

# Audited Project Financial Statements

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Project Number: 44239–014

Grant Number: 0484

Period covered: 1 July 2017 to 30 June 2018

## Bhutan: Air Transport Capacity Enhancement Project—Additional Financing

Prepared by Department of Air Transport

For the Asian Development Bank

Date received by ADB: 20 November 2018

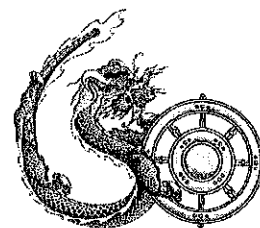
The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Access to Information Policy and as agreed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



ཐུ་ཆེ་དཔལ་འབྱོར་ལས་འབྲེལ་ལས་ཁུངས།

དངུལ་རྩིས་རྒྱུ་ཁག།

DEPARTMENT OF MACROECONOMIC AFFAIRS  
MINISTRY OF FINANCE  
TASHICHHO DZONG



DMD/ADB/G0484/AR/2018/ 547  
Date 20/11/2018

Kanokpan Lao-Araya  
The Country Director  
Bhutan Resident Mission for ADB  
Thimphu.

Sub: Forwarding of Audit Report.

Madam,

Please find enclosed herewith two copies of Audit Report on the Accounts and Operations of the Air Transport Connectivity Enhancement Project Grant No. 0484-BHU funded by ADB, Implemented by the Department of Air Transport, Ministry of Information and Communications, Paro for the period from 01/07/2017 to 30/6/2018.

Kindly acknowledge the receipt.

Yours sincerely,

(Dorji Phuntsho)  
Dy. Chief Program Officer

ASIAN DEVELOPMENT BANK  
RECEIVED  
05 DEC 2018  
SOUTH ASIA  
TRANSPORT & COMMUNICATIONS

ASIAN DEVELOPMENT BANK  
BHRM  
FINANCE / ADMIN  
20 NOV 2018  
RECEIVED



ཐུལ་གཞུང་ཕྱི་ས་ནི་བ་དབང་འཛིན།

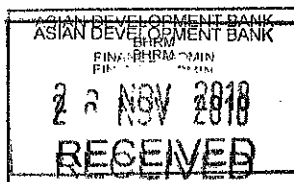
Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources

AIN:15603

**FINANCIAL AUDIT REPORT OF THE ASIAN DEVELOPMENT BANK [ADB]  
FUNDED "AIR TRANSPORT CONNECTIVITY ENHANCEMENT PROJECT  
(ATCEP), GRANT NO.0484-BHU", IMPLEMENTED BY THE DEPARTMENT OF  
AIR TRANSPORT (DoAT), MINISTRY OF INFORMATION AND  
COMMUNICATIONS, PARO**

**PERIOD: 01.07.2017 TO 30.06.2018**

**NOVEMBER 2018**



Department of Macroeconomic Affairs

Incoming Mail No.....

Date 19/11/18.....

Marked to.....

*'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

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Website: [www.bhutanaudit.gov.bt](http://www.bhutanaudit.gov.bt) | Email: [info@bhutanaudit.gov.bt](mailto:info@bhutanaudit.gov.bt) and [thezang@bhutanaudit.gov.bt](mailto:thezang@bhutanaudit.gov.bt)



རྒྱལ་ཁྲིའུ་ཆེན་ཞིབ་དཔང་འཛིན།

ROYAL AUDIT AUTHORITY

Bhutan Integrity House

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



RAA/AR/DSA-SCID/DoAT/ADB- Project -ATCE/2018/ 3267

Date: 16 / 11 / 2018

✓ The Director  
Department of Macroeconomic Affairs  
Ministry of Finance  
Thimphu

**Subject:** Financial Audit Report of the ADB funded "Air Transport Connectivity Enhancement Project", (Grant No. 0484 BHU), implemented by the Department of Air Transport (DoAT), Paro, Ministry of Information & Communications for the period from 01 July 2017 to 30 June 2018

Sir,

Enclosed herewith please find the audited **financial statements and auditors' report thereon** in respect of the ADB funded "Air Transport Connectivity Enhancement Project, Grant No. 0484 BHU", implemented by the Department of Air Transport (DoAT), Paro, Ministry of Information & Communications for the financial year ended 30 June 2018 along with the **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).

Two sets of the audited Financial Statements and Auditors' Report may please be forwarded to the ADB Headquarters, Manila, Philippines.

#### Auditor's Report on the Financial Statement

As may be noted from the auditors' report, the financial statements are prepared by the Project in all material respects, in accordance with Financial Rules and Regulations 2016. Accordingly, the RAA has issued 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 Project are reported herewith as audit findings along with recommendations, which also form part of the audited financial statements for the year ended 30 June 2018.

The RAA has reviewed the replies furnished by the Project, and incorporated in the report. Out of 3 audit findings with sub paras, 1 main audit finding and 2 sub paras have been settled in view of replies and related supporting documents and evidences furnished subsequently, which are transmitted separately to the Project in the form of **Management Appraisal Report (MAR)** for future reference and compliance.

*'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

Post Box No. 191 Tel: +975 (02) 322111 (EPABX) Fax: +975 02323491  
Website: [www.butanaudit.gov.bt](http://www.butanaudit.gov.bt) e-mail: [info@bhanaudit.gov.bt](mailto:info@bhanaudit.gov.bt); [thezung@bhanaudit.gov.bt](mailto:thezung@bhanaudit.gov.bt)

The DoAT 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 three months** from the date of issuance of this report.

The Royal Audit Authority acknowledges the kind co-operation and assistance extended to the audit team by the officials and Staff members of the Department of Air Transport, Paro, which facilitated the completion of the audit.

Yours sincerely,



(P.M. Pradhan)  
**Joint Auditor General**  
**Department of Sectoral Audit**

**Copy to:**

1. Hon'ble Secretary, Ministry of Finance, Tashichho Dzong, Thimphu
2. Hon'ble Secretary, Ministry of Information & Communications, Thimphu
3. The Director, Department of Air Transport, Paro for necessary action
4. The Project Manager, "ATCE Project", DoAT, Paro for necessary action
5. The AAG, Follow-up and Clearance Division, RAA, Thimphu
6. Guard File

# TITLE SHEET

1	Title	:	Financial Audit Report on the "Air Transport Connectivity Enhancement Project", funded by Asian Development Bank (ADB), DoAT, Paro
2	Head of the Agency	:	Karma Wangchuk, Director, EID No. 9004059
3	Drawing and Disbursing Officer	:	Karma Wangchuk, Director, EID No. 9004059
4	Finance Personnel	:	Hari Prasad Sinchuri, Accountant, EID No. 9709049
5	Period Audited	:	01 July 2017 to 30 June 2018
6	Schedule of Audit	:	Planning : 27 August 2018 to 02 September 2018
		:	Actual : 27 August 2018 to 14 September 2018
		:	Reporting : 28 November 2018 (Audit proposed on request by the Agency)
7	Composition of Audit Team	:	<b>Team Leader:</b>
		:	TshewangTandi, Sr. Auditor, EID No. 9610089
		:	<b>Member:</b>
8	Supervising Officer	:	Sangay Letho, Sr. Auditor, EID No. 200707035
		:	Gaza Wangchuk, Offtg. Asstt. Auditor General EID No. 9209044
10	Overall Supervising Officer	:	P.M. Pradhan, Joint Auditor General, EID No. 8304036
11	Engagement Letter No	:	RAA/DSA-SCID/Intimation-01/2018/2439 dt. 24/08/2018
12	Focal Person	:	Tshewang Tandi
13	Date of Exit Conference	:	01 October 2018



### **Disclaimer Note**

The coverage of this report is based on the facts, figures and information made available and accessible to the audit team by the **Air Transport Connectivity Enhancement Project**, funded by **Asian Development Bank (ADB)**, Grant No. 0484- BHU, implemented by **DoAT, Paro**. The opinion of the auditors shall confine to the period covered and information made available till the time of issue of this report.

