

Audited Project Financial Statements

Project Number: 39225-034

Loan/Grant Number: 0400

Period covered: 1 July 2020 to 30 June 2021

Bhutan: South Asia Subregional Economic Cooperation Road Connectivity Project

Prepared by Phuentsholing Thromde

For the Asian Development Bank

Date accepted by ADB: 28 July 2022

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Access to Information Policy and as agreed between ADB and the Kingdom of Bhutan.



ཐུལ་གཞུང་ཕྱི་ས་ཞིབ་དབང་འཛིན།

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources

AIN: OAAG-2022-148

**FINANCIAL AUDIT REPORT
OF
THE SUB REGIONAL COOPERATION PROJECT ROAD
CONNECTIVITY PROJECT(SASEC) GRANT No. G-0400-BHU,
FUNDED BY ASIAN DEVELOPMENT BANK (ADB),
IMPLEMENTED
BY PHUENTSHOLING THROMDE**

PERIOD: 01 JULY 2020 TO 30 JUNE 2021

JUNE 2022

"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."
- His Majesty the King Jigme Khesar Namgyel Wangchuck

P.O. Box: 389 | Phuentsholing | Chhukha | Bhutan | Tel: +975-5-252491 | Fax: +975-5-251639

Website: www.bhutanaudit.gov.bt | Email: info@bhutanaudit.gov.bt and penjor@bhutanaudit.gov.bt



ཀྲུང་གཞུང་ཚུལ་ཞིབ་དབང་འཛིན།

ROYAL AUDIT AUTHORITY

OFFICE OF THE ASSISTANT AUDITOR GENERAL
PHUENTSHOLING

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



RAA/AR/OAAG-Pling/SASEC-Thromde/2022/220

Dated: 30th June, 2022

The Executive Secretary
SASEC Project, Thromde
Phuentsholing

Subject: Financial Audit Report of “South Asian Sub-Regional Economic Cooperation (SASEC) Road Connectivity Project”, funded by Asian Development Bank (ADB), Grant No. 0400-BHU for the period 01 July 2020 to 30 June 2021 implemented by Phuentsholing Thromde

Sir,

Enclosed herewith please find three sets of the audited **financial statements and auditors’ report thereon** in respect of *South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project* implemented by the Phuentsholing Thromde for the financial year ended 30 June 2021 along with Audit Findings & Recommendations. The audit was conducted as required under the Audit Act of Bhutan 2018, and in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and Project Agreement.

The audited financial statements and auditors’ report may please be forwarded to the Asian Development Bank Headquarters, Manila, Philippines.

Auditor’s Report on the Financial Statement

As may be noted from the auditors’ report, the financial statements are prepared by South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde in all material respects, in accordance with Financial Rules and Regulations 2016. Accordingly, the RAA has expressed an unmodified (unqualified) opinion on the financial statements.

Audit Findings and Recommendations

The deficiencies and lapses observed in the accounting records, internal controls and operations of the **South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, implemented by Phuentsholing Thromde** are reported herewith as audit findings along with recommendations, which also form part of the audited financial statement for the year ended 30 June 2021.

The significant one is briefly highlighted below:

1. Inadmissible payment in construction due to non-adjustment of rates for items deviated beyond 25 percent -Nu. 2,465,549.99 (**Refer Para 1.1.1**).

“Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder.”
- His Majesty the King Jigme Khesar Namgyel Wangchuck

The RAA had reviewed the replies furnished by the **South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde** and incorporated in the report.

The South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde is requested to review the deficiencies and lapses pointed out and institute appropriate check and balance systems to curb such lapses in future. The Royal Audit Authority would appreciate receiving an Action Taken Report (ATR) **within one month** from the date of issuance of this report.

Achievements

Notwithstanding the deficiencies and lapses, the RAA has also noted achievements made by the South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde during the period under audit, which are detailed in **Annexure-B** of this report.

The Royal Audit Authority acknowledges the kind co-operation and assistance extended to the audit team by the officials of the South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde which facilitated the completion of the audit.

Yours sincerely,



(Penjor)

Assistant Auditor General

Copy to:

1. The Thrompoen, Phuentsholing Thromde
2. The AAG, PPAARD, Royal Audit Authority, Thimphu
3. The Follow-up Section, OAAG, Phuentsholing
4. Office copy

TITLE SHEET

- | | | | |
|----|--------------------------------|---|---|
| 1. | Title | : | Financial Audit Report of South Asian Sub Regional Economic Cooperation (SASEC) Road Connectivity Project, Phuentsholing Thromde |
| 2. | AIN | : | OAAG-2022-148 |
| 3. | Head of the Agency | : | 1. Mr. Lungten Jamtsho, Project Director
(EID No: 2101064)
From: 01 July 2019 to till date
2. Mr. Bikash Sharma, Project Coordinator
(EID No. 20140103286)
From: 01 July 2019 to till date |
| 4. | Drawing and Disbursing Officer | : | 1. Mr. Lungten Jamtsho, Project Director
(EID No: 2101064)
From: 01 July 2019 to till date
2. Mr. Bikash Sharma, Project Coordinator
(EID No. 20140103286)
From: 01 July 2019 to till date |
| 5. | Finance Personnel | : | Mr. Kinzang Nidup, Accounts Assistant
(EID No.: 201007232)
From 01 July 2018 to till date |
| 6. | Period Audited | : | 01 July 2020 to 30 June 2021 |
| 7. | Schedule of Audit | : | <u>Plan</u>
Start Date: 18 April 2022
End Date: 28 April 2022
Report Issue Date: 20 June 2022
<u>Actual</u>
Start Date: 5 May 2022
End Date: 19 May 2022 |
| 8. | Composition of Teams | : | Team Leader:
Chimi Tshering, Asst.Audit Officer
EID No. 20200116968
Team Members:
1. Gem Tshering, Asst.Audit Officer
EID No.20170709524
2. Gelay Jamtsho, Auditor II
EID No.20180711976 |

9. Supervising Officer : Penjor, Assistant Auditor General
(EID No. 200401105)
10. Overall Supervising Officer : Minjur Dorji, Deputy Auditor General,
DF&R, (EID No.200201009)
11. Engagement Letter No : RAA (OAAG-P/ling) ENG/2022/108
dated 05 May 2022
12. Focal Person : Gelay Jamtsho
13. Date of Exit Meeting : 28 June 2022

Acronyms& Abbreviation

AAG	:	Assistant Auditor General
AIN	:	Audit Information Number
ADB	:	Asian Development Bank
AR	:	Audit Report
ARA	:	Audit Recovery Account
ATR	:	Action Taken Report
CID No.	:	Citizen Identity Number
DPA	:	Department of Public Accounts
EID No.	:	Employee Identity Number
FY	:	Financial Year
IPC	:	Interim Payment Certificate
ISSAIs	:	International Standards of Supreme Audit Institutions
NBR	:	Northern By-pass Road
OAAG	:	Office of the Assistant Auditor General
PC	:	Project Coordinator
PLC	:	Project Letter of Credit
PMU	:	Project Management Unit
PPAARD	:	Policy, Planning & Annual Audit Report Division
RAA	:	Royal Audit Authority
RGoB	:	Royal Government of Bhutan
RMA	:	Royal Monetary Authority
SASEC	:	South Asia Sub-regional Economic Cooperation

