

Audited Project Financial Statements

Project Number: 52174-001

Grant 0582-BAN

Period covered: 1 July 2019 to 30 June 2020

Emergency Assistance Project

Prepared by Department of Public Health Engineering

For the Asian Development Bank

Received on 31 December 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: 10-12-2020

The Senior Secretary
Local Government Division
Ministry of Local Government, Rural Development & Cooperatives
Bangladesh Secretariat, Dhaka.

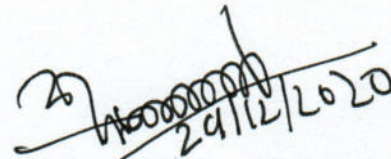
We have audited the accompanying Financial Statement of the "Emergency Assistance Project for Water Supply and Sanitation at Ukhia and Teknaf Upazila in Cox's Bazar District Project" financed under ADB grant no-0582-BAN as of 30 June, 2020 and for the years then ended. According to ISSAI 1570 the preparation of Financial Statement is the responsibility of management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with International Standards on Auditing and practices of INTOSAI/SAI 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.

Bills /vouches & supporting documents of Tk 391.36 Lakh pertaining to consultancy and procurement of vehicles could not be produced for audit verification as a result audit could make any comment on the expenditure.

Except as stated in the preceding paragraphs the FS gives a fair view. 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 for Water Supply and Sanitation at Ukhia and Teknaf Upazila in Cox's Bazar District Project " financed by ADB under grant no.0582-BAN as on 30th June 2020 and the results of its operations and cash flows for the year then ended in accordance with the cash basis of accounting followed by the Government of Bangladesh.

Opinion Status: **Qualified**


29/12/2020

(K T M Sharif)

Deputy Director

For Director General

Foreign Aided Projects Audit Directorate

Phone: 88-02-8391548

Financial Statement

Emergency Assistance Project for Water Supply and Sanitation Component
at Ukhaiya and Teknaf Upazila in Cox's Bazar District.

ADB Grant No: 0582- BAN(SF)

Project Financial Statement

As on 30th June 2020

(Amount in Lakh Taka)

Resources	Notes	Cumulative up to Prior Period 2019	Total Current Period (FY 2019 -2020)	Cumulative up to Current period
(a)	(b)	(c)	{f(d+e)}	{g=(c+f)}
A. Source of Fund				
Government of Bangladesh	5.00	156.76	4,577.07	4,733.83
Grant from Development Partner (Asian Development Bank)	6.00	780.72	5,975.66	6,756.38
RPA (Impresst)				
DPA				
Other Resources	7.00	-	-	-
Cash opening Balance	8.00	-	-	-
Total Resources		937.48	10,552.73	11,490.21
B. Usages of Fund				
B.1 Expenditure				
(i) Revenue Exp.:				
Economic Code	Economic Code wise Item description	-	-	-
31111	Pay & Allowances	-	25.29	25.29
32112	Pay of Establishment	-	93.07	93.07
32511	Supplies and Services	14.92	21.02	35.94
3257101	Consultancy (GoB=29.40 & DPA=95.91)	-	125.31	125.31
3258101, 3258103	Operation and Others	-	7.01	7.01
	(i) Sub Total	14.92	271.70	286.62
(ii) Capital Expenditure:				
4112101	Motor Vehicles -Pick-up (Double Cabin-4 WD) GoB=51.92		51.92	51.92
4112101	Motor Vehicles-Jeep (4 WD 5 door, Mm 2500 cc) GoB=119.72		119.72	119.72
4112101	Water Carrier Supply: (GoB=3.66 & PA=90.78)	334.88	94.44	429.32
4112314	Furniture: (GoB=1.83)	-	1.83	1.83
4111201	Non-Resident Building (Bathing Facilities):(GoB=91.07,DPA 248.77 & RPA 320.51)	284.01	660.35	944.36
4111308	Sinking of tube well :(GoB=160.06, DPA 240.92 & RPA=2700.13)	150.23	3,101.11	3,251.34
4111309	Sanitation and Water Supply:(GoB=310.04)	153.44	310.05	463.49
4141101	Land Acquisition: (GoB=3663.01)	-	3,663.01	3,663.01
	(ii) Sub Total	-	8,002.43	8,924.99
	A. Total Expenditure (i+ii)	937.48	8,274.13	9,211.61
B.2 Cash Closing Balance				
Government of Bangladesh		-	-	-
ADB (Imprest Account)-Initial Advance		-	-	-
Total Expenditure and Cash (B1+B2)		937.48	10,552.73	11,490.21

Md. Mostafizur Rahman 15-EAP-DPHE 2019-2020 Sohel 16.12.2020

Md Mostafizur Rahman
Deputy Project Director
EAP Project (GOB-ADB)
DPHE, Dhaka

(Md. Abdul Halim Khan)
Project Director
Emergency Assistance Project (ADB)
DPHE, Dhaka.

**Emergency Assistance Project for Water Supply and Sanitation Component and
at Ukhaiya and Teknaf Upazila in Cox's bazar District.**
ADB Grant No: 0582- BAN(SF)

Notes to the Accounts

1.00 Reporting entity:

These financial statements relates to Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District 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 for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District for Government of Bangladesh is Ministry of Local Government, Rural Development & Co-operatives of People's Republic of Bangladesh. Project Management Units (PMU) for *Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District* is Department of Public Health Engineering, Local Government Division under the Ministry of Local Government, Rural Development & Co-operatives.

The overall objectives of Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District is to improve the health and living standard by increasing access to safe water supply and sanitation system of the displaced people from Rakhaine state of Myanmar currently staying in 32 camps in Kutupalong-Balukhali region along with affected host community living in Ukhia and Teknaf upazila in Cox's Bazar.