This is also to certify that the auditors during the audit had neither yielded to pressure, nor dispensed any favour or resorted to any unethical means that would be considered as violation of the Royal Audit Authority's Oath of Good Conduct, Ethics and Secrecy of Auditors.

## **Glossary of Abbreviations & Acronyms**

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AAG	:	Assistant Auditor General
AIN	:	Audit Identification Number
ADB	:	Asian Development Bank
AR	:	Audit Report
DoAT	:	Department of Air Transport
DSA	:	Department of Sectoral Audit
EID No.	:	Employee Identification Number
MoIC	:	Ministry of Information & Communications
PLC	:	Project Letter of Credit
RAA	:	Royal Audit Authority
SCID	:	Social, Communication and Information Division
TA	:	Technical Assistance



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"AIR TRANSPORT CONNECTIVITY ENHANCEMENT PROJECT, GRANT NO. 0484-  
BHU" FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

### ENCLOSURES:

1. Sources and Uses of Statement
2. Statement of Category wise Expenditure (Notes to Account I)
3. Details of Payment by ADB by Currency and Method of Funding ( Note to Account II)
4. Statement of Imprest Account (Notes to Account III)
5. Statement of Reimbursable from ADB (Notes to Account III a)
6. Statement of fund balance reconciliation with DPA (Notes to Accounts V)
7. Statement of Budget Vs Actual (Consolidated Annual Financial Statement)
8. Accounting policies and explanatory notes (Notes IV to the financial statements)
9. Statement of Financial Information on external project including outstanding advances

AUDIT FINDINGS AND RECOMMENDATIONS OF THE ADB FUNDED "AIR  
TRANSPORT CONNECTIVITY ENHANCEMENT PROJECT, GRANT NO.0484-BHU",  
DOAT, PARO

1. Construction of Security Quarter at Gelephu and irregularities thereof
  - 1.1 Inadmissible payment for top and bottom form work in plinth beams -Nu.27,083.70 [5.1.20]
  - 1.2 Inadmissible payment due to variation in depth of RRM wall in foundation and plinth- Nu.92,965.40 [5.1.20]
  - 1.3 Payment made for item of works not executed at site - Nu.21,598.50 [1.2.13]
2. Poor Work progress noted in the construction of Terminal Building at Bumthang Domestic Airport (4.4.46)

### EXHIBITS:

1. Annexure 'A' – Profile
2. Appendix 'A' – refer para 1.2
3. Appendix 'B' – refer para 1.3

**AUDITORS' REPORT ON THE FINANCIAL  
STATEMENTS**



རྒྱལ་ཁུངས་ཕྱི་སྒྲིག་འཛིན།  
ROYAL AUDIT AUTHORITY  
*Bhutan Integrity House*

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



**AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF THE ADB FUNDED "AIR TRANSPORT CONNECTIVITY ENHANCEMENT PROJECT, GRANT NO. 0484- BHU" FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

**Opinion**

We have audited the accompanying financial statements of the ADB funded "Air Transport Connectivity Enhancement Project, Grant No. 0484- BHU", implemented by Department of Air Transport, Paro (PLC Account No.207.01/2005-PLC) which comprise the Sources and Uses of Statement and schedules forming part of financial statements for the financial year ended 30 June 2018.

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

**Basis for Opinion**

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). 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 the Project in accordance with RAA's Oath of Good 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.

The Royal Audit Authority reports that it has obtained all information and explanations, which to the best of its knowledge and belief were necessary for this audit.

**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 Project'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

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## 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.

A further description of our responsibilities for the audit of the financial statements is included in **Appendix-I** of this auditor's report.

## Other Requirements

### We Report that:

- The flow of funds from the Imprest 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 Statement of Expenditure, Statement of Loans and Advances and Reconciliation Statement submitted could be fairly relied upon;
- All the expenditure reported and claimed are eligible for financing under the Grant No. 0484 BHU;
- The funds provided under the Grant No.0484 BHU have been utilized for the purposes for which they were provided;
- The Foreign exchange conversation rate for fund transfer is recognised on the basis of exchange rate prevailing on the date of transfer of fund to Department of Public Accounts from the Foreign Currency Account maintained with Royal Monetary Authority.
- The expenditure incurred in local currency have been converted to USD at the average exchange rate obtained by dividing the total fund transferred in local currency from the Imprest Account by the total equivalent USD debited in the Imprest Account maintained by the Royal Monetary Authority.
- 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 transaction by the ADB.
- The overall reconciled fund balance of the Project stood at Nu. 12,189,062.37 which is represented by US\$.180,528.41 with RMA equivalent to local currency of Nu. 12,189,062.37 (Ref: Notes to account III-Statement of Imprest Account) and local currency of Nu. 0.00 with DPA as on 30<sup>th</sup> June 2018 (Ref: Statement of fund balance reconciliation with DPA (Notes to Account V).

*Gaza Wangchuk*  
(Gaza Wangchuk)

Offtg. Assistant Auditor General

Date: 16 Nov. 2018



## **Appendix – I**

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### **Auditor's Responsibilities for the Audit of the 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 Project's internal control.

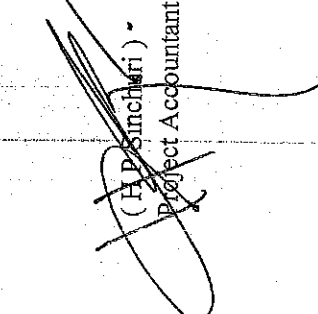
We communicate with the management, among others, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.


**ENCLOSURES**

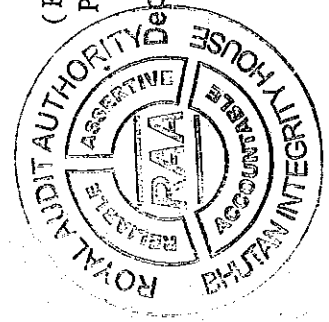
**Koyal Government of Bhutan**  
**Ministry of Information and Communications**  
**Department of Air Transport**  
**Air Transport Connectivity Enhancement Project**  
**Funded by Asian Development Bank : Grant No: G0484-BHU**  
**For the period 1st July 2017- 30th June 2018**


**Sources and Uses of Funds**

		Amount in BTN	
Sources	Note	During the current year	Cumulative beginning of the Project to end of current year
A:ADB Grant			
Direct Payment	I		
Replenishment		37,648,533.65	37,648,533.65
ADB			
Initial Imprest	II	30,107,345.40	30,107,345.40
Exchange Gain	III	3,586,709.32	3,586,709.32
Subtotal			
<b>Grand Total</b>		<b>71,342,588.37</b>	<b>71,342,588.37</b>

