188/24

Date: 27/6/2024

Ministry of Health
Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No . (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200-IQ)

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
Ministry of Construction, Housing, Municipalities and Public Works
MABANY DIRECTORATE
FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

Independent auditor's report
To the management of Emergency Operation for Development Project
Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) / Ministry of Construction, Housing, Municipalities and Public Works - Mabany Directorate
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad - Iraq

Baghdad, Republic of Iraq
Date : June 27th 2024

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS - MABANY DIRECTORATE
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project USD	Actual receipts and payments since inception to 31 December 2022 USD	Actual receipts and payments in year 2023 USD	Accumulated receipts and payments balance as of 31 December 2023 USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 85200-IQ)	3-1		2,216,984	-	2,216,984
Total cash receipts		**8,400,000**	**2,216,984**	**-**	**2,216,984**
CASH PAYMENTS					
Cash Payments for Components			(1,158,733)	(482,825)	(1,641,558)
Total cash payments	3-2	**8,400,000**	**(1,158,733)**	**(482,825)**	**(1,641,558)**
Cash at Bank as at end of the period	4				**575,426**

PMT Manager
Ammar Abdul Razzaq Issa

Financial Management
Khaldoon Abbas Hasan

وزارة الاعمار والاسكان والبلديات العامة
دائرة المباني/الوحدة المالية
مشروع اعادة اعمار المستوصفات والمستشفيات
في المناطق المتضررة من الاعمال الارهابية والحرب

The notes on pages from 1 to 5 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area.

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring.

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(4) (b) Goods, works, non-consulting services, consultant services, and Operating Costs for Parts 4(b)(i) of the Project	**8,400,000**	2,216,984	(1,641,558)	**575,426**

IN U.S. DOLLARS

3 CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total CASH RECEIPTS from date of inception to 31 December 2023:

	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	2,216,984	—	2,216,984
Direct payments	—	—	—
Total	**2,216,984**	—	**2,216,984**

3-2 The following table summarizes total Cash Disbursements from date of inception to 31 December 2022:

	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	11,493	5,900	17,393
Civil work	1,042,521	456,444	1,498,965
Consultant services	—	—	—
Operation costs	104,719	20,481	125,200
Non-Consultancy services	—	—	—
Total	**1,158,733**	**482,825**	**1,641,558**

3-3 The office equipment it was Equivalent with actual Inventory.

4- FUND BALANCE

	2023 USD	2022 USD
Fund balance per bank as at 31 December	575,426	1,058,241
Add:		
Bank fees	-	10
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**575,426**	**1,058,251**

5- REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO. 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6- BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ).

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No. 85200-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

7- GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

EMERGENCY OPERATION DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION, HOUSING, MUNICIPALITIES AND PUBLIC WORKS - MABANY DIRECTORATE

FUNDED BY

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

No: FHS/188/24

Date: 27/6/2024

Ministry of Construction, Housing, Municipalities and Public Works - Mabany Directorate

Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)

Funded by the International Bank for Reconstruction and Development

Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

Emergency Operation for Development *PROJECT*
(P 155732)
Loan No, (85200-IQ)

Implemented by

The Government of Republic of Iraq

Reconstruction Fund for Areas Affected by Terroristic Operations

Funded by

The International Bank for

Reconstruction and Development

Independent AUDITORS' REPORT
&
Financial Statements
The year ended December 31st 2023

F,H,Al-Salman & Co,

Public Accountants, Auditors & CONSULTANTS

Baghdad – Iraq

Independent auditor's report

To the management of Emergency Operation for Development Project
Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ)-Reconstruction Fund for Areas Affected by Terroristic Operations
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st 2023, the preparation of the financial statement is the responsibility of project managements team (PMT), Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023.

