

**MEKONG RIVER COMMISSION**

**Statements of Contributions Received,  
Expenditure Incurred  
and Fund Balances by Development Partner**

**for the year ended 31 December 2007**

**Mekong River Commission**  
**Statements of Contributions Received, Expenditure Incurred and Fund Balances by**  
**Development Partner for the year ended 31 December 2007**

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## REPORT OF THE INDEPENDENT AUDITORS

### To the members of the Joint Committee of the Mekong River Commission

#### Scope

We have audited the statements of contributions received, expenditure incurred and fund balances by development partner (“the financial statements”) of the Mekong River Commission (“the Commission”) for the year ended 31 December 2007, set out on pages 2 to 27. These financial statements are the responsibility of the Commission’s management. 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. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the statements of contributions received, expenditure incurred and fund balances have been prepared in accordance with a modified cash basis of accounting. This is a basis of accounting used by the Mekong River Commission; it does not produce financial statements that are compatible with International Financial Reporting Standards.

#### Audit Opinion

In our opinion, the financial statements present fairly, in all material respects, the status of Development Partners’ funds maintained by the Commission as at 31 December 2007 and the related income and expenditure for the year then ended in accordance with the basis of accounting and the accounting policies set out in Notes 2 and 3.

KPMG Lao Co., Ltd.  
Vientiane  
29 February 2008

A blue ink stamp of KPMG Lao Co., Ltd. The stamp is octagonal with a double border. Inside the border, there is text in Lao script at the top and bottom, and 'KPMG LAO CO., LTD.' in the center. A signature in blue ink is written across the top part of the stamp.

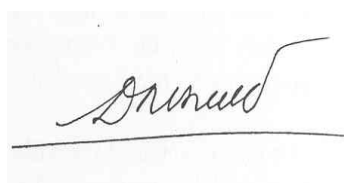
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**A. AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (“ACIAR”)**

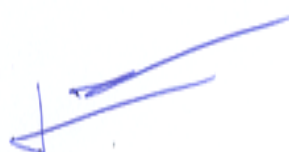
	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	-	53,879
<b>Contribution received from the ACIAR for:</b>		
6.1/04/04/OTH Stock Structure of Two Important Mekong River Carp Species	-	-
<b>Expenditure incurred for:</b>		
6.1/04/04/OTH Stock Structure of Two Important Mekong River Carp Species	-	53,879
<b>Movement for the year</b>	-	(53,879)
<b>Fund balance at 31 December</b>	-	-

*The notes set out on pages 26 to 27 form an integral part of these statements*



Mr. Do Manh Hung  
*Officer-in-charge*

Approved by:



Dr. Dirk Overweg  
*Chief of Finance and Administration* 2

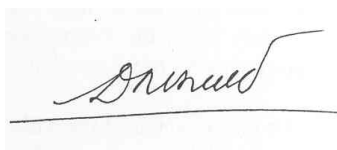
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**B. ASIAN DEVELOPMENT BANK (“ADB”)**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	398,586	399,583
<b>Contributions received from the ADB for:</b>		
3.1/53/04/ADB Structural Measures & Flood Proofing 2005/01 C2P2	-	-
1.1/85/07/ADB/O Interest earned from project funds	609	-
<b>Expenditure incurred for:</b>		
3.1/53/04/ADB Structural Measures & Flood Proofing 2005/01 C2P2	204,419	997
	<hr/>	<hr/>
	204,419	997
	<hr/>	<hr/>
<b>Movement for the year</b>	(203,810)	(997)
Foreign exchange gain	24,218	-
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	218,994	398,586

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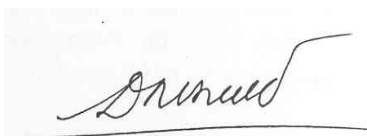
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**C. AUSTRALIA**

	Note	2007 USD	2006 USD
<b>Fund balance at 1 January</b>		223,793	286,650
<b>Contributions received from the Government of Australia for:</b>			
1.1\46\06\AULC Project Proposal JRP Phase 2		-	10,928
1.1\50\06\AULZ Technical Coordination Advisor		-	86,129
1.1\63\06\AUL\I AHNIP Extension 2001\04\A2		178,448	-
1.1\88\07\AUL\Z Technical Coordination Advisor MK 2007\16		95,000	-
3.8\07\01\AUL Australian\MRC Consultancy Services Funds		-	(10,928)
4.2\04\01\BDP Basin Development Plan		-	110,553
9.1\15\03\AUL Interest earned from project funds		5,583	5,161
1.1\13\05\OTH\T MOU for AHNIP Network		-	3,750
		279,031	205,593
<b>Expenditure incurred for:</b>			
1.1\27\05\AULO MRC Strategic Planning Process		10,358	74,430
1.1\46\06\AULC Project Proposal JRP Phase 2		-	10,929
1.1\50\06\AULZ Technical Coordination Advisor		22,627	63,502
1.1\63\06\AUL\I AHNIP Extension 2001\04\A2		97,881	23,029
1.1\88\07\AUL\Z Technical Coordination Advisor MK 2007\16		129,973	-
2.1\16\01\AUL Appropriate Hydrological Network Improvement		-	88,506
4.2\04\01\BDP Basin Development Plan	4	-	5,116
1.1\13\05\OTH\T MOU for AHNIP Network		-	2,938
		260,839	268,450
<b>Movement for the year</b>		18,192	(62,857)
<b>Fund balance at 31 December</b>		241,985	223,793