  
 (H. P. Sinchhari)  
 Project Accountant

  
 Yogesh Sanyasi  
 Asstt Finance Officer  
 Asstt Accounts Officer  
 Department of Air Transport  
 Paro International Airport



  
 (Karna Wangchuk)  
 Project Director  
 Director  
 Department of Air Transport  
 Paro : Bhutan

Royal Government of Bhutan  
Ministry of Information and Communications  
Department of Air Transport  
*Air Transport Connectivity Enhancement Project*  
Funded by Asian Development Bank : Grant No: G0484-BHU  
For the period 1st July 2017- 30th June 2018

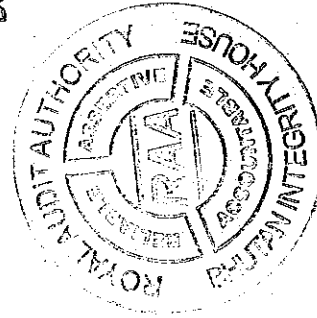
Notes to Account - I Category- wise Expenditures

Category	Line Item	Particular	During the current year (BTN)		Cumulative upto end of current year
			From Imprest Account	Direct Payment	
3201		<u>Civil Works</u>			
	i	Reshaping of runway at Yorphola Domestic Airport	2,705,700.00		2,705,700.00
	ii	Construction of terminal building at Bumthang Domestic Airport	10,376,418.00		10,376,418.00
	iii	Construction of security quarter at Gelephu Domestic Airport	18,388,631.00		18,388,631.00
		Subtotal	31,470,749.00		31,470,749.00
		<u>Consulting Service</u>			
	iv	Local Currency Component	5,373,708.00		5,373,708.00
		Subtotal			5,373,708.00
		Grand Total	36,844,457.00		36,844,457.00

(AP Signeturi)  
Project Accountant

*(Signature)*  
Yogesh Sanyal  
Asst. Accounts Officer  
Department of Air Transport  
Paro International Airport

*(Signature)*  
(Karma Wangchuk)  
Project Director  
Department of Air Transport  
Paro : Bhutan





Royal Government of Bhutan  
Ministry of Information and Communications  
Department of Air Transport  
*Air Transport Connectivity Enhancement Project*  
Funded by Asian Development Bank : Grant No: G0484-BHU  
For the period 1st July 2017- 30th June 2018

**Notes to Account - II a- Details of Payment by ADB by Currency and Method of Funding**

	Category	During the current year		Cumulative from inception of Project till end of current year	
		Equivalent BTN	USD	BTN	USD
<u>Replenishment</u>					
<b>Total</b>		37,648,533.65	583,827.39	37,648,533.65	583,827.39
Imprest Account Initial Deposit		37,648,533.65	583,827.39	37,648,533.65	583,827.39
Diff between Disb and Liquidation		30,107,345.40	461,195.00	30,107,345.40	461,195.00
Sub Total of Imprest A/c		(804,076.65)	(28,254.80)	(804,076.65)	(28,254.80)
		12,189,062.37	180,528.41	12,189,062.37	180,528.41
<b>Grand Total</b>		37,648,533.65	583,827.39	37,648,533.65	583,827.39

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(H P Sinchum)  
Project Accountant

Asst. Asst. Asst. Officer  
Department of Air Transport  
Paro International Airport

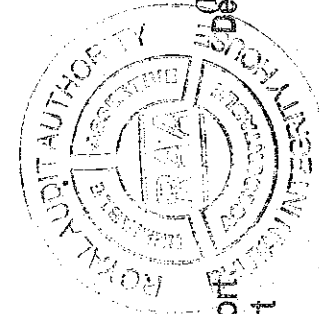
(Karma Wangchuk)  
Director  
Department of Air Transport  
Paro, Bhutan



Royal Government of Bhutan  
Ministry of Information and Communications  
Department of Air Transport  
*Air Transport Connectivity Enhancement Project*  
Funded by Asian Development Bank : Grant No: G0484-BHU  
For the period 1st July 2017- 30th June 2018

Notes to Account III - Statement of Imprest Account

S.N.	Particulars	Equivalent BTN ('000)	US\$
A	Opening Balance of Imprest Account	30,107,345.40	461,195.00
B	Less: Disbursements		
	- Expenditure	36,844,457.00	555,572.59
	- Outstanding advances	22,309,069.00	348,347.28
	- Balance with DPA as on 30/06/2018		
C	Add: (a) Replenishment	15,863,584.00	248,681.16
	(b) Replenishment	6,108,000.00	94,441.55
	(c) Replenishment	6,368,797.00	99,977.79
	(d) Replenishment	4,910,017.00	75,530.69
	(e) Replenishment	4,398,135.65	65,196.20
A-B+C = D	Closing Balance of Imprest Account (without Exchange Diff)	8,602,353.05	(99,602.16)
E= F - D	Add/Less: Exchange Difference (balancing figure)	3,586,709.32	280,130.57
F	Closing Balance of Imprest Account	12,189,062.37	180,528.41



*[Signature]*

Asst Accounts Officer  
Department of Air Transport  
Paro International Airport

*[Signature]*

Director  
Department of Air Transport  
Paro : Bhutan

*[Signature]*  
(H P Sanchuri)  
Project Accountant

**Royal Government of Bhutan**  
 Ministry of Information and Communications  
 Department of Air Transport  
*Air Transport Connectivity Enhancement Project*  
**Funded by Asian Development Bank : Grant No: G0484-BHU**  
**For the period 1st July 2017- 30th June 2018**

**Notes to Account III a - Reimbursable from ADB**

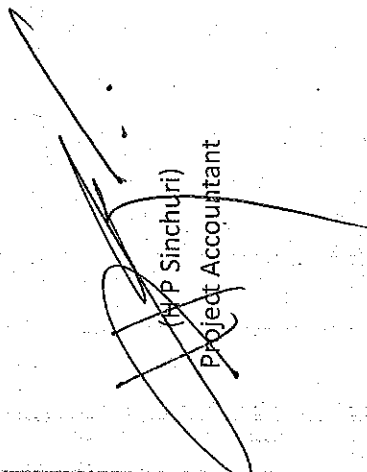
S.N.	Particulars	Equivalent BTN	US\$
A	Outstanding Replenishments as of [previous year]	-	-
B	Add:		
	Disbursements during the year	36,844,457.00	555,572.59
C	Less:		
	Replenishment during the year	37,648,533.65	583,827.39
	Total C	37,648,533.65	583,827.39
	Total B	36,844,457.00	555,572.59
D	Liquidation/ Recovery of Initial Balance	-	0
	Total D	-	0
E	Outstanding Replenishment as of [30/06/2018]	(804,076.65)	(28,254.80)

