

**MEKONG RIVER COMMISSION  
(REGISTERED IN LAO PDR)**

**CONSOLIDATED AUDITED STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT  
31 DECEMBER 2021**

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**MEKONG RIVER COMMISSION**  
**(Registered in Lao PDR)**

**ORGANISATION INFORMATION**

**ORGANISATION MANAGEMENT:**

An Pich Hatda, Chief Executive Officer  
(ceased on 13 January 2022)  
Anoulak Kittikhoun, Chief Executive Officer  
(appointed on 14 January 2022)  
Tran Minh Khoi, Director of Administration Division  
Hak Soheat, Director of Environment Management  
Division  
Bountieng Sanaxonh, Director of Planning Division  
Winai Wangpimool, Director of Technical Support Division  
Vu Thu Hong, Chief Human Resources Officer  
Buntheung Sanethavong, Chief Finance Officer

**OFFICE:**

184 Fa Ngoum Road,  
Unit 18, Ban Sithane Neua,  
Sikhottabong District  
Vientiane Capital  
Lao PDR

**PRINCIPAL BANKERS:**

Banque Franco-Lao Ltd  
Cambodian Public Bank  
Cathay United Bank  
Public Bank  
Lao-Viet Bank

**AUDITORS:**

BDO (Laos) Co., Ltd.

**MEKONG RIVER COMMISSION  
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**MEKONG RIVER COMMISSION**  
(Registered in Lao PDR)

**ORGANISATION MANAGEMENT'S REPORT**

The Organisation Management hereby submits the report together with the consolidated audited statement of income and expenditures and statement of fund balances ("the consolidated statements") of the Mekong River Commission ("MRC" or "the Organisation") for the year ended 31 December 2021.

**Responsibility of the Organisation Management in Respect of the Consolidated Statements**

The Organisation Management is responsible to ascertain that the consolidated statements of the Organisation for the year ended 31 December 2021 are prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the consolidated statements. In preparing the consolidated statements, the Organisation Management is required to select suitable accounting policies and then apply them consistently.

The Organisation Management is responsible for ensuring that proper accounting records are kept which enable the consolidated statements to be prepared in compliance with the basis of preparation and accounting policies set out in Note 2 to the consolidated statements. The Organisation Management is also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Organisation Management assumes the responsibility to provide, and has provided, the auditors with all accounting records, supporting and other documents, minutes, and any other pertinent information and explanations, either orally or in writing, deemed necessary for the audit.

**Statement by the Organisation Management**

In the opinion of the Organisation Management, the consolidated statements set out on pages 4 to 19 are prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the consolidated statements.

On behalf of the Organisation Management,



**Tran Minh Khoi**  
Director of Administration Division



**Anoulak Kittikhoun**  
Chief Executive Officer

Vientiane, Lao PDR  
Date: 16 May 2022

## INDEPENDENT AUDITORS' REPORT TO THE ORGANISATION MANAGEMENT OF MEKONG RIVER COMMISSION

### Report on the Consolidated Statements

#### Opinion

We have audited the accompanying consolidated statement of income and expenditures and consolidated statement of fund balances ("the consolidated statements") of Mekong River Commission ("MRC" or "the Organisation") for the year ended 31 December 2021, and a summary of accounting policies and other explanatory information, as set out on pages 4 to 19.

In our opinion, the accompanying consolidated statements of the Organisation for the year ended 31 December 2021 are prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the consolidated statements.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 2 to the consolidated statements, which describes the basis of preparation and accounting policies adopted by the Organisation. The consolidated statements are prepared for the information and use of the Organisation. As a result, the consolidated statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Responsibilities of the Organisation Management for the Consolidated Statements

The Organisation Management is responsible for the preparation of the consolidated statements in accordance with the basis of preparation and accounting policies set out in Note 2 to the consolidated statements. The Organisation Management is also responsible for such internal control as the Organisation Management determines is necessary to enable the preparation of consolidated statements of the Organisation that are free from material misstatement, whether due to fraud or error.

