



Mekong River Commission Development Partners' Funds

*Audited Financial Statements
as at and for the year ended 31 December 2012*

Mekong River Commission – Development Partners’ Funds

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Mekong River Commission

Office of the Secretariat in Phnom Penh (OSP)
576 National Road, #2, Chak Angre Krom,
P.O. Box 623, Phnom Penh, Cambodia
Tel. (855-23) 425 353. Fax (855-23) 425 363

Office of the Secretariat in Vientiane (OSV),
Office of the Chief Executive Officer
184 Fa Ngoum Road,
P.O. Box 6101, Vientiane, Lao PDR
Tel: (856-21) 263 263. Fax: (856-21) 263 264

REPORT OF THE MRCS MANAGEMENT

The Management of the Mekong River Commission Secretariat (“MRCS”) presents its report and the financial statements of the Development Partners’ Funds of the Mekong River Commission for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES DURING 2012

The Mekong River Commission (“MRC” or “the Commission”) continues the implementation of its eleven key Programmes. The MRC has attracted funding from new Development Partners, namely the European Union for the Climate Change Adaptation Initiative, the USAID for the Fisheries Programme and the World Bank for the transboundary component of the Mekong IWRM Project.

The MRC continues to implement its two key strategies, the Integrated Water and Related Resources Management (IWRM)-based Basin Development Strategy (BDS), and the Strategic Plan 2011-2015 (SP 2011-2015).

Regarding the BDS, the MRC is in the process of finalising the Basin Action Plan based on the Regional Action Plan and the National Indicative Plans prepared by the National Mekong Committees and which will provide detailed plans for the implementation of the strategy.

The strategic plan for the 2011-2015 period provides a platform for the MRC’s plan to decentralise core functions of the MRCS to the national level. In 2012, important work has been done to define core functions and prepare an action plan to start the gradual decentralisation of activities to the national level.

In May 2012, the MRC successfully organised a major international conference on transboundary river basin management (Mekong2Rio), which specifically aimed to discuss the water-food-energy nexus in transboundary river basins.

REPORT OF THE MRCS MANAGEMENT (continued)

THE MRCS MANAGEMENT

The members of the MRCS Management who held office during the year 2012 and as of the date of this report are:

Hans Guttman	Chief Executive Officer
Pich Dun	Director of Operations Division until 30 June 2012, Director of Planning Division from 01 July 2012
Tran Duc Cuong	Director of Technical Support Division until 30 June 2012, Director of Environment Division from 01 July 2012
Sourasay Phoumavong	Director of Environment Division until 30 June 2012, Director of Technical Support Division from 01 July 2012
Satit Phiromchai	Director of Planning Division until 30 June 2012, Director of Operations Division from 01 July 2012, Officer-in-Charge of the Human Resources Development Section from 03 January until 01 March 2012
Nguyen Thu Mai	Chief of the Finance and Administration Section
Klomjit Chandrapanya	Chief of the International Cooperation and Communication Section
Natayaporn Jumratsri	Chief of the Human Resources Development Section from 02 March 2012

On behalf of the MRCS Management



Hans Guttman
Chief Executive Officer

22 February 2013

Reference: KTC-RBI/HAN/13/R016/MRC-DPs/E

INDEPENDENT AUDITOR'S REPORT

To: **The Members of the Joint Committee of the Mekong River Commission**

We have audited the accompanying financial statements of the Development Partners' Funds of the Mekong River Commission ("MRC" or "the Commission") which comprise the statements of income, expenditure and fund balance as at 31 December 2012 and for the year then ended, a summary of significant accounting policies and other explanatory information as set out on pages 5 to 36. The financial statements have been prepared by the MRCS Management using the accounting policies as described in Note 2 to the financial statements.

The MRCS Management's Responsibility for the Financial Statements

The MRCS Management is responsible for the preparation of these financial statements in accordance with the accounting policies as described in Note 2 to the financial statements, and for such internal control as the MRCS 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 assessments, the auditor considers internal control relevant to the Commission's preparation 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 Commission's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the MRCS 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 financial statements of the Development Partners' Funds of the Commission as at 31 December 2012 and for the year then ended are prepared, in all material respects, in accordance with the accounting policies as described in Note 2 to the financial statements.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared to assist the MRCS Management in meeting the reporting requirements of the MRC's Joint Committee and its partners. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Commission and its partners and should not be distributed to or used by parties other than the Commission or its partners.



KTC Audit & Business Advisory Co., Ltd.

**KTC Audit & Business Advisory Co., Ltd.
Member of Russell Bedford International**

Hanoi, Vietnam
22 February 2013

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE as at and for the year ended 31 December 2012

A. ASIAN DEVELOPMENT BANK

	2012	Currency: USD 2011
INCOME		
Cash contributions		
2.1\56\10\ADB\I TA 6367 (REG) Application of MRC Modeling Tools - MK 2010/01	-	18,208
2.1\70\10\ADB\H The formulation of Flood Management and Mitigation Programme, Phase 2 (2011-2015) MK 2010/07	16,253	-
2.1\73\10\ADB\E TA 6367 REG Sesan, Sre Pok and Sekong River (3Ss) - RSAT Workshop 19-20 July 2010	-	(6,426)
	<u>16,253</u>	<u>11,782</u>
Unutilised fund and interest returned		
1.1\85\07\ADB\O Interest earned from project funds	(78,644)	-
	<u>(62,391)</u>	<u>11,782</u>
EXPENDITURE		
2.1\56\10\ADB\I TA 6367 (REG) Application of MRC Modeling Tools - MK 2010/01	(24)	2,342
2.1\70\10\ADB\H The formulation of Flood Management and Mitigation Programme, Phase 2 (2011-2015) MK 2010/07	-	45,113
	<u>(24)</u>	<u>47,455</u>
Foreign exchange gain/(loss)	-	77,034
Movement in Fund Balance for the year	(62,367)	41,361
Fund Balance as at 1 January	62,367	21,006
Fund Balance as at 31 December	-	62,367