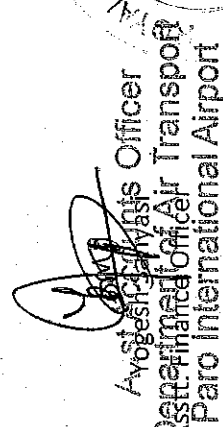
Total A

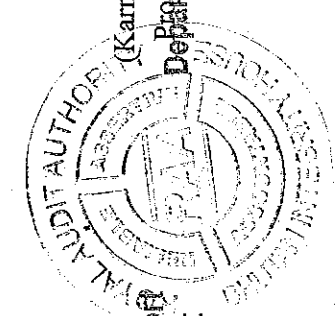
Total C

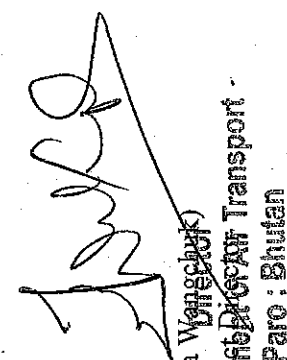
Total B

Total D

  
 (P Sinchuri)  
 Project Accountant

  
 Deputy Director of Air Transport  
 Paro International Airport

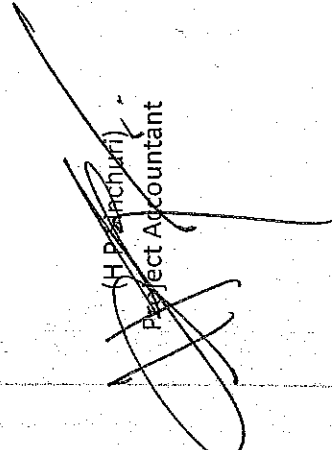



  
 Deputy Director of Air Transport  
 Paro : Bhutan


Royal Government of Bhutan  
Ministry of Information and Communications  
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*Air Transport Connectivity Enhancement Project*  
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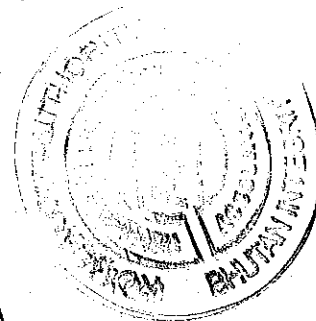
Notes to Account V - Statement of fund balance reconciliation with DPA

S.N.	Particulars	Equivalent BTN ('000)
A	Total Fund Received from Department of Public Accounts	59,153,526.00
B	Total Expenditure as of 30 June 2015	36,844,457.00
C	Total outstanding/advance not adjusted(2014-15)	22,309,069.00
D	D= B+C	59,153,526.00

  
(H. Panchum)  
Project Accountant

  
Yogesh Samyasi  
Assistant Finance Officer  
Department of Air Transport  
Paro International Airport

  
(Karma Wangchuk)  
Project Director  
Department of Air Transport  
Paro : Bhutan



Royal Government of Bhutan  
Ministry of Information and Communications  
Department of Air Transport  
*Air Transport Connectivity Enhancement Project*  
Funded by Asian Development Bank : Grant No: G0484-BHU  
For the period 1st July 2017- 30th June 2018

Statement of Budget Vs Actual (or Consolidated Annual Financial Statement)

Item No.	Budget Item	Total budget for the whole project (Amount in USD)	Actual Expenditure (Amount in BTN)	Budgeted amounts for the year based on projections* (Amount in BTN)	Reason for variance
Budget Head - Capital Expenditure					
i	Civil Works	3,459,135.52	36,844,457.00	226,596,196.25	Difference in the estimated cost and the actual quotation by the selected contractor
ii	Consultancy Service	185,776.05	15,283,086.92	10,570,000.00	
	Sub Total	3,644,911.57	52,127,543.92	237,166,196.25	
Budget Head- Unallocated					
i	unallocated	355,088.43			
	Grand Total	4,000,000.00	52,127,543.92	237,166,196.25	

*(M P Sindhu)*  
Project Accountant

*(Yogesh Sanjay)*  
Asst Finance Officer  
Department of Air Transport  
Paro International Airport

*(Karma Wangchuk)*  
Director of Air Transport  
Paro : Bhutan



Notes: \*The amount is just projection of the estimated expenditure and may not be actual expenditure.  
\*\*Budget has been included under Project Management but since, the expenditure is of capital nature the expenditure has been reflected here

Royal Government of Bhutan  
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Department of Air Transport  
*Air Transport Connectivity Enhancement Project*

Funded by Asian Development Bank : Grant No: G0484-BHU  
For the period 1st July 2017- 30th June 2018

**NOTES IV TO THE FINANCIAL STATEMENTS - Accounting policies and explanatory notes**

**1. Project Nature and Activities**

1.1 The objective of the project is the improved safety, security and capacity at three domestic airports in Bumthang, Gelephu and Yonphula. The project comprises :

(a) Construction of new terminal building at Bumthang Domestic Airport.

(b) Construction of security quarter at Gelephu Domestic Airport.

(c) removal of small hills beside runways, a general service vehicle, runway stripe drainage and runway slope correction in Yonphula.


(d) consulting service to undertake the listed activities

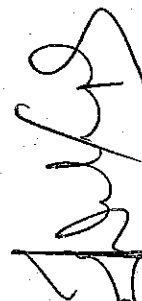
The project commencement date is 5th August 2017 and expected completion date is 5th August 2019. The Department of Air Transport under the Ministry of Information and Communications, Royal Government of Bhutan, is the Executing Agency and the Ministry of Finance, Royal Government of Bhutan, Thimphu, Bhutan is the representative as set out in the Grant Agreement dated 29th September 2016.

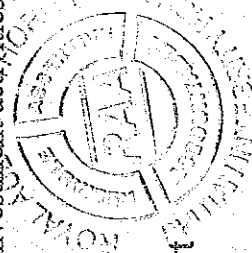
**1.2 Give legislative framework**

The execution of the project shall be in line with the contents under the schedule 4 of the Grant Agreement. The execution of the project shall comply with all the rules and regulations relating to environment, health, safety, labor standards, governance and ADB anticorruption policies

The project shall not have any Indigenous Peoples Safeguards and Involuntary Resettlement Safeguards impacts and no proceeds of the Grants shall be used to finance any activity in the list of prohibited investment activities.

  
Asst Accounts Officer  
Department of Air Transport  
Paro International Airport

  
Director  
Department of Air Transport  
Paro, Bhutan



## 2. STATEMENT OF COMPLIANCE

Project Financial Statements have been prepared in accordance with FINANCIAL RULES AND REGULATIONS 2016, of the Royal Government of Bhutan and the Statement of audit as required by the Asian Development Bank under the Grant No. 0484-BHU dated 29th September 2016

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Basis of measurement

The project has maintained accounts according to the Financial Rules and Regulations 2016, of the Royal Government of Bhutan on a cash basis of accounting and double entry accounting systems.

### 3.2 Fund Flow mechanism

A First Generation Imprest Account has been established with the Central Bank, Royal Monetary Authority and a Second Generation Imprest Account for DoAT has been established at the Bank of Bhutan.

All replenishment/ direct payment requests to the ADB shall be processed through the Department of Public Accounts, Ministry of Finance, Royal Government of Bhutan who is the representative of the DoAT. The DoAT shall make all disbursement from the Second Generation Imprest Account (Project Letter of Credit Account) maintained with the Bank of Bhutan. Release of fund to make disbursement shall be processed through the Department of Public Accounts ( Authorised signatory for the grant proceeds)

### 3.3 Advances and other receivables

Advances are not treated as expenditure. Partial advances have been liquidated as of 30th June 2018 & there is still balance to be recovered amounting to **Nu. 22,309,069.00**

### 3.4 Cash and cash equivalents


Only imprest account is maintained in US\$

### 3.5 Accrued and other liabilities


There are no liabilities as of 30th June 2018

### 3.6 Income

i) All types of income (if any) is deposited into the Royal Government Revenue Account and thus the executing agency has no

  
Asst Accounts Officer  
Department of Air Transport  
Paro International Airport



  
Director  
Department of Air Transport  
Paro : Bhutan

rights to withhold any type of income

- iii) Free of cost office space, and certain other services provided by Royal Government of Bhutan are not valued and accordingly, are not recognized in these financial statements as income of the Project.