## INDEPENDENT AUDITORS' REPORT TO THE ORGANISATION MANAGEMENT OF MEKONG RIVER COMMISSION (continued)

### Auditors' Responsibilities for the Audit of the Consolidated Statements

Our objectives are to obtain reasonable assurance about whether the consolidated statements of the Organisation as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. 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 the consolidated statements.

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

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

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

For and on behalf of  
BDO (Laos) Co., Ltd.

  
Lim Seng Siew  
Certified Public Accountant

Vientiane, Lao PDR

Date: 16 MAY 2022

**MEKONG RIVER COMMISSION**  
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**CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
Fund receipts	3	10,739,638	18,335,446
Interest income	4	262,598	204,554
Other income		8,581	102,203
Management and administration fees	5	268,469	273,302
<b>TOTAL INCOME</b>		<b>11,279,286</b>	<b>18,915,505</b>
<b>EXPENDITURES</b>			
<b>Basket Fund</b>			
Salary and fees	6	2,013,864	2,026,667
Employment benefit costs	7	1,015,342	974,137
Recruitment and selection	8	26,563	32,536
Corporate training	9	6,384	17,034
Official travel	10	35,296	65,779
Other short term staffs	11	1,800	-
Consultants	12	1,274,357	1,544,070
Office costs	13	372,882	477,397
Maintenance and running cost of equipment	14	128,151	81,339
Publication, printing and others	15	59,725	108,187
Financial cost	16	24,416	32,547
Property and equipment	17	405,240	358,524
Governance meeting expenses	18	6,499	-
Meeting and workshop expenses	19	413,525	936,265
Support to decentralisation and National Indicative Plan	20	84,948	108,373
Memorandum of Understandings with member countries	21	888,490	326,994
		<b>6,757,482</b>	<b>7,089,849</b>
<b>Earmarked Fund</b>			
Salary and fees	6	169,696	356,900
Employment benefit costs	7	63,075	130,284
Recruitment and selection	8	-	3,707
Corporate training	9	569	3,507
Official travel	10	98,946	24,867
Other short-term staffs	11	-	1,200
Consultants	12	1,157,234	822,455
Office costs	13	1,753	217
Maintenance and running cost of equipment	14	4,163	14,043
Publication, printing and others	15	25,646	50,351
Financial cost	16	17,663	11,414
Property and equipment	17	56,601	75,048
Governance meeting expenses	18	156,860	134,958
Meeting and workshop expenses	19	601,756	342,723
Memorandum of Understandings with member countries	21	191,966	1,138,042
Management and administration fees	5	268,469	273,302
		<b>2,814,397</b>	<b>3,383,018</b>

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**CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)**

	Note	2021 USD	2020 USD
<b>Administrative Reserve Fund</b>			
Financial cost	16	<u>173</u>	<u>18</u>
		<b>173</b>	<b>18</b>
<b>Total expenditures</b>		<b><u>9,572,052</u></b>	<b><u>10,472,885</u></b>
Excess of income over expenditures		1,707,234	8,442,620
Unutilised fund and interest returned		-	(48,943)
Fund balance at beginning of financial year		<u>17,406,361</u>	<u>9,012,684</u>
<b>Fund balance at the end of financial year</b>		<b><u>19,113,595</u></b>	<b><u>17,406,361</u></b>

*The accompanying notes from an integral part of the consolidated statements.*



**MEKONG RIVER COMMISSION**  
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**CONSOLIDATED STATEMENT OF FUND BALANCES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 USD	2020 USD
<b>Fund balance as at 1 January</b>		17,406,361	9,012,684
Unutilised fund and interest returned		-	(48,943)
Movement in fund balance for the financial year		<u>1,707,234</u>	<u>8,442,620</u>
<b>Fund balance as at 31 December</b>	22	<u><b>19,113,595</b></u>	<u><b>17,406,361</b></u>
<b>Represented by:</b>			
<b>Current assets</b>			
Cash and bank balances	23	20,694,667	18,941,225
Advances and prepayments	24	<u>54,868</u>	<u>2,121</u>
		<u>20,749,535</u>	<u>18,943,346</u>
<b>Current liabilities</b>			
Provident fund	25	1,635,940	1,531,985
Other liabilities	26	<u>-</u>	<u>5,000</u>
		<u>1,635,940</u>	<u>1,536,985</u>
<b>Net current assets</b>		<u><b>19,113,595</b></u>	<u><b>17,406,361</b></u>