TABLE OF CONTENTS

AUDITORS' REPORT ON FINANCIAL STATEMENTS OF THE ADB FUNDED PROJECT- SOUTH ASIA SUB REGIONAL ECONOMIC COOPERATION (SASEC) ROAD CONNECTIVITY PROJECT, GRANT NO. G-0400-BHU FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021	1
ENCLOSURES	1
<i>1. Receipts and Expenditure Statement</i>	
<i>2. Schedules</i>	
<i>(i) Sources and Uses of Funds for PLC A/c's (Refer Annexure I)</i>	
<i>(ii) Receipt & Payment Statement (PEMS)(Refer Annexure II)</i>	
<i>(iii) Budgetary Expenditure by Category/Sub-Category for PLC A/c(Refer Annexure - III)</i>	
<i>(iv) Statement of Releases Received from Department of Public Account(DPA), MoF to Project PLC A/c (Refer Annexure IV)</i>	
<i>(v) Statement of Direct Payments Treated as Grants in Kind (Refer Annexure V)</i>	
<i>(vi) Statement of advances disbursed & recovered for PLC A/c (Refer Annexure VI)</i>	
<i>(vii) Statement of Deposits & Withdrawals of FC Account for FC A/c No.20771 (Refer Annexure VII)</i>	
<i>(viii) Statement of Withdrawal Applications for Direct Payments & Replenishments(Refer Annexure VIII)</i>	
<i>(ix) Statement of Budgetary Releases Versus Expenditure (Refer Annexure IX)</i>	
<i>(x) Reconciliation between APFS and G/LFIS (Annexure X)</i>	
AUDIT FINDINGS AND RECOMMENDATIONS ON THE ACCOUNTS & OPERATIONS OF SOUTH ASIA SUB REGIONAL ECONOMIC COOPERATION (SASEC)ROAD CONNECTIVITYPROJECT, PHUENTSHOLING.....	13
1.1 Irregularities in construction of Northern Bypass Road, Phuentsholing	18
1.1.1 Inadmissible payment in construction due to non-adjustment of rates for items deviated beyond 25 percent -Nu. 2,465,549.99	18
1.1.2 Wrong preparation of BoQ leading to inadmissible payment – Nu. 850,984.27.....	23
1.1.3 Overpayment due to mis-match of PCC thickness in contractors bill and drawings –Nu.151,383.54(3.3.21).....	27
ANNEXURE- A: PROFILE.....	30
ANNEXURE- B: ACHIEVEMENTS	33

AUDITORS' REPORT ON THE FINANCIAL STATEMENTS



རྒྱལ་གཞི་རྒྱུ་ཚུལ་ཞིབ་དབང་འཛིན།

ROYAL AUDIT AUTHORITY

**OFFICE OF THE ASSISTANT AUDITOR GENERAL
PHUENTSHOLING**

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



**AUDITORS' REPORT ON FINANCIAL STATEMENTS OF THE ADB FUNDED
PROJECT- SOUTH ASIAN SUB REGIONAL ECONOMIC COOPERATION (SASEC)
ROAD CONNECTIVITY PROJECT, GRANT NO. G-0400-BHU FOR THE FINANCIAL
YEAR ENDED 30 JUNE 2021**

Opinion

We have audited the accompanying financial statements of the Asian Development Bank funded Project, “**South Asian Sub-Regional Economic Cooperation (SASEC) Road Connectivity Project**”, implemented by the **Phuentsholing Thromde** (PLC Account No.206.01/2025) which comprise the Receipts and Payments Statement and schedules forming part of financial statements for the financial year ended 30 June 2021.

In our opinion, the financial statements are prepared, in all material respects, in accordance with the Financial Rules and Regulations 2016 and Project Agreement.

Basis for Opinion

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statement* section of our report. We are independent of **Phuentsholing Thromde** in accordance with RAA's Code of Conduct, Ethics and Secrecy of Auditors, and we have fulfilled our responsibilities in accordance with the requirements outlined in this Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for preparation of the financial statements in accordance with the Financial Rules and Regulations 2016 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Phuentsholing Thromde's financial reporting process.

*“Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder.”
- His Majesty the King Jigme Khesar Namgyel Wangchuck*

P.O. Box: 389 | Phuentsholing | Chhukha | Bhutan | Tel: +975-5-252491 | Fax: +975-5-251639
Website: www.bhutanaudit.gov.bt | Email: info@bhutanaudit.gov.bt and penjor@bhutanaudit.gov.bt

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of audit in accordance with ISSAIs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Thromde, Phuentsholing's internal control.

We communicate with the management, among others, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Other Requirements

We report that;

- The flow of funds from the Foreign Currency Account and balance thereon could be fairly relied upon. The control mechanism put in place for the operation of the account could also be fairly relied upon;
- The funds provided under Loan/Grant No.: G-0400-BHU have been utilized for the purpose for which they were provided;
- All expenditures incurred and reported are eligible for financing under the Loan and Grant Agreements;
- With respect to Sources and Uses of Fund and Statement of Expenditures (SoEs), adequate supporting documents has been maintained to support claims to the Asian Development Bank for reimbursements of expenditures incurred;

- The FOREX conversation rate for fund transfer is recognized on the basis of exchange rate prevailing on the date of transfer of fund to the Department of Public Accounts (DPA) from the Foreign Currency Account maintained with Royal Monetary Authority (RMA) of Bhutan;
- The Direct Payment made by the ADB in Foreign Currency has been converted to local currency at the exchange rate prevalent on the date of transfer of fund to the Department of Public Accounts (DPA) from the Foreign Currency Account maintained with Royal Monetary Authority (RMA) of Bhutan;
- All expenditure incurred and reported under each Components are eligible under the Asian Development Bank Project Grant No. G-0400-BHU;
- The financial operations were carried out as per the project agreement and adequate controls instituted to ensure that the funds are used for project related activities;
- The total expenditure reported for Northern Bypass Road (NBR) Package II was noted to be Nu. 630,472,521.17 as on 30 June 2021.



