

# Audited Project Financial Statements

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Project Number: 52174-001

Grant 0582-BAN

Period covered: 1 July 2018 to 30 June 2019

## Emergency Assistance Project

Roads and Highways Department

For the Asian Development Bank

Received on 11 June 2020

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 People's Republic of Bangladesh.

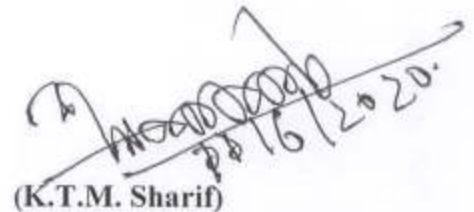
## **AUDITOR'S REPORT**

Audit Completion Date: 10-03-2020.

### **The Secretary**

Road, Transport and Highways Division  
Ministry of Road, Transport and Bridges,  
Bangladesh Secretariat, Dhaka.

- I. We have audited the accompanying Financial Statement of the **“Emergency Assistance Project - (RHD part)” financed under ADB Grant Agreement No.-ADB-0582-BAN(SF) for the financial year 2018-2019** as of 30<sup>th</sup> June 2019 and for the years 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 and practices of INTOSAI/SAI, BD. 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 and 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 **“Emergency Assistance Project - (RHD part)” financed under ADB Grant Agreement No.- ADB-0582-BAN(SF) for the financial year 2018-2019** as of 30<sup>th</sup> 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.
- IV. Opinion Status: *Unqualified.*



(K.T.M. Sharif)

Deputy Director

For Director General

Foreign Aided Projects Audit Directorate

Phone: 88-02-8391548

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Emergency Assistance Project  
"Cox's Bazar-Teknaf Road (N1) Improvement Project"

ADB Grant No: 0582- BAN(SF)

Project Financial Statement

As on 30th June 2019

(Amount in Lakh Taka)

Resources		Notes	Cumulative up to Prior Period	Current Period (FY 2018 -2019)	Cumulative up to Current period
(a)		(b)	(d)	(e)	(f)=(d+e)
A. Source of Fund					
Government of Bangladesh		5.00	-	1,195.59	1,195.59
Loan from Development Partner (Asian Development Bank)		6.00	-	4,659.11	4,659.11
Other Recourses		7.00	-	-	-
Cash opening Balance		8.00	-	-	-
Total Resources			-	5,854.70	5,854.70
B. Usages of Fund					
B.1 Expenditure					
Revenue Exp.:					
Economic Code	Economic Code wise Item description				
			-	-	-
~3255104	Stationary, Stamps and Seal		-	5.15	5.15
	Seminar/Conference/workshop Expenses			1.00	1.00
~3257101	Construction Supervision Consultancy Services			119.94	119.94
	Honorarium for members of TEC, steering Committees, Implementation Committees			1.00	1.00
3111332					
	Examination fees and Expenses(EIA clearance from DOE)			3.45	3.45
3221105					
Capital Expenditure:				-	-
4141101	Resettlement			5.61	5.61
4111302	Pavement			5,337.55	5,337.55
3821199	Transfer, Adjustment and others (reallocation of utility)			381.00	381.00
Total Expenditure			-	5,854.70	5,854.70
B.2 Cash Closing Balance		-	-	-	-
Government of Bangladesh			-	-	-
ADB (Imprest Account)			-	-	-
Total Expenditure and Cash (B1+B2)			-	5,854.70	5,854.70

20802  
21/2/2020

verified  
22/2/2020

S. M. Murshed Hossain  
Audit & Accounts Officer  
Emerson Aided Project Audit Directorate

25/02/2020

Md. Abdul Wahid  
Project Director  
Asst. Chief Engineer (C.C) Road  
Chittagong Zone, Cg.



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Emergency Assistance Project  
Cox's bazar -Teknaf Road (N1) Improvement Project  
ADB Grant No: 0582- BAN(SF)  
Notes to the Accounts

**1.00 Reporting entity:**

These financial statements relates to Emergency Assistance Project Cox's Bazar-Teknaf Road (N1) Improvement Project which is executed and implemented by the Government of Bangladesh, and is funded by Asian Development Bank (ADB) under the Grant Agreement (the Agreement) dated 09 August 2018. The closing date of Emergency Assistance Project is 30th June 2021. The administrative closing date of the project is 30th June 2021.

The designated representative of Emergency Assistance Project Cox's Bazar-Teknaf Road (N1) Improvement Project for Government of Bangladesh is Ministry of Road Transport and Bridges, People's Republic of Bangladesh. Project Management Units (PMU) for Emergency Assistance Project Cox's Bazar-Teknaf Road (N1) Improvement Project is Roads and Highways Department under the Ministry of Road Transport and Bridges.

The overall objectives of Emergency Assistance Project Cox's Bazar-Teknaf Road (N1) Improvement Project is to improve the existing 80.76 Km Cox's Bazar -Teknaf Road to allow smooth plying of vehicular traffic carrying goods and relief materials for the refugees and the end for the local people.

