



Solomon Islands
Government

Office of the
Auditor General



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Mr. Richard Farrell
Project Director
Solomon Islands Roads and Aviation Project
P.O Box
HONIARA
SOLOMON ISLANDS

Date: 30 June 2023

Dear Richard,

Independent Auditor's Report of the Solomon Islands Roads and Aviation Project (SIRAP) for the year ended 31 December 2022.

I am pleased to enclose a copy of my Independent Auditors Report on the financial statements of the Solomon Islands Road and Aviation Project (SIRAP) for the year ended 31 December 2022. I have also forwarded a copy to the Permanent Secretary for the Ministry of Communication and Aviation and the Permanent Secretary for the Ministry of Infrastructure Development as the implementing Ministries.

A management letter detailing the issues identified during the audit is also enclosed for your information.

I would also like to congratulate the finance team on their efforts in ensuring that SIRAP continues to receive an unqualified audit opinion.

Yours sincerely,

David Teika Dennis
Auditor General

Cc: PS MCA, Mr. Moses Virivolomo

Cc: PS MID, Mr. Stephen Maesiola

Cc: PS MOFT, Mr. Mckinnie Dentana

Cc: Project Finance Manager SIRAP, Aljay Tuhaika

P166622: SOLOMON ISLANDS ROADS and AVIATION PROJECT (SIRAP)

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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Solomon Islands Office of the Auditor-General



Independent Auditor's Report to the Members of the Solomon Islands Roads and Aviation Project

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Solomon Islands Roads and Aviation Project (SIRAP) for IDA Credit No. 63780 and IDA Grant No. D4370 ("the project"), which comprise the Statement of Cash Receipts and Payments and Statement of Comparison of Budget and Actual Amount and notes to the financial statements, including a summary of significant accounting policies.

The accompanying financial statements has been prepared in accordance with the Financing Agreement ("the agreement") dated 11 April 2019 between the Solomon Islands Government (the recipient) and International Development Association (World Bank).

In my opinion, the accompanying financial statements, in all material respects give a true and fair view of the project's receipts and payments for the period ended 31 December 2022, in accordance with International Public Sector Accounting Standard (IPSAS) Cash Basis and the conditions of the agreement between the recipient and World Bank.

Basis of opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the project in accordance with International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics and the ethical requirements that are relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Report of the Implementing Agency, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

Management are responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS Cash Basis and the agreement, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 SIRAP PPF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the project to cease to continue as a going concern.

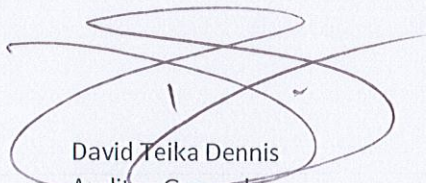
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identified during my audit.

Report on Other Legal and regulatory requirements

I have obtained all the information and explanations which, to the best of my knowledge and belief, are necessary for the purposes of my audit.

In my opinion:

- i) proper books of account have been kept by the project, sufficient to enable financial statements to be prepared, so far as it appears from my examination of those books;
- ii) to the best of my knowledge and according to the information and explanations given to us, the financial statements have been prepared in accordance with the requirements of the Agreement's Standard Conditions 2010.



David Teika Dennis
Auditor-General
30 June 2023

Office of the Auditor-General
Honiara, Solomon Islands

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

REPORT OF THE IMPLEMENTING AGENCY

Under the terms of our contract, We have the mandate from World Bank and Ministry of Finance and Treasury as implementing agency, to supervise and manage the funds provided for Solomon Islands Roads and Aviation Project (SIRAP) funded by the WORLD BANK under IDA Credit No. 63780 and IDA Grant No. D4370.

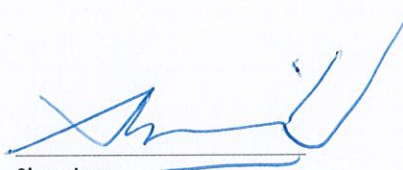
We certify that the attached Statement of Cash Receipts & Payments and Statement of Comparative Budget and Actual which have been prepared under my supervision presents a true and fair view of the cash receipts and payments and comparative budget and actual of Solomon Islands Roads and Aviation Project (SIRAP) for the period ended 31st December 2022

Date at Honiara this ³⁰ day of June 2023



Signature

Moses Virivolomo
Permanent Secretary
Ministry of Communications and Aviation
Honiara, Solomon Islands.



