



महालेखापरीक्षकको कार्यालय
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Babar Mahal, Kathmandu, Nepal

Ref. No.- 2074/75 - 342

Date: March 18, 2018

AUDIT REPORT

The Secretary
Ministry of Finance
Singh Durbar, Kathmandu
Report on the Financial Statements

We have audited the accompanying Project Financial Statements of the "**Strengthening Regional Cooperation for Wildlife Protection Project**" financed by IDA Grant No. H6660-NEP as at 15 July, 2017 (31 Ashadh, 2074) and for the year then ended and a summary of accounting policies and other explanatory notes.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the Government of Nepal (GON) accounting policies and relevant practices. This responsibility includes: designing, implementing and maintaining internal control relevant to preparation and fair presentation of project financial statements that are free from material misstatement, whether due to fraud and error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Project Financial Statements based on our audit. Except as mentioned in following paragraph, we conducted our audit in accordance with the INTOSAI (International Organisation of Supreme Audit Institutions) Fundamental Auditing Principles. Those Principles require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Management letter highlighting areas for improving financial management including compliance with financial covenant is attached herewith.

In our opinion, the Project Financial Statements in all material respects, give a true and fair view of the financial position of the "**Strengthening Regional Cooperation for Wildlife Protection Project**" as at 15 July, 2017 (31 Ashadh, 2074), and of the results of its operations and its cash flows for the year then ended in accordance with GON accounting policies. We also report that funds provided under IDA Grant No. H6660-NEP has been utilized for intended purposes.

In addition, a) adequate supporting documentation has been maintained to support claims to donors for reimbursement of expenditures incurred; and b) expenditures are eligible for financing under the above mentioned Loan and grants.

(Mohadatta Timilsina)
Deputy Auditor General

Government of Nepal
Ministry of forest and Soil conservation
National Trust for Nature Conservation
Strengthening Regional cooperation for Wildlife Protection Project
Project No IDA Grant H 6660 Nepal
Audited Projects Accounts

Summary of Sources and Uses of funds

Period cover 15 July 2016 to 15 July 2017 (1st Sharwan 2073 to 31 Asahd 2074)
Fiscal Year 2016-2017

Description	Notes to Account	Cumulative upto Last FY 2015/2016	This Year	Amount in NPR
Budget allocation				
A. Opening Cash/ Bank Balance				
1 Cash Balance of Previous Trimester		529,680,000.00	78,050,000.00	607,730,000.00
B. Sources of funds				
I NTNC Reimbursable Fund				
II IDA Fund (Transfer + Direct Payment)		15,519,001.92	(15,519,001.92)	-
III IDA Fund		54,393,136.90	(54,393,136.90)	-
		187,473,972.50	99,664,786.83	287,138,759.33
C. Total Available fund (A+B)				
		257,386,111.32	29,752,648.01	287,138,759.33
D. Uses of funds by Category				
I Goods, works, Services, Training/and Operating costs				
		68,824,286.21	23,818,537.82	92,642,824.03
II Goods, Works Services, Training/ Workshop and operating costs				
		170,604,654.52	3,858,344.05	174,462,998.57
III NTNC Coordination costs				
		17,957,170.59	2,075,766.14	20,032,936.73
D. Total Use of Funds				
		257,386,111.32	29,752,648.01	287,138,759.33
E. Freed Amount				
F. Total (D+E)				
		257,386,111.32	29,752,648.01	287,138,759.33
G. Closing Cash Balance (C-F)				
		-	-	-

Designated Account Statement

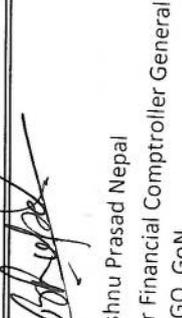
S.N	Description	Notes to Account	Cumulative upto Last FY 2015/2016	This Year	Cumulative Date
1	Opening Cash Balance		-	2,423,211.92	
2	Add:- Fund Received from IDA		244,290,321.32	42,848,438.01	287,138,759.33
3	Total Cash Available (1+2)		244,290,321.32	45,271,649.93	287,138,759.33
4	Less Transfer to NTNC from Designated Account		18,722,519.50	23,648,147.46	42,370,666.96
5	Less Direct Payment from Designated Account		223,144,589.90	21,623,502.47	244,768,092.37
6	Closing balance (3-4-5)		2,423,211.92	-	-