(Penjor)

Assistant Auditor General

Date: 30/06/2021

ENCLOSURES

ROYAL GOVERNMENT OF BHUTAN
PHUENTSHOLING THROMDE
SASEC ROAD CONNECTIVITY PROJECT(RCP) GRANT 0400-BHU
ASIAN DEVELOPMENT BANK(ADB)
FINANCIAL YEAR 1ST JULY' 2020-30TH JUNE' 2021
SOURCES AND USES OF FUNDS FOR PLC A/C No.- 206.01/2025

ANNEXURE - I

PARTICULARS	OPENING BALANCES			FOR THE CURRENT FISCAL YEAR(Nu)			CUMMULATIVE TOTAL AS OF CURRENT FISCAL YEAR(Nu)		
	ADB	RGoB	Total	ADB	RGoB	Total	ADB	RGoB	Total
	(a)	(b)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(a)+(b)	(h)=(b)+(e)	(h)=(c)+(f)
A. Sources of Funds(Receipts)									
1. Budgetary Funds Released to PIU, PT by DPA	380,757,312.34	96,375,378.00	477,132,690.34	77,245,774.00	16,315,307.00	93,561,081.00	458,003,086.34	112,690,685.00	570,693,771.34
2. Non Budgetary Funds Released to PIU, PT by DPA(Non-Revenue, Refundable, Un-encashed Cheque)	13,950,474.00	3,272,333.00	17,222,807.00	16,951,239.00	3,976,217.00	20,927,456.00	30,901,713.00	7,248,550.00	38,150,263.00
3. Grants in Kind(Receipt)	75,710,481.00	-	75,710,481.00	6,650,127.00	-	6,650,127.00	82,360,608.00	-	82,360,608.00
4. Revenue Receipts	10,120,577.00	1,596,074.00	11,716,651.00	1,714,949.00	290,526.00	2,005,475.00	11,835,526.00	1,886,600.00	13,722,126.00
5. Other Recoveries/Recoveries/Un-cashed Cheque	327,015.00	-	327,015.00	-	-	-	327,015.00	-	327,015.00
6. Advance Recovery	47,407,370.00	10,810,434.00	58,217,804.00	592,662.00	139,020.00	731,682.00	48,000,032.00	10,949,454.00	58,949,486.00
7. Miscellaneous Receipts	31,658,209.00	7,425,998.00	39,084,207.00	5,518,817.00	1,294,537.00	6,813,354.00	37,177,026.00	8,720,535.00	45,897,561.00
8. Opening Cash Balance as on 1st July' 2019	-	-	-	-	-	-	-	-	-
9. Opening Advance Balance as on 1st July' 2019	-	-	-	-	-	-	-	-	-
Total Source of Funds(Receipts):-	559,931,438.34	119,480,217.00	679,411,655.34	108,673,568.00	22,015,607.00	130,689,175.00	668,605,006.34	141,495,824.00	810,100,830.34
B. Uses of Funds(Payments)									
1. Budgetary Expenditure at PIU, PT	453,505,851.00	85,473,468.88	538,979,319.88	77,535,336.00	14,704,424.19	92,239,760.19	531,041,187.00	100,177,893.07	631,219,080.07
2. Non Budgetary Expenditure(Non-Revenue, /Refundable, Uncashed Cheques)	13,950,474.00	3,272,333.00	17,222,807.00	16,951,239.00	3,976,217.00	20,927,456.00	30,901,713.00	7,248,550.00	38,150,263.00
3. Revenue Remittances	10,120,577.00	1,596,074.00	11,716,651.00	1,714,949.00	290,526.00	2,005,475.00	11,835,526.00	1,886,600.00	13,722,126.00
4. Other Remittances/Un-cashed	327,015.00	-	327,015.00	-	-	-	327,015.00	-	327,015.00
5. Advance Payments	47,407,370.00	10,810,434.00	58,217,804.00	4,909,695.00	1,151,657.00	6,061,352.00	52,317,065.00	11,962,091.00	64,279,156.00
6. Miscellaneous Payments	31,658,209.00	7,425,998.00	39,084,207.00	5,518,817.00	1,294,537.00	6,813,354.00	37,177,026.00	8,720,535.00	45,897,561.00
Total Fund Use(Payments):-	556,969,496.00	108,578,307.88	665,547,803.88	106,630,036.00	21,417,361.19	128,047,397.19	663,599,532.00	129,995,669.07	793,595,201.07
C. Net Change (A-B)	2,961,942.34	10,901,909.12	13,863,851.46	2,043,532.00	598,245.81	2,641,777.81	5,005,474.34	11,500,154.93	16,505,629.27
D. Opening Balance Starting Fiscal Year 2020 - 2021									
1. Opening Cash Balance as on 1st July' 2020	-	-	-	-	-	-	-	-	-
2. Opening Bank Balance as on 1st July' 2020	-	-	-	-	-	-	-	-	-
3. Opening Advance Balance as on 1st July' 2020	-	-	-	-	-	-	-	-	-
Total Opening Balance:-	-	-	-	-	-	-	-	-	-
E. Closing Balance Ending Fiscal Year 2020 - 2021									
1. Closing Cash Balance as of 30th June' 2021:-	-	-	-	-	-	-	-	-	-
2. Closing Bank Balance as of 30th June' 2021:-	-	-	-	2,043,532.00	598,245.81	2,641,777.81	2,043,532.00	598,245.81	2,641,777.81
4. Closing Advance Balance as of 30th June' 2021:-	-	-	-	4,317,033.00	1,012,637.00	5,329,670.00	4,317,033.00	1,012,637.00	5,329,670.00
Total Closing Balance:-	-	-	-	6,360,565.00	1,610,882.81	7,971,447.81	6,360,565.00	1,610,882.81	7,971,447.81

(Kuenzang Jidup)
Project Accountant
SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director
Executive Secretary
Phuentsholing : Thromde



MINISTRY OF WORKS & HUMAN SETTLEMENT

Receipts and Payments Statement

For A/C. No. 206.01/2025-PLC

For the Month of JUNE - 2021

Annexure II

No.	Group/Broad Head Of Account	Receipts		Payments		Cumulative Balance (-) Cr, (+) Dr
		For the Month (Nu.)	Annual Progressive (Nu.)	For the Month (Nu.)	Annual Progressive (Nu.)	
1	Opening Balance :					
	a. Cash	0.00	0.00			
	b. Bank	35,397,712.51				
2	Releases :					
	a. Budgetary	10,025,550.00	93,561,081.00			
	b. Non-Revenue	0.00	0.00			
	c. Refundable Deposits	0.00	20,927,456.00			
	d. Un-cashed Cheques					
3	Grants in-Kind :	6,650,127.00	6,650,127.00	0.00	0.00	
4	Borrowings in-Kind :	0.00	0.00	0.00	0.00	
5	Revenue Receipts/Remittances :	1,083,895.00	2,005,475.00	1,083,895.00	2,005,475.00	
6	Other Recoveries/Remittances :					
	a. GPF: Employee Contribution	0.00	0.00	0.00	0.00	
	b. Govt. Insurance Scheme	0.00	0.00	0.00	0.00	
	c. Other Insurance Premia	0.00	0.00	0.00	0.00	
	d. Loans from Fin. Instts.	0.00	0.00	0.00	0.00	
	e. Others	0.00	0.00	0.00	0.00	
7	Personal Advances :	0.00	0.00	0.00	0.00	0.00
8	Miscellaneous Receipts/Payments :					
	a. Non-Revenue A/C. Deposits	0.00	0.00	0.00	0.00	
	b. Refundable Deposit A/C. Deposits	0.00	0.00	3,470,725.00	6,813,354.00	