Signature

Stephen Maesiola
Permanent Secretary
Ministry of Infrastructure Development
Honiara, Solomon Islands.

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

<i>Expressed in Solomon Islands Dollars</i>				
	Notes	31 DECEMBER 2022 Receipts/ (Payments) Controlled by the SIRAP	31 DECEMBER 2021 Receipts/ (Payments) Controlled by the SIRAP	Cumulative to 2022 Receipts/ (Payments) for SIRAP
		\$	\$	\$
RECEIPTS				
IDA Grant No. D4370	6	6,236,092	1,782,766	68,734,968
IDA Credit No. 63780	6	6,716,496	11,719,400	119,944,445
SIG Contributions	6	0	25,000,000	25,000,000
Total Receipts		12,952,588	38,502,166	213,679,413
PAYMENTS				
Programme Activities Expenditure				
Component A: Honiara and Munda Airports Infrastructure Investment		900,342	4,083,598	119,821,153
Component B: Malaita Road Improvement and Maintenance Program		0	0	17,767,571
Component C: Institutional Strengthening		817,860	1,799,748	11,072,268
Component D: Project Implementation Support		7,981,206	8,882,546	33,875,710
SIG - ESP Contribution		3,491,428	0	-
Total Payments		13,190,836	14,765,892	182,536,702
Increase/(Decrease) in Cash		(238,248)	23,736,274	
Cash at Beginning of Year	4	27,889,530	4,153,256	
Cash at End of Year		27,651,283	27,889,530	

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

Expressed in Solomon Islands Dollars						
	Actual Amounts	Cumulative to 2022 Actual	Original Budget	Difference Original and Cumulative Actual	USD	
	\$	\$	\$	\$	\$	\$
CASH INFLOWS						
IDA Grant No. D4370	6,236,092	68,734,968	165,255,018	96,520,050		20,500,000
IDA Credit No. 63780	6,716,496	119,944,445	245,867,222	125,922,777		30,500,000
SIG Contribution	-	25,000,000	29,020,394	4,020,394		3,600,000
Total Receipts	12,952,588	213,679,413	440,142,634	226,463,221		54,600,000
CASH OUTFLOW						
Component A: Honiara and Munda Airports Infrastructure Investment	900,342	119,821,153	272,086,342	152,265,189		33,752,500
Component B: Malaita Road Improvement & Maintenance Program	-	17,767,571	122,651,468	104,883,897		15,215,000
Component C: Institutional Strengthening	817,860	11,072,268	23,593,177	12,520,909		2,926,750
Component D: Project Implementation Support	7,981,206	33,875,710	21,811,647	(12,064,063)		2,705,750
SIG - ESP Contribution	3,491,428	3,491,428	-	(3,491,428)		
Total Payments	13,190,836	186,028,130	440,142,634	254,114,504		54,600,000
NET CASH FLOW	(238,248)	27,651,282	-	(27,651,282)		-

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

1. GENERAL INFORMATION

The Government of Solomon Islands through the Implementing Agencies (1) Ministry of Communication and Aviation (MCA) and (2) Ministry of Infrastructure Development (MID), has received a Grant and Credit for assistance from the International Development Association (IDA) under the Pacific Aviation Investment Program (PAIP). The Program is a regional aviation and roads project where the Solomon Islands Aviation Investment Project (SIRAP) emerge. The objective of SIRAP is to improve operational safety and oversight of air transport and associated infrastructure, and strengthen the sustainability and climate resilience of the Project Roads, and in the event of an Eligible Crisis, to provide an immediate response to the Eligible Crises or Emergency.

SIRAP is financed from (1) IDA with total SDR 36.5 million (approximately USD \$51 million), that is SDR 21.8 million of Credit and SDR 14.7 million of Grant, (2) The Government of Solomon Islands of USD \$3.6 million. Within the Credit it also included the PPA which was reinstated into the Credit on 23 May 2019.

The Project consists of the following components

Activity Description	Implementing Entity	Cost Estimate (US \$)	Cost Estimate (SBD \$)
Component A: Honiara and Munda Airports Infrastructure Investments	MCA	33,752,500	272,086,342
Component B: Malaita Road Improvement and Maintenance Program	MID	15,215,000	122,651,468
Component C: Institutional Strengthening	MCA, MID	2,926,750	23,593,177
Component D: Project Implementation Support	MCA, MID	2,705,750	21,811,647
Component E: Contingency Emergency Response	MCA, MID	-	
Total		54,600,000	440,142,634

SIRAP is implemented under the overall guidance, coordination and monitoring of the Project National Steering Committee (NSC), supported by the Project Support Team (PST) based in-country and the Implementation Support Team (IST) which are remotely based.

