



**“Preparation Grant for Advisory Support  
for the Regional Trade Initiatives Project”  
Multi-Donor Trust Fund, IBRD and IDA  
Grant Part A No. TF0A4614-KG  
Grant Part B No. TF0B2766-KG**

**MANAGEMENT LETTER**

based on results of audit of the financial statements  
for the year ended December 31, 2023

To the management of the Project "Preparation Grant for advisory Support for the Regional Trade Initiatives project" under National Electric Grid of Kyrgyzstan OJSC as Project executive agency:

Dear Sirs and Madams,

In planning and performing our audit of the project financial statements of the Project "Preparation Grant for advisory Support for the Regional Trade Initiatives project" for the year ended December 31, 2023 under agreement between the Kyrgyz Republic and International Bank of Reconstruction and Development and International Development Association Part A Grant No. TF0A4614-KG, Part B Grant No. TF0B2766-KG (the "Project"), we considered the internal control structure in order to determine our audit procedures for the purpose of expressing an opinion on the project financial statements, but not however to provide assurance on the internal control structure.

In connection therewith, we inform that during performing our audit of the financial statements of the Project for the year ended December 31, 2023, we did not identify any critical matters for inclusion to this letter concerning the internal control structure and certain accounting, administrative and operating matters. Definition of the expression "internal control structure" used in this letter is set in Appendix A.

This letter is intended solely for the information of, and use by the management of the Project and should not be used by others. We are not responsible for providing this letter to third parties as it was not prepared and intended for their use. This letter should not be given to third parties without prior written consent.

We would like to thank the management and personnel of the Project for their assistance and co-operation during the audit. We acknowledge that the Project Implementation Unit has applied efforts to develop and strengthen its planning processes and internal control system.

We would like to thank the management and personnel of the Project for their assistance and co-operation during the audit.

Sincerely yours,



Kubat Alymkulov

Certified accountant, FCCA  
Certificate of auditor of the Kyrgyz Republic  
No. A 0069 dated October 19, 2009  
Audit Partner  
Director, Baker Tilly Bishkek LLC



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Individual registration number 2101510 dated August 9, 2023

June 21, 2024  
Bishkek, the Kyrgyz Republic

## **APPENDIX A**

### **Responsibility of the Management, purposes and limitations inherent in the internal control structure**

The following comments regarding responsibility of the management for the internal control structure, purposes and limitations inherent in the internal control structure are based on the International Standards on Auditing accepted by the International Auditing and Assurance Standards Board (the "IAASB").

#### **Responsibility of the management**

The management is responsible for development and ensuring operation of the internal control. Meeting this objective requires the management to make forecasts and estimates to determine the expected gain and costs relating to fulfilment of the policies and procedures of internal control.

#### **Purposes**

The purposes of internal control over financial statements consist in provision of the management with sufficient but not absolute certainty in security of assets and protection from losses as a result of unauthorized use or distribution of assets and guarantee of conduct of operations on the basis of orders of the management and their proper accounting, which will ensure preparation of financial statements under International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (the "IPSAS") and the World Bank's Financial Management Sector Board's "Guidelines: Financial Reporting and Auditing of Projects financed by the World Banks" (the "WB Guidelines").

#### **Limitations**

Due to limitations inherent in any internal control structure, there is a possibility of mistakes and inaccuracies, which can remain undetected. Besides, forecasts with regard to any assessment or structure applicable to future periods can lose their significance due to changed conditions or decreased efficiency of the structure and functionality of the policies and procedures.



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**Contact us**

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