### 3.7 Foreign currency transactions and translation

#### (a) Functional and presentation currency

Items included in the financial statements of the Project are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is the Bhutanese Ngultrum (BTN).

#### (b) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account.

### 3.8 Allocation of Common Costs

Describe how common costs are allocated to different output/ activities

Common cost if any, shall be equally divided among the activities and reflect as expenditure under the individual activities.

### 4. Funds Received from the Government

100% fund for the project has been provided by the ADB as grant to DoAT. The DoAT proposes budget every financial year in line with the provision of the ADB Grant and the projection is for one financial year. The financial year starts from 1st July and ends on the 30th June every year. The replenishment and reimbursement is processed by DoAT everytime when the expenditure exceeds or equals USD \$ 100,000 (combining of more than one expenditure heads). The DoAT forwards the SOEs along with supporting documents (if any/as required) to the Department of Public Accounts, who in turn forwards the request to the ADB

### 5. Funds from ADB

Asst Accounts Officer  
Department of Air Transport  
Paro International Airport

Director

Department of Air Transport  
Paro, Bhutan



Funds from the ADB has been approved or agreed as per Grant Agreement No 02484 BHU Dated 29th September 2016 under the endorsement of the Minister, Ministry of Finance, Royal Government of Bhutan and Director General, South Asia Department, Asian Development Bank

5.1 Grant

Amount of USD \$ 4,000,000 has been sanctioned by the ADB as additional Grant for the Air Transport Connectivity Enhancement Project

6. DATE OF AUTHORIZATION

These financial statements have been authorized for issue by the \_\_\_\_\_  
of \_\_\_\_\_ on .....



Asst Accounts Officer  
Department of Air Transport  
Paro International Airport



Director  
Department of Air Transport  
Paro : Bhutan

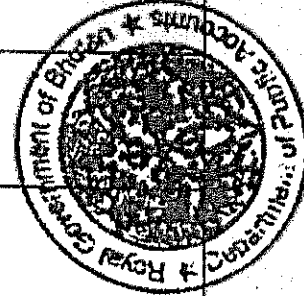


**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**  
**FOR THE FISCAL YEAR 2017-2018 TO 2018-2019**

**FICCODE FROM - 4516 FICCODE TO- 4516 / DONOR - ALL**

(Amount in Nu.)

FY/ AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-IN-CASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
2017-2018		MINISTRY OF INFORMATION & COMMUNICATIONS						
207.01	4516	Air Transport Connectivity Enhancement Project - Additional Financing	59,153,538.00			22,309,069.00		0.00
		Balance from Previous years:						
		Balance Carried Forward From CBA (Centralized Budget & Accounts):						
		207.01/07/00/063/002/010.01/4516 (ADB PROJECT AT YONPHULA DOMESTIC AIRPORT - SPILL-OVER (RUNWAY RESHAPING AND REMOVAL OF HILLS, RUNWAY PAVEMENT, ACCESS ROAD, CAR PARK, APRON EXTENSION, PERIMETER FENCE))		2,705,700.00	2,705,700.00			0.00
		207.01/07/00/063/002/010.02/4516 (CONSTRUCTION OF TERMINAL BUILDING AT BUMTHANG DOMESTIC AIRPORT (SPILLOVER))		30,064,559.00	12,926,697.00			
		207.01/07/00/063/002/010.04/4516 (CONSTRUCTION OF SECURITY QTRS. IN GELEPHUG DOMESTIC AIRPORT (SPILLOVER))		26,383,267.00	21,212,060.00			
		<b>TOTAL 4516:</b>	59,153,538.00	59,153,526.00	36,844,457.00	22,309,069.00	0.00	12.00
		<b>TOTAL 207.01:</b>	59,153,538.00	59,153,526.00	36,844,457.00	22,309,069.00	0.00	12.00
		<b>TOTAL 2017-2018:</b>	59,153,538.00	59,153,526.00	36,844,457.00	22,309,069.00	0.00	12.00



## FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES

FOR THE FISCAL YEAR 2017-2018 TO 2018-2019

FICCODE FROM - 4516 FICCODE TO- 4516 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-IN-CASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
		GRAND TOTAL:	59,153,538.00	59,153,526.00	36,844,457.00	22,308,089.00	0.00	12.00

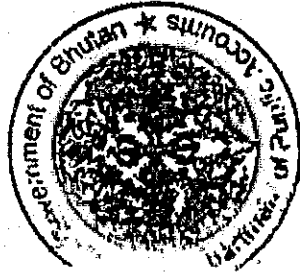
## Formula for Cash with Government

Current FY:

Cash with Government = (Prev FY Bal + Balance Carried Forward From CBA + Curr FY Cash Receipt) - (Curr FY RELEASE + Curr FY REFUND)

Previous FY:

Cash with Government = (Prev FY Bal + Curr FY Cash Receipt) - (Curr FY EXPENDITURE + Outstanding ADV + Curr FY REFUND)

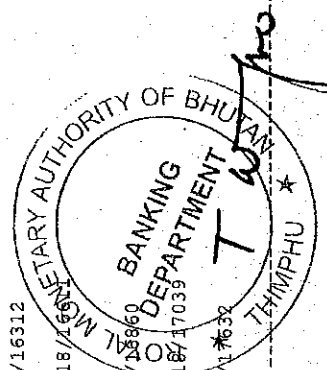


# Royal Monetary Authority Banking Department

CURRENCY WISE GENERAL LEDGER (For the Period of 01/07/2017 - 17/08/2018)  
Currency Code:--01, US Dollar

(Page 1 of 1)  
(Amount in: USD)