We have conducted our audit in accordance with International Standards on Auditing, Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement, An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements, An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation, We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project,

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B,Sc, FCCA
F,H,Al-Salman & Co,
Public Accountants, Auditors & Consultants
Baghdad - Iraq

Baghdad, Republic of Iraq
Date: June 27th 2024

RECONSTRUCTION FUND FOR AREAS AFFECTED BY TERRORISTIC OPERATIONS
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments since inception to 31 December 2022	Actual receipts and payments in year 2023	Accumulated receipts and payments balance as of 31 December 2023
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO, 85200-IQ)	3-1		8,174,851	485,920	8,660,771
Total cash receipts		**9,200,000**	**8,174,851**	**485,920**	**8,660,771**
CASH PAYMENTS					
Cash Payments for Components			(8,033,448)	(334,364)	(8,367,812)
Settlements for year 2022			—	(12,777)	(12,777)
Total cash payments	3-2	**9,200,000**	**(8,033,448)**	**(347,141)**	**(8,380,589)**
Cash at Bank as at end of the period	4				**280,182**

PMT manager
Mohammed Qassim Mohammed

Accountant
Ali Flayyih Abdullah

The notes on pages from 1 to 5 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area.

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring.

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(5) Goods, non-consulting services, consultants' services, Operating Costs, and Training and Workshops for Parts 5(d),(i), (iii) and 6(e) of the Project	**9,200,000**	8,660,771	(8,380,589)	280,182

IN U.S. DOLLARS

3- CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total Cash Receipts from date of inception to 31 December 2023:

Account name	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	5,095,268	371,327	5,466,595
Settlements for year 2022	-	20	20
	5,095,268	371,347	5,466,615
Reimbursements	21,514	-	21,514
Direct payments	3,058,069	114,573	3,172,642
Total	**8,174,851**	**485,920**	**8,660,771**

3-2 The following table summarizes total Disbursements from date of inception To 31 December 2023

Account name	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	28,896	-	28,896
Consultant services	6,715,538	294,808	7,010,346
Settlements for year 2022	-	8,815	8,815
	6,715,538	303,623	7,019,161
Operation costs	1,289,014	39,556	1,328,570
Settlements for year 2022	-	3,962	3,962
	1,289,014	43,518	1,332,532
Total	**8,033,448**	**347,141**	**8,380,589**

3-3 The office equipment it was Equivalent with actual Inventory.

IN U.S. DOLLARS

4- FUND BALANCE

	2023 USD	2022 USD
Fund balance per bank as at 31 December	280,172	128,646
Add:		
Bank fees	10	-
Advance	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**280,182**	**128,646**

5- REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO, 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development,

6- BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting,

The accounting policies have been applied consistently throughout the period,

The financial statements have been presented in U,S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No, (85200-IQ).

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks,

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No, 85200-IQ),

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project,

7- GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished,

EMERGENCY OPERATION DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200- IQ)

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

RECONSTRUCTION FUND FOR AREAS AFFECTED BY TERRORISTIC OPERATIONS

Funded by

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.

PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS

BAGHDAD – IRAQ

No: FHS/188/24

Date: 27/6/2024

Reconstruction Fund for Areas Affected by Terroristic Operations
Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. (85200-IQ)

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
Ministry of Water Resources
FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT
&
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H.AL-SALMAN & CO.
PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS
BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

Independent auditor's report
To the management of Emergency Operation for Development Project
Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) - Ministry of Water Resources

Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2023.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ) covering the year ended December 31st 2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad - Iraq

Baghdad, Republic of Iraq
Date: June 27th 2024

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com

MINISTRY OF WATER RESOURCES
EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. (85200-IQ)
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2023
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments since inception to 31 December 2022	Actual receipts and payments in year 2023	Accumulated receipts and payments balance as of 31 December 2023
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 85200-IQ)	3-1		7,111,294	874,509	7,985,803
Total cash receipts		**10,000,000**	**7,111,294**	**874,509**	**7,985,803**
CASH PAYMENTS					
Cash Payments for Components			(6,974,331)	(888,579)	(7,862,910)
Total cash payments	3-2	**10,000,000**	**(6,974,331)**	**(888,579)**	**(7,862,910)**
Cash at Bank as at end of the period	4				**122,893**

PMT Manager
Raed Abd Zaied Al-Geshemi

Financial Management
Omar Safwat Hasan

وزارة الموارد المائية
القرض الطارئ
حسابات البنك الدولي

The notes on pages from 1 to 5 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation 1-The Government of Iraq (GoI) has received financing in the amount of US$ 350 million from the World Bank (WB), to support GOI in meeting the dual challenge of reconstruction and restoring services to liberated municipal areas while laying the foundations for longer – terms development The overall aim of Emergency Operation for Development (EODP) for Iraq is designed to complement the government's stabilization efforts with the immediate implementation of reconstruction and rehabilitation of priority infrastructure subprojects to restore the delivery of public services in the project area.