MINISTRY OF WORKS & HUMAN SETTLEMENT

Receipts and Payments Statement

For A/C. No. 206.01/2025-PLC

Month of JUNE - 2021

Group/Broad Head Of Account	Receipts		Payments		Cumulative Balance (+) Cr, (-) Dr
	For the Month (Nu.)	Annual Progressive (Nu.)	For the Month (Nu.)	Annual Progressive (Nu.)	
c. Payments to DPA	0.00	0.00	0.00	0.00	
d.Others	0.00	0.00	0.00	0.00	
Suspense :					
a. Stock	0.00	0.00	0.00	0.00	0.00
b. Purchases	0.00	0.00	0.00	0.00	0.00
c. PW Advances	731,682.00	731,682.00	0.00	6,061,352.00	5,329,670.00
d. Intra-Agency Assignments	0.00	0.00	0.00	0.00	
e. Deposit Works	0.00	0.00	0.00	0.00	
f. Other Deposits	3,470,725.00	6,813,354.00	0.00	20,927,456.00	-7,747,298.00
Budgetary Expenditure :					
a. Current			0.00	0.00	
b. Capital			50,163,293.70	92,239,760.19	
c. Lending			0.00	0.00	
d. Repayment			0.00	0.00	
Closing Balances :					
a. Cash			0.00	0.00	
b. Bank			2,641,777.81	2,641,777.81	
Grand Total :	57,359,691.51	130,689,175.00	57,359,691.51	130,689,175.00	



SASEC
 (Signature)
 Head of Finance Section
 Phuntsholing : Thromde

(Signature)
 Executive Secretary
 Phuntsholing : Thromde

ROYAL GOVERNMENT OF BHUTAN
PHUENTSHOLING THROMDE
SASEC ROAD CONNECTIVITY PROJECT(RCP) GRANT 0400-BHU
ASIAN DEVELOPMENT BANK(ADB)
FINANCIAL YEAR 1ST JULY' 2020-30TH JUNE' 2021
BUDGETARY EXPENDITURE BY CATEGORY/SUB-CATEGORY FOR PLC A/C No.:- 206.01/2025

ANNEXURE - III

Expenditure Category	PCSS Number	Expenditure For The Financial Year 2020 - 2021 (Nu)			Cumulative Expenditure For The Project Period(Nu)		
		ADB	RGoB	Total	ADB	RGoB	Total
Category 3101-Consulting Services							
1. Consultancy on Detail Design, Procurement Assistance and Construction Supervision for Alay LCS, MDP & Northern Bypass	G13510	16,420,550.00	-	16,420,550.00	152,950,643.00	-	152,950,643.00
Category 3101 Total Expenditure:-		16,420,550.00	-	16,420,550.00	152,950,643.00	-	152,950,643.00
Category 3201-Works and Equipments							
1. Construction of Phuentsholing Bypass Road Package-I	G18021	-	-	-	174,638,660.00	41,274,721.00	215,913,381.00
2. Construction of Phuentsholing Bypass Road Package-II	G18022	55,188,162.00	12,945,370.00	68,133,532.00	197,525,260.00	51,215,583.85	248,740,843.85
3. Construction of Alay Land Customs Station	G22766	5,926,624.00	1,390,196.00	7,316,820.00	5,926,624.00	1,390,196.00	7,316,820.00
Category 3201 Total Expenditure:-		61,114,786.00	14,335,566.00	75,450,352.00	378,090,544.00	93,880,500.85	471,971,044.85
RGoB Contribution(PIU Management & Operational Cost)							
Budgetary Expenditure from RGoB Contribution		-	368,858.19	368,858.19	-	6,297,392.22	6,297,392.22
RGoB Total Expenditure:-		-	368,858.19	368,858.19	-	6,297,392.22	6,297,392.22
Grand Total Budgetary Expenditure:-		77,535,336.00	14,704,424.19	92,239,760.19	531,041,187.00	100,177,893.07	631,219,080.07

(Kuenzang Nidup)
Project Accountant
Accounts Asstt.

SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director
Executive Secretary
Phuentsholing : Thromde



ROYAL GOVERNMENT OF BHUTAN
PHUENTSHOLING THROMDE
SASEC ROAD CONNECTIVITY PROJECT(RCP) GRANT 0400-BHU
ASIAN DEVELOPMENT BANK(ADB)
FINANCIAL YEAR 1ST JULY' 2020-30TH JUNE' 2021
STATEMENT OF TOTAL RELEASES RECEIVED FROM DPA, MOF TO PROJECT'S PLC A/C No.:- 206.01/2025

ANNEXURE - IV

SI No	Details of Donor/RGoB Releases	Releases For the Year(Nu)			Cummulative Releases For the Project Period(Nu)		
		ADB	RGoB	Total Releases	ADB	RGoB	Total Releases
1	Total Donor and RGoB Fund Releases during the Financial Year 2020-2021	77,245,774.00	16,315,307.00	93,561,081.00	458,003,086.34	112,690,685.00	570,693,771.34
	Total :-	77,245,774.00	16,315,307.00	93,561,081.00	458,003,086.34	112,690,685.00	570,693,771.34

(Kuenzang Nidup)
Project Accountant

Accounts Asstt.
SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director

Executive Secretary
Phuentsholing : Thromde



SASEC ROAD CONNECTIVITY PROJECT(ADB)

PROJECT GRANT NO. BHU-0400

PHUENTSHOLING THROMDE

STATEMENT OF DIRECT PAYMENTS TREATED AS GRANTS IN KIND FOR THE F.Y. 2020-2021

NAME OF

CONSULTANCY FIRM :- M/S SMEC INTERNATIONAL Pty. LTD., AUSTRALIA

NAME OF WORK :- DETAIL DESIGN, PROCUREMENT ASSISTANCE & CONSTRUCTION SUPERVISION

WORK CATEGORY :- 3101-CONSULTING SERVICES(International Consultancy Payment-Direct USD Payment from ADB HQ)

CONTRACT NO. :- PT/SASEC/2014/DD-PA & CSC

PCSS NO. :- G13510

Annexure-V

SL.NO.	NET DIRECT PAYMENT IN US\$	NET DIRECT PAYMENT IN EQUIVALENT BTN	3% TDS RETAINED IN US\$	3% TDS RETAINED & REMITTED IN EQUIVALENT BTN	GROSS INVOICE AMOUNT IN US\$	GROSS INVOICE AMOUNT IN BTN	PAID VIDE WA NO.	Date	EX. RATE APPLICABLE AS ON DATE OF FUND TRANSFER FROM FCA	REMARKS
1	11,925.00	907,254.00	369.00	28,074.00	12,294.00	935,328.00	00166	13.07.2020	76.08	Expenditure in BTN already treated for 3% TDS retained and remitted to DRC. Therefore, the budget line request in kind is requested only for net invoice amount.
2	5,064.00	385,269.00	157.00	11,945.00	5,221.00	397,214.00	00167	04.08.2020	76.08	
3	6,406.00	487,369.00	198.00	15,064.00	6,604.00	502,432.00	00168	14.10.2020	76.08	
4	13,188.00	972,351.00	408.00	30,082.00	13,596.00	1,002,433.00	00173	12.03.2021	73.73	
5	17,961.00	1,324,265.00	555.00	40,920.00	18,516.00	1,365,185.00	00176	09.04.2021	73.73	
6	34,906.00	2,573,619.00	1,080.00	79,628.00	35,986.00	2,653,248.00	00179	20.06.2021	73.73	
7	-	-	-	-	-	-	-	-	-	
8	-	-	-	-	-	-	-	-	-	
9	-	-	-	-	-	-	-	-	-	
10	-	-	-	-	-	-	-	-	-	
TOTAL:-	89,450.00	6,650,127.00	2,767.00	205,713.00	92,217.00	6,855,840.00				

(Kuenzang Nidup)
Project Accountant
Accounts Asstt.

SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director

Executive Secretary
Phuentsholing : Thromde



ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF WORKS & HUMAN SETTLEMENT
PHUENTSHOLING THROMDE
SASEC ROAD CONNECTIVITY PROJECT (ADB: 0400-BHU)
FINANCIAL YEAR 1ST JULY' 2020-30TH JUNE' 2021
STATEMENT OF ADVANCE for PLC A/C No.:- 206.01/2025

ANNEXURE-VI

SL.NO.	NAME OF FIRM	ADVANCE BROUGHT FORWARD FROM PREVIOUS F.Y.		TOTAL ADVANCE	PRIOR YEAR'S ADVANCE ADJUSTED DURING THE YEAR		TOTAL ADVANCE ADJUSTED	CLOSING ADVANCE BALANCE AS OF JUNE' 2021		TOTAL BALANCE ADVANCE
		ADB	RGOB		ADB	RGOB		ADB	RGOB	
Mobilization Advance										
1	M/s.Cimi R D Construction Pvt Ltd	4,909,695.00	1,151,657.00	6,061,352.00	592,662.00	139,020.00	731,682.00	4,317,033.00	1,012,637.00	5,329,670.00
	TOTAL :-	4,909,695.00	1,151,657.00	6,061,352.00	592,662.00	139,020.00	731,682.00	4,317,033.00	1,012,637.00	5,329,670.00

(Kuenzang Nidup)
Project Accountant

Accounts Asstt.
SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director

Executive Secretary
Phuentsholing : Thromde



ROYAL GOVERNMENT OF BHUTAN
PHUENTSHOLING THROMDE
SASEC ROAD CONNECTIVITY PROJECT(RCP) GRANT 0400-BHU
ASIAN DEVELOPMENT BANK(ADB)
FINANCIAL YEAR 1ST JULY' 2020 - 30TH JUNE' 2021
STATEMENT OF DEPOSITS & WITHDRAWALS OF FC ACCOUNT 20771

ANNEXURE - VII

Sl.No.	Narration	WA No.	Credit	Debit	Debit Amount in Equivalent Nu		Balance
			USD	USD	Ex. Rate	NU	USD
1	Opening Balance as of 1st July' 2020		467,822.11	-	-	-	467,822.11
2	ADB Fund Deposited vide requested WA as Replenishment for PIU,PT	00163	332,583.36	-	-	-	800,405.47
3	ADB Fund Deposited vide requested WA as Replenishment for PIU,PT	00164	15,800.77	-	-	-	816,206.24
4	ADB Fund Deposited vide requested WA as Replenishment for PIU,PT	00165	7,132.20	-			823,338.44
5	ADB Fund Deposited vide requested WA as Replenishment for PIU, DoR	00169	114,775.21	-	-	-	938,113.65
6	ADB Fund Withdrawn from FC for PIU, PT		-	300,000.00	73.73	22,119,000.00	638,113.65
7	ADB Fund Withdrawn from FC for PIU, DOR		-	95,448.17	-	-	542,665.48
8	ADB Fund Deposited vide requested WA as Replenishment for PIU, PT	00171	171,245.76	-	-	-	713,911.24
9	ADB Fund Deposited vide requested WA as Replenishment for PIU, DoR		566,010.43	-	-	-	1,279,921.67
10	ADB Fund Deposited vide requested WA as Replenishment for PIU, PT	00174	167,376.53	-	-	-	1,447,298.20
11	ADB Fund Withdrawn from FC for PIU, PT		-	500,000.00	74.56	37,280,000.00	947,298.20
12	ADB Fund Deposited vide requested WA as Replenishment for PIU, PT	00178	228,814.97	-	-	-	1,176,113.17
	Total		2,071,561.34	895,448.17		59,399,000.00	1,176,113.17
	Closing Balance as of 30th June' 2019 :-						1,176,113.17

(Kuenzang Nidup)
Project Accountant
Accounts Asstt.

SASEC Road Connectivity Project
Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director

Executive Secretary
Phuentsholing : Thromde



SASEC ROAD CONNECTIVITY PROJECT(ADB)
PROJECT GRANT NO. BHU-0400
PHUENTSHOLING THROMDE

STATEMENT OF WITHDRAWAL APPLICATIONS SUBMITTED FOR DIRECT PAYMENT DURING THE FINANCIAL YEAR 2020-2021

Annexure-VIII

SL.NO.	WITHDRAWAL APPLICATION NUMBER	Date	WITHDRAWAL APPLICATION AMOUNT in USD	WITHDRAWAL APPLICATION AMOUNT in EQUIVALENT NU	REMARKS
1	00166	13.07.2020	11,925.00	907,254.00	WA for Direct Payment
2	00167	04.08.2020	5,064.00	385,269.00	WA for Direct Payment
3	00168	14.10.2020	6,406.00	487,369.00	WA for Direct Payment
4	00173	12.03.2021	13,188.00	972,351.00	WA for Direct Payment
5	00176	09.04.2021	17,961.00	1,324,265.00	WA for Direct Payment
6	00179	20.06.2021	34,906.00	2,573,619.00	WA for Direct Payment
7					WA for Direct Payment
TOTAL:-			89,450.00	6,650,127.00	

SASEC ROAD CONNECTIVITY PROJECT(ADB)
PROJECT GRANT NO. BHU-0400
PHUENTSHOLING THROMDE

STATEMENT OF WITHDRAWAL APPLICATIONS SUBMITTED FOR REPLENISHMENT DURING THE FINANCIAL YEAR 2020-2021

Annexure-VIII

SL.NO.	WITHDRAWAL APPLICATION NUMBER	Date	WITHDRAWAL APPLICATION AMOUNT in USD	WITHDRAWAL APPLICATION AMOUNT in EQUIVALENT NU	REMARKS
1	00164	13.07.2020	15,800.77	1,202,122.62	
2	00165	16.07.2020	7,132.20	493,690.95	
3	00169	30.10.2020	114,775.21	8,732,097.99	
4	00171	09.03.2021	171,245.76	12,674,033.49	
5	00174	14.04.2021	167,376.53	12,340,671.57	
6	00178	07.05.2021	228,814.97	16,951,239.36	
7	00181	24.09.2021	487,408.38	35,936,621.03	WA submitted as liquidation
TOTAL:-			1,192,553.82	88,330,477.01	

(Kuenzang Nidup)
Project Accountant
 Accounts Asstt.