**2.00 Financial Statements**

These Financial Statements have been presented in Bangladeshi Taka. The financial statements comprises of the Statement of Receipts and Payments, Statements of SoE and Reconciliation statements.

**3.00 Financial Reporting Framework**

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles, as applicable in bangladesh. This refers to the cash basis accounting applied with due regard to the General Financial Rules and similar financial rules and codes as are in effect and applicable to the operation of the project. The financial statements have been prepared to ensure maximum alignment with the principles of the cash basis of International Public Sector Standards (IPSAS)

**4.00 Reporting period**

The financial statements apply to the financial period ended from 01 July 2018 to 30 June 2019 (the Period).

The principal accounting policies applied in the preparation of these financial statements are set out below:

**4.01 Basis of preparation**

The financial statements are prepared in accordance with ADB's Handbook for Borrowers on the Financial Management and Analysis of Projects.

The financial statements are prepared on cash basis of accounting in which revenue is recognized when received and expenses are recognized when paid.

**4.02 Measurement basis**

The financial statements have been prepared using cash basis of accounting

**4.03 Changes in accounting policies**

There have been no material changes in accounting policies during the Period.

**4.04 Foreign currency translation**

Foreign currency transactions are translated at the exchange rates prevailing at the date of the transactions.

**4.05 Cash and cash equivalents**

Cash and cash equivalents comprise of balances in the bank, which pertain to funds received from ADB which is restricted to the implementation of Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District.

**4.06 Inventories**

Inventory comprising of stationery and office equipment are not capitalized, but treated as expenditure during the year of purchase. Therefore, financial value of stock balances at year-end is not shown as assets in the financial statements.

**4.07 Receipts and disbursements**

**a. Receipts**

a) Receipts are accounted in the period in which such receipts are received. Receipts consist of external assistance received of loan and grant proceeds from ADB.

Direct payments by ADB for contractors of Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District have been included in receipts in the year of such disbursements.

**b. Payments**

verified  
24/6/2020  
208/2020  
212/2020

*[Signature]*

*[Signature]*  
Mr. Abdul Wahid  
Project Director  
&  
Add. Chief Engineer (Civil) and  
Chattogram Zone, Jg.

#### b. Payments

Payments are accounted in the period in which such disbursements are made. Payments consist of expenses towards stipulated components of Emergency Assistance Project: Cox's Bazar-Teknaf Road (N1) Improvement Project.

#### 4.68 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the reporting period.

#### 5.00 GOVERNMENT OF BANGLADESH

Funds are allocated by the Government of Bangladesh to cover GoB's share of eligible project expenditures, as specified in the Development Project Pro-forma (DPP) and in the Annual Development Programme (ADP) for each of the project. Any allocated funds that have not been expended by the end of a fiscal year lapse and must be returned to GoB. GoB contributions to the project since inception are as follows (In lakh Taka)

(In Lakh Taka)			
	Inception to 30th June 2018	For the year 2018-2019	Inception to 30th June 2019
Disbursement by GoB	-	1,200.00	1,200.00
Less : Refund /Surrender	-	4.41	4.41
<b>Total :</b>	-	<b>1,195.59</b>	<b>1,195.59</b>

#### 6.00 GRANT FROM DEVELOPMENT PARTNER

The Asian Development Bank (ADB) has provided funds to the project to cover its share of eligible project expenditures. These funds, which needs to be repaid to ADB, have been drawn by the project in accordance with the following withdrawal procedures (In Lakh Taka)

(In Lakh Taka)			
	Inception to 30th June 2018	For the year 2018-2019	Inception to 30th June 2019
Initial Deposit (Advance)	-	-	-
DPA (Direct Payment Procedure)	-	4,659.11	4,659.11
RPA (SOE Procedure)	-	-	-
RPA (Non SOE Procedure)	-	-	-
<b>Total :</b>	-	<b>4,659.11</b>	<b>4,659.11</b>

#### 7.00 OTHER RESOURCES - N/A

Other resources consist of the following:

	Inception to 30th June 2018	For the year 2018-2019	Inception to 30th June 2019
Project Revenues			
Exchange gains/losses			
<b>Total :</b>			

#### 8.00 CASH

The project does not maintain any bank accounts for project aid from ADB as the project uses the Direct Payment Methods. One bank account is maintained for GoB funded expenditure and year-end unspent GoB money has been refunded to Government Exchequer as per government rule. Year-end cash balances were as follows

(In Lakh Taka)			
	Inception to 30th June 2018	For the year 2018-2019	Inception to 30th June 2019
Imprest Account (Beginning Balance)	-	-	-
Operating Account (GoB)	-	-	-
Operating Account Sub-Account	-	-	-
<b>Total :</b>	-	-	-

verified  
24/6/2020  
S. M. Murshed Hossain  
Audit & Accounts Officer  
Foreign Aided Project Audit Directorate  
Audit Complex (6th & 11th Floor)  
Sagunbagicha, Dhaka

Mr. Asad Wania  
Project Director  
&  
Asst. Grant Engineer (C.C.) RND  
Chattogram Zone, Ctg.