



TAY & Co.

Chartered Certified Accountants & Authorized Auditors
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Ref: TAY/148/08
Date: January 1, 2016

Federal Democratic Republic Of Ethiopia
Ministry Of Environment, Forest and Climate Change
Addis Ababa

Dear Sirs,

MANAGEMENT LETTER

In accordance with our usual practice, we report weaknesses observed on accounting and internal control system and non compliance of tax regulation and other matters of our clients. However, during our audit of the accounts of **Grant Number TF017284** for the year ended 07 July 2015 no material reportable instances have come to our notice.

Accordingly we confirm that we did not issue management letter (Internal Control Memorandum) with regards to audit of your accounts for the year ended 07 July 2015.

If you need any further information please don't hesitate to contact us

Sincerely yours,


TAY & Co.
Chartered Certified Accountants &
Authorized Auditors



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**AUDITORS' REPORT ON THE DESIGNATED ACCOUNT
OF**

**FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA
MINISTRY OF ENVIROMENT, FOREST AND CLIMATE
CHANGE GRANT NUMBER TF 017284**

AS AT AND FOR THE YEARENDED 07 JULY 2015

TAY & Co.

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA MINISTRY OF ENVIROMENT, FOREST AND CLIMATE CHANGE GRANT NUMBER TF017284

We have audited the accompanying Statement of Designated Accounts of Federal Democratic Republic of Ethiopia Ministry of Environment, Forest and Climate Change Grant Number TF017284, for the year ended 07 July 2015.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with international standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditors considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the attached Statement of Designated Accounts gives a true and fair view of the balance of the Designated Account of Federal Democratic Republic of Ethiopia Ministry of Environment, Forest and Climate Change Grant Number TF017284, as at 07 July 2015 and the movement for the period then ended in accordance with the accounting policy of the Project and the grant agreement.

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Addis Ababa
January 4, 2016

THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA MINISTRY OF
 ENVIROMENT, FOREST AND CLIMATE CHANGE
 GRANT NUMBER TF017284
 STATEMENT OF DESIGNATED ACCOUNT
 AS AT 07 JULY 2015

For the year ended:	07 July, 2015
Account number:	0100101300486
Depository bank:	National Bank of Ethiopia
Address:	Addis Ababa , Ethiopia
Grant number:	TFO17284
Currency:	USD

Advance deposit		1,200,000.00
Add: World Bank replenishment		
Amount Transferred from World Bank during the period		117,387.70
Other deposit		<u>4,093.00</u>
		1,321,480.70
Less: Expenditure during the period		
Transfer to birr account	7,824.92	
	<u>741,850.00</u>	
		<u>749,674.92</u>
		<u>571,805.78</u>



THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

GRANT NUMBER TF017284

NOTES FOR WITHDRAWAL APPLICATION

Borrower Reference	Date	Currency	
		USD	ETB
REDD+ A-F 01	14/07/2014	1,200,000.00	23,658,840.00
REDD+ A-F 02	04/03/2015	21,424.83	434,011.35
REDD+ A-F 03	26/05/2015	<u>95,962.87</u>	<u>1,964,407.93</u>
Total withdrawal		<u>1,317,387.70</u>	<u>26,057,259.28</u>

