

Audited Project Financial Statements

Project No. 42378-017

Loan: 3350-BAN

Period Covered: 1 July 2018 to 30 June 2019

BAN: Power System Expansion and Efficiency Improvement Investment Program – Tranche 3

Prepared by Ashuganj Power Station Company Ltd

For the Asian Development Bank
Received on 31 December 2019

The audited project financial statements are document 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 Ashuganj Power Station Company Ltd under Ministry of Power Energy and Mineral Resources.



It is replaced with the same memo & date

Foreign-Aided Projects Audit Directorate
Audit Complex (6th & 11th Floor)
Segunbagicha, Dhaka.



No.FAPAD/S-5/ADB-3350/BAN/2018-19/1144/

Sub: Audit Inspection Report on the Accounts of "Construction of Ashuganj 400(+/- 5%) MW Combined Cycle Power Plant (East) Project" financed by ADB Loan No. 3350-BAN & IDB BGD-1003 for the year 2018-19.

The Auditor's Report along with a Management Letter containing audit observations on the accounts of the above mentioned project is enclosed herewith for your kind information and necessary action. The audit was conducted 13-11-19 to 17-11-19. This report consists of eight (8) audit observations.

Enclosure:

1. Auditor's Report.
2. Financial Statements & notes to FS.
3. Management letter.
4. Report on internal control & other issues.
5. Auditor's Report on Special Accounts.

(Md. Tafazzal Hossain)
Deputy Director

For Director General

Foreign Aided Projects Audit Directorate
Phone: 88-02-8391548

Secretary
Power Division
Ministry of Power, Energy & Mineral Resources
Bangladesh Secretariat, Dhaka.

No.FAPAD/S-5/ADB-3350/BAN/2018-19/1144/ 1335

Dated: 31-12-2019

Copy for information and necessary action to:

1. **Secretary**, Economic Relations Division, Ministry of Finance, Sher-e-Bangla Nagar, Dhaka.
2. **Country Director**, Asian Development Bank (ADB), E-8, Sher-e-Bangla Nagar, Agargaon, Dhaka.
3. **Project Director**, Construction of Ashuganj 400(+/- 5%) MW Combined Cycle Power Plant (East) Project, Ashuganj Power Station Company Limited, Ashuganj, Brahmanbaria.
4. Office Copy.

- a) Replies/comments on the Audit Report and Management Letter may please be sent to the undersigned within 35(thirty five) days of receipt of this letter in your office.
- b) Observations in Part-A (SFI) should be responded to through the Ministry concerned and observation in Part-B (Ordinary) should be responded to FAPAD directly.

(Md. Tafazzal Hossain)
Deputy Director

For Director General

Foreign Aided Projects Audit Directorate
Phone: 88-02-8391548

Audit Inspection Report

on

**The Accounts of
“Construction of Ashuganj 400 (+/- 5%) MW Combined Cycle
Power Plant (East) Project”
financed by ADB & IDB for the financial year 2018-2019.**

**Foreign Aided Projects Audit Directorate
Segunbagicha, Dhaka.**

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Part-I

- Auditor's Report &
- Management Letter

AUDITOR'S REPORT

Audit Completion Date: 16.11.2019

Secretary

Power Division

Ministry of Power, Energy & Mineral Resources

Bangladesh Secretariat, Dhaka.

I. We have audited the accompanying financial statement (FY2018-19) of the **"Construction of Ashuganj (+/-5%) 400 MW Combined Cycle Power Plant (East) Project"** financed by ADB Loan No. 3350-BAN & IDB=BGD-1003 for the year as at 30th June, 2019 and for the year then ended. According to ISSAI 1570 the preparation of Financial Statement is the responsibility of management. Our responsibility is to express an opinion on the financial statement based on our audit.

II. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

III. In our opinion, according to the statement of ISSAI 1705, the financial statement gives a true and fair view in all material respects of the financial position of **Construction of Ashuganj (=/- 5%) 400 MW Combined Cycle Power Plant (East) Project"** as at 30th June, 2019 and the result of its operation and cash flows for the year ended in accordance with the cash basis of accounting followed by the Government of Bangladesh.

Opinion Status: Unqualified.