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

B. AUSTRALIA

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\38\09\AUL\W The Mekong Integrated Water Resource Management Project MK 2009/06	2,010,600	2,197,230
2.1\39\09\AUL\C The MRC Integrated Capacity Building Programme MK 2009/07	1,502,250	1,615,350
2.1\48\09\AUL\E The Australian Support to the MRC Climate Change and Adaptation Initiative MK 2009/08	-	1,612,350
	<u>3,512,850</u>	<u>5,424,930</u>
Interest earned		
9.1\15\03\AUL Interest earned from project funds	181,886	153,373
	<u>3,694,736</u>	<u>5,578,303</u>
Unutilised fund and interest returned		
2.1\22\08\AUL\I AHNIP Extension project, MK 2001/04/A3	(10,000)	-
	<u>3,684,736</u>	<u>5,578,303</u>
EXPENDITURE		
2.1\01\08\AUL\Z Technical Coordination Function, MK2008/02	-	(19,588)
2.1\02\08\AUL\B Basin Development Plan, MK 2008/03	5	-
2.1\12\08\AUL\N The MRC Navigation Programme, MK 2008/06	(8,952)	64,898
2.1\22\08\AUL\I AHNIP Extension project, MK 2001/04/A3	(2,171)	2,169
2.1\38\09\AUL\W The Mekong Integrated Water Resource Management Project MK 2009/06	1,149,832	1,361,363
2.1\39\09\AUL\C The MRC Integrated Capacity Building Programme MK 2009/07	844,063	854,827
2.1\48\09\AUL\E The Australian Support to the MRC Climate Change and Adaptation Initiative MK 2009/08	602,267	699,568
	<u>2,585,044</u>	<u>2,963,237</u>
Foreign exchange gain/(loss)	-	3,428
Movement in Fund Balance for the year	<u>1,099,692</u>	<u>2,618,494</u>
Fund Balance as at 1 January	7,767,466	5,148,972
Fund Balance as at 31 December	<u>8,867,158</u>	<u>7,767,466</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

C. BELGIUM

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\49\09\BEL\N The Belgian Support to the MRC Navigation Programme MK 2009/10	1,295,952	1,392,678
2.1\50\09\BEL\T The Belgian Support to the MRC Initiative on Sustainable Hydropower, MK 2009/10	1,295,952	1,392,678
2.1\97\11\BEL\N MRC Navigation Programme for November 2011 - December 2012 MK 2011/12	<u>1,037,232</u>	<u>-</u>
	3,629,136	2,785,356
Interest earned		
2.1\72\10\BEL\O Interest earned from Belgium Funded Project	<u>51,772</u>	<u>29,801</u>
	3,680,908	2,815,157
EXPENDITURE		
2.1\49\09\BEL\N The Belgian Support to the MRC Navigation Programme MK 2009/10	588,803	1,205,275
2.1\50\09\BEL\T The Belgian Support to the MRC Initiative on Sustainable Hydropower, MK 2009/10	769,195	1,000,117
2.1\97\11\BEL\N MRC Navigation Programme for November 2011 - December 2012 MK 2011/12	<u>1,037,232</u>	<u>-</u>
	2,395,230	2,205,392
Movement in Fund Balance for the year	1,285,678	609,765
Fund Balance as at 1 January	<u>1,601,937</u>	<u>992,172</u>
Fund Balance as at 31 December	2,887,615	1,601,937



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

D. DENMARK

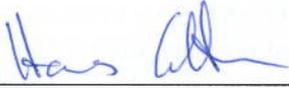
	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
1.1\61\06\DEN\B Basin Development Plan Programme Phase II MK 2006/15 (104.Mekong.13.HAN)	-	176,796
2.1\62\10\DEN\E CCAI MK 2010/05 (104.Mekong.19.HAN)	172,795	-
2.1\80\11\DEN\F Fisheries Programme 2011 to 2015 MK 2010/11 (104.Mekong.20.HAN)	518,385	1,268,056
2.1\81\11\DEN\E Environment Programme 2011 to 2015 MK 2010/13 (104.Mekong.21.HAN)	172,795	366,750
2.1\99\11\DEN\B Basin Development Plan Phase III MK 2011/11 (104.Mekong.22.HAN)	837,170	-
	<u>1,701,145</u>	<u>1,811,602</u>
Interest earned		
9.1\15\00\DEN Interest earned from project funds	18,535	50,114
	<u>1,719,680</u>	<u>1,861,716</u>
Unutilised fund and interest returned		
9.1\15\00\DEN Interest earned from project funds	(50,114)	-
1.1\62\06\DEN\E Environment Programme MK 2006/15 (104.Mekong.14.HAN)	(31,857)	-
	<u>(81,971)</u>	<u>-</u>
	<u>1,637,709</u>	<u>1,861,716</u>
EXPENDITURE		
1.1\61\06\DEN\B Basin Development Plan Programme Phase II MK 2006/15 (104.Mekong.13.HAN)	786,246	1,541,767
1.1\62\06\DEN\E Environment Programme MK 2006/15 (104.Mekong.14.HAN)	113,982	84,153
1.1\92\07\DEN\Z Support to follow up of IO, I & FR of MRC's & NMC's, MK 2007/15 (104.Mekong.17.HAN)	24,532	126
2.1\29\09\DEN\F Fisheries Ecology, Valuation and Mitigation MK 2008/07 (104.Mekong.12.HAN)	-	64,807
2.1\30\09\DEN\F Programme Management and Communication MK2008/07 (104.Mekong.12.HAN)	-	(46,118)
2.1\31\09\DEN\F Aquaculture of Indigenous Mekong Fish Species 2 MK 2008/07 (104.Mekong.12.HAN)	-	(11,323)
2.1\62\10\DEN\E CCAI MK 2010/05 (104.Mekong.19.HAN)	222,141	10,823
2.1\80\11\DEN\F Fisheries Programme 2011 to 2015 MK 2010/11 (104.Mekong.20.HAN)	743,481	1,148,453
2.1\81\11\DEN\E Environment Programme 2011 to 2015 MK 2010/13 (104.Mekong.21.HAN)	100,500	160,753
2.1\99\11\DEN\B Basin Development Plan Phase III MK 2011/11 (104.Mekong.22.HAN)	508,636	-
3.1\53\04\DEN MRC Flood Management and Mitigation Programme 2004 MK 2004/08 (104.Mekong.15.HAN)	-	(9,460)
	<u>2,499,518</u>	<u>2,943,981</u>

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

D. DENMARK (continued)

	<i>Currency: USD</i>	
	2012	2011
Movement in Fund Balance for the year	(861,809)	(1,082,265)
Fund Balance as at 1 January	1,511,291	2,593,556
Fund Balance as at 31 December	<u>649,482</u>	<u>1,511,291</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