2-This amount will be used to finance components 1, 2, 3, 4, 5, 6 that will be carried out by the Road and Bridges Directorate (RBD) of Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW), Ministry of Health (MoH) and Ministry of Electricity (MoE) and Reconstruction Fund (RF) in addition to Ministry of Water Resource and Mabany Directorate - Ministry of Construction, Housing, Municipalities and Public Works (MoCHMPW) These financing agreements cover all works contracts to restore and repairing Road and Bridge, Water supply and sanitation, mobile hospitals and clinics, ambulances, restoration of electricity in 7 liberated area at Salah Ad-Din and Diyala further more cover supervision contracts and some of consultant contracts, projects implementation and monitoring.

The financial statements and the notes on pages 1 to 5 were authorized for issuance by Management Letter dated: June 27th 2024.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Category Description	Amount allocated of the Component from the loan (USD)	Actual receipts since inception to 31 December 2023 (USD)	Actual payments since inception to 31 December 2023 (USD)	Cash at Bank as of 31-12-2023 (USD)
(9) Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs and Training and Workshops for Part 7 of the Project.	10,000,000	7,985,803	(7,862,910)	**122,893**

3 CASH RECEIPTS& DISBURSEMENTS FOR COMPONENTS

3-1 The following table summarizes total CASH RECEIPTS from date of inception to 31 December 2023:

	Actual cash Receipts since inception to 31 December 2022 USD	Actual cash Receipts in year 2023 USD	Accumulated cash Receipts balance as of 31 December 2023 USD
Designated bank account	6,719,492	-	6,719,492
Direct payments	391,802	874,509	1,266,311
Total	**7,111,294**	**874,509**	**7,985,803**

3-2 The following table summarizes total Cash Disbursements from date of inception to 31 December 2023:

	Actual Disbursements since inception to 31 December 2022 USD	Actual Disbursements in year 2023 USD	Accumulated Disbursements balance as of 31 December 2023 USD
Goods and Equipment	—	—	—
Civil work	6,368,722	874,489	7,243,211
Consultant services	494,211	14,010	508,221
Operation costs	111,398	80	111,478
Non-Consultancy services	—	—	—
Total	**6,974,331**	**888,579**	**7,862,910**

4- Fund Balance

	2023 USD	2022 USD
Fund balance per bank as at 31 December	122,893	136,963
Add:		
Bank fees	—	—
Advance	—	—
Less:		
Bank fees	—	—
Tender fees	—	—
Outstanding checks	—	—
Fund balance per books as at 31 December	**122,893**	**136,963**

5 REPORTING ENTITY

The financial statements for the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ), encompasses the reporting entity as specified in the Loan Agreement NO. 85200- IQ dated 12 July 2015 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ).

6-1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement- Loan No. 85200-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

EMERGENCY OPERATION DEVELOPMENT PROJECT
(P 155732)
LOAN NO. (85200- IQ)

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
Ministry of Water Resources
FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER
ON
FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2023

F.H. AL-SALMAN & CO.
PUBLIC ACCOUNTANTS, AUDITORS & CONSULTANTS
BAGHDAD – IRAQ

F. H. Al-Salman & Co
Public Accountants, Auditors
& Tax Consultants

2002

شركة فرقد السلمان وشركاؤه
لتدقيق ومراقبة الحسابات / تضامنية

No: FHS/188/24

Date: 27/6/2024

Ministry of Water Resources

Emergency Operation for Development Project (P 155732) Loan No. (85200-IQ)

Funded by the International Bank for Reconstruction and Development

Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Emergency Operation for Development Project (P155732) Loan No . (85200-IQ) covering the year ended December 31st 2022, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

F. H. Al-Salman & Co
Public Accountants & Auditors

Farquad Al-Salman, B.Sc, FCCA
F.H.Al-Salman & Co.
Public Accountants, Auditors & Consultants
Baghdad – Iraq

Hay Babil • District No. 929 • Avenue No. 15 • House No. 6 • Baghdad – Iraq
Mobile: + 964 7901 33 47 67
E-Mail: farquad.salman@gmail.com