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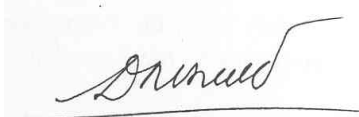
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**D. BELGIUM**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	2,022,812	1,175,606
<b>Contribution received from the Government of Belgium for:</b>		
1.1/32/05/BEL\N MRC Navigation Programme2005/14	-	2,993
1.1/58/06/BEL\N MRC Navigation Programme2006/03	1,393,250	1,334,787
	<hr/>	<hr/>
	1,393,250	1,337,780
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1/32/05/BEL\N MRC Navigation Programme2005/14	689,523	489,076
1.1/58/06/BEL\N MRC Navigation Programme2006/03	1,060,715	1,498
	<hr/>	<hr/>
	1,750,238	490,574
	<hr/>	<hr/>
<b>Movement for the year</b>	(356,988)	847,206
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<b>Fund balance at 31 December</b>	1,665,824	2,022,812
	<hr/> <hr/>	<hr/> <hr/>

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*Chief of Finance and Administration* 5

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**E. DENMARK**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	2,761,651	3,127,240
<b>Contributions received from the Government of Denmark for:</b>		
1.1/39/06/DEN/F Fisheries Ecology, Valuation and Mitigation	275,053	399,381
1.1/40/06/DEN/F Fisheries Management and Governance	275,053	373,867
1.1/41/06/DEN/F Programme Management and Communication	2,131,547	756,151
1.1/61/06/DEN/B Basin Development Plan Programme Phase II	2,298,846	710,354
1.1/62/06/DEN/E Environment Programme MK2006/15	795,526	177,588
1.1/70/07/DEN/F Aquaculture of indigenous Mekong Fish Species 2 2005\15	183,368	-
1.1/92/07/DEN/Z Support to follow up of IO, I & FR of MRC's & NMC's, MK2007\15	577,946	-
4.2/04/01/BDP Basin Development Plan	(68,017)	(66,509)
8.1/30/01/DEN Support Cost for the Provision of Junior Professional Officers (JPO)	-	(112,895)
9.1/15/00/DEN Interest earned from project funds	33,535	8,591
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	6,502,857	2,246,528
	<hr/>	<hr/>

**Expenditure incurred for:**

1.1/19/05/DENF Aquaculture of Indigenous Mekong Fish Species 2005 - 662.1121.02.62	-	955
1.1/20/05/DENF Management of River and Reservoir Fisheries 2005 - 662.1072.01.62	-	79,043
1.1/21/05/DENF Assessment of Mekong Capture Fisheries 2005 - 662.1111.01.62	-	180,163
1.1/22/05/DENF Institutional Support - Fisheries Programme 2005 - 662.1121.01.62	-	85,650
1.1/39/06/DEN/F Fisheries Ecology, Valuation and Mitigation	404,894	369,319
1.1/40/06/DEN/F Fisheries Management and Governance	413,457	359,594
1.1/41/06/DEN/F Programme Management and Communication	683,706	644,558
1.1/61/06/DEN/B Basin Development Plan Programme Phase II	779,181	811
1.1/62/06/DEN/E Environment Programme MK2006/15	473,523	203
1.1/70/07/DEN/F Aquaculture of indigenous Mekong Fish Species 2 2005\15	87,614	-
1.1/92/07/DEN/Z Support to follow up of IO, I & FR of MRC's & NMC's, MK2007\15	2,039	-
2.4/01/01/DEN Environment Programme 2002 – 2004 - 662.1141.x.01.62	-	56,001
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<i>Balance carried forward</i>	2,844,414	1,776,297
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**E. DENMARK (CONTINUED)**

	Note	2007 USD	2006 USD
<i>Balance brought forward</i>		2,844,414	1,776,297
3.1/53/04/DEN MRC Flood Management and Mitigation - Programme 2004		133,224	-
3.1/53/04/DEN Support to the Coordination of the MRC FMMP2004/08, C1P2		-	154,877
3.4/17/03/DEN Twinning Arrangement with the IFReDI Sub-component under "Institutional Support" - 662.1121.x.01.62		-	163,797
4.2/04/01/BDP Basin Development Plan	4	-	517,146
8.1/30/01/DEN Support Cost for the Provision of Junior Professional Officers (JPO)		-	-
		<u>2,977,638</u>	<u>2,612,117</u>
<b>Movement for the year</b>		3,525,219	(365,589)
<b>Fund balance at 31 December</b>		<u><u>6,286,870</u></u>	<u><u>2,761,651</u></u>