E. DEUTSCHE GESELLSCHAFT FÜR INTERNATIONALE ZUSAMMENARBEIT ("GIZ") GmbH

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\42\09\GTZ\Z Sustainable Watershed Management in the Lower Mekong Basin, Phase III MK 2009/01	-	34,062
2.1\46\09\GTZ\Z Support to the MRC for establishing a result based monitoring & evaluation system MK 2009/02	22,176	-
2.1\76\10\GTZ\Z Watershed Management International Conference 9-11 Mar 2011, Chiang Mai, Thailand MK 2010/14	-	13,095
2.1\94\11\GIZ\Z Support to the organisational transition of the MRC PN: 2010.2232.6 MK 2011/07	-	198,210
2.1\95\11\GIZ\H Climate change adaptation through climate sensitive flood management in the Lower Mekong Basin MK 2011/06	186,570	199,650
2.2\12\12\GIZ\T ISH June 2011 to May 2014 MK 2012/05	186,840	-
2.2\16\12\GIZ\G Support to measure the adaptation to climate change in the Mekong region MK 2012/06 June 2012 to December 2014	189,075	-
2.2\18\12\GIZ\A To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	115,798	-
2.2\19\12\GIZ\D To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	115,798	-
2.2\20\12\GIZ\N To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	115,798	-
	<u>932,055</u>	<u>445,017</u>
Interest earned		
2.1\95\11\GIZ\H Climate change adaptation through climate sensitive flood management in the Lower Mekong Basin MK 2011/06	1,111	-
2.1\98\11\GIZ\O Interest earned for GIZ funding project	9,283	-
9.1\15\03\GTZ Interest earned on project funds	-	(5,351)
2.2\18\12\GIZ\A To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	89	-
2.2\19\12\GIZ\D To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	89	-
2.2\20\12\GIZ\N To implement measures for the adaptation to climate change in the Mekong Region MK 2012/10	89	-
	<u>10,661</u>	<u>(5,351)</u>
	<u>942,716</u>	<u>439,666</u>
Unutilised fund and interest returned		
9.1\15\03\GTZ Interest earned on project funds	(259)	-
	<u>942,457</u>	<u>439,666</u>

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

E. DEUTSCHE GESELLSCHAFT FÜR INTERNATIONALE ZUSAMMENARBEIT (“GIZ”) GmbH (continued)

	<i>Currency: USD</i>	
	2012	2011
EXPENDITURE		
2.1\42\09\GTZ\Z Sustainable Watershed Management in the Lower Mekong Basin, Phase III MK 2009/01	-	116,764
2.1\46\09\GTZ\Z Support to the MRC for establishing a result based monitoring & evaluation system MK 2009/02	21,002	30,669
2.1\75\10\GTZ\Z Project on Elaboration of MRC-German Cooperation Strategy MK 2010/12	24	1,289
2.1\76\10\GTZ\Z Watershed Management International Conference 9-11 Mar 2011, Chiang Mai, Thailand MK 2010/14	-	130,950
2.1\94\11\GIZ\Z Support to the organisational transition of the MRC PN: 2010.2232.6 MK 2011/07	258,838	2,027
2.1\95\11\GIZ\H Climate change adaptation through climate sensitive flood management in the Lower Mekong Basin MK 2011/06	633,956	104
2.2\12\12\GIZ\T ISH June 2011 to May 2014 MK 2012/05	142,233	-
2.2\16\12\GIZ\G Support to measure the adaptation to climate change in the Mekong region MK 2012/06 June 2012 to December 2014	104	-
	<u>1,056,157</u>	<u>281,803</u>
Movement in Fund Balance for the year	(113,700)	157,863
Fund Balance as at 1 January	395,296	237,433
Fund Balance as at 31 December	<u>281,596</u>	<u>395,296</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

F. EUROPEAN UNION

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\23\08\EEC\H Strengthen Implementation of the Flood Preparedness Programs - MK 2008/14	-	110,342
	-	<u>110,342</u>
Interest earned		
9.1\15\03\EEC Interest earned from project funds	4	471
	<u>4</u>	<u>110,813</u>
EXPENDITURE		
2.1\23\08\EEC\H Strengthen Implementation of the Flood Preparedness Programs - MK 2008/14	-	58,247
	-	<u>58,247</u>
Foreign exchange gain/(loss)	<u>2,050</u>	<u>1,677</u>
Movement in Fund Balance for the year	2,054	54,243
Fund Balance as at 1 January	<u>46,143</u>	<u>(8,100)</u>
Fund Balance as at 31 December	<u>48,197</u>	<u>46,143</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

G. FINLAND

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
1.1\93\07\FIN\C Intergrated Capacity Building Programme - JRP for Sustainable Development, MK 2007/13	-	140,630
1.1\95\07\FIN\O The Water Management Trust Fund MK 2007/12	-	134,456
2.1\26\09\FIN\I The Finnish Support to the MRC IKMP on the position of Senior Modelling Advisor MK 2008/13	163,199	182,819
2.1\82\11\FIN\T The Finnish Support to the Initiative on Sustainable Hydropower (ISH) MK 2011/02	798,161	-
2.1\83\11\FIN\C The Finnish Support to the Integrated Capacity Building Programme (ICBP) MK 2011/03	318,034	351,575
2.1\84\11\FIN\I The Finnish Support to the Information and Knowledge Management Programme (IKMP) MK 2011/04	2,473,520	1,406,300
	<u>3,752,914</u>	<u>2,215,780</u>
Interest earned		
9.1\15\02\FIN Interest earned from project funds	30,771	16,670
	<u>3,783,685</u>	<u>2,232,450</u>
EXPENDITURE		
1.1\72\07\FIN\I Information and Knowledge Management Programme MK 2007/01	(191,585)	1,082,961
1.1\93\07\FIN\C Intergrated Capacity Building Programme - JRP for Sustainable Development, MK 2007/13	-	164,373
1.1\94\07\FIN\T Initiative on Sustainable Hydropower MK 2007/11	-	(157,933)
1.1\95\07\FIN\O The Water Management Trust Fund MK 2007/12	142,082	37,316
2.1\26\09\FIN\I The Finnish Support to the MRC IKMP on the position of Senior Modelling Advisor MK 2008/13	197,793	219,043
2.1\59\10\FIN\Z The Water Management Trust Fund MK 2010/02	37,531	105,946
2.1\82\11\FIN\T The Finnish Support to the Initiative on Sustainable Hydropower (ISH) MK 2011/02	857	62
2.1\83\11\FIN\C The Finnish Support to the Integrated Capacity Building Programme (ICBP) MK 2011/03	355,902	173,837
2.1\84\11\FIN\I The Finnish Support to the Information and Knowledge Management Programme (IKMP) MK 2011/04	2,056,470	1,080,755
	<u>2,599,050</u>	<u>2,706,360</u>
Foreign exchange gain/(loss)	<u>(15,834)</u>	<u>10,908</u>