*The accompanying notes from an integral part of the consolidated statements.*

**MEKONG RIVER COMMISSION**  
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**NOTES TO THE CONSOLIDATED STATEMENTS**

**1. ORGANISATION BACKGROUND**

The Mekong River Commission (“MRC” or the “Organisation”) was established in 1995 with the signing of the Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin. The MRC Member Countries are Cambodia, the Lao PDR, Thailand and Viet Nam, with China and Myanmar as Dialogue Partners.

Since its establishment, the MRC has strived to develop work programmes and strategies to best serve its mission to promote and coordinate sustainable management and development of water and related resources for the countries’ mutual benefit and the people’s well-being. Over the years, with a vision to bring about an economically prosperous, socially just and environmentally sound Mekong River Basin, the MRC has placed regional cooperation and basin-wide planning at the heart of its operation.

The MRC is governed by a Council which comprises of the environment and water ministers of the four Member Countries. The Council Members would review and mutually conclude on the management and development of water and related resources. These decisions and policies are then put into action by the MRC Joint Committee, which comprises senior officials at no less than Head of Department level of the four countries and supported by national line agencies including the Ministry of Foreign Affairs.

MRC facilitates regional meetings of the Member Countries and provides technical advice on joint planning, coordination and cooperation. It also works closely with the four countries’ coordinating bodies, the National Mekong Committees (“NMCs”), and other state agencies.

The funds received and uses of funds in MRC were categorised into three types as the following:

1. Basket Fund (“BF”);
2. Earmarked Fund (“EF”); and
3. Administrative Reserve Fund (“ARF”).

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The consolidated statement of income and expenditures and consolidated statement of fund balances (“the consolidated statements”), which are expressed in United States Dollar (“USD”), has been prepared in accordance with the modified cash basis of accounting. Under this basis of accounting, receipts are recognised when received rather than when earned, and payments are recognised when paid rather than when incurred, except for the following:

- (i) Staff health and life insurance premiums, personal telephone and fax costs charged to staff, project related expenses and repatriation fee, which are recognised on an accrual basis; and
- (ii) Advances to NMCs, projects and employees are recognised as receivables until they are cleared.

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**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Income**

The fund receipts consist of contributions from Member Countries (MCs) which are recognised as income when cash is credited to the MRC's bank accounts and contributions from Development Partners (DPs) which are recognised when received. Direct payments made by Development Partners to contractors are recognised as income upon Development Partners' notice to the MRC.

Interest income is recognised when credited to the MRC's bank accounts.

Other income as well as Management and Administration fees ("MAF") are recognised when received.

**2.3 Expenditures**

Expenditures are recognised when payment is made rather than when it is incurred, except as disclosed in Note 2.1 to the consolidated statements.

**2.4 Property and equipment**

For control purposes, property and equipment is maintained in a property and equipment listing. All property and equipment are expensed in full in the consolidated statements at the date of acquisition. Any proceeds from disposal of property and equipment are recognised as a decrease in expenditures rather than an increase in income in the consolidated statements.

**2.5 Foreign exchange differences**

The Project mainly transacts its activities and maintains its books of accounts primarily in USD. Transactions in currencies other than US\$ are converted into USD at the rates of exchange prevailing on the transaction dates. All foreign exchange differences are recognised in the consolidated statements.

**2.6 Employee benefits**

The MRC provided allowances and benefits to staff member in addition to salary. Types of allowances and benefits are dependent on the employment category.

- (i) Post allowance: MRC introduced the post allowance to compensate eligible staff members for any loss in income due to variations in the cost of living between different countries and duty stations.