SASEC Road Connectivity Project
 Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director
 Executive Secretary
 Phuentsholing : Thromde



ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF WORKS & HUMAN SETTLEMENT
SASEC ROAD CONNECTIVITY PROJECT(ADB: 0400-BHU)
FINANCIAL YEAR 1ST JULY,2020-30TH JUNE,2021
BUDGETARY VERSUS EXPENDITURE

Annexure IX

Expenditure Category	Budgetary Fund Released Amount			Expenditure For The FY 2020-2021(Nu.)			Variance%	Remarks
	ADB	RGoB	Total	ADB	RGoB	Total		
Category 3101- Consulting Services								
1.Construction Supervision & Capacity Development	9,830,000.00	-	9,830,000.00	9,770,423.00	-	9,770,423.00	0.60%	Release was asked more than actual expenditure.
2.Construction Supervision & Capacity Development(Direct payment by ADB)	-	-	-	6,650,127.00	-	6,650,127.00	-67.65%	We don't get release for direct payment made by ADB. It's an expenditure treated as grant in kind.
Total released amount	9,830,000.00	-	9,830,000.00	-	-	-		
Total Expenditure 3101				16,420,550.00	-	16,420,550.00	-67.05%	
Category 3201-Works & Equipments								
1.Construction of Northern By Pass Road Package 2	56,116,079.00	13,163,650.00	69,279,729.00	55,188,162.00	12,945,370.00	68,133,532.00	1.38%	Release was asked more than actual expenditure.
2.Construction of Land Customs Station at Pasakha	11,299,695.00	2,651,657.00	13,951,352.00	5,926,624.00	1,390,196.00	7,316,820.00	7.97%	Work couldnot be carried out as planned due to prolong covid lockdown
Total released amount	67,415,774.00	15,815,307.00	83,231,081.00	-	-	-	9.35%	
Total released amount(3101+3201)	77,245,774.00	15,815,307.00	93,061,081.00					
Total Expenditure 3201				61,114,786.00	14,335,566.00	75,450,352.00		
Total Expenditure(3101+3201)	-	-	-	77,535,336.00	14,335,566.00	91,870,902.00		
RGoB Contribution(PIU Management & Operation Cost								
1.Budgetary Expenditure from RGoB Contribution	-	500,000.00	500,000.00	-	368,858.19	368,858.19		
Grand Total Budgetary Released	77,245,774.00	16,315,307.00	93,561,081.00	-	-	-		
Grand Total Budgetary Expenditure	-	-	-	77,535,336.00	14,704,424.19	92,239,760.19		
ADVANCE RECOVERY FROM IPC	Opening balance			Recovery of Advance				
	ADB	RGoB	Total	ADB	RGoB	Total		
1.Mobilization advance recovery from IPC of LCS	4,909,695.00	1,151,657.00	6,061,352.00	592,662.00	139,020.00	731,682.00		
Total Advance recovery	4,909,695.00	1,151,657.00	6,061,352.00	592,662.00	139,020.00	731,682.00		

(Kuenzang Nidup)
Project Accountant

Accounts Asstt.

SASEC Road Connectivity Project

Phuentsholing : Thromde

(Lungten Jamtsho)
Project Director

Executive Secretary

Phuentsholing : Thromde



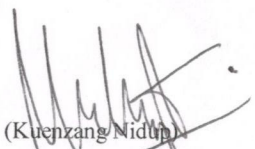
Reconciliation between APFS and G/LFIS From Fiscal Year 2015-2016 to 2020-2021

Annexure-X

Withdrawal Application Nos.(WA)	Disbursement Method (Reimbursement, Direct Payment, etc)	Per APFS (amount reported in the project FS as reimbursement,direct payments,etc)				Per G/LFIS (actual paid)		Difference (a-b)	Reason for difference (ie. Timing,forex,pending or rejected claim)
		Date	In local currency	Exchange Rate	USD Equivalent (a)	Value date	In USD (b)		
00001		24.07.2015			252,000.00		252,000.00	-	
00002	Direct Payment	30.09.2015	727,342.00	65.25	11,147.00	16.10.2015	11,147.00	-	
00003	Direct Payment	13.10.2015	1,060,378.00	65.25	16,251.00	29.10.2015	16,251.00	-	
00004	Direct Payment	06.11.2015	1,060,378.00	65.25	16,251.00	27.11.2015	16,251.00	-	
00007	Direct Payment	11.12.2015	1,228,527.00	65.25	18,828.00	24.12.2015	18,828.00	-	
00010	Direct Payment	06.01.2016	2,024,055.00	65.25	31,020.00	20.01.2016	31,020.00	-	
00013	Direct Payment	25.02.2016	2,069,012.00	65.25	31,709.00	15.03.2016	31,709.00	-	
00016	Direct Payment	11.03.2016	2,024,055.00	65.25	31,020.00	13.04.2016	31,020.00	-	
00019	Direct Payment	16.05.2016	1,249,472.00	65.25	19,149.00	26.05.2016	19,149.00	-	
00022	Direct Payment	16.05.2016	315,289.00	65.25	4,832.01	11.07.2016	4,832.01	-	
00025	Direct Payment	01.06.2016	4,689,974.00	65.25	71,877.00	23.06.2016	71,877.00	-	
00028	Direct Payment	09.06.2016	1,060,378.00	65.25	16,251.00	21.06.2016	16,251.00	-	
00022	Reimbursement	16.05.2016	9,157,365.00	65.25	140,342.76	11.07.2016	140,342.76	-	
	2015-2016		26,666,225.00		660,677.77		660,677.77	-	
00031	Direct Payment	04.07.2016	886,095.00	65.25	13,580.00	27.07.2016	13,580.00	-	
00034	Direct Payment	08.08.2016	2,369,258.00	65.25	36,302.00	19.08.2016	36,302.00	-	
00037	Direct Payment	21.09.2016	2,305,949.00	65.25	35,343.00	06.10.2016	35,343.00	-	
00040	Direct Payment	17.10.2016	2,154,047.00	65.25	33,001.00	25.11.2016	33,001.00	-	
00043	Direct Payment	24.11.2016	957,843.00	65.25	14,680.00	05.12.2016	14,680.00	-	
00046	Direct Payment	20.01.2017	1,019,017.00	65.25	15,623.00	06.02.2017	15,623.00	-	
00049	Direct Payment	20.01.2017	894,534.00	65.25	13,717.00	06.02.2017	13,717.00	-	
00052	Direct Payment	17.02.2017	1,120,285.00	65.25	17,184.00	10.03.2017	17,184.00	-	
00055	Direct Payment	17.03.2017	987,363.00	65.25	15,148.00	10.04.2017	15,148.00	-	
00058	Direct Payment	17.04.2017	1,071,753.00	65.25	16,418.00	02.05.2017	16,418.00	-	
00061	Direct Payment	22.05.2017	2,369,249.00	65.25	36,303.00	16.06.2016	36,303.00	-	
00062	Direct Payment	14.06.2017	1,071,753.00	65.25	16,418.00	26.06.2017	16,418.00	-	
00056	Reimbursement	17.04.2017	6,777,771.00	65.25	103,873.89	10.05.2017	103,873.89	-	
	2016-2017		23,984,917.00		367,590.89		367,590.89	-	
00065	Direct Payment	21.07.2017	791,164.00	65.25	12,131.00	15.08.2017	12,131.00	-	
00067	Direct Payment	16.08.2017	2,814,455.00	66.65	42,213.00	05.09.2017	42,213.00	-	
00070	Direct Payment	27.09.2017	2,282,152.00	66.65	34,231.00	11.10.2017	34,231.00	-	
00071	Direct Payment	26.10.2017	1,221,909.00	66.65	18,336.00	10.11.2017	18,336.00	-	
00075	Direct Payment	08.11.2017	1,019,308.00	66.65	15,307.00	15.11.2017	15,307.00	-	
00076	Direct Payment	29.01.2018	1,385,678.00	66.65	20,791.00	06.02.2018	20,791.00	-	
00079	Direct Payment	05.02.2018	1,398,611.00	66.65	20,949.00	14.03.2018	20,949.00	-	