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

G. FINLAND (continued)

	<i>Currency: USD</i>	
	2012	2011
Movement in Fund Balance for the year	1,168,801	(463,002)
Fund Balance as at 1 January	631,246	1,094,248
Fund Balance as at 31 December	1,800,047	631,246



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

H. FRANCE

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions and direct payments		
1.1\45\06\FRA\I Mekong - HYCOS Project Management Unit, MK 2006/01	238,232	28,077
1.1\51\06\FRA\I Mekong - HYCOS Project - General, MK 2006/09 (*)	932,530	156,910
2.1\51\09\FRA\E Environment Programme, MK 2009/04	126,812	-
2.1\66\10\FRA\I The development of a framework for generating sustainable hydropower in the MB, MK 2010/03 (**)	-	465,555
2.1\91\11\FRA\I IKMP - Hydrology Technical Assistance, MK 2011/04	129,517	261,660
	<u>1,427,091</u>	<u>912,202</u>
Interest earned		
1.1\43\06\FRA\O Activities of the two French Advisers under the PCS MK, 2006/01	598	674
1.1\44\06\FRA\O Contribution to the MRC Water Management Trust Fund, MK 2006/01	766	717
1.1\45\06\FRA\I Mekong - HYCOS Project Management Unit, MK 2006/01	1,361	1,041
1.1\51\06\FRA\I Mekong - HYCOS Project - General, MK 2006/09	2,742	1,509
2.1\51\09\FRA\E Environment Programme, MK 2009/04	8,255	-
2.1\66\10\FRA\I The development of a framework for generating sustainable hydropower in the MB, MK 2010/03	5,891	3,480
2.1\91\11\FRA\I IKMP - Hydrology Technical Assistance, MK 2011/04	2,799	-
	<u>22,412</u>	<u>7,421</u>
	<u>1,449,503</u>	<u>919,623</u>
EXPENDITURE		
1.1\43\06\FRA\O Activities of the two French Advisers under the PCS, MK 2006/01	11,134	8,878
1.1\44\06\FRA\O Contribution to the MRC Water Management Trust Fund, MK 2006/01	5	8,923
1.1\45\06\FRA\I Mekong - HYCOS Project Management Unit, MK 2006/01	236,246	92,543
1.1\51\06\FRA\I Mekong - HYCOS Project - General, MK 2006/09	922,314	308,657
2.1\51\09\FRA\E Environment Programme, MK 2009/04	93,878	345,454
2.1\66\10\FRA\I The development of a framework for generating sustainable hydropower in the MB, MK 2010/03	138,314	424,316
2.1\91\11\FRA\I IKMP - Hydrology Technical Assistance, MK 2011/04	157,099	147,503
	<u>1,558,990</u>	<u>1,336,274</u>

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

H. FRANCE (continued)

	<i>Currency: USD</i>	
	2012	2011
Movement in Fund Balance for the year	(109,487)	(416,651)
Fund Balance as at 1 January	372,225	788,876
Fund Balance as at 31 December	<u>262,738</u>	<u>372,225</u>

(*) 2012: Of which direct payments amounted to USD 631,477.

(**) 2011: Of which direct payments amounted to USD 160,755.



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

I. JAPAN

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash Contributions		
2.1\89\11\JPN\A Support the Improvement of Irrigation Facilities Adaptable to Climate Change in Lower Mekong Basin	-	521,320
2.2\15\12\JPN\A Improvement of Irrigation Facilities Adaptable to Climate Change in LMB	490,892	-
	<u>490,892</u>	<u>521,320</u>
Interest earned		
1.1\87\07\JPN\O Interest earned from Japan Funded Project	8,636	8,764
2.2\15\12\JPN\A Improvement of Irrigation Facilities Adaptable to Climate Change in LMB	860	-
	<u>9,496</u>	<u>8,764</u>
	<u>500,388</u>	<u>530,084</u>
Unutilised fund and interest returned		
2.1\65\10\JPN\A Sustainable and Efficient Water Use in Irrigated Agriculture in the LMB, MK 2008/05/A2	(4,996)	-
	<u>495,392</u>	<u>530,084</u>
EXPENDITURE		
1.1\10\05\JPN\A Program to Demonstrate the Multi-functionality of Paddy Fields over the MRB-2005, MK 2005/02	-	4,285
1.1\81\07\JPN\A Improvement of Irrigation Efficiency on Paddy Fields in the Lower Mekong Basin 2007, MK2007/04	-	2,111
2.1\11\08\JPN\A Study on Analysis of Sustainable Water Resources Use Project, MK 2008/05	-	3,887
2.1\42\09\JPN\A Sustainable and Efficient Water Use in Irrigated Agriculture in the LMB, MK 2008/05/A1	(96)	17,285
2.1\65\10\JPN\A Sustainable and Efficient Water Use in Irrigated Agriculture in the LMB, MK 2008/05/A2	96	230,909
2.1\89\11\JPN\A Support the Improvement of Irrigation Facilities Adaptable to Climate Change in Lower Mekong Basin	328,426	87,717
2.2\15\12\JPN\A Improvement of Irrigation Facilities Adaptable to Climate Change in LMB	69,488	-
	<u>397,914</u>	<u>346,194</u>

I. JAPAN (continued)

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

	<i>Currency: USD</i>	
	2012	2011
Movement in Fund Balance for the year	97,478	183,890
Fund Balance as at 1 January	462,049	278,159
Fund Balance as at 31 December	559,527	462,049



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22 February 2013



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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