- For Riparian staff, the percentage is currently set at 7% of the base salary.

- (ii) Hardship allowance ("HA"): The hardship allowance is an allowance provided to Riparian professional staffs assigned to a duty station outside their home country. It is an allowance to compensate for the degree of hardship experienced by staff assigned to a duty station abroad.

The HA shall be payable, regardless of whether the staff member is accompanied by his/her dependants, while assigned to duty station.

Other benefits are dependency allowance, housing allowance, health insurance and education assistance.

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**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.6 Employee benefits (continued)**

(iii) Provident fund: All staff members holding a letter of appointment for one year or more shall participate in a pension plan, known as the provident fund. The main purpose of this fund is to provide retirement, disability and survivor's benefit for participating staff members.

- Staff members shall contribute 7% of their base salary, through monthly payroll deductions.
- The MRC shall contribute to this fund the equivalent of 14% of the staff's member's base salary.

**3. FUND RECEIPTS**

	2021 USD	2020 USD
Contributions from Member Countries:		
Cambodia	869,110	790,100
Lao PDR	869,110	790,100
Thailand	1,200,200	1,091,091
Viet Nam	1,200,200	1,091,091
	<u>4,138,620</u>	<u>3,762,382</u>
Contributions from Development Partners:		
Australia	507,750	-
Belgium	83,275	608,834
Deutsche Gesellschaft Fur Internationale Zusammenarbeit ("GIZ") GmbH	-	1,190,250
European Union	138,223	2,060,026
France	356,471	267,705
Japan	3,029,518	4,684,559
Kreditanstalt für Wiederaufbau ("KfW")	-	467,812
Luxembourg	-	117,771
Mekong Region Future Institute ("MRFI")	-	(9,503)
Netherlands	-	1,086,100
New Zealand	707,700	700,800
Swedish International Development Cooperation Agency	1,048,081	2,173,510
Switzerland – Swiss Agency for Development and Cooperation	500,000	1,224,548
United Nations Environment Programme ("UNEP")	170,000	-
The Secretariat Of The Conservation For Migratory Species of Wild Animals("UNEP/CMS")	60,000	-
World Bank	-	652
	<u>6,601,018</u>	<u>14,573,064</u>
	<u>10,739,638</u>	<u>18,335,446</u>

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**4. INTEREST INCOME**

	2021 USD	2020 USD
BF	77,675	75,108
EF	62,393	24,173
ARF	<u>122,530</u>	<u>105,273</u>
	<u><b>262,598</b></u>	<u><b>204,554</b></u>

This represents interest earned on the fund balances in the bank accounts of BF, EF and ARF.

**5. MANAGEMENT AND ADMINISTRATION FEES**

	2021 USD	2020 USD
Receipts	268,469	273,302
Expenditures	<u>(268,469)</u>	<u>(273,302)</u>
	<u>-</u>	<u>-</u>

The management and administration fees ("MAF") represent a charge levied monthly on the Earmarked Fund cash expenditures as a contribution to support Basket Fund activities. Those activities include MRCS administration, corporate governance and project delivery. The standard rate is 15%, levied monthly and based on actual expenditures from each EF. If DP has internal requirements that do not allow a rate of 15%, the Chief Executive Officer is authorised to negotiate an alternative rate, provided that this rate is not less than 7%. The MAF is recognised as an income under the BF and as expenditures under the EF.

**6. SALARY AND FEES**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Professional posts	1,623,103	1,617,205
General service posts	343,064	311,349
Overtime payments	15,868	18,448
Junior Riparian professional staff posts	31,829	33,828
Associate modeler posts	<u>-</u>	<u>45,837</u>
	<u><b>2,013,864</b></u>	<u><b>2,026,667</b></u>

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**6. SALARY AND FEES (continued)**

	2021 USD	2020 USD
<b>Earmarked Fund</b>		
Professional posts	147,260	319,584
General service posts	-	35,431
Associate modeler posts	22,436	-
Overtime payments	-	1,885
	<u>169,696</u>	<u>356,900</u>