00080	Direct Payment	15.03.2018	1,889,948.00	66.65	28,372.00	05.04.2018	28,372.00	-	
00083	Direct Payment	16.04.2018	2,066,197.00	64.81	31,881.00	07.05.2018	31,881.00	-	
00085	Direct Payment	22.05.2018	838,209.00	64.81	12,926.00	29.05.2018	12,926.00	-	
00089	Direct Payment	15.06.2018	1,271,961.00	64.81	19,616.00	20.07.2018	19,616.00	-	
00074	Reimbursement	08.11.2017	-		774,525.00	14.11.2017	774,525.00	-	Additional advance
00077	Reimbursement	29.01.2018	43,967,066.00	65.01	676,301.46	20.02.2018	676,301.46	-	
00088	Reimbursement	28.05.2018	44,313,764.00	64.93	682,467.25	13.06.2018	682,467.25	-	
	2017-2018		105,260,422.00		2,390,046.71		2,390,046.71	-	
00091	Direct Payment	23.10.2018	1,929,304.00	68.50	28,165.00	23.10.2018	28,165.00	-	
00106	Direct Payment	10.11.2018	1,157,790.00	69.86	16,573.00	11.01.2019	16,573.00	-	
00110	Direct Payment	14.01.2019	1,225,379.00	69.86	17,540.50	22.01.2019	17,540.50	-	
00114	Direct Payment	20.01.2019	2,546,467.00	69.86	36,451.00	12.03.2019	36,451.00	-	
00118	Direct Payment	10.03.2019	3,403,649.00	69.86	48,721.00	25.03.2019	48,721.00	-	
00121	Direct Payment	25.04.2019	1,610,622.00	69.86	23,055.00	30.04.2019	23,055.00	-	
00126	Direct Payment	26.05.2019	1,070,349.00	69.22	15,463.00	28.05.2019	15,463.00	-	
R0098	Reimbursement	11.12.2018	61,493,152.00	67.32	913,383.03	17.012.2018	913,383.03	-	
00111	Reimbursement	21.01.2019	17,692,514.00	69.43	254,836.64	21.02.2019	254,836.64	-	
00115	Reimbursement	19.03.2019	-	-	169,475.00	10.04.2019	169,475.00	-	Additional advance
00117	Reimbursement	12.03.2019	26,627,344.00	69.86	381,152.93	09.04.2019	381,152.93	-	
00119	Reimbursement	27.03.2019	19,648,367.00	69.86	281,253.46	10.04.2019	281,253.46	-	
00122	Reimbursement	25.04.2019	13,696,495.00	69.74	196,393.67	30.04.2019	196,393.67	-	
00123	Reimbursement	29.04.2019	23,599,883.00	69.22	340,940.23	02.05.2019	340,940.23	-	
00127	Reimbursement	21.05.2022	9,303,576.00	69.22	134,405.89	07.06.2019	134,405.89	-	
00132	Reimbursement	03.06.2019	24,235,512.05	69.22	350,122.97	21.06.2019	350,122.97	-	
	2018-2019		209,240,403.05		3,207,932.32		3,207,932.32	-	
00136	Direct Payment	23.08.2019	4,505,823.00	69.44	64,888.00	09.09.2019	64,888.00	-	
00138	Direct Payment	25.09.2019	188,946.00	69.44	2,721.00	17.10.2019	2,721.00	-	
00146	Direct Payment	27.11.2019	2,004,032.00	71.57	28,001.00	05.12.2019	28,001.00	-	
00153	Direct Payment	01.02.2020	1,782,777.00	71.01	25,106.00	06.02.2020	25,106.00	-	
00157	Direct Payment	24.03.2020	1,909,885.00	71.01	26,896.00	02.04.2020	26,896.00	-	
00160	Direct Payment	05.05.2020	847,151.00	76.08	11,135.00	11.05.2020	11,135.00	-	
00161	Direct Payment	03.06.2020	147,595.00	76.08	1,940.00	09.06.2020	1,940.00	-	
00137	Reimbursement	02.10.2019	11,521,577.00	69.44	165,921.32	21.10.2019	165,921.32	-	
00141	Reimbursement	21.10.2019	5,344,157.00	69.44	76,960.79	06.11.2019	76,960.79	-	
00144	Reimbursement	02.12.2019	18,433,857.00	70.17	262,714.56	01.12.2019	261,685.08	1,029.48	Rejected claim
00147	Reimbursement	02.12.2019	7,638,759.00	71.57	106,731.30	11.12.2019	106,731.30	-	
00148	Reimbursement	05.12.2019	11,435,118.00	71.48	159,975.79	18.12.2019	159,975.79	-	
00150	Reimbursement	13.01.2020	8,873,536.00	70.53	125,812.23	22.01.2020	125,812.23	-	
00151	Reimbursement	18.01.2020	20,165,490.00	70.59	285,670.61	27.01.2020	285,670.61	-	
00152	Reimbursement	23.01.2020	18,060,883.00	71.14	253,875.62	05.02.2020	253,875.62	-	
00155	Reimbursement	09.02.2020	7,187,436.00	71.01	101,217.24	18.02.2020	101,217.24	-	
00156	Reimbursement	29.03.2020	31,144,355.82	71.15	437,710.58	03.04.2020	437,710.58	-	
00159	Reimbursement	19.04.2020	27,347,038.53	73.44	372,373.94	24.04.2020	372,373.94	-	