Note


Dr. Siddhartha B. Bajracharya
Executive Director
NTNC-PCU


Man Bahadur Khadka
Director General
DNPWC


Dr. Yubak Dhoj G.C.
Secretary
MOFSC


Bishnu Prasad Nepal
For Financial Comptroller General
ACGO, GoN


Mohadatta Timilsina
Deputy Auditor General
Office of the Auditor General

Government of Nepal
Ministry of forest and Soil conservation
National Trust for Nature Conservation
Strengthening Regional cooperation for Wildlife Protection Project
Statements of Expenditure by Component
Audited Projects Accounts
Project No. IDA Grant H 6660 Nepal
Period cover 15 July 2016 to 15 July 2017 (1st Sharwan 2073 to 31 Asahd 2074)
FY 2016-2017

Item No. A	Description	Cumulative Expenditure upto FY 2015/2016	Allocated Budget for FY 2016-2017	This Year (6+7+8)	Balance Budget Amount (5-9)	Cumulative Expenditure to Date (4+-9)	Remarks
1	Strengthening Policy	4.00	5	9	10	11	(4+-9)
1	SAWEN Secretariat Strengthening		-	-	-	-	-
	Office equipment	207,553.30				207,553.30	
	Office furniture	839,872.50				839,872.50	
	Staff cost	2,204,879.80				2,204,879.80	
	SAWEN Meeting and workshop	2,249,374.35				2,249,374.35	
	Operating Cost	2,330,956.93	1,250,000	942,562.90	307,437.10	3,273,519.83	
2	Wildlife Stock Piles Management						
	Renovation of Existing Building	-	-	-	-	-	-
	Preservatives/materials	-	-	-	-	-	-
	Furniture/cabinets	-	-	-	-	-	-
	Training on stock pilies	-	-	-	-	-	-
	Equipment	-	-	-	-	-	-
	Operating Cost	-	-	-	-	-	-
3	Landscape Policy						
	Landscape Policy	-	-	-	-	-	-
	Consultancy	-	-	-	-	-	-
	Workshop	-	-	-	-	-	-
4	National Tiger Conservation Committee						
	Furniture	-	-	-	-	-	-
	Equipment	394,685.10	-	-	-	394,685.10	-
	Support staff	-	-	-	-	-	-
	Motorcycle	179,711.84	-	-	-	179,711.84	-
	Operating cost	453,578.34	-	-	-	453,578.34	-
5	Wildlife Crime Control Bureau and Secretariat						
	4 Wheel Drive 1	11,884,523.52	-	-	-	11,884,523.52	-
	Motorcycles 2	359,423.68	-	-	-	359,423.68	-

Item No.	Description	Cumulative Expenditure upto FY 2015/2016	Allocated Budget for FY 2016-2017	This Year	Balance Budget Amount	Cumulative Expenditure to Date	Remarks
	Support Staff	540,600.00	-	-	-	540,600.00	
	Furniture	123,742.91	-	-	-	123,742.91	
	Equipment	490,725.10	-	-	-	490,725.10	
	Crime Investigation- WCCB	-	-	-	-	-	
	Operating cost	474,556.09	-	-	-	474,556.09	
6	Rapid Response Cells						
	Rapid response cells operating cost	-	-	-	-	-	
7	Forensic Lab						
	Lab operation cost	-	9,000,000	7,074,000.00	1,926,000.00	7,074,000.00	
	Strengthening National Park and Wildlife Reser						
	Support to fields Projects including NP/WR/DFO's	9,745,421.00	14,000,000	5,264,940.46	8,735,059.54	15,010,361.46	
8	Antipoaching Operations	25,000.00				25,000.00	
9	Intelligence Networks						
	Communications (Equipment)	-	-	-	-	-	
	Sniffing Dogs and handlers (2)	-	-	-	-	-	
	Operating cost	-	-	-	-	-	
10	Communication Infrastructure/Power Supply						
	Telephone tower establishment	-	-	-	-	-	
	Telephone/internet	2,446,200.00	-	-	-	2,446,200.00	
11	Equipments/Vehicles						
	Computer/printer/fax/photocopy/scanner/Camera/Motorcycle	15,258,978.88	5,150,000	-	5,150,000.00	15,258,978.88	
	Operating Cost (Monitoring cost, Professional fees, Notice etc) publicationetc	1,904,642.04	7,500,000	6,286,151.19	1,213,848.81	8,190,793.23	
12	Capacity Building and Training						
	Habitat management, monitoring and patrolling training	2,088,571.44	-	-	-	2,088,571.44	
	Smart patrolling training	1,044,285.72	-	-	-	1,044,285.72	
	Training on stock pilies Management	1,044,285.72	-	-	-	1,044,285.72	
	Training on Tiger conservation	417,714.29	-	-	-	417,714.29	
	Training on wildlife crime control	1,269,116.71	-	-	-	1,269,116.71	
	Forensic literacy Training (Knowledge Management)	266,400.00	-	-	-	266,400.00	
	Training/Workshops/study tour/meeting	4,707,633.10	4,500,000	2,585,883.27	1,914,116.73	7,293,516.37	
	Exposure visits/study tours/workshop/training	1,442,252.91	-	-	-	1,442,252.91	
	Higher education (Misc/PhD)	3,610,075.73	2,250,000	1,665,000.00	585,000.00	5,275,075.73	