**7. EMPLOYMENT BENEFIT COSTS**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Dependency allowance (Professional services)	24,969	22,492
Dependency allowance (General services)	26,285	27,352
Housing allowance	144,396	169,524
Post adjustment allowance (7%)	76,386	75,834
Hardship allowance	76,386	75,771
Assignment/Relocation allowance	17,245	2,823
Provident fund - Professional services (MRC Contribution)	223,427	225,569
Provident fund - General services (MRC Contribution)	42,454	41,139
Health insurance	56,669	26,892
Life and accidental insurance	11,387	11,974
Cost of living compensation (Professional services) (5%)	79,723	80,561
Cost of living compensation (General services) (10%)	30,324	29,385
Educational grant/travel	150,713	170,908
Home leave travel	26,830	7,683
Separation costs	15,420	1,112
Other staff costs	714	1,140
Annual leave converted into cash	11,457	3,978
Uniform/Laundry allowance	557	-
	<u>1,015,342</u>	<u>974,137</u>

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**7. EMPLOYMENT BENEFIT COSTS (continued)**

	2021 USD	2020 USD
<b>Earmarked Fund</b>		
Dependency allowance (Professional services)	3,040	4,431
Housing allowance	-	31,661
Post adjustment allowance (7%)	12,000	15,867
Hardship allowance	7,015	15,867
Assignment/Relocation allowance	7,014	269
Provident fund - Professional services (MRC Contribution)	20,616	32,602
Health insurance	3,612	2,139
Life and accidental insurance	885	1,402
Cost of living compensation (Professional services) (5%)	7,363	11,716
Educational grant/travel	1,500	11,877
Home leave travel	30	2,453
	<u>63,075</u>	<u>130,284</u>

**8. RECRUITMENT AND SELECTION**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Job advertisement costs	9,922	16,683
Medical examination	16,641	15,853
	<u>26,563</u>	<u>32,536</u>
<b>Earmarked Fund</b>		
Job advertisement costs	-	3,215
Medical examination	-	492
	<u>-</u>	<u>3,707</u>

**9. CORPORATE TRAINING**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Training fees	5,856	16,263
Other training costs	528	771
	<u>6,384</u>	<u>17,034</u>
<b>Earmarked Fund</b>		
Training fees	569	824
Other training costs	-	2,683
	<u>569</u>	<u>3,507</u>

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**10. OFFICIAL TRAVEL**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Travel expenses outside the Riparian Countries	8,599	12,396
Daily Subsistence Allowance ("DSA") for travel outside the Riparian Countries	5,578	9,228
Travel expenses within the Riparian Countries	10,490	20,091
DSA for travel within the Riparian Countries	10,629	24,064
	<u>35,296</u>	<u>65,779</u>
<b>Earmarked Fund</b>		
Travel expenses outside the Riparian Countries	48,696	9,244
Daily Subsistence Allowance ("DSA") for travel outside the Riparian Countries	-	11,181
Travel expenses within the Riparian Countries	-	2,790
DSA for travel within the Riparian Countries	50,250	1,652
	<u>98,946</u>	<u>24,867</u>

**11. OTHER SHORT TERM STAFFS**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Short term support staffs	<u>1,800</u>	<u>-</u>
<b>Earmarked Fund</b>		
Short term support staffs	<u>-</u>	<u>1,200</u>

**12. CONSULTANTS**

	2021 USD	2020 USD
<b>Basket Fund</b>		
International consultant (Individual)	474,446	568,078
Travel expenses for international consultant	6,079	16,962
Riparian consultant (Individual)	151,592	126,215
Travel expenses for Riparian consultant	-	3,540
International consulting firm	63,055	90,012
Riparian consulting firm	18,000	9,986
National consultant	559,908	725,221
Travel expenses for national consultants	1,277	4,056
	<u>1,274,357</u>	<u>1,544,070</u>



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**12. CONSULTANTS (continued)**