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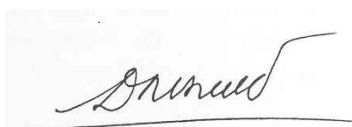
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**F. DEUTSCHE GESELLSCHAFT FÜR TECHNISCHE ZUSAMMENARBEIT**  
**(“GTZ”) GMBH**


	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	321,331	127,303
<b>Contributions received from GTZ for:</b>		
1.1/60/06/GTZ/Z Sustainable Watershed Management in the Lower Mekong MK 2006/06	-	196,460
3.4/08/03/GTZ Sustainable Watershed Management	-	22,217
9.1/15/03/GTZ Interest earned from project funds	1,604	328
	<u>1,604</u>	<u>219,005</u>
<b>Expenditure incurred for:</b>		
1.1/60/06/GTZ/Z Sustainable Watershed Management in the Lower Mekong MK 2006/06	141,591	202
3.1/53/04/GTZ Flood Management Programme 2004-2010	123,672	27,500
3.4/08/03/GTZ Sustainable Watershed Management	-	(2,725)
	<u>265,263</u>	<u>24,977</u>
<b>Movement for the year</b>	<u>263,659</u>	<u>194,028</u>
<b>Fund balance at 31 December</b>	<u><u>57,672</u></u>	<u><u>321,331</u></u>

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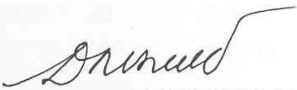
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**G. EUROPEAN COMMISSION**


	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	(6,279)	71,136
<b>Contributions received from the European Commission for:</b>		
1.1/11/05/EECH Cap Bldg for Planning & Implementation of Flood Preparedness Programme Ph II, 2005/03	59,070	10,742
1.1/75/07/EECH Implementation of Flood Preparedness Programs MK 2007/02	299,896	-
7.1/22/03/EEC Capacity Building for Preparedness, Planning & Response Through Use of Flood Information Product	-	45,874
9.1/15/03/EEC Interest earned from project funds	595	5,260
	<hr/>	<hr/>
	359,561	61,876
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1/11/05/EECH Cap Bldg for Planning & Implementation of Flood Preparedness Programme Ph II, 2005/03	46,934	95,617
1.1/75/07/EECH Implementation of Flood Preparedness Programs MK 2007/02	183,029	-
7.1/22/03/EEC Capacity Building for Preparedness, Planning & Response Through Use of Flood Information Product	-	43,674
	<hr/>	<hr/>
	229,963	139,291
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<b>Movement for the year</b>	129,598	(77,415)
Foreign exchange gain	22,612	-
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<b>Fund balance at 31 December</b>	145,931	(6,279)
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Mr. Do Manh Hung  
Officer-in-charge

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Dr. Dirk Overweg  
Chief of Finance and Administration 9

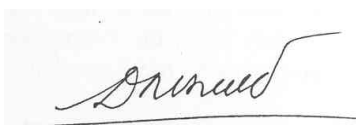
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**H. FINLAND**


	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	763,641	1,335,593
<b>Contributions received from the Government of Finland for:</b>		
1.1/14/05/FINW Financial Support to the position of Senior Modelling Adviser, 2005/04	13,879	212,566
1.1/48/06/FINO 4th World Water Forum	-	15,214
1.1/52/06/FINI Formulation of Information and Knowledge Management Programme 2006/04	-	216,936
1.1/72/07/FIN/I Information and Knowledge Management Programme MK 2007/01	2,744,063	-
7.1/23/01/WUP Water Utilisation Programme	262,777	47,697
9.1/15/02/FIN Interest earned from project funds	19,316	4,890
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	3,040,035	497,303
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<b>Expenditure incurred for:</b>		
1.1/14/05/FINW Financial Support to the position of Senior Modelling Adviser, 2005/04	179,754	176,115
1.1/48/06/FINO 4th World Water Forum	-	15,214
1.1/52/06/FINI Formulation of Information and Knowledge Management Programme 2006/04	43,829	117,459
1.1/72/07/FIN/I Information and Knowledge Management Programme MK 2007/01	710,656	-
1.1/93/07/FIN/C Integrated Capacity Building Programme JRP for Sustainable Development, MK 2007/13	60	-
7.1/23/01/WUP Water Utilisation Programme	302,842	760,467
	<hr/>	<hr/>
	1,237,141	1,069,255
	<hr/>	<hr/>
<b>Movement for the year</b>	1,802,894	(571,952)
Foreign exchange gain	39,076	-
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	2,605,611	763,641
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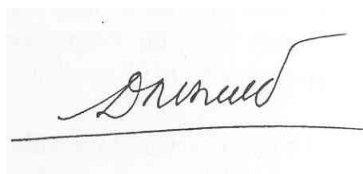
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**I. FRANCE**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	309,158	74,908
<b>Contributions received from the Government of France</b>		
1.1/43/06/FRA\O Activities of the two French Advisers under the PCS2006/01	-	61,760
1.1/44/06/FRA\O Contribution to the MRC Water Management	71,025	59,744
1.1/45/06/FRA\I Mekong-HYCOS Project Management Unit;2006/01	-	76,757
1.1/51/06/FRA\I Mekong-Hycos Project - General, MK2006/09	-	191,067
1.1/54/06/FRA\O English language training for MRC	-	1,024
Interest earned from project funds	3,906	-
	<u>74,931</u>	<u>390,352</u>
<b>Expenditure incurred for:</b>		
1.1/43/06/FRA\O Activities of the two French Advisers under the PCS2006/01	28,134	26,474
1.1/44/06/FRA\O Contribution to the MRC Water Management	50,376	-
1.1/45/06/FRA\I Mekong-HYCOS Project Management Unit;2006/01	41,012	11,253
1.1/51/06/FRA\I Mekong-Hycos Project - General, MK2006/09	56,346	93,324
1.1/54/06/FRA\O English language training for MRC	38	1,551
1.1/59/06/FRA\O Riparian Consultants for the independent organization review of MRCS & NMCs	22,729	19,371
7.2/23/01/WUP Water Utilisation Programme	-	4,129
	<u>198,635</u>	<u>156,102</u>
<b>Movement for the year</b>	<u>(123,704)</u>	<u>234,250</u>
<b>Fund balance at 31 December</b>	<u><u>185,454</u></u>	<u><u>309,158</u></u>