Voucher Date	Value	Date	Voucher Number	Ref. No.	Particulars	Debit	Credit	Balance
Printed on: 17/08/2018								
Account Head: 2202081, DMD/ADB GRANT NO.0484-BHU(SF) AIR CONNECTIVITY ENHANCEMENT PROJECT ADDITIONAL FINANCING								
29/08/2017	29/08/2017		CAM/GV/1718/2506		Fund deposited by ADB for FC-2202081-Air transport connectivity enhancement PR, Grant 0484-BHU Contra/17001	0.00	261,195.00	261,195.00 CR
01/09/2017	01/09/2017		CAM/BK08/1718/2736		Fund transfer to DPA from FC 2202081 FT 18 @ 63.80 wide DMEA letter no. 221 dated 31/8/2017	216,195.00	0.00	45,000.00 CR
12/09/2017	12/09/2017		CAM/BK08/1718/3191		Fund transfer to DPA from FC 2202081 FT 19 @ 63.73 wide DMEA letter no. 271 dated 31/8/2017	45,000.00	0.00	0.00 DR
12/10/2017	12/10/2017		CAM/GV/1718/4507		Fund deposited by ADB for FC 2202081 Air Transport Connectivity Enhancement Project, GRANT 0484-BHU CONTR/17001 as advance account on expenditure for Jul-Sep 2017	0.00	248,681.16	248,681.16 CR
21/11/2017	21/11/2017		CAM/BK08/1718/6529		Fund transfer to DPA from FC 2202081 FT 44 @ 64.86 wide DMEA letter no. 603 dated 16/11/2017	77,089.12	0.00	171,592.04 CR
30/11/2017	30/11/2017		CAM/BK08/1718/7030		Fund transfer to DPA from FC 2202081 FT 47 @ 64.17 wide DMEA letter no. 662 dated 28/11/2017	15,583.61	0.00	156,008.43 CR
19/01/2018	19/01/2018		CAM/GV/1718/9547		Fund deposit by ADB for grant no. 0484 BHU Fund trfr to DMEA vide letter no. 912 dtd 19/01/2018 for ft 72	0.00	94,441.55	250,449.98 CR
25/01/2018	25/01/2018		CAM/BK08/1718/9894		Fund tfr to DPA from FC 2202081 FT 77 dated feb. 9, 2018 @ 64.15	77,116.78	0.00	173,333.20 CR
12/02/2018	12/02/2018		CAM/BK08/1718/10802		Fund transfer to DPA from FC 2202081 FT 103 @ 65.06 wide DMEA letter no. 1162 dated 22/3/2018	15,471.50	0.00	157,861.70 CR
22/03/2018	22/03/2018		CAM/BK08/1718/12630		Fund transfer to DPA from FC 2202081 FT 106 @ 64.82 wide DMEA letter no. 106 dated 6/4/2018	67,537.66	0.00	90,324.04 CR
09/04/2018	09/04/2018		CAM/BK08/1718/13522		Fund deposited for FC 2202081 of ADB Grant no. 0484 BHU application no. 00004	16,707.81	0.00	73,616.23 CR
13/04/2018	13/04/2018		CAM/GV/1718/13861		Fund transfer to DPA from FC 2202081 FT 118 @ 67.73 wide DMEA letter no. 1374 dated 15/5/2018	0.00	99,977.79	173,594.02 CR
15/05/2018	15/05/2018		CAM/BK08/1718/15459		Fund deposited for FC 2202081 of ADB grant no. 0484 BHU application no. 00006	72,608.43	0.00	100,985.59 CR
01/06/2018	01/06/2018		CAM/GV/1718/16312		Fund transfer to DPA from FC 2202081 FT 129 @ 66.77 wide DMEA letter no. 1489 dated 6/6/2018	0.00	200,000.00	300,985.59 CR
07/06/2018	07/06/2018		CAM/BK08/1718/16616		Fund deposited for FC 2202081 of ADB Grant no. 0484 BHU appl. no. 00005	173,924.98	0.00	127,060.61 CR
12/06/2018	12/06/2018		CAM/GV/1718/15860		Fund tfr to dpa from FC 2202081 FT 135 vide letter no. 1546 dated june 14, 2018 @ 67.46	0.00	75,530.69	202,591.30 CR
14/06/2018	14/06/2018		CAM/BK08/1718/17039		Fund deposited for FC 2202081 dated 25/06/2018	87,259.09	0.00	115,332.21 CR
26/06/2018	26/06/2018		CAM/GV/1718/17633		Fund deposited for FC 2202081 dated 25/06/2018	0.00	65,196.20	180,528.41 CR



## EXHIBITS

## **Annexure– A:**

### **Project Profile**

#### **Background of the project**

Project Name: Air Transport Connectivity Enhancement Project -- Additional Financing

Project no: 0848

Country: Bhutan

Project status: Approved

Project Type/Modality of Assistance: Grant

Start Date: 16<sup>th</sup> December 2016

End Date: 31 Dec 2020

The project, together with the original project, will improve safety, security, and capacity at Bumthang, Gelephu, and Yonphula domestic airports by providing infrastructure. The additional financing will further strengthen safety and security, and improve passenger convenience in terms of level of service at these airports. The overall project will support the government's plan to develop a safe, reliable, and efficient air transport system connecting urban and rural centers to help overcome the limitations of road transport, improve accessibility, and promote tourism and high-value agriculture in less-developed regions of the country.

The project is to improve infrastructure for Bumthang, Gelephu, and Yonphula domestic airports. It aims to expand initial development undertaken by the Government of Bhutan at these airports. The project is to construct a terminal building in Bumthang airport, security quarters at Gelephu airport and low safety barrier at Yonphula airport. These improvements are targeted to meet the requirements of current and anticipated aviation activities in the country, and help continue the record of safety.

This will help facilitate greater and more equitable coverage of potential benefits from tourism growth, stimulate private sector development and generates employment opportunities for poor.

## Statement showing inadmissible payment for RRM wall in construction of security quarters at Gelephu Domestic Airport (GDA)

Sl. No.	Code	Description	As per contractor's bill			As per contractor's bill			Diff.	Unit	Rate	Amount	Remarks
			No.	L	B	H	Qty	No.	L	B	H	Qty	
3.2	SM0006	Random Rubble Masonry with hard stone in CM 1:5 in foundation and plinth											
		Fairly Quarter											
		Lower Level RRM Wall											
		Along A. 3 to 4	1	1.10	0.45	0.50	0.25	1	1.10	0.45	0.65	0.32	The depth of RRM is 650mm as per drawings. However, the contractor had claimed and was paid varying depth of the RRM under plinth beam
			1	2.11	0.50	0.98	1.03	1	2.11	0.50	0.65	0.69	
			1	1.00	0.50	0.56	0.28	1	1.00	0.50	0.65	0.33	
		4 to 5	1	1.00	0.50	0.50	0.25	1	1.00	0.50	0.65	0.33	
			1	3.56	0.50	1.02	1.82	1	3.56	0.50	0.65	1.16	
			1	1.08	0.48	0.51	0.26	1	1.08	0.48	0.65	0.34	
		5 to 6	1	0.99	0.51	0.53	0.27	1	0.99	0.51	0.65	0.33	
			1	1.64	0.50	1.00	0.82	1	1.64	0.50	0.65	0.53	
			1	1.04	0.50	0.54	0.28	1	1.04	0.50	0.65	0.34	
		6 to 7	1	1.00	0.50	0.60	0.30	1	1.00	0.50	0.65	0.33	
			1	1.68	0.50	1.05	0.88	1	1.68	0.50	0.65	0.55	
			1	1.02	0.49	0.59	0.29	1	1.02	0.49	0.65	0.32	
		Along B. 7 to 6	1	1.10	0.50	0.58	0.32	1	1.10	0.50	0.65	0.36	
			1	1.45	0.50	1.00	0.73	1	1.45	0.50	0.65	0.47	
			1	1.12	0.50	0.56	0.31	1	1.12	0.50	0.65	0.36	

[illegible]



[illegible]

