

AUDITOR'S REPORT

Audit completion date: 08-09-2014

The Secretary
Ministry of Local Government Rural development & Co-operatives
Bangladesh Secretariat
Dhaka.

I. We have audited the accompanying Financial Statement of the " Bangladesh Rural Water Supply and Sanitation Project (BRWSSP) financed by IDA under Credit Agreement No. 5075-BD as at 30th June, 2014 and for the year then ended. The preparation of Financial Statement is the responsibility of the management. Our responsibility is to express an opinion on the Financial Statement based on our audit.

II. We conducted our audit on accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statement is free from 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, the Financial Statement gives a fair view in all material respects of the financial position of " Bangladesh Rural Water Supply and Sanitation Project " as at 30th June, 2014 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.

IV. **Opinion:** Unqualified.


(Md. Mamun-Ul-Mannan) 31.12.14

Deputy Director
For Director General
Foreign Aided Projects Audit Directorate

Bangladesh Rural Water Supply and Sanitation Project (BRWSP)
Project Financial Statement
30th June, 2014

(Figures in Lakh Taka)

Resources	Notes	Cumulative Prior Period	Current period	Cumulative Current Period
Government of Bangladesh	1	23.17	76.13	99.30
Loan from Development Partner	2	1,000.00	2,488.01	3,488.01
Other resources	3	-	0.72	0.72
Community/Sponsor' s Contribution	4	-	6.75	6.75
Cash opening balance	5	-	940.29	-
Total Resources		1,023.17	3,511.90	3,594.78

Expenditure and Cash				
1.	Rural Piped Water Supply	-	224.15	224.15
2.	Rural Non-piped Water Supply	-	-	-
3.	Rural Sanitation	-	-	-
4.	Capacity Strengthening and Technical Assistance	-	210.39	210.39
5.	Project Management and Support	82.88	930.57	1,013.45
	Total Project Expenditures	82.88	1,365.11	1,447.99
6.	Interest Deposited to the Government Treasury	-	-	-
7.	Revenue Deposit to Bangladesh Bank	-	0.72	0.72
	Total Expenditure	82.88	1,365.83	1,448.71

Cash Closing Balance				
Special Account (CONTASA)	5	940.29	2 146 07	2,146.07
Total Expenditure and Cash		1,023.17	3,511.90	3,594.78

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(Monwar Ali)

Project Director

Bangladesh Rural Water Supply and Sanitation Project

Bangladesh Rural Water Supply and Sanitation Project (BRWSSP)
NOTES TO FINANCIAL STATEMENT
30th June, 2014

1. Government of Bangladesh

(Figures in lakh taka)

Funds are allocated by the Government of Bangladesh to cover GOB's share of eligible project expenditures, as specified in the Development Project Proposal and in the Annual Development Programme for each year of the Project. Any allocated funds that have not been expended by the end of a fiscal year lapse and must be surrendered to GOB. GOB contributions to the project since inception are as follows:

Particulars	Inception to 30th June 2013	For the year 2013-2014	Inception to 30th June 2014
Disbursement by GOB	100.00	375.00	475.00
Less: Surrender to GOB	76.83	298.87	375.7
Total:	23.17	76.13	99.30

2. Loan from Development partner

The IDA has provided funds as grant to the Project to cover its share of eligible Project expenditures. These funds have been drawn by the Project in accordance with the following withdrawal procedures:

Particulars	Inception to 30th June 2013	For the year 2013-2014	Inception to 30th June 2014
Initial Deposit (Advance)	-	-	-
DPA (Direct Payment)	-	-	-
RPA (SOE Procedure)	-	-	-
RPA (Non SOE Procedure)	-	-	-
RPA (IFR procedure)	1,000.00	2,488.01	3,488.01
Others	-	-	-
Total	1,000.00	2,488.01	3,488.01

3. Others Resources

Others Resources consist of the following

Particulars	Inception to 30th June 2013	For the year 2013-2014	Inception to 30th June 2014
Project Revenues	-	0.72	0.72
Total	-	0.72	0.72

4. Private Sponsor/Community Contribution

There is a provision in the project documents to share project cost by the private Sponsor and Community in case of Rural Piped Water Supply Schemes and Rural Sanitation. Such contribution to the project cost since inception of the project are as follows:

Particulars	Inception to 30th June 2013	For the year 2013-2014	Inception to 30th June 2014
Private Sponsor Contribution	-	6.75	6.75
Community Contribution	-	-	-
Total	-	6.75	6.75