	2021 USD	2020 USD
<b>Earmarked Fund</b>		
International consultant (Individual)	427,462	419,602
Travel expenses for international consultant	27,240	49,188
Riparian consultant (Individual)	233,443	174,992
Travel expenses for Riparian consultant (Individual)	-	2,177
International consulting firm	114,832	15,256
Riparian consulting firm	102,387	5,040
National consultant	229,130	156,200
Travel expenses national consultant	22,740	-
	<u>1,157,234</u>	<u>822,455</u>

**13. OFFICE COSTS**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Office supplies	31,786	32,691
Information technology supplies	4,956	6,743
Internet and email facility	33,855	48,930
Local telephone calls	1,220	1,741
Long distance telephone calls	2,000	1,812
Distribution and mailing costs	5,615	3,107
Renovation work	65,579	150,076
Office maintenance	51,843	32,343
Insurance office premises	2,046	881
All utilities costs	48,579	53,437
Security guard	38,715	43,722
Cleaning services	68,359	76,833
Garbage collection	1,309	1,245
Coffee, tea, water and other beverages	6,257	8,345
Miscellaneous office costs	10,763	15,491
	<u>372,882</u>	<u>477,397</u>
<b>Earmarked Fund</b>		
Distribution and mailing costs	-	184
IT supplies	221	33
Distribution and mailing costs (Pouch and courier)	287	-
Miscellaneous office costs	1,245	-
	<u>1,753</u>	<u>217</u>

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**14. MAINTENANCE AND RUNNING COST OF EQUIPMENT**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Maintenance vehicles	1,915	2,250
Insurance vehicles	6,113	6,728
Fuel vehicles	4,180	4,500
Other vehicle costs	132	583
Maintenance equipment	15,868	5,767
Insurance equipment	1,833	2,953
Software licenses	67,801	44,158
Software maintenance	30,309	14,400
	<u>128,151</u>	<u>81,339</u>
<b>Earmarked Fund</b>		
Maintenance equipment	1,982	855
Fuel vehicles	162	-
Software licenses	2,019	102
Software maintenance	-	13,086
	<u>4,163</u>	<u>14,043</u>

**15. PUBLICATION, PRINTING AND OTHERS**

	2021 USD	2020 USD
<b>Basket Fund</b>		
External printing costs	7,185	46,234
Membership fees	234	383
Subscriptions, books, periodicals	1,381	1,705
Publications and photography	30	9,678
External audit costs	27,250	8,250
Support to Staff Association	11,299	12,613
Miscellaneous expenses	2,746	29,324
Reporting costs	9,600	-
	<u>59,725</u>	<u>108,187</u>
<b>Earmarked Fund</b>		
External printing costs	20,325	875
Membership fees	581	-
Reporting costs	-	3,692
External audit costs	4,500	43,900
Miscellaneous expenses	-	1,884
Publications and photography	240	-
	<u>25,646</u>	<u>50,351</u>

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**16. FINANCIAL COST**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Bank charges	<u>24,416</u>	<u>32,547</u>
<b>Earmarked Fund</b>		
Bank charges	<u>17,663</u>	<u>11,414</u>
<b>Administrative Reserve Fund</b>		
Bank charges	<u>173</u>	<u>18</u>

**17. PROPERTY AND EQUIPMENT**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Information technology equipment	248,267	339,479
Furniture and fitting equipment	84,151	19,045
Communication equipment	5,608	-
Laboratory equipment	17,150	-
Vehicles	50,064	-
	<u>405,240</u>	<u>358,524</u>
<b>Earmarked Fund</b>		
IT equipment	55,089	75,048
Laboratory equipment	1,512	-
	<u>56,601</u>	<u>75,048</u>

**18. GOVERNANCE MEETING EXPENSES**

	2021 USD	2020 USD
<b>Basket Fund</b>		
MRC Council Meeting	<u>6,499</u>	-
<b>Earmarked Fund</b>		
MRC Council Meeting	110,226	95,767
MRC Joint Committee Meeting	14,739	17,597
MRC Joint Committee Task Force Meeting	9,882	3,791
Informal Development Partner Meeting ("IDPM")	3,706	-
Dialogue Partner Meeting ("DPM")	11,287	6,691
MRC Joint Committee Special Session	-	5,295
Budget Committee Meeting	7,020	5,817
	<u>156,860</u>	<u>134,958</u>