	Along 1, E to F	1	3.46	0.50	1.05	1.82	1	3.46	0.50	0.65	1.12						
		1	0.83	0.50	0.62	0.26	1	0.83	0.50	0.65	0.27						
		1	1.15	0.50	0.60	0.35	1	1.15	0.50	0.65	0.37						
	Along 2, E to F	1	3.35	0.50	1.04	1.74	1	3.35	0.50	0.65	1.09						
		1	1.13	0.50	0.55	0.31	1	1.13	0.50	0.65	0.37						
		1	0.98	0.50	0.53	0.26	1	0.98	0.50	0.65	0.32						
	Along 3, E to F	1	3.31	0.50	1.05	1.74	1	3.31	0.50	0.65	1.08						
		1	1.19	0.50	0.51	0.30	1	1.19	0.50	0.65	0.39						
		1	0.97	0.50	0.56	0.27	1	0.97	0.50	0.65	0.32						
	Along 4, E to F	1	1.10	0.50	0.56	0.31	1	1.10	0.50	0.65	0.36						
		1	0.80	0.50	0.55	0.22	1	0.80	0.50	0.65	0.26						
		1	3.20	0.50	1.04	1.66	1	3.20	0.50	0.65	1.04						
	Along 5, E to F	1	1.06	0.50	0.54	0.29	1	1.06	0.50	0.65	0.34						
		1	0.75	0.50	0.55	0.21	1	0.75	0.50	0.65	0.24						
		1	3.46	0.50	1.00	1.73	1	3.46	0.50	0.65	1.12						
	Along E, 5 to 4	1	3.34	0.50	1.04	1.74	1	3.34	0.50	0.65	1.09						
		1	1.28	0.50	0.48	0.31	1	1.28	0.50	0.65	0.42						
		1	1.14	0.50	0.53	0.30	1	1.14	0.50	0.65	0.37						
	4 to 3	1	1.66	0.50	1.10	0.91	1	1.66	0.50	0.65	0.54						
		1	1.22	0.50	0.50	0.31	1	1.22	0.50	0.65	0.40						
		1	1.32	0.50	0.52	0.34	1	1.32	0.50	0.65	0.43						
	3 to 2	1	1.10	0.50	0.53	0.29	1	1.10	0.50	0.65	0.36						
		1	1.29	0.50	1.04	0.67	1	1.29	0.50	0.65	0.42						
		1	1.17	0.50	0.50	0.29	1	1.17	0.50	0.65	0.38						
	2 to 1	1	1.06	0.50	0.57	0.30	1	1.06	0.50	0.65	0.34						
		1	1.42	0.50	1.06	0.75	1	1.42	0.50	0.65	0.46						
		1	1.10	0.50	0.55	0.30	1	1.10	0.50	0.65	0.36						
	Along 2, D to E	1	1.06	0.50	0.58	0.31	1	1.06	0.50	0.65	0.34						
		1	3.44	0.50	0.92	1.58	1	3.44	0.50	0.65	1.12						
		1	1.10	0.50	0.55	0.30	1	1.10	0.50	0.65	0.36						
	Along 1, D to E	1	1.08	0.50	0.60	0.32	1	1.08	0.50	0.65	0.35						
		1	3.42	0.50	1.00	1.71	1	3.42	0.50	0.65	1.11						
		1	1.23	0.50	0.60	0.37	1	1.23	0.50	0.65	0.40						
	Along D, 1 to 2	1	1.00	0.50	0.60	0.30	1	1.00	0.50	0.65	0.33						

			1	1.50	0.50	1.05	0.79	1	1.50	0.50	0.65	0.49					
			1	1.20	0.50	0.60	0.36	1	1.20	0.50	0.65	0.39					
		walls in between plinth beams									0.65						
		Along 3, C to D	1	2.45	0.50	1.05	1.29	1	2.45	0.50	0.65	0.80					
		Along D, 3 to 4	1	4.30	0.50	1.05	2.26	1	4.30	0.50	0.65	1.40					
		4 to 5	1	5.80	0.50	1.05	3.05	1	5.80	0.50	0.65	1.89					
		2 to 3	1	1.10	0.50	0.55	0.30	1	1.10	0.50	0.65	0.36					
			1	1.00	0.50	3.00	1.50	1	1.00	0.50	0.65	0.33					
			1	1.30	0.50	0.50	0.33	1	1.30	0.50	0.65	0.42					
		Walls extending ba	2	4.50	0.50	2.45	11.03	2	4.50	0.50	0.65	2.93					
							98.49					73.35	25.14	m3	2500	62,855.88	
		Bachelor's															
		Upper level RRM wall															
		Along H, 3 to 2	1	0.95	0.5	0.60	0.29	1	0.95	0.5	0.65	0.31					The depth of RRM is 650mm as per drawings. However, the
			1	1.2	0.5	0.55	0.33	1	1.2	0.5	0.65	0.39					
			1	3.96	0.5	1.06	2.10	1	3.96	0.5	0.65	1.29					
		2 to 1	1	0.96	0.5	0.57	0.27	1	0.96	0.5	0.65	0.31					
			1	1.2	0.5	0.62	0.37	1	1.2	0.5	0.65	0.39					
			1	1.63	0.5	1.05	0.86	1	1.63	0.5	0.65	0.53					
		Along G, 3 to 2	1	1.22	0.5	0.55	0.34	1	1.22	0.5	0.65	0.40					
			1	1.02	0.5	0.52	0.27	1	1.02	0.5	0.65	0.33					
			1	3.8	0.5	1.05	2.00	1	3.8	0.5	0.65	1.24					
		2 to 1	1	1.26	0.5	0.52	0.33	1	1.26	0.5	0.65	0.41					
			1	1.02	0.5	0.55	0.28	1	1.02	0.5	0.65	0.33					
			1	1.51	0.5	1.06	0.80	1	1.51	0.5	0.65	0.49					
		Along F, 3 to 2	1	1.18	0.5	0.52	0.31	1	1.18	0.5	0.65	0.38					
			1	1.06	0.5	0.56	0.30	1	1.06	0.5	0.65	0.34					
			1	3.81	0.5	1.03	1.96	1	3.81	0.5	0.65	1.24					
		2 to 1	1	1.1	0.5	0.52	0.29	1	1.1	0.5	0.65	0.36					
			1	1.13	0.5	0.52	0.29	1	1.13	0.5	0.65	0.37					
			1	1.6	0.5	0.98	0.78	1	1.6	0.5	0.65	0.52					
		Along I, F to G	1	1.08	0.5	0.53	0.29	1	1.08	0.5	0.65	0.35					