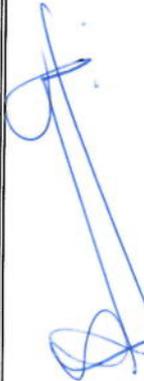
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Item No.	Description	Cumulative Expenditure upto FY 2015/2016	Allocated Budget for FY 2016-2017	This Year	Balance Budget Amount	Cumulative Expenditure to Date	Remarks
	CITES Workshops and Training Meeting/Workshops for NTNC	90,270.96	-	-	-	90,270.96	
	Workshops and Training	113,237.00	-	-	-	113,237.00	
	Transboundary meeting	-	500,000	-	500,000.00	-	
	Meeting, workshop etc (inception and Launching)	156,017.25	-	-	-	156,017.25	
13	Component 2: Virtual Regional Center of Excellence						
	State of the Art Information and Telecommunication	-	-	-	-	-	
	Operating Costs	460,000.00	-	-	-	460,000.00	
	Honorarium for Proposal Review Committee Members	-	-	-	-	-	
	Window Two (Proposals for Innovative, Research and Pilot Projects)	170,604,654.52	28,900,000	3,858,344.05	25,041,655.95	174,462,998.57	
14	Component 3: Project Coordination and Comr						
	Project Management Fees 7.5% of Total cost	17,957,170.59	5,000,000	2,075,766.14	2,924,233.86	20,032,936.73	
	Total in NPR	257,386,111.32	78,050,000	29,752,648.01	48,297,351.99	287,138,759.33	



Bidur Prasad Pokharel
Senior Finance Officer
NTNC



Dr. Siddhartha B. Bajracharya
Executive Director
NTNC-PCU



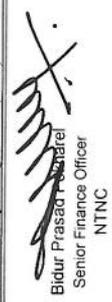
Govinda Gajurel
Member Secretary
NTNC

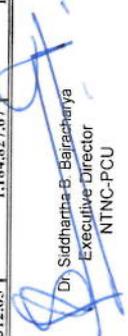
Government of Nepal
 Ministry of forest and Soil conservation
 National Trust for Nature Conservation
 Strengthening Regional cooperation for Wildlife Protection Project
 Project No. IDA Grant H 6660 Nepal
 Unaudited Project Accounts
 Summary of Cash Withdrawal (Disbursement)
 Period cover 15 July 2016 to 15 July 2017 (1st Sharwan 2073 to 31 Asahd 2074)
 Fiscal Year 2016-2017

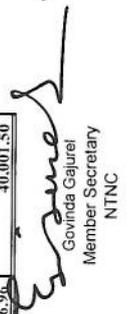
S. No.	WA No.	Value Date	Advance		Disbursed Categories			Net Advance Balance (4-8)
			4	5	2	3	Total	
A. Cumulative as of Last FY 2015/2016		3	244,290,321.32	40,332,489.86	133,618,189.89	13,523,292.75	187,473,972.50	56,816,348.82
B. Reporting Period FY 2016/2017								
1st Trimester	16	29-Aug-16	42,813,954.32	17,243,595.92	32,715,663.14	4,433,877.84	54,393,136.90	(11,579,182.58)
2nd Trimester	17	23-Mar-17	-	23,416,305.58	-	1,201,983.69	24,618,289.27	(24,618,289.27)
3rd Trimester	18	4-May-17	-	11,650,432.67	8,094,661.85	873,782.45	20,618,876.97	(20,618,876.97)
Sub Total of (B)	19	9-May-17	-	-	34,483.69	-	34,483.69	-
C. Cumulative as of Reporting Period (A+B)			287,104,275.64	92,642,824.03	174,462,998.57	20,032,936.73	287,138,759.33	66,083.29