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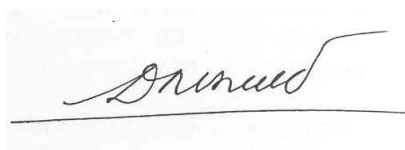
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**J. INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	21,332	176,591
<b>Contribution received from the International Bank for Reconstruction and Development for:</b>		
7.1/23/01/WUP Water Utilisation Programme	1,062,235	1,335,847
<b>Expenditure incurred for:</b>		
7.1/23/01/WUP Water Utilisation Programme	947,202	1,491,106
<b>Movement for the year</b>	<u>115,033</u>	<u>(155,259)</u>
<b>Fund balance at 31 December</b>	<u><u>136,365</u></u>	<u><u>21,332</u></u>

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**K. JAPAN**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	353,973	679,600
<b>Contributions received from the Government of Japan for:</b>		
1.1/10/05/JPNA Program to Demonstrate the Multi-functionality of Paddy Fields over the MRB-2005, 2005/02	-	-
1.1/53/06/JPNA Improvement of Irrigation Efficiency on Paddy Fields in the Lower Mekong Basin	-	341,602
1.1/57/06/JPNO “Mekong Research for the People of the Mekong” Chiangrai Conference	(6,280)	30,690
1.1/81/07/JPN/A Improvement of irrigation Efficiency on Paddy Fields in the Lower Mekong Basin 2007	326,879	-
1.1/82/07/JPN/T Initial Analysis of Hydropower Potentials in LMB	500,000	-
1.1/87/07/JPN/O Interest earned from Project Funds	2,081	-
8.1/16/02/JPN Institutional Support to MRCS	-	(40,000)
	<hr/>	<hr/>
	822,680	332,292
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1/10/05/JPNA Program to Demonstrate the Multi-functionality of Paddy Fields over the MRB-2005, 2005/02	104,308	140,780
1.1/24/05/JPNA Improvement of Irrigation Efficiency Paddy Fields in the Lower Mekong Basin-2005/06	-	249,408
1.1/31/05/JPNI Database Analysis and Hydro-Meteorological Network & Water Use, 2005/12	-	6,868
1.1/53/06/JPNA Improvement of Irrigation Efficiency on Paddy Fields in the Lower Mekong Basin	180,278	110,257
1.1/57/06/JPNO “Mekong Research for the People of the Mekong” Chiangrai Conference	-	24,410
1.1/81/07/JPN/A Improvement of irrigation Efficiency on Paddy Fields in the Lower Mekong Basin 2007	85,387	-
1.1/82/07/JPN/T Initial Analysis of Hydropower Potentials in LMB	2,237	-
3.2/23/03/JPN Programme to Demonstrate the Multi-functionality of Paddy Fields Over the Mekong River Basin	-	4,953
3.2/23/04/JPN Programme to Demonstrate the Multi-functionality of Paddy Fields Over the Mekong River Basin	-	117,990
	<hr/>	<hr/>
<i>Balance carried forward</i>	372,210	654,666
	<hr/>	<hr/>

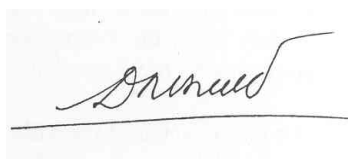
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**Statements of Contributions Received, Expenditure Incurred and Fund Balances by**  
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**K. JAPAN (CONTINUED)**