		1	1.05	0.5	0.58	0.30	1	1.05	0.5	0.65	0.34					
		1	1.71	0.5	1.00	0.86	1	1.71	0.5	0.65	0.56					
	G to H	1	1.07	0.5	0.59	0.32	1	1.07	0.5	0.65	0.35					
		1	0.98	0.5	0.64	0.31	1	0.98	0.5	0.65	0.32					
		1	1.7	0.5	1.05	0.89	1	1.7	0.5	0.65	0.55					
	Along 2, F to G	1	1.2	0.5	0.51	0.31	1	1.2	0.5	0.65	0.39					
		1	1.32	0.5	0.52	0.34	1	1.32	0.5	0.65	0.43					
		1	1.25	0.5	1.03	0.64	1	1.25	0.5	0.65	0.41					
		1	1.11	0.5	0.52	0.29	1	1.11	0.5	0.65	0.36					
	G to H	1	1.12	0.5	0.58	0.32	1	1.12	0.5	0.65	0.36					
		1	1.61	0.5	1.06	0.85	1	1.61	0.5	0.65	0.52					
	Along 3, F to G	1	1.06	0.5	0.58	0.31	1	1.06	0.5	0.65	0.34					
		1	1.16	0.5	0.59	0.34	1	1.16	0.5	0.65	0.38					
		1	1.61	0.5	1.06	0.85	1	1.61	0.5	0.65	0.52					
	G to H	1	1.08	0.5	0.55	0.30	1	1.08	0.5	0.65	0.35					
		1	1.12	0.5	0.59	0.33	1	1.12	0.5	0.65	0.36					
	Along 1, E to F	1	1.67	0.5	1.04	0.87	1	1.67	0.5	0.65	0.54					
		1	1.07	0.5	0.50	0.27	1	1.07	0.5	0.65	0.35					
		1	0.91	0.5	0.51	0.23	1	0.91	0.5	0.65	0.30					
		1	1.7	0.5	0.98	0.83	1	1.7	0.5	0.65	0.55					
Lower level RMM wall												0.65				
	Along D, 2 to 3	1	1.02	0.5	0.57	0.29	1	1.02	0.5	0.65	0.33					
		1	1.15	0.5	0.54	0.31	1	1.15	0.5	0.65	0.37					
		1	3.79	0.5	1.04	1.97	1	3.79	0.5	0.65	1.23					
	3 to 4	1	1.11	0.5	0.52	0.29	1	1.11	0.5	0.65	0.36					
		1	1.7	0.5	0.98	0.83	1	1.7	0.5	0.65	0.55					
		1	1.09	0.5	0.53	0.29	1	1.09	0.5	0.65	0.35					
	Along C, 2 to 3	1	1.06	0.5	0.54	0.29	1	1.06	0.5	0.65	0.34					
		1	1.15	0.5	0.60	0.35	1	1.15	0.5	0.65	0.37					
		1	3.75	0.5	1.03	1.93	1	3.75	0.5	0.65	1.22					
	3 to 4	1	1.15	0.5	0.58	0.33	1	1.15	0.5	0.65	0.37					
		1	1.62	0.5	1.01	0.82	1	1.62	0.5	0.65	0.53					
		1	1.17	0.5	0.55	0.32	1	1.17	0.5	0.65	0.38					
	Along B, 2 to 3	1	1.06	0.5	0.59	0.31	1	1.06	0.5	0.65	0.34					

			1	3.7	0.5	1.08	2.00	1	3.7	0.5	0.65	1.20				
			1	1.2	0.5	0.62	0.37	1	1.2	0.5	0.65	0.39				
		3 to 4	1	1.1	0.5	0.64	0.35	1	1.1	0.5	0.65	0.36				
			1	1.12	0.5	0.59	0.33	1	1.12	0.5	0.65	0.36				
			1	1.63	0.5	1.03	0.84	1	1.63	0.5	0.65	0.53				
		Along A, 2 to 3	1	0.94	0.5	0.58	0.27	1	0.94	0.5	0.65	0.31				
			1	3.92	0.5	1.03	2.02	1	3.92	0.5	0.65	1.27				
			1	1.075	0.5	0.62	0.33	1	1.075	0.5	0.65	0.35				
		3 to 4	1	1.04	0.5	0.58	0.30	1	1.04	0.5	0.65	0.34				
			1	1.84	0.5	1.01	0.93	1	1.84	0.5	0.65	0.60				
			1	0.96	0.5	0.64	0.31	1	0.96	0.5	0.65	0.31				
		Along 2, A to B	1	0.86	0.5	0.59	0.25	1	0.86	0.5	0.65	0.28				
			1	1.64	0.5	0.98	0.80	1	1.64	0.5	0.65	0.53				
			1	1.17	0.5	0.58	0.34	1	1.17	0.5	0.65	0.38				
		B to C	1	0.93	0.5	0.60	0.28	1	0.93	0.5	0.65	0.30				
			1	1.72	0.5	1.00	0.86	1	1.72	0.5	0.65	0.56				
			1	1.04	0.5	0.55	0.29	1	1.04	0.5	0.65	0.34				
		C to D	1	1.04	0.5	0.55	0.29	1	1.04	0.5	0.65	0.34				
			1	1.55	0.5	1.00	0.78	1	1.55	0.5	0.65	0.50				
			1	1.13	0.5	0.57	0.32	1	1.13	0.5	0.65	0.37				
		D to E	1	1.48	0.5	0.54	0.40	1	1.48	0.5	0.65	0.48				
			1	1.24	0.5	1.01	0.63	1	1.24	0.5	0.65	0.40				
			1	0.98	0.5	0.53	0.26	1	0.98	0.5	0.65	0.32				
		Along 3, A to B	1	1.04	0.5	0.60	0.31	1	1.04	0.5	0.65	0.34				
			1	1.47	0.5	1.00	0.74	1	1.47	0.5	0.65	0.48				
			1	1.14	0.5	0.62	0.35	1	1.14	0.5	0.65	0.37				
		B to C	1	1.13	0.5	0.58	0.33	1	1.13	0.5	0.65	0.37				
			1	1.22	0.5	0.58	0.35	1	1.22	0.5	0.65	0.40				
			1	1.41	0.5	0.99	0.70	1	1.41	0.5	0.65	0.46				
		C to D	1	1.11	0.5	0.60	0.33	1	1.11	0.5	0.65	0.36				
			1	1.27	0.5	0.55	0.35	1	1.27	0.5	0.65	0.41				
			1	1.31	0.5	1.03	0.67	1	1.31	0.5	0.65	0.43				
		D to E	1	1.03	0.5	0.50	0.26	1	1.03	0.5	0.65	0.33				
			1	1.12	0.5	0.52	0.29	1	1.12	0.5	0.65	0.36				

[illegible]

## Statement showing inadmissible payment for sand bedding for footings in construction of security quarters at Gelephu Domestic Airport (GDA)

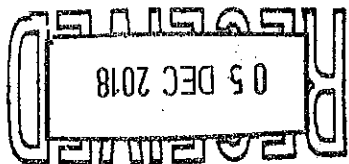
Sl. No.	Code	Description	As per contractor's bill			As per contractor's bill			Diff.	Unit	Rate	Amount	Why difference?
			No.	L	B	H	Qty	No.	L	B	H	Qty	
		2nd RUNNING BILL											
		Faimly Quarter											
1.3	EW0196	Providing & laying sand bedding, including watering, ramming, dressing											
		Total Floor area, upper level	1	12.60	19.70	0.10	24.82	1	12.60	19.70	0.10	24.82	
		Deduct plinth beam	-3	19.70	0.30	0.10	-1.77	-3	19.70	0.30	0.10	-1.77	
			-5	11.40	0.30	0.10	-1.71	-5	11.40	0.30	0.10	-1.71	
		Total floor area, lower level	1	12.60	19.70	0.10	24.82	1	12.60	19.70	0.10	24.82	
		Off grid	1	2.65	6.60	0.10	1.75	1	2.65	6.60	0.10	1.75	
		Deduct plinth beam	-3	19.70	0.30	0.10	-1.77	-3	19.70	0.30	0.10	-1.77	
			-5	11.40	0.30	0.10	-1.71	-5	11.40	0.30	0.10	-1.71	
			-3	2.65	0.30	0.10	-0.24	-3	2.65	0.30	0.10	-0.24	
			-1	5.80	0.30	0.10	-0.17	-1	5.80	0.30	0.10	-0.17	
		Upper level, footing foundation											
		F1	3	2.55	2.55	0.10	1.95						Payment for sand bedding under footing is not admissible as per drawings and the BOQ

[illegible]



[illegible]

TRANSPORT & COMMUNICATIONS  
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ASIAN DEVELOPMENT BANK