S. No.	WA No.	Value Date	Advance		Disbursed Categories			Net Advance Balance (4-8)
			4	5	2	3	Total	
A. Cumulative as of Last FY 2015/2016		3	2,461,203.90	405,997.81	1,306,273.30	133,135.09	1,845,406.20	615,797.70
B. Reporting Period FY 2016/2017								
1st Trimester	16	29-Aug-16	398,232.28	162,430.26	308,173.16	41,765.99	512,369.41	(114,137.13)
2nd Trimester	17	23-Mar-17	-	223,288.99	-	11,461.66	234,750.65	(234,750.65)
3rd Trimester	18	4-May-17	-	113,474.52	78,841.52	8,510.59	200,826.63	(200,826.63)
Sub Total of (B)	19	9-May-17	398,232.28	499,193.77	387,349.57	334.89	334.89	-
C. Cumulative as of Reporting Period (A+B)			2,859,436.18	905,191.58	1,693,622.87	194,873.33	2,793,687.78	66,083.29

S. No.	WA No.	Value Date	Advance		Disbursed Categories			Net Advance Balance (4-8)
			4	5	2	3	Total	
A. Cumulative as of Last FY 2015/2016		3	1,710,737.77	274,653.74	907,188.41	92,066.72	1,273,908.87	436,828.90
B. Reporting Period FY 2016/2017								
1st Trimester	16	29-Aug-16	287,645.66	115,851.14	219,800.27	29,789.02	365,440.43	(77,794.77)
2nd Trimester	17	23-Mar-17	-	163,914.31	-	8,413.89	172,328.20	(172,328.20)
3rd Trimester	18	4-May-17	-	82,893.46	57,593.96	6,217.01	146,704.43	(146,704.43)
Sub Total of (B)	19	9-May-17	287,645.66	362,658.91	277,639.26	44,419.92	684,718.09	(396,827.40)
C. Cumulative as of Reporting Period (A+B)			1,998,383.43	637,312.65	1,184,827.67	136,486.64	1,958,626.96	40,001.50


 Bidur Prasad Poudel
 Senior Finance Officer
 NTNC


 Dr. Sidhartha B. Bajracharya
 Executive Director
 NTNC-PCU


 Govinda Gajurel
 Member Secretary
 NTNC



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November 17, 2017

Dr. Siddhartha B. Bajracharya
Project Chief
National Trust for Nature Conservation
Khumaltar, Lalitpur

Dear Dr. Bajracharya:

Strengthening Regional Cooperation for Wildlife Protection Project (IDA Grant H666-NP) and Strengthening Institutional Capacity of SAWEN to combat wildlife crime (TF 16498-NP): Unaudited Project Accounts of FY2016/17

This refers to your letter dated November 14, 2017 received on same date.

We have reviewed the subject reports and found them acceptable.

We would like to remind you that the Audited Project Accounts of FY2016/17 are due on January 15, 2018.

Sincerely,

Yogesh Bom Malla
Senior Financial Management Specialist

cc: Mr. Mohadatta Timilsina, Deputy Auditor General, Office of the Auditor General
Dr. Yubak Dhoj G.C, Secretary, Ministry of Forest and Soil Conservation
Mr. Ram Kumar Acharya, Financial Comptroller General, FCGO
Mr. Man Bahadur Khadka, Director General, Department of National Parks and Wildlife Conservation

Bider
For your information
act
THS
20/11/17

Government of Nepal
Ministry of forest and Soil conservation
National Trust for Nature Conservation
Strengthening Regional cooperation for Wildlife Protection Project
Project No IDA Grant H 6660 Nepal
Unaudited Projects Accounts

Summary of Sources and Uses of funds

Period cover 15 July 2016 to 15 July 2017 (1st Sharwan 2073 to 31 Asahd 2074)
Fiscal Year 2016-2017

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1 Cash Balance of Previous Trimester		-	-	-	
B. Sources of funds					
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II IDA Fund (Transfer + Direct Payment)		54,393,136.90	(54,393,136.90)	-	
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D. Total Use of Funds		257,386,111.32	29,752,648.01	287,138,759.33	
E. Freezed Amount					
F. Total (D+E)		257,386,111.32	29,752,648.01	287,138,759.33	
G. Closing Cash Balance (C-F)					

Designated Account Statement

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Note

(Signature)
Dr. Siddhartha B. Bajracharya
Executive Director
NTNC-PCU

(Signature)
Man Bahadur Khadka
Director General
DNPWC

(Signature)
Prakash Mathema
Secretary
MOFSC

(Signature)
Ram Kumar Acharya
Financial Comptroller General
FCGO