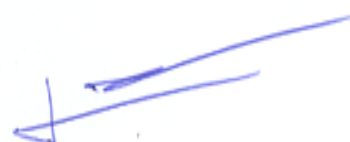
	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<i>Balance brought forward</i>	372,210	654,666
4.2/06/96/JPN/1 Formulation of Hydropower Development Strategy	-	1,607
4.2/07/04/JPN Relocation Project 2004 - Japanese Consultancy Funds	-	1,646
	<hr/>	<hr/>
	372,210	657,919
	<hr/>	<hr/>
<b>Movement for the year</b>	450,470	(325,627)
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	804,443	353,973
	<hr/> <hr/>	<hr/> <hr/>

*The notes set out on pages 26 to 27 form an integral part of these statements*



Mr. Do Manh Hung  
*Officer-in-charge*

*Approved by:*



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*Chief of Finance and Administration 14*



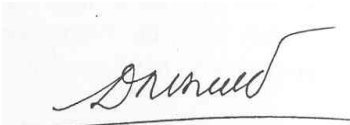
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**L. MURRAY DARLING BASIN COMMISSION (“MDBC”)**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	8,598	28,812
<b>Contributions received from the MDBC for:</b>		
1.1/86/07/MBC/O Supporting of MDBC/MRC Joint Activities	20,000	-
	<u>20,000</u>	<u>-</u>
<b>Expenditure incurred for:</b>		
1.1/86/07/MBC/O Supporting of MDBC/MRC Joint Activities	11,926	-
7.1/01/04/MBC MDBC-MRC Strategic Liason Programme	392	20,214
	<u>12,318</u>	<u>20,214</u>
<b>Movement for the year</b>	<u>7,682</u>	<u>(20,214)</u>
<b>Fund balance at 31 December</b>	<u><u>16,280</u></u>	<u><u>8,598</u></u>

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*Officer-in-charge*

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*Chief of Finance and Administration 15*

**Mekong River Commission**  
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**M. NETHERLANDS**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	360,045	469,497
<b>Contributions received from the Government of the Netherlands for:</b>		
1.1/06/04/NETE Wetlands Bio-diversity Conservation and Sustainable Use Programme 2004-2009, 2004/15	(18,921)	354,000
1.1/29/05/NETH Structural Measures and Flood Proofing, 2004/14, C2P1	1,000,000	-
1.1/30/05/NET/H Mediation of Trans Boundary Flood issues	500,000	-
3.1/53/04/NET Flood Management & Mitigation Implementation Programme	2,221,426	1,500,000
9.1/15/04/NET Interest earned from Project Funds	8,149	9,410
	<hr/>	<hr/>
	3,710,654	1,863,410
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1/06/04/NETE Wetlands Bio-diversity Conservation and Sustainable Use Programme 2004-2009, 2004/15	108,572	483,302
1.1/29/05/NETH Structural Measures and Flood Proofing, 2004/14, C2P1	458,691	120,458
1.1/30/05/NETH Mediation of Transboundary Flood Issues, 2005/14	245,940	46,215
3.1/53/04/NET Flood Management & Mitigation Implementation Programme	1,511,853	1,322,887
1.1/69/07/NET/H Support to the Coordination of FMMP at National Level 2004/12	76,773	-
1.1/74/07.NET/H The Organization of 5 <sup>th</sup> Annual Mekong Flood Forum for 2007 CIP 11: 2004/12	86,473	-
	<hr/>	<hr/>
<i>Balance carried forward</i>	2,488,302	1,972,862
	<hr/>	<hr/>

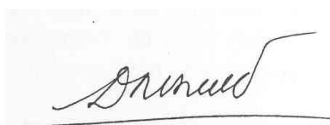
**Mekong River Commission**  
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**M. NETHERLANDS (CONTINUED)**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<i>Balance brought forward</i>	2,488,302	1,972,862
1.1/84/07/NET/H Roads and Floods in the Lower Mekong Basin – Delf Cluster –WWF, 2004/14 C2P3	67,120	-
	<hr/>	<hr/>
	2,555,421	1,972,862
	<hr/>	<hr/>
<b>Movement for the year</b>	1,155,233	(109,452)
Foreign exchange gain	61,684	-
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	1,576,962	360,045
	<hr/> <hr/>	<hr/> <hr/>

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Mr. Do Manh Hung  
Officer-in-charge

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Dr. Dirk Overweg  
Chief of Finance and Administration 17

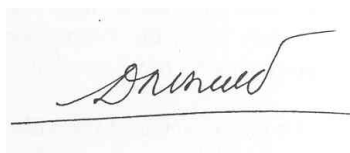
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**N. NEW ZEALAND**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	64,256	56,762
<b>Contributions received from the Government of New Zealand for:</b>		
1.1/03/04/NZLC Gender Mainstreaming in Water and Related Resources Development in the Mekong River Basin	51,896	70,109
	<u>51,896</u>	<u>70,109</u>
<b>Expenditure incurred for:</b>		
1.1/03/04/NZLC Gender Mainstreaming in Water and Related Resources Development in the Mekong River Basin	74,978	57,344
2.1/05/00/NZL Cash Grant for MRC Hydrologic Yearbook	(401)	5,271
	<u>74,577</u>	<u>62,615</u>
<b>Movement for the year</b>	<u>(22,681)</u>	<u>7,494</u>
<b>Fund balance at 31 December</b>	<u><u>41,575</u></u>	<u><u>64,256</u></u>