2. SUMMARY OF ACCOUNTING POLICIES

2.1 Basis of Preparation

The Statement of Cash Receipts and Payments has been prepared in accordance with International Public Sector Accounting Standards (IPSAS). Financial reporting under the Cash Basis of Accounting (Cash Basis IPSAS)

2.2 Reporting Entity

The financial statements are for the Solomon Islands Roads and Aviation Project (SIRAP)

2.3 Reporting Currency

All figures are presented in Solomon Islands Dollars (SBD) unless otherwise stated. Foreign currency payments are recorded at the exchange rate at the date of payment.

2.4 Budget

The basis for the budget (inclusive of the 3rd party payments plus the whole project budget).

2.5 Payments

All payments are related to the SIRAP activities stated in the Financing Agreement. These payments are approved by the Permanent Secretary for MCA and MID and are paid in accordance with the Program Operational Manual (POM).

3. FINANCIAL PERIOD

This financial statements is for the period, from 01st January 2022 to 31 December 2022.

4. CASH AT THE BEGINNING OF THE YEAR

The Project Credit (IDA 63780) and Grant (IDA D4370) financial statements as of 31 December 2021 closed with Cash available for use of SBD 27,889,530 this was than brought forward as an opening balance for FS ended 31st December 2022.

5 RECEIPT AND PAYMENT

Three columns are presented on receipts and payments. The first column represent the receipt and payment for Financial Statement ended 31st December 2022. The second column represented FS ended 31st 2021, for comparative and the last column is a cumulative column that shows the total receipts and payment of SIRAP cumulatively.

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

6 GRANT PROCEEDS FROM THE WORLD BANK

Credits and Grants are received from the World Bank to the Central Bank Solomon Islands (CBSI) and then transferred to the Designated Account (DA). Application from SIRAP through the Ministry of Finance and Treasury (MOFT) for approval and transfer of proceeds from CBSI to DA.

Credit/ Grant No.	Borrower Reference	Beneficiary Name	Ccy	Advance	Direct Payment
	SIRAP G012	WB STRUCTURAL ADJUSTMENTS	SBD	2,708,310	
	SIRAP G015	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		17,216,654
	SIRAP G014	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		7,366,650
		WB STRUCTURAL ADJUSTMENTS	SBD	2,707,802	
IDA D4370	SIRAP G017	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	SBD		3,884,959
	SIRAP G018	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		3,101,428
	SIRAP G019	WB STRUCTURAL ADJUSTMENTS	SBD	819,980	
	SIRAP G022	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		3,706,114
	SIRAP G024	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		2,680,692
				6,236,092	37,956,498
	SIRAP C016	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	SBD		2,635,783
		WB STRUCTURAL ADJUSTMENTS	SBD	2,954,250	
		WB STRUCTURAL ADJUSTMENTS	SBD	463,751	
	SIRAP C019	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		1,078,483
	SIRAP C018	WB STRUCTURAL ADJUSTMENTS	SBD	1,917,899	
	SIRAP C020	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		5,422,701
	SIRAP C024	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		6,566,885
IDA 63780	SIRAP C022	CCB ENVICO PTY LTD (REEVES ENVICO)	SBD		1,778,153
	SIRAP C025	KITANO CONSTRUCTION COOPERATION	SBD		1,707,263
	SIRAP C023	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		15,322,732
	SIRAP C021	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	SBD		9,685,354
	SIRAP C027	AV-COMM PTY LTD	SBD		1,075,554
	SIRAP C026	WB STRUCTURAL ADJUSTMENTS	SBD	1,380,596	
	SIRAP C032	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		4,149,976
	SIRAP C031	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	SBD		9,683,277
	SIRAP C030	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	SBD		7,359,649
			SBD	6,716,496	66,465,810
SIG			SBD	-	-
			SBD	-	-
				12,952,588	104,422,308

6.1 Balance still at the CBSI bank account as of 31 December 2022.

Grant No.	Borrower Reference	Beneficiary Name	Ccy	Advance	Direct Payment
IDA D4370	SIRAP G021	SOLOMON ISLANDS ROADS AND AVIATION	SBD	717,431	-
			Total	717,431	-
IDA 63780			SBD	-	-
			Total	-	-
			SBD	13,670,020	104,422,308