00163	Reimbursement	27.06.2020	25,302,943.38	76.08	332,583.36	02.07.2020	332,583.36	-	
	2019-2020		203,841,359.73		2,842,234.34		2,841,204.86	1,029.48	
00166	Direct Payment	13.07.2020	907,254.00	76.08	11,925.00	20.07.2020	11,925.00	-	
00167	Direct Payment	04.08.2020	385,269.00	76.08	5,064.00	10.08.2020	5,064.00	-	
00168	Direct Payment	14.10.2020	487,369.00	76.08	6,406.00	02.03.2021	6,406.00	-	
00173	Direct Payment	12.03.2021	972,351.00	73.73	13,188.00	22.03.2021	13,188.00	-	
00176	Direct Payment	09.04.2021	1,324,265.00	73.73	17,961.00	23.04.2021	17,961.00	-	
00179	Direct Payment	20.06.2021	2,573,619.00	73.73	34,906.00	25.06.2021	34,906.00	-	
00164	Reimbursement	13.07.2020	1,202,122.62	76.08	15,800.77	13.07.2020	15,800.77	-	
00165	Reimbursement	16.07.2020	493,690.95	69.22	7,132.20	16.07.2020	7,132.20	-	
00169	Reimbursement	30.10.2020	8,732,097.99	76.08	114,775.21	30.10.2020	114,775.21	-	
00171	Reimbursement	09.03.2021	12,674,033.49	74.01	171,245.76	09.03.2021	171,245.76	-	
00174	Reimbursement	14.04.2021	12,340,671.57	73.73	167,376.53	14.04.2021	167,376.53	-	
00178	Reimbursement	07.05.2021	16,951,239.36	74.08	228,814.97	07.05.2021	228,814.97	-	
	2020-2021		59,043,982.98		794,595.44		794,595.44	-	


 (Kuenzang Midun)
 Project Accountant
 Accounts Assn.
SASEC Road Connectivity Project
 Phuentsholing : Thromde


 (Lungten Jamtsho)
 Project Director
Executive Secretary
 Phuentsholing : Thromde





Notes on Audited Project Financial Statements

1. Project Background

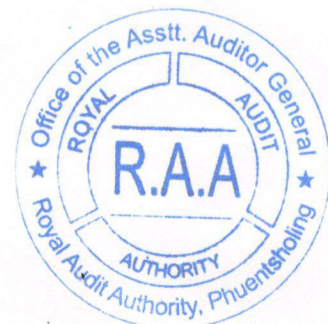
The MoU for SASEC Road Connectivity Project was signed on 5th March 2014 with project dateline of Dec 2019. The Project shall be implemented by DoR under MoWHS and Phuentsholing Thromde .

1.1 Project Detail:

Name	-	South Asia Sub-Regional Economic Corporation Road Connectivity Project
Project No.	-	39225-03
Grant No	-	0400-BHU
Project Financing	-	US \$ 18,960,000.00
Actual Duration	-	5 th September 2014 –31 st December 2019
Revised	-	5 th September 2014-31 st December 2022

The Works implemented by Phuentsholing Thromde are as mentioned below:

1. A Mini dry Port in Phuentsholing and land customs station at Allay.
2. About 2.7Km of by Pass road in Phuentsholing (works has been divided into 2 Parts)





Details of Works and Contractors:

1. Name of the Contractor - M/s Marushin Shitaka Const Co Ltd, Japan.
Cost - Nu. 166,019,923.67
Duration - 20 months
Start date - 18.04.2017
Work scope - Construction of Mini Dry Port at Phuenstholing
2. Name of the contractor -M/s Marushin Shitaka Const Co Ltd & M/s Rigsar Const Co (JV)
Cost - Nu. 215,913,381.00
Duration - 24 Months
Start date - 01.09. 2017
Work scope - Construction of Northern bypass Road Package I
3. Name of the contractor - M/s Marushin Shitaka Const Co Ltd & M/s Rigsar Const Co (JV)
Cost - Nu. 248,740,843.85
Duration - 30 Month
Start Date - 01.09 2017
Work Scope - Construction of Northern bypass Road Package II
4. Name of the contractor - M/s.Chhimi RD Const Pvt Ltd
Estimate - Nu. 40,409,014.00
Duration - 6 Months
Start Date - 01.02 2021
Work Scope - Construction of Land Customs Station at Ahlay, Pasakha.

The percentage of share between Asian Development Bank (ADB) & Royal Government of Bhutan (RGoB) is shown below:

ADB - 81%
RGOB - 19%





1. Benefits:

Phuentsholing being Commercial hub of Bhutan, most of the imports enter Bhutan via Phuentsholing resulting in heavy traffic congestion within core city area (along with noise & dust pollution).

With the completion of the project, heavy vehicles entering Phuentsholing will be diverted out of core city area thus resulting in less traffic congestion.

2. Project Accounting Policy

This financial statement has been prepared as per the Public Finance Act 2007, Public Finance (Amendment) Act 2012 and the Financial Rules and Regulations 2016.

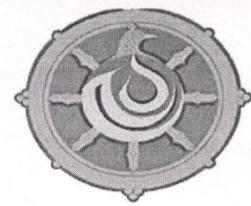
The financial statements are based on the monthly accounts of the budgetary bodies recorded in the Electronic Public Expenditure Management System (ePEMS) and information received from other relevant agencies and organizations.

Sources and uses of funds for Project Letter of Credit (PLC), budgetary expenditure by category/sub category for Project categories and advance accounts statements, statement of direct payments treated as grants in kind are developed based on cash flow basis of accounting and double entry accounting system.

2.1 Fund Flow Mechanism

- Advance account financing is recognized when the funds from the ADB is transmitted to the Foreign Currency Account (upon approval of Withdrawal Application submitted through CPD for replenishment) maintained with the Royal Monetary Authority (RMA) of Bhutan. The fund from RMA is then transferred to the unique Financial Item Code (FIC) to the Department of Public Accounts (DPA) under the Ministry of Finance (MoF), Bhutan. Upon release request by the Project Office, the fund is then transmitted to the Project Letter of Credit maintained with the Bank of Bhutan. Thus, the payments to the contractors, suppliers and supervision consultant are made from PLC.





- The co-financing from the Royal Government of Bhutan is being proposed annually from 1st July – 30th June (Financial Year of Bhutan) based on fund projections of the project submitted by consultant & Contractor.
- The direct payment made to the foreign account are reflected as grants in kind in financial statements in order to capture actual cost of project.
- 1 USD=Nu 74.90 approx. foreign currency transaction are translated into functional currency using the exchange rate prevailing at the date of transaction.
- We provide an advance to contractor like mobilization and material advance in order to ease their financial burden and fasten work progress. Advance is not treated as an expenditure unless adjusted at the later period.

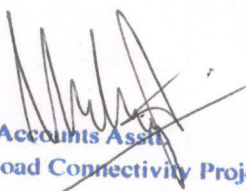
2.2 Nature of Expenditures:

The Project expenditures stated in the financial statements is recognized on cash basis (when the payment is made to the contractors and consultants.

3. Project Financial Statement:

The Project Financial Statement is being prepared by the Project Accountant dully signed by Project manager, Coordinator and project director.

It has been prepared as per the Public Finance Act & Financial Rules and Regulation using ePEMS software.


Accounts Asstt.
SASEC Road Connectivity Project
Phuentsholing : Thromde