J. KREDITANSALT FÜR WIEDERAUFBAU (“KfW”)

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\47\09\GER\A The Sustainable Management of Watersheds in the Lower Mekong Basin, MK 2009/03	136,027	-
	<u>136,027</u>	<u>-</u>
Interest earned		
2.1\47\09\GER\A The Sustainable Management of Watersheds in the Lower Mekong Basin, MK 2009/03	1,106	-
	<u>137,133</u>	<u>-</u>
EXPENDITURE		
2.1\47\09\GER\A The Sustainable Management of Watersheds in the Lower Mekong Basin, MK 2009/03	58,710	59,722
	<u>58,710</u>	<u>59,722</u>
Movement in Fund Balance for the year	78,423	(59,722)
Fund Balance as at 1 January	(96,414)	(36,692)
Fund Balance as at 31 December	(17,991)	(96,414)



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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

K. LUXEMBOURG

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\79\11\LUX\G Climate Change and Adaptation Initiative Programme, MK 2010/10	520,000	520,000
	<u>520,000</u>	<u>520,000</u>
Interest earned		
2.1\79\11\LUX\G Climate Change and Adaptation Initiative Programme, MK 2010/10	16,910	7,993
	<u>536,910</u>	<u>527,993</u>
EXPENDITURE		
2.1\79\11\LUX\G Climate Change and Adaptation Initiative Programme, MK 2010/10	171,291	115,045
	<u>171,291</u>	<u>115,045</u>
Movement in Fund Balance for the year	365,619	412,948
Fund Balance as at 1 January	412,948	-
Fund Balance as at 31 December	<u>778,567</u>	<u>412,948</u>



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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

L. NETHERLANDS

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash Contributions		
2.1\90\11\NET\H The bridging period support to RFMMC, July to December 2011	-	942,650
	<u>-</u>	<u>942,650</u>
Interest earned		
9.1\15\04\NET Interest earned from Netherlands funded projects	1,112	6,190
	<u>1,112</u>	<u>6,190</u>
EXPENDITURE		
1.1\29\05\NET\H Structural Measures and Flood Proofing, MK 2004/14, C2P1	-	5,646
1.1\30\05\NET\H Enhancing Cooperation in Addressing Transboundary Flood Issues, MK 2004/14, C3P1	-	186,957
1.1\69\07\NET\H Support to the Coordination of FMMP at National Level, MK 2004/12, C1P10	-	4,139
2.1\44\09\NET\H Support to the Coordination of the MRC- FMMP, MK 2004/12, C1P14	-	56,493
2.1\90\11\NET\H The bridging period support to RFMMC, July to December 2011	(26,071)	483,502
3.1\53\04\NET Flood Management and Mitigation Implementation Programme MK 2004/12, C1P1	-	416,544
	<u>(26,071)</u>	<u>1,153,281</u>
Movement in Fund Balance for the year	27,183	(204,441)
Fund Balance as at 1 January	<u>144,589</u>	<u>349,030</u>
Fund Balance as at 31 December	<u>171,772</u>	<u>144,589</u>



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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

M. NEW ZEALAND

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\55\10\NZL\C MRC Integrated Capacity Building Programme MK 2009/11	350,000	-
	<u>350,000</u>	<u>-</u>
EXPENDITURE		
2.1\55\10\NZL\C MRC Integrated Capacity Building Programme MK 2009/11	404,577	128,719
	<u>404,577</u>	<u>128,719</u>
Movement in Fund Balance for the year	(54,577)	(128,719)
Fund Balance as at 1 January	103,736	232,455
Fund Balance as at 31 December	<u>49,159</u>	<u>103,736</u>



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22 February 2013



Nguyen Thu Mai
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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

N. SWEDEN

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
1.1\77\07\SWE\Z Institutional Support Programme 2007-2009, MK 2007/03	-	216,885
1.1\78\07\SWE\E Environment Programme, MK 2007/03	-	344,124
2.1\32\09\SWE\F Fisheries Management and Governance, MK 2007/03	-	393,285
1.1\80\07\SWE\B Basin Development Plan Programme Phase II, MK 2007/03	-	344,124
2.1\52\09\SWE\E Climate Change and Adaptation Initiative, MK 2007/03	-	147,482
2.2\06\12\SWE\B BDP July 2012 to December 2015 MK 2012/02	47,484	-
2.2\07\12\SWE\G CCAI July 2012 to December 2015 MK 2012/02	100,903	-
2.2\08\12\SWE\E EP July 2012 to December 2015 MK 2012/02	445,160	-
2.2\09\12\SWE\Z IS July 2012 to December 2015 MK 2012/02	400,644	-
2.2\10\12\SWE\H FMMP July 2012 to December 2015 MK 2012/02	370,966	-
2.2\11\12\SWE\F FP July 2012 to December 2015 MK 2012/02	741,933	-
	<u>2,107,090</u>	<u>1,445,900</u>
Interest earned		
9.1\15\91\SWE Interest earned from project funds	25,528	23,630
	<u>2,132,618</u>	<u>1,469,530</u>
Unutilised fund and interest returned		
1.1\80\07\SWE\B Basin Development Plan Programme Phase II, MK 2007/03	(297,475)	-
	<u>1,835,143</u>	<u>1,469,530</u>

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

N. SWEDEN (continued)

	<i>Currency: USD</i>	
	2012	2011
EXPENDITURE		
1.1\77\07\SWE\Z Institutional Support Programme 2007-2009, MK 2007/03	245,474	396,944
1.1\78\07\SWE\E Environment Programme, MK 2007/03	410,501	538,374
1.1\80\07\SWE\B Basin Development Plan Programme Phase II, MK 2007/03	46,671	33
2.1\32\09\SWE\F Fisheries Management and Governance, MK 2007/03	400,788	302,867
2.1\33\09\SWE\F Fisheries Ecology, Valuation and Mitigation, MK 2007/03	-	6
2.1\52\09\SWE\E Climate Change and Adaptation Initiative, MK 2007/03	380,949	635,459
2.2\06\12\SWE\B BDP July 2012 to December 2015 MK 2012/02	17,922	-
2.2\07\12\SWE\G CCAI July 2012 to December 2015 MK 2012/02	27	-
2.2\08\12\SWE\E EP July 2012 to December 2015 MK 2012/02	163,238	-
2.2\09\12\SWE\Z IS July 2012 to December 2015 MK 2012/02	169,887	-
2.2\10\12\SWE\H FMMP July 2012 to December 2015 MK 2012/02	192,719	-
2.2\11\12\SWE\F FP July 2012 to December 2015 MK 2012/02	109,444	-
	<u>2,137,620</u>	<u>1,873,683</u>
Movement in Fund Balance for the year	(302,477)	(404,153)
Fund Balance as at 1 January	1,919,419	2,323,572
Fund Balance as at 31 December	<u>1,616,942</u>	<u>1,919,419</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