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

7. Cash and Cash Equivalent	Note	2022	2021
IDA Designated Account No. 2000913448		5,184,117	4,558,160
IDA Designated Account No. 2001116868		22,769,186	23,861,824
Cash and Cash Equivalent for the 12 Months		27,953,302	28,419,984
Less Restricted Cash			
SINPF Payable - EC (7.5%)		(14,216)	(11,478)
SINPF Payable - MC (5%)		(9,479)	(7,654)
Withholding Tax Payable		(292,486)	(534,493)
PAYE Payable		(48,911)	(48,613)
		(365,091)	(602,239)
Cash Available for use		27,588,211	27,817,745
Add Accounts Receivables - Per diems and rental bond			
Salome Pifa		22,637	25,370
Trevor Veo		12,535	3,623
Bill Mae		11,000	11,000
Tony Telford - Overpayment of Dec.2021 invoice		-	24,369
Fredrick Faapasua		2,204	4,641
Joy Maefilia		2,407	2,782
Joyce		3,733	-
Jeffery Wickham		1,244	-
Lawrence Wawane		7,312	-
		63,072	71,785
Closing Cash and Cash Equivalent		27,651,283	27,889,530

7.1 Central Reserve Bank of Solomon Islands

SIRAP advances and documentations was still in the CBSI at year ended, but was later transferred to the Designated Account in January 2022.

717,431	2,708,310
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8. INTER TRANSFER OF FUNDS

There are no outstanding inter transfer as at 31 December 2022.

9. FACILITY AVAILABLE

IDA Credit and Grant in historical figures including available balances for the Year.

	Signed Amount	Disbursed	Remaining Balance
IDA Credit No. 63780	XDR 21,800,000	XDR 12,037,322	XDR 9,762,678
IDA Grant No. D4370	XDR 14,700,000	XDR 6,858,640	XDR 7,841,360
IDA Credit No. 63780	SBD 245,867,222.00	SBD 119,944,445.13	SBD 125,922,776.87
IDA Grant No. D4370	SBD 165,255,018.00	SBD 68,734,967.59	SBD 96,520,050.41

9.1 Financing Gap

As at 31 December 2022, the financing gap in USD is 2,045,769.91, equivalent to SBD 16,369,684.89 at a rate of 8.001723. This financing gap resulted from USD appreciating against XDR, and the financing gap is expected to fluctuate depending on the foreign exchange of XDR/USD. This will definitely impact the procurement of the remaining project-planned activities. To mitigate the impact of the financing gap, a restructuring of SIRAP's outstanding activities would be an ideal strategy that is worth considering in 2023

SOLOMON ISLANDS ROADS and AVIATION PROJECT
STATEMENT OF RECEIPTS AND PAYMENTS, PAYMENT BY THIRD PARTIES
FOR THE PERIOD ENDED 31st DECEMBER 2022

10. Payments by Third Parties

The Third Party payments are referred to as the "World Bank (WB)". Direct Payments (Payments) and replenishment (Receipt) were made during the period of 12 month by the third party at the request of the project (SIRAP).