(Md. Tafazzal Hossain)

Deputy Director

For Director General

Foreign Aided Projects Audit Directorate

Phone: 88-02-8391548

Financial Statement & Notes

CONSTRUCTION OF ASHUGANJ 400 MW
COMBINED CYCLE POWER PLANT (EAST)
(Draft) PROJECT FINANCIAL STATEMENT
30TH June, 2019

(Figure in Lakh Taka)

Resources	Notes	Cumulative Prior Period	Current period	Cumulative Current Period
Government of Bangladesh (GOB)	1		600.00	600.00
Loan from Development Partner(ADB)-DPA	2	8532.92	1458.92	9991.84
Loan from Development Partner(IDB)-DPA	2	6203.32	2320.56	8523.88
Other resources(APSCL)	3	367.55	2928.52	3296.07
Cash opening balance			-	-
Total Resources (2018-19)		15103.79	7308.00	22411.79

Expenditure and Cash				
1.Land Development				
2.DPA (ADB) Plant & Machineries (10% Advance Payment)		8331.63		8331.63
3.DPA(IDB) Plant & Machineries (10% Advance Payment)		6203.32		6203.32
4. DPA (ADB) Consultancy (10% Advance Payment)		201.29		201.29
5.Advertisement, Printing & Stationeries ,etc. (Own Fund)		68.50		68.49
6.Pay & Allowance (Own Fund)		241.51	198.93	440.44
7. Income Tax-VAT (GoB)			599.14	599.14
8. Equipment & Machineries (DPA)		-	38.02	38.02
9. Civil Works (DPA)		0.70	3984.92	3985.62
10. Entertainment (Own Fund)		4.22	2.52	6.74
11. Consultancy (DPA)		9.55	65.17	74.72
12. Design Services (DPA)		-	2282.54	2282.54
13.Office Equipment & Furniture, etc. (Own Fund)		23.62	4.80	28.42
14.Vehicle Rent (Own Fund)		15.22	-	15.22
15. TA/DA & Honorarium (Own Fund)		1.14	10.50	11.64
16. Legal Expenses (Own Fund)		1.44		1.44
17. Safety Materials (Own Fund)		1.65		1.65
18. LC Commission (Own Fund)			24.12	24.12
19. Vehicle Purchase (Own Fund)			95.10	95.10
Total Expenditure for 2018-19		15103.79	7305.76	22409.55

Cash Closing Balance				
Imprest Account			-	-
Operating Account (RPA)			-	-
Operating Account (GOB)			2.24	2.24
Total Expenditure and Cash		15103.79	7308.00	22411.79


Md. Abul Kalam
 Audit & Accounts Officer
 Foreign Asset Projects Audit Directorate
 Audit Complex
 Segunbagicha, Dhaka-1000


Md. Ohidul Islam
 Manager (Accounts)
 Ashuganj 400MW CCPP (East) Project
 Ashuganj Power Station Company, Ltd.
 Ashuganj, Brahmanbaria-3402.

**CONSTRUCTION OF ASHUGANJ 400 MW
COMBINED CYCLE POWER PLANT (EAST)
NOTES TO THE FINANCIAL STATEMENT
30TH June, 2019.**

1. GOVERNMENT OF BANGLADESH:

(Figure in Lakh Taka)

	Inspection to 30 th June, 2018	For the Year 2018-2019	Inspection to 30 th June, 2019
Disbursement by GOB	-	600.00	600.00
Less: Refund to GOB			
Total		600.00	600.00

2. LOAN/GRANT FROM DEVELOPMENT PARTNER:

	Inspection to 30 th June, 2018	For the Year 2018-2019	Inspection to 30 th June, 2019
Initial Deposit(Advance)	-	-	-
DPA - ADB	8532.92	1458.92	9991.84
DPA - IDB	6203.32	2320.56	8523.88
RPA (SOE Payment)		-	-
RPA (Non SOE Payment)		-	-
Others		-	-
Total	14736.24	3779.48	18515.72

3. OTHERS RESOURCES:

Other resources consist of the following:

	Inspection to 30 th June, 2018	For the Year 2018-2019	Inspection to 30 th June, 2019
APSCL	367.55	2928.52	3296.07
Exchange gains/losses			
Total	367.55	2928.52	3296.07

CASH:

	Inspection to 30 th June, 2018	For the Year 2018-2019	Inspection to 30 th June, 2019
Imprest Account	-	-	-
Operating Account (RPA)	-	-	-
Operating Account (GOB)	-	2.24	2.24
Total	-	2.24	2.24

Verified
Md. Abul Kalam
Audit & Accounts Officer
Foreign Assets Projects Audit Directorate
Audit Complex
Sagunbagicha, Dhaka-1000

20/09/19
Md. Ohidul Islam
Manager (Accounts)
Ashuganj 400MW CCPP (East) Project
Ashuganj Power Station Company, Ltd.
Ashuganj, Brahmanbaria-3402.