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**Development Partner**  
**for the year ended 31 December 2007 (continued)**

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**O. SWEDEN**

	Note	2007 USD	2006 USD
<b>Fund balance at 1 January</b>		459,061	1,023,457

**Contributions received from the Government of Sweden for:**

1.1/42/06/SWEF Fisheries(8.1/15/04/SWE)MK2004/060A1	-	180,000
1.1/56/06/SWEF Extension(01/08/2006-31/12/2006)SIDA letter dated 22/08/2006	(19,974)	115,900
1.1/77/07/SWE/Z Institutional Support Programme 2007-2009	434,514	-
1.1/78/07/SWE/E Environment MK 2007/03	1,184,179	-
1.1/79/07/SWE/F Fisheries Valuation and TAB MK 2007/03	547,993	-
1.1/80/07/SWE/B Basin Development Plan Programme Phase II MK 2007/03	49,804	-
3.4/20/04/SWE The Technical Advisory Body for Fisheries	-	58,749
3.7/24/04/SWE Environment Programme 2004-2006	-	1,111,682
3.7/29/04/SWE Junior Riparian Professional Programme	(29,607)	
8.1/15/04/SWE Institutional Support Programme 2004-2006	49,582	110,760
9.1/15/91/SWE Interest earned from project funds	(4,089)	5,529
	<u>2,212,402</u>	<u>1,582,620</u>

**Expenditure incurred for:**

1.1/42/06/SWEF Fisheries(8.1/15/04/SWE)MK2004/060A1	37,564	142,436
1.1/56/06/SWEF Extension(01/08/2006-31/12/2006)SIDA letter dated 22/08/2006	27,023	68,903
1.1/77/07/SWE/Z Institutional Support Programme 2007-2009	283,511	
1.1/78/07/SWE/E Environment MK 2007/03	786,225	-
1.1/79/07/SWE/F Fisheries Valuation and TAB MK 2007/03	129,944	-
1.1/80/07/SWE/B Basin Development Plan Programme Phase II MK 2007/03	49,453	-
3.4/20/04/SWE The Technical Advisory Body for Fisheries	-	104,423
3.7/24/04/SWE Environment Programme General 2004-2006	323,726	1,501,052
3.7/29/04/SWE Junior Riparian Professional Programme 2004-2006	-	43,930
	<u>1,637,445</u>	<u>1,860,744</u>
<i>Balance carried forward</i>		

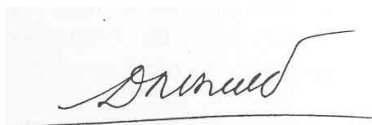
**Mekong River Commission**  
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**O. SWEDEN (CONTINUED)**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<i>Balance brought forward</i>	1,637,445	1,860,744
4.2/04/01/BDP Basin Development Plan	4 -	4,239
8.1/15/04/SWE Institutional Support Programme 2004-2006	57,416	282,033
9.1/15/91/SWE Interest earned from project funds returned to Government of Sweden	-	-
	<u>1,694,862</u>	<u>2,147,016</u>
<b>Movement for the year</b>	<u>517,540</u>	<u>(564,396)</u>
<b>Fund balance at 31 December</b>	<u><u>976,601</u></u>	<u><u>459,061</u></u>

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Mr. Do Manh Hung  
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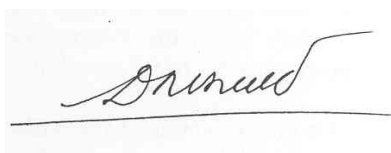
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**P. SWITZERLAND**

	Note	2007 USD	2006 USD
<b>Fund balance at 1 January</b>		-	(26,942)
<b>Contributions received from the Government of Switzerland for:</b>			
2.4/01/03/SWI Environment Programme 2003-2004 (Prog. Phase 5)		-	(23,460)
4.2/04/01/BDP Basin Development Plan		-	31,972
8.1/22/03/SWI MRC Core Contribution 2003-2005		-	42,465
9.1/15/03/SWI Interest earned from project funds		-	(6,268)
		<hr/>	<hr/>
		-	44,709
		<hr/>	<hr/>
<b>Expenditure incurred for:</b>			
2.4/01/03/SWI Environment Programme 2003-2004 (Prog. Phase 5)		-	-
4.2/04/01/BDP Basin Development Plan	4	-	34
8.1/22/03/SWI MRC Core Contribution 2003-2005		-	17,733
		<hr/>	<hr/>
		-	17,767
		<hr/>	<hr/>
<b>Movement for the year</b>		-	(26,942)
		<hr/>	<hr/>
<b>Fund balance at 31 December</b>		-	-
		<hr/> <hr/>	<hr/> <hr/>