Expressed in Solomon Islands Dollars

	USD	Exchange Rate	SBD	
RECEIPTS				
IDA GRANT NO. D4370				
SIRAP G014	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	928,198	0.126	7,366,650
SIRAP G015	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	2,131,422	0.124	17,216,654
SIRAP G017	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	477,850	0.123	3,884,959
SIRAP G018	CCB ENVICO PTY LTD (REEVES ENVICO)	381,476	0.123	3,101,428
SIRAP G022	CCB ENVICO PTY LTD (REEVES ENVICO)	448,996	0.121	3,706,114
SIRAP G024	CCB ENVICO PTY LTD (REEVES ENVICO)	328,385	0.123	2,680,692
		4,696,326		37,956,498
IDA CREDIT NO. 63780				
SIRAP C016	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	330,000	0.125	2,635,783
SIRAP C019	CCB ENVICO PTY LTD (REEVES ENVICO)	132,869	0.123	1,078,483
SIRAP C020	CCB ENVICO PTY LTD (REEVES ENVICO)	663,739	0.122	5,422,701
SIRAP C021	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	1,168,538	0.121	9,685,354
SIRAP C022	CCB ENVICO PTY LTD (REEVES ENVICO)	214,534	0.121	1,778,153
SIRAP C023	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	1,900,023	0.124	15,322,732
SIRAP C024	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	805,757	0.123	6,566,885
SIRAP C025	KITANO CONSTRUCTION COOPERATION	207,431	0.121	1,707,263
SIRAP C027	AV-COMM PTY LTD	130,465	0.121	1,075,554
SIRAP C030	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	901,557	0.122	7,359,649
SIRAP C031	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	1,200,729	0.124	9,683,277
SIRAP C032	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	507,127	0.122	4,149,976
SIRAP C034	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	507,127	0.122	4,149,976
		8,162,768		66,465,810
Total Receipt		12,859,094		104,422,308
PAYMENTS				
Programme Activities Expenditure				
Component A: Honiara and Munda Airports Infrastructure Investment				
SIRAP G014	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	928,198	0.126	7,366,650
SIRAP G015	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	2,131,422	0.124	17,216,654
SIRAP G017	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	477,850	0.123	3,884,959
SIRAP C016	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	330,000	0.125	2,635,783
SIRAP C021	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	1,168,538	0.121	9,685,354
SIRAP C023	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	1,900,023	0.124	15,322,732
SIRAP C024	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	805,757	0.123	6,566,885
SIRAP C027	AV-COMM PTY LTD	130,465	0.121	1,075,554
SIRAP C030	CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION	901,557	0.122	7,359,649
SIRAP C031	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	1,200,729	0.124	9,683,277
SIRAP C032	CHINA HARBOUR ENGINEERING COMPANY LTD (CHEC)	507,127	0.122	4,149,976
SIRAP C025	KITANO CONSTRUCTION COOPERATION	207,431	0.121	1,707,263
		10,689,096		86,654,737
Component B: Malaita Road Improvement and Maintenance Program				
SIRAP G018	CCB ENVICO PTY LTD (REEVES ENVICO)	381,476	0.123	3,101,428
SIRAP C019	CCB ENVICO PTY LTD (REEVES ENVICO)	132,869	0.123	1,078,483
SIRAP C020	CCB ENVICO PTY LTD (REEVES ENVICO)	663,739	0.122	5,422,701
SIRAP C022	CCB ENVICO PTY LTD (REEVES ENVICO)	214,534	0.121	1,778,153
SIRAP G022	CCB ENVICO PTY LTD (REEVES ENVICO)	448,996	0.121	3,706,114
SIRAP G024	CCB ENVICO PTY LTD (REEVES ENVICO)	328,385	0.123	2,680,692
		2,169,998		17,767,571
Component C: Institutional Strengthening				
Component D: Project Implementation Support				
Total Payments		12,859,094		104,422,308

**SOLOMON ISLANDS ROADS and AVIATION PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st DECEMBER 2022**

11 EXPLANATION OF THE DIFFERENCES BETWEEN ACTUAL AND BUDGET

Actual Amount: Figures listed under this columns reflect the total actual fund disbursed from SIRAP designated BSP bank account DA-A & DA-B for the period ended 31st December 2022. This includes foreign currency translations a spot rate.

Budget: Figures listed as budget reflect the total estimated available funds from IDA Credit 63780 & IDA Grant D4370 at XDR 21.8 million and XDR 14.7 million respectively. The funds were converted to USD on the signing date (31 Jan 2019) at 1.4007 and further converted to SBD on the effective date (23 May 2019) at 8.0612.

Difference of Actual & Budget: The Difference between actual and cumulative amounts and the budget amounts reflect funds that are available for disbursement after the closing date.

12 CUMULATIVE BALANCE

The cumulative balance from both receipt & payment and the budget reflect the figures from PPF to year end 31st December 2022. The cumulative captured both funds received and paid out of SIRAP Operating Accounts and direct payments made from the grant account.

Receipt and Payment for Financial Year (FY) 2021 column is presented for the purpose of helping readers of this Financial Statement to compare receipt and payment of FY 2021 and FY 2022.

13 SUBSEQUENT EVENTS

Subsequent to 31 December 2022, SIRAP committed SBD 26,229,679.60. The commitment include SBD 25,772,417.74 for the Routine maintenance and regravelling of Malaita main road network (East Road - 21km), including Spot Upgrading for Climate Resiliency and Road Safety Improvements and SBD 457,261.86 for MCA Training Needs Analysis.