Specific Objectives:

- To introduce piped water supply system in the affected communities
- To develop sanitation system along with solid waste management and fecal sludge management in these camps.
- To provide women's equitable access to water supply and sanitation through this project.

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 SoI 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 1 July 2019 to 30 June 2020
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 on cash basis of accounting in which revenue is recognized when received and expenses are recognized when paid. The financial statements also are prepared in accordance with ADB's Handbook for Borrowers on the Financial Management and Analysis of Projects.

4.02 Measurement basis

The financial statements have been prepared using cash basis of accounting

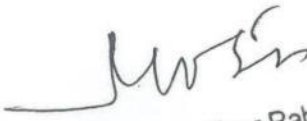
4.03 Changes in accounting policies


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


Md Mostafizur Rahman
Deputy Project Director
EAP Project (GOB-ADB)
DPHE, Dhaka


(Md. Abdul Halim Khan)
Project Director
Emergency Assistance Project (ADB)
DPHE, Dhaka.

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

Payments are accounted in the period in which such disbursements are made. Payments consist of expenses towards stipulated components of Emergency Assistance Project for Water Supply and Sanitation Component at Ukhaiya and Teknaf Upazila in Cox's bazar District.

4.08 Comparatives

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

4.09 Compliance with Laws, Regulations and others:

The project has complied with relevant Government laws and regulations such as Public Procurement ACT 2006 and Public Procurement Rules-2008, General Financial Rules, Income Tax Ordinance 1984, Finance Act'19, VAT Act -2012 and other applicable laws and regulations. In Addition,

(A) The project has utilized all proceeds of the grant withdrawn from the grant account only for the purposes of the projects in accordance with the Grant Agreement and no proceeds of the grant have been utilized for other purposes; and

(B) The Project was in compliance as at the end of reporting period with all financial covenants of the grant agreement.

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)

	Inception to 30th June 2019	For the year 2019- 2020	Inception to 30th June 2020
Disbursement by GOB	395.00	4,700.00	5,095.00
Less : Refund /Surrender	238.24	122.93	361.17
Total :	156.76	4,577.07	4,733.83

6.00 GRANT FROM DEVELOPMENT PARTNER

The Asian Development Bank (ADB) has provided funds to the project to cover it's 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)

	Inception to 30th June 2019	For the year 2019- 2020	Inception to 30th June 2020
Initial Deposit (Advance)		3,349.05	3,349.05
DPA (Direct Payment Procedure)	780.72	585.60	1,366.32
RPA (SOE Procedure)	-	2,041.01	2,041.01
RPA (Non SOE Procedure)	-	-	-
Total :	780.72	5,975.66	6,756.38

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7.00 OTHER RESOURCES – N/A

Other resources consist of the following:

	Inception to 30th June 2019	For the year 2019- 2020	Inception to 30th June 2020
Project Revenues			
Exchange gains/losses			
Total :			

8.00 CASH (Closing Balance)

The project maintain three bank accounts, an imprest account, or revolving fund which is kept at Bangladesh bank to hold funds advanced by ADB. One separate sub account maintained in Sonali bank as instructed in Project Administration Manual. Similarly, on another operating Bank account in Cox's Bazar.

(In Lakh Taka)

	Inception to 30th June 2019	For the year 2019- 2020	Inception to 30th June 2020
Imprest Account (Beginning Balance)		-	-
Operating Account (GoB)	-	-	-
Operating Account Sub-Account -PMU	-	2,278.60	2,278.60
Operating Account Sub-Account - Cox's Bazar			-
Total :	-	2,278.60	2,278.60

Verified
16.12.2020
Md. Samir Kabir
Audit & Accounts Officer
Foreign Aid Project Audit Directorate
Audit Complex (4th & 11th Floor)
Sagunbagicha, Dhaka.

[Signature]
Md Mostafizur Rahman
Deputy Project Director
EAP Project (GOB-ADB)
DPHE, Dhaka

[Signature]
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Emergency Assistance Project (ADB)
DPHE, Dhaka.

Department of Public Health Engineering
Emergency Assistance Project
for Water Supply & Sanitation of Ukhia and Teknaf, Cox's Bazar
Grant No. 0582-BAN (SF)
Bank Reconciliation Statement
For The Period : From 01 June 2020 to 30 June 2020

Name of Bank & Branch: Sonali Bank Ltd., Fakirapool Branch, Dhaka
Branch Code: 16071-Fakirapool
SWIFT Code:

Account No. 1607103000026
Account Type: Special Notice Deposit Account (SNDS)

A. Balance as per Bank Statement as at 30 June 2020					231,615,436.00
B. Less: Total amount of cheques issued but not yet presented to the Bank (as mentioned below or list attached).					
SL No.	Description	Date	Cheque No.	Amount (Taka)	
	Total				
C. Less: Total of amounts credited in the Bank Statement and not to be shown in the FS (as per ADB financial rules)					
SL No.	Description	Date	Cheque No.	Amount (Taka)	
	Bank Wronly credit			1,489,386.00	
	Govt. Treasary A/c deposit to Interest as on 30.06.2020			2,216,074.00	
	Cheque issue to Cox's bazar			50,000.00	
	Total			3,755,460.00	3,755,460.00
D. Add: Total of amounts TDS and On-line bank charges deduction during FY 2019-2020 in the Bank Statement and not to be shown in the FS (as per ADB financial rules)					
SL No.	Description	Date	Cheque No.	Amount (Taka)	
	Total				
E. Add: Total of amounts debited in the Bank Statement but not yet recorded in Cash Book (as mentioned below or list attached)					
SL No.	Description	Date	Cheque No.	Amount (Taka)	
	Total				
F. Closing Balance as per Bank/Cash Book as at 30 June 2020					227,859,976.00



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