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Mr. Do Manh Hung  
Officer-in-charge

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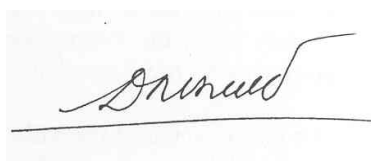
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**Statements of Contributions Received, Expenditure Incurred and Fund Balances by**  
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**Q. UNITED NATIONS DEVELOPMENT PROGRAMME (CAMBODIA)**

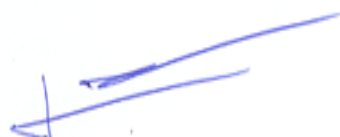
	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	10,496	2,301
<b>Contributions received from the United Nations Development Programme (Cambodia) for:</b>		
1.1\28\05\UNP\E Mekong River Basin Wetlands Biodiversity Conservation and Sustainable Use 2005/07	70,934	9,999
7.1\20\97\UNP MRC Capacity Building on Water Utilization Programme	(497)	722
	<hr/>	<hr/>
	70,437	10,721
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1\28\05\UNP\E Mekong River Basin Wetlands Biodiversity Conservation and Sustainable Use 2005/07	80,933	-
7.1\20\97\UNP MRC Capacity Building on Water Utilization Programme	-	2,526
	<hr/>	<hr/>
	80,933	2,526
	<hr/>	<hr/>
<b>Movement for the year</b>	(10,496)	8,195
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	-	10,496
	<hr/> <hr/>	<hr/> <hr/>

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Mr. Do Manh Hung  
*Officer-in-charge*

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*Chief of Finance and Administration* 22



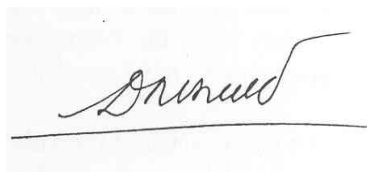
**Mekong River Commission  
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**R. UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
 (“USAID”)**

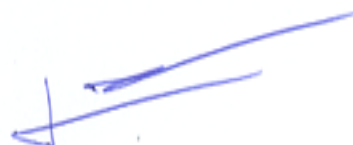
	<b>2007 USD</b>	<b>2006 USD</b>
<b>Fund balance at 1 January</b>	107,021	163,752
<b>Contributions received from the Government of the United States for:</b>		
3.1/53/04/USA Provision of Flood Early Warning to Flood-vulnerable Communities, Cambodia & Lao PDR, Phase I - 2004	150,943	385,148
	<hr/> 150,943	<hr/> 385,148
<b>Expenditure incurred for:</b>		
3.1/53/04/USA Provision of Flood Early Warning to Flood-vulnerable Communities, Cambodia & Lao PDR, Phase I - 2004	241,660	441,879
	<hr/> 241,660	<hr/> 441,879
<b>Movement for the year</b>	<hr/> (90,717)	<hr/> (56,731)
<b>Fund balance at 31 December</b>	<hr/> <hr/> 16,304	<hr/> <hr/> 107,021

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Mr. Do Manh Hung  
 Officer- in-charge

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**MISCELLANEOUS**

	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<b>Fund balance at 1 January</b>	55,855	(44,493)
<b>Contributions received for:</b>		
1.1/15/05/OTHT Challenge Program on Water and Food for 2005	-	17,589
1.1/33/05/OTHO Int'l Forum on Integrated Water Resources Mgt in the Mekong River Basin	-	36,233
1.1/34/05/OTHA Strengthening Fisheries Mgt Institutions in Lower Mekong River Basin	-	22,997
1.1/35/06/OTHO Communication Office 2006	-	8,000
1.1/47/06/OTHA Challenge Program on Water and Food 2006	16,175	124,698
1.1/55/06/OTH/A Mekong Basin Focal Project; MK 2006/11	-	72,920
1.1/65/07/OTH/O Communications Unit 2007	8,000	-
1.1/67/07/OTH/I IKMP 2007 Technical Services Agreement between IKMP and FMMP	9,811	-
1.1/71/07/OTH/A Challenge Program on Water and Food 2007	145,101	-
1.1/89/07/OTH/I Review of the Hydraulic Study for discharges from the NT2 MK 2007/07	3,504	-
1.1/91/07/OTH/O The Facilitation to Conduct the Study Tour during 22-27 Oct 2007	21,695	-
	<hr/>	<hr/>
	204,286	282,437
	<hr/>	<hr/>
<b>Expenditure incurred for:</b>		
1.1/15/05/OTHT Challenge Program on Water and Food for 2005	-	(13)
1.1/17/05/OTHO TSD 2005	-	(683)
1.1/23/05/OTHO MRC Strategic Plan 2006-2010	-	(18,096)
1.1/33/05/OTHO Int'l Forum on Integrated Water Resources Mgt in the Mekong River Basin	-	5,118
1.1/34/05/OTHA Strengthening Fisheries Mgt Institutions in Lower Mekong River Basin	-	46,000
1.1/35/06/OTHO Communication Office 2006	-	107,039
1.1/36/06/OTH/O Communication Office 2006 Control Project	-	(99,038)
1.1/37/06/OTH/I IKMP 2006	(60)	316,607
1.1/38/06/OTH/I IKMP 2006 Control Project	-	(316,547)
1.1/47/06/OTH/A Challenge Program on Water and Food 2006	(38)	140,911
1.1/55/06/OTH/A Mekong Basin Focal Project; MK 2006/11	164	791
1.1/65/07/OTH/O Communications Unit 2007	18,310	-
1.1/66/07/OTH/O Communications Unit 2007 – Control Project	(10,310)	-
	<hr/>	<hr/>
<i>Balance carried forward</i>	8,066	182,089
	<hr/>	<hr/>