O. SWITZERLAND

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\92\11\SWIB MRC - Strengthening Integrated River Water Management Protection in Mekong Basin - BDP MK 2011/09	1,000,000	500,000
2.1\93\11\SWIE MRC - Strengthening Integrated River Water Management Protection in the Mekong Basin - Environment Programme MK 2011/10	1,000,000	500,000
2.2\17\12\SWIH Flood Management and Mitigation Implementation Programme MK 2012/09	1,000,000	-
	<u>3,000,000</u>	<u>1,000,000</u>
Interest earned		
2.1\96\11\SWIO Interest earned from project funds	23,848	876
	<u>3,023,848</u>	<u>1,000,876</u>
EXPENDITURE		
2.1\92\11\SWIB MRC - Strengthening Integrated River Water Management Protection in Mekong Basin - BDP MK 2011/09	667,934	607
2.1\93\11\SWIE MRC - Strengthening Integrated River Water Management Protection in the Mekong Basin - Environment Programme MK 2011/10	369,149	607
	<u>1,037,083</u>	<u>1,214</u>
Movement in Fund Balance for the year	<u>1,986,765</u>	<u>999,662</u>
Fund Balance as at 1 January	999,662	-
Fund Balance as at 31 December	<u>2,986,427</u>	<u>999,662</u>



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Nguyen Thu Mai
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Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

P. UNITED STATES OF AMERICA

	2012	2011
	<i>Currency: USD</i>	
INCOME		
Cash contributions		
2.2\13\12\USA\F Fisheries Programme 2011 to 2015AID 486 IO 12 00006	1,350,000	-
	<u>1,350,000</u>	<u>-</u>
Interest earned		
2.2\13\12\USA\F Fisheries Programme 2011 to 2015AID 486 IO 12 00006	10,067	-
	<u>1,360,067</u>	<u>-</u>
EXPENDITURE		
2.2\13\12\USA\F Fisheries Programme 2011 to 2015AID 486 IO 12 00006	117,741	-
	<u>117,741</u>	<u>-</u>
Movement in Fund Balance for the year	1,242,326	-
Fund Balance as at 1 January	-	-
Fund Balance as at 31 December	<u>1,242,326</u>	<u>-</u>

Hans Guttman
Chief Executive Officer
22 February 2013

Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

Q. WORLD BANK

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.2\14\12\IBR\W Mekong Integrated Water Resources Management APL Phase I Grant No. H762	500,000	-
	<u>500,000</u>	<u>-</u>
Interest earned		
2.2\14\12\IBR\W Mekong Integrated Water Resources Management APL Phase I Grant No. H762	1,644	-
	<u>501,644</u>	<u>-</u>
EXPENDITURE		
2.2\14\12\IBR\W Mekong Integrated Water Resources Management APL Phase I Grant No. H762	5,070	-
	<u>5,070</u>	<u>-</u>
Movement in Fund Balance for the year	496,574	
Fund Balance as at 1 January	-	-
Fund Balance as at 31 December	<u>496,574</u>	<u>-</u>



Hans Guttman
Chief Executive Officer
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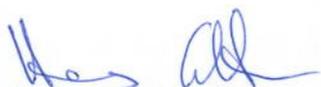
Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

STATEMENTS OF INCOME, EXPENDITURE AND FUND BALANCE (continued) as at and for the year ended 31 December 2012

R. MISCELLANEOUS

	<i>Currency: USD</i>	
	2012	2011
INCOME		
Cash contributions		
2.1\85\11\OTH\H Support to the Training of Trainers from 05 to 08 April 2011 Hanoi, Vietnam	-	22,329
	<u>-</u>	<u>22,329</u>
EXPENDITURE		
1.1\67\07\OTH\I IKMP 2007 Technical Services Agreement between IKMP and FMMP	(4,017)	-
1.1\90\07\OTH\I Assistance WRCCS for Modeling Service, 026/2007	(4,979)	25
2.1\03\08\OTH\F Fish Length and Weight Sampling and Analysis in the LMB, Memo dated 17/12/07	-	922
2.1\57\10\OTH\O Revamping and Redesigning the MRC Corporate Website and Internet	34,483	107,758
2.1\74\10\OTH\F Development of fish passage technology to increase fish production on floodplains in the LMB	887	-
2.1\77\11\OTH\O Communication Project 2011	-	2,706
2.1\78\11\OTH\O Communication Project 2011 - Control Project	-	(2,706)
2.1\85\11\OTH\H Support to the Training of Trainers from 05 to 08 April 2011 Hanoi, Vietnam	-	22,329
2.1\86\11\OTH\O TCU for 2011	(22,781)	86,325
2.1\87\11\OTH\O TCU for 2011 - Control Project	(9,294)	(54,250)
2.2\01\12\OTH\O Mekong2Rio Forum, May 2012	338,460	-
2.2\02\12\OTH\O Mekong2Rio Forum, May 2012 - Control Project	(248,000)	-
2.2\04\12\OTH\O Communication Project 2012-2013	1,782	-
	<u>86,541</u>	<u>163,109</u>
Movement in Fund Balance for the year	(86,541)	(140,780)
Fund Balance as at 1 January	56,554	197,334
Fund Balance as at 31 December	(29,987)	56,554



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section

Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31 December 2012

1. GENERAL INFORMATION

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 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 Commission 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.

The Commission’s technical and administrative functions fall under an operational arm, the MRC Secretariat (“MRCS”), which is led by a Chief Executive Officer. Currently there are about 177 staff members based in two Secretariat offices in Vientiane, Lao PDR and in Phnom Penh, Cambodia.

MRCS 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

The financial statements, which are expressed in United States Dollar (“USD”), have been prepared on a modified cash basis. The significant policies adopted in the preparation of the financial statements are set out below.

• *Income recognition*

Fund receipt from Development Partners is recognised as income when cash is credited to the Commission’s designated bank accounts. Direct payments made by Development Partners to contractors are recognised as income upon Development Partners’ notice to the Commission.