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**19. MEETING AND WORKSHOP EXPENSES**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Regional technical working group meeting	106,401	86,186
Regional consultation meeting	15,446	127,571
International conference/workshop	65	882
National consultation meeting	286,146	651,589
Team coordination meeting	2,867	66,254
Other meeting expenses	2,329	-
Other internal meeting expenses	271	3,783
	<u>413,525</u>	<u>936,265</u>
<b>Earmarked Fund</b>		
Regional technical working group meeting	113,307	26,527
Regional consultation meeting	71,868	161,002
National consultation meeting	415,821	154,744
Other meeting expenses	595	-
Other internal meeting expenses	165	450
	<u>601,756</u>	<u>342,723</u>

**20. SUPPORT TO DECENTRALISATION AND NIP**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Cambodia	20,000	19,996
Lao PDR	27,467	24,980
Thailand	26,176	28,433
Viet Nam	11,305	34,964
	<u>84,948</u>	<u>108,373</u>

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**21. MOUs WITH MEMBER COUNTRIES**

	2021 USD	2020 USD
<b>Basket Fund</b>		
Cambodia	260,308	120,448
Lao PDR	390,521	170,034
Thailand	111,646	21,600
Viet Nam	126,015	14,912
	<u>888,490</u>	<u>326,994</u>
<b>Earmarked Fund</b>		
Cambodia	38,518	352,381
Lao PDR	53,346	269,487
Thailand	55,140	243,562
Viet Nam	44,962	272,612
	<u>191,966</u>	<u>1,138,042</u>

**22. FUND BALANCES**

	2021 USD	2020 USD
<b>Basket Fund</b>		
BF	7,010,715	6,373,183
<b>Earmarked Fund</b>		
Belgium	363,052	609,000
China	193	193
European Union	72,613	909,153
France	293,303	271,146
Japan	6,434,328	4,338,998
KfW	1,123	221,179
Netherlands	33,638	55,242
Norwegian Agency for Development Cooperation	238	238
University Murdoch - Australia	578	5,909
UNEP	32,917	-
UNEP/CMS	(4,928)	-
	<u>7,227,055</u>	<u>6,411,058</u>
<b>Administrative Reserve Fund</b>		
ARF	4,875,825	4,622,120
	<u>19,113,595</u>	<u>17,406,361</u>

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**23. CASH AND BANK BALANCES**

	2021 USD	2020 USD
Cash on hand	589	191
Cash at banks	20,694,078	18,941,034
	<u>20,694,667</u>	<u>18,941,225</u>

**24. ADVANCES AND PREPAYMENTS**

	2021 USD	2020 USD
Advances for general purpose expenditures	10,564	-
Salary advance	25,500	-
Prepayments	18,804	2,121
	<u>54,868</u>	<u>2,121</u>

Advances for general project expenditures represent imprest-accounts funds given to some satellite projects for petty cash expenses and other disbursements within their limits of authority. The related project expenditure is charged to the statement of income and expenditure upon submission of clearance forms. Other advances are education allowances of staff dependants, advances issued to conduct training and workshops as well as advances to employees against salary.

**25. PROVIDENT FUND**

MRC manages a provident fund, which had a balance as at 31 December 2021 of US\$1,635,940 (31 December 2020: US\$1,531,985), to provide a savings scheme in lieu of a pension fund on behalf of 60 (2020: 62) members of staff who are eligible for the scheme. Staff and MRC contributions are banked into a separate bank account. The MRC's contributions to the fund are included in the expenditures as personnel services in respect of project expenditure, and as staff salary and fees in respect of administrative expenditure. Payments from the provident fund and its balance are not reflected in the MRC's consolidated statements.

**26. OTHER LIABILITIES**

	2021 USD	2020 USD
Account payables	-	5,000