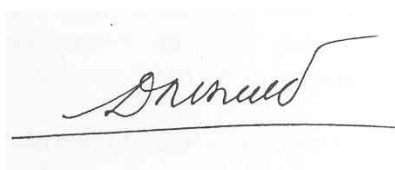
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**MISCELLANEOUS (CONTINUED)**

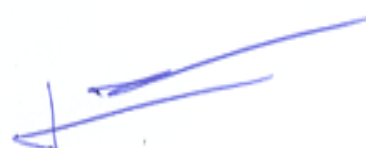
	<b>2007</b>	<b>2006</b>
	<b>USD</b>	<b>USD</b>
<i>Balance brought forward</i>	8,066	182,089
1.1/67/07/OTH/I IKMP 2007 Technical Services Agreement between IKMP and FMMP	112,189	-
1.1/68/07/OTH/I IKMP 2007 – Control Project	(70,200)	-
1.1/71/07/OTH/A Challenge Program on Water and Food 2007	124,835	-
1.1/89/07/OTH/I Review of the Hydraulic Study for discharges from the NT2 MK 2007/07	21	-
1.1/91/07/OTH/O The Facilitation to Conduct the Study Tour during 22-27 Oct 2007	16,796	-
	<hr/>	<hr/>
	191,707	182,089
	<hr/>	<hr/>
<b>Movement for the year</b>	12,579	100,348
	<hr/>	<hr/>
<b>Fund balance at 31 December</b>	68,434	55,855
	<hr/> <hr/>	<hr/> <hr/>

*The notes set out on pages 26 to 27 form an integral part of these statements*



Mr. Do Manh Hung  
Officer-in-charge

Approved by:



Dr. Dirk Overweg  
Chief of Finance and Administration 25

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These notes form an integral part of, and should be read in conjunction with, the accompanying financial statements.

**1. Principal activities**

The Mekong River Commission (“MRC” or “the Commission”) 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 Vietnam, with China and Myanmar as dialogue partners.

The role of the MRC is to promote and coordinate sustainable management and development of water and related resources for the countries’ mutual benefit and the people’s well being. It fulfils this role by providing scientific information and policy advice and implementing strategic programs and activities in accordance with the 1995 Agreement.

**2. Basis of preparation**

The financial statements, expressed in United States Dollars (“USD”), have been prepared in accordance with a modified cash basis of accounting. This is a basis of accounting used by the Mekong River Commission; it does not produce financial statements that are compatible with International Financial Reporting Standards. Under the basis of accounting, income is recognised when received rather than earned, except for interest income which is recognised when earned. Expenditure is recognised when paid rather than incurred, except for: staff health and life insurance premiums, personal telephone costs charged to staff and repatriation fee, which are recognised on an accruals basis; and advances to National Mekong Committees, projects and employees, which are recognised when cleared.

**3. Summary of significant accounting policies**

*(a) Property and equipment*

For control and management purposes, a memorandum account for property and equipment is maintained by way of a property and equipment listing.

*(b) Foreign currency transactions*

Monetary assets and liabilities denominated in currencies other than USD are translated into USD at rates of exchange ruling at the balance sheet date. Transactions in currencies other than USD are translated into USD at the MRC operational rates of exchange on the date of the transactions. All exchange differences are recorded in the income and expenditure statement.

**Mekong River Commission**  
**Statements of Contributions Received, Expenditure Incurred and Fund Balances by**  
**Development Partner**  
**for the year ended 31 December 2007 (continued)**

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**4. Basin Development Plan Expenditure - 4.2/04/01/BDP**

The Basin Development Plan project expenditure is funded by the Governments of Sweden, Denmark, Australia and Switzerland. The Government of Australia provides funding for the consultancy fees of specified international experts and is separately identified in the project accounting records. The remaining expenditure, funded by the Governments of Sweden, Denmark and Switzerland, is allocated to each Development Partner based on the relative proportions of their budgeted contributions for the project. This allocation provides indicative information only about the project expenditure funded by the three Development Partners. The allocation basis is subject to change in future years when new Development Partners participate in the project.