Bank interests are recognised as income when credited to the Commission’s designated bank accounts.

• *Expenditure recognition*

Expenditure is recognised when paid except for: staff health and life insurance premiums, personal telephone and fax costs charged to staff and repatriation fee, which are recognised on an accrual basis; and advances to National Mekong Committees, projects and employees, which are recognised when cleared.

b. 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. All property and equipment are expensed in full in the income and expenditure statement at the date of acquisition. Proceeds from disposal of property and equipment are recognised as a decrease in expenditure rather than an increase in income in the statement of income and expenditure.

c. 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 statement of income and expenditure.

Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SUMMARY OF INCOME, EXPENDITURE AND FUND BALANCE BY DEVELOPMENT PARTNER – 2012

Currency: USD

Development Partner	Cash contributions and direct payments	Interest earned	Unutilised fund and interest returned	Total Income, net	Expenditure (*)	Foreign exchange gain/ (loss)	Movement in Fund Balance for the year	Fund Balance as at 1 January	Fund Balance as at 31 December
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(5)	(6)	(7)=(4)-(5)+(6)	(8)	(9)=(7)+(8)
Asian Development Bank	16,253	-	(78,644)	(62,391)	(24)	-	(62,367)	62,367	-
Australia	3,512,850	181,886	(10,000)	3,684,736	2,585,044	-	1,099,692	7,767,466	8,867,158
Belgium	3,629,136	51,772	-	3,680,908	2,395,230	-	1,285,678	1,601,937	2,887,615
Denmark	1,701,145	18,535	(81,971)	1,637,709	2,499,518	-	(861,809)	1,511,291	649,482
Deutsche Gesellschaft für Internationale Zusammenarbeit ("GIZ") GmbH	932,055	10,661	(259)	942,457	1,056,157	-	(113,700)	395,296	281,596
European Union	-	4	-	4	-	2,050	2,054	46,143	48,197
Finland	3,752,914	30,771	-	3,783,685	2,599,050	(15,834)	1,168,801	631,246	1,800,047
France	1,427,091	22,412	-	1,449,503	1,558,990	-	(109,487)	372,225	262,738
Japan	490,892	9,496	(4,996)	495,392	397,914	-	97,478	462,049	559,527
Kreditanstalt für Wiederaufbau ("KfW")	136,027	1,106	-	137,133	58,710	-	78,423	(96,414)	(17,991)
Luxembourg	520,000	16,910	-	536,910	171,291	-	365,619	412,948	778,567
Netherlands	-	1,112	-	1,112	(26,071)	-	27,183	144,589	171,772
New Zealand	350,000	-	-	350,000	404,577	-	(54,577)	103,736	49,159
Sweden	2,107,090	25,528	(297,475)	1,835,143	2,137,620	-	(302,477)	1,919,419	1,616,942
Switzerland	3,000,000	23,848	-	3,023,848	1,037,083	-	1,986,765	999,662	2,986,427
United States of America	1,350,000	10,067	-	1,360,067	117,741	-	1,242,326	-	1,242,326
World Bank	500,000	1,644	-	501,644	5,070	-	496,574	-	496,574
Miscellaneous	-	-	-	-	86,541	-	(86,541)	56,554	(29,987)
	23,425,453	405,752	(473,345)	23,357,860	17,084,441	(13,784)	6,259,635	16,390,514	22,650,149

* This includes Management and Administration Fees ("MAF")

Mekong River Commission – Development Partners' Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

4. EXPENDITURE

4a. Analysis of Expenditure by Development Partner

Currency: USD

Development Partner	2012		2011	
	Expenditure (excl. MAF)	MAF	Expenditure (incl. MAF)	MAF
Asian Development Bank	(21)	(3)	(24)	232
Australia	2,328,868	256,176	2,585,044	295,595
Belgium	2,157,864	237,366	2,395,230	218,553
Denmark	2,251,816	247,702	2,499,518	291,747
Deutsche Gesellschaft für Internationale Zusammenarbeit ("GIZ") GmbH	953,377	102,780	1,056,157	10
European Union	-	-	-	(1,740)
Finland	2,323,929	275,121	2,599,050	268,204
France	1,427,129	131,861	1,558,990	130,660
Japan	358,483	39,431	397,914	34,592
Kreditanstalt für Wiederaufbau ("KfW")	52,892	5,818	58,710	5,918
Luxembourg	154,316	16,975	171,291	11,401
Netherlands	(24,139)	(1,932)	(26,071)	85,279
New Zealand	364,484	40,093	404,577	12,756
Sweden	1,966,945	170,675	2,137,620	146,370
Switzerland	934,309	102,774	1,037,083	120
United States of America	106,073	11,668	117,741	-
World Bank	5,070	-	5,070	-
Miscellaneous	86,945	(404)	86,541	2
	15,448,340	1,636,101	17,084,441	1,499,699
			14,884,017	163,109
				16,383,716

Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

4. EXPENDITURE (continued)

4b. Analysis of Expenditure by Programme

Currency: USD

Programme	Abbreviations	2012			2011		
		Expenditure (excl. MAF)	MAF	Expenditure (incl. MAF)	Expenditure (excl. MAF)	MAF	Expenditure (incl. MAF)
Agriculture and Irrigation Programme	AIP	358,483	39,431	397,914	311,602	34,592	346,194
Basin Development Programme	BDP	1,826,497	200,917	2,027,414	1,389,556	152,851	1,542,407
Climate Change and Adaptation Initiative	CCAI	897,144	98,686	995,830	743,636	81,800	825,436
Environment Programme	EP	1,470,447	161,750	1,632,197	1,589,911	174,889	1,764,800
Flood Management and Mitigation Programme	FMMP	720,614	79,990	800,604	1,187,003	82,611	1,269,614
Fisheries Programme	FP	1,236,342	135,999	1,372,341	1,315,058	144,556	1,459,614
Integrated Capacity Building Programme	ICBP	1,445,533	159,009	1,604,542	1,190,764	130,992	1,321,756
Information and Knowledge Management Programme	IKMP	3,161,647	343,813	3,505,460	3,027,312	333,002	3,360,314
Initiative on Sustainable Hydropower	ISH	821,878	90,407	912,285	758,780	83,466	842,246
Mekong Integrated Water Resources Management Project	MIWRMP	1,040,955	113,947	1,154,902	1,226,453	134,910	1,361,363
Navigation Programme	NAP	1,456,831	160,252	1,617,083	1,144,300	125,873	1,270,173
Other Programmes	OTHERS	959,077	46,082	1,005,159	945,838	14,239	960,077
Watershed Management Project	WSMP	52,892	5,818	58,710	53,804	5,918	59,722
		15,448,340	1,636,101	17,084,441	14,884,017	1,499,699	16,383,716

Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

5. ANALYSIS OF EXPENDITURE BY DEVELOPMENT PARTNER AND BY PROGRAMME

For the year 2012

Currency: USD

Development Partner/ Programme (*)	AIP	BDP	CCAI	EP	FMMP	FP	ICBP	IKMP	ISH	MIWRMP	NAP	OTHERS	WSMP	TOTAL
Asian Development Bank	-	-	-	-	-	-	-	(24)	-	-	-	-	-	(24)
Australia	-	5	602,267	-	-	-	844,063	(2,171)	-	1,149,832	(8,952)	-	-	2,585,044
Belgium	-	-	-	-	-	-	-	-	769,195	-	1,626,035	-	-	2,395,230
Denmark	-	1,294,882	222,141	214,482	-	743,481	-	-	-	-	-	24,532	-	2,499,518
GIZ	-	-	104	-	633,956	-	-	-	142,233	-	-	279,864	-	1,056,157
European Union	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finland	-	-	-	-	-	-	355,902	2,062,678	857	-	-	179,613	-	2,599,050
France	-	-	-	93,878	-	-	-	1,453,973	-	-	-	11,139	-	1,558,990
Japan	397,914	-	-	-	-	-	-	-	-	-	-	-	-	397,914
KfW	-	-	-	-	-	-	-	-	-	-	-	-	58,710	58,710
Luxembourg	-	-	171,291	-	-	-	-	-	-	-	-	-	-	171,291
Netherlands	-	-	-	-	(26,071)	-	-	-	-	-	-	-	-	(26,071)
New Zealand	-	-	-	-	-	-	404,577	-	-	-	-	-	-	404,577
Sweden	-	64,593	27	954,688	192,719	510,232	-	-	-	-	-	415,361	-	2,137,620
Switzerland	-	667,934	-	369,149	-	-	-	-	-	-	-	-	-	1,037,083
United States of America	-	-	-	-	-	117,741	-	-	-	-	-	-	-	117,741
World Bank	-	-	-	-	-	-	-	-	-	5,070	-	-	-	5,070
Miscellaneous	-	-	-	-	-	887	-	(8,996)	-	-	-	94,650	-	86,541
	397,914	2,027,414	995,830	1,632,197	800,604	1,372,341	1,604,542	3,505,460	912,285	1,154,902	1,617,083	1,005,159	58,710	17,084,441

(*) Refer to Note 4b for Programmes’ abbreviations

Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

5. ANALYSIS OF EXPENDITURE BY DEVELOPMENT PARTNER AND BY PROGRAMME (continued)

For the year 2011

Currency: USD

Development Partner/ Programme	AIP	BDP	CCAI	EP	FMMP	FP	ICBP	IKMP	ISH	MIWRMP	NAP	OTHERS	WSMP	TOTAL
Asian Development Bank	-	-	-	-	45,113	-	-	2,342	-	-	-	-	-	47,455
Australia	-	-	699,568	-	-	-	854,827	2,169	-	1,361,363	64,898	(19,588)	-	2,963,237
Belgium	-	-	-	-	-	-	-	-	1,000,117	-	1,205,275	-	-	2,205,392
Denmark	-	1,541,767	10,823	244,906	(9,460)	1,155,819	-	-	-	-	-	126	-	2,943,981
GIZ	-	-	-	-	104	-	-	-	-	-	-	281,699	-	281,803
European Union	-	-	-	-	58,247	-	-	-	-	-	-	-	-	58,247
Finland	-	-	-	-	-	-	338,210	2,382,759	(157,871)	-	-	143,262	-	2,706,360
France	-	-	-	345,454	-	-	-	973,019	-	-	-	17,801	-	1,336,274
Japan	346,194	-	-	-	-	-	-	-	-	-	-	-	-	346,194
KfW	-	-	-	-	-	-	-	-	-	-	-	-	59,722	59,722
Luxembourg	-	-	115,045	-	-	-	-	-	-	-	-	-	-	115,045
Netherlands	-	-	-	-	1,153,281	-	-	-	-	-	-	-	-	1,153,281
New Zealand	-	-	-	-	-	-	128,719	-	-	-	-	-	-	128,719
Sweden	-	33	-	1,173,833	-	302,873	-	-	-	-	-	396,944	-	1,873,683
Switzerland	-	607	-	607	-	-	-	-	-	-	-	-	-	1,214
United States of America	-	-	-	-	-	-	-	-	-	-	-	-	-	-
World Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	22,329	922	-	25	-	-	-	139,833	-	163,109
	346,194	1,542,407	825,436	1,764,800	1,269,614	1,459,614	1,321,756	3,360,314	842,246	1,361,363	1,270,173	960,077	59,722	16,383,716

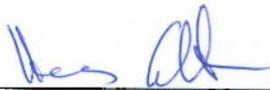
Mekong River Commission – Development Partners’ Funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

6. COMPARATIVE FIGURES

Certain figures have been reclassified to conform with this year’s classification, specifically:

	Total Income, net	Expenditure	Movement in Fund Balance for the year	Fund Balance as at 1 January 2011	Fund Balance as at 31 December 2011
Classification as per 2011 audited financial statements					
GTZ	41,806	279,672	(237,866)	237,433	(433)
Germany	397,860	61,853	336,007	(36,692)	299,315
	<u>439,666</u>	<u>341,525</u>	<u>98,141</u>	<u>200,741</u>	<u>298,882</u>
Reclassification as per 2012 audited financial statements					
GIZ	439,666	281,803	157,863	237,433	395,296
KfW	-	59,722	(59,722)	(36,692)	(96,414)
	<u>439,666</u>	<u>341,525</u>	<u>98,141</u>	<u>200,741</u>	<u>298,882</u>



Hans Guttman
Chief Executive Officer
22 February 2013



Nguyen Thu Mai
Chief, Finance and Administration Section