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5. Cash

The Project maintains one bank account : A special account (CONTASA/STD-0200001643215) which is kept in Agrani Bank Limited, Principal Branch, Motijheel C/A, Dhaka to hold funds advanced by IDA and operated by the Project Director. Yearwise cash balances were as follows:

Particulars	Inception to 30th June 2013	For the year 2013-2014	Inception to 30th June 2014
Special Account(CONTASA)	940.29	2,146.07	2,146.07
Operating Account (RPA)	-	-	-
Operating Account (GOB)	-	-	-
Total	940.29	2,146.07	2,146.07


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(Monwar Ali)
Project Director
Bangladesh Rural Water Supply and Sanitation Project

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Auditor's Report on Special Account (CONTASA)

01. We have audited the Special Account Statements of " Bangladesh Rural Water Supply and Sanitation Project(BRRSSP) financed by IDA **under** Credit Agreement No. 5075-BD **for the year ended t 30th June, 2014.**
02. Our audit was carried out following International Auditing Guidelines. Accordingly our audit included such review of systems of internal control, tests of accounting records and supporting documentation, verification of accounts balances and other auditing procedures that we considered necessary under the circumstances.
03. The accompanying Special Account Statements was prepared on the basis of cash deposits and withdrawals for the purpose of complying with the above Credit Agreement. **Annexure- "A"**
04. In our opinion, reimbursements made by **IDA** are properly accounted for and withdrawals were made for the purpose of the project in accordance with the Credit Agreement.


(Md. Mamun-ul-Mannan) 31.12.14
Deputy Director

For Director General
Foreign Aided Projects Audit Directorate
Phone: 9331027

Department of Public Health Engineering (DPHE)
Bangladesh Rural Water Supply and Sanitation Project (BRWSSP)
IDA Credit No. 5075-BD
Special Account Statement

For the Year ending : 30 June 2014
 Account No. : STD-0200001643215 (CONTASA)
 Depository Bank : Agrani Bank Limited Principal Branch Motijheel C/A, Dhaka
 Related Credit No. : Credit No. 5075-BD
 Currency : BDT

Part- A: Account Activity

Opening Balance	95,608,560.00
Total amount deposited by the World Bank during the year :	
Withdrawal application No.	
WA-0002, dated: 19/08/2013	45,665,000.00
WA-0003, dated: 02/10/2013	20,905,987.00
WA-0004, dated: 19/12/2013	35,617,500.00
BRWSSP- 005, dated: 28/04/2014	3,782,500.00
BRWSSP- 006, dated: 24/06/2014	142,830,000.00
	248,800,987.00
Total amount refunded to cover in eligible expenditure	344,409,547.00
Deduct:	
Total amount withdrawn for the year ended June 30, 2014	128,222,921.28
Total interest if not included above amount withdrawn	1,579,547.00
Ending Balance as on 30/06/2014	214,607,078.72

Part- B: Account Reconciliation

1.	Opening balance	100,000,000.00
2.	Amount advanced by the World Bank throughout the year	248,800,987.00
3.	Less: Total amount documented by World Bank throughout the year	90,054,739.00
4.	Equals present outstanding amount advanced	258,146,248.00
5.	Ending balance of Special Account	242,708,453.68
6.	Plus- Amount claimed not yet credited as on 30/06/2014	-
7.	Plus- Amount withdrawn and not yet claimed as on 30/06/2014	43,539,169.28
8.	Less: Interest earnings (If included in Special Account)	3,225,183.96
9.	Plus- Service Charges	-
10.	Equals total advance to Special Account accounted for at fiscal year ended 30.06.2014	283,022,439.00

Causes of difference:

Amount accounted for as on 30/06/2013 (As per sl. 10)	283,022,439.00
Less: Cheque issued but not presented to Bank by June 30, 2014	24,876,191.00
Equals total advance to Special Account accounted for	258,146,248.00

Note: A

Calculation of total amount withdrawn from the Special Account

Opening Balance	95,608,560.00
Add: Deposited by World Bank through out the year	248,800,987.00
Less: Interest deposited into the Government treasury	1,579,547.00
Less: Closing balance as on 30/06/2014	214,607,078.72
Total amount withdrawn	128,222,921.28

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 08-09-14
 [Signature]

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 (Monwar Ali)
 Project Director

Bangladesh Rural Water Supply and Sanitation Project

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AUDIT OPINION ON SOE/ NON SOE

We have audited the Statements of Expenditure(SOE) of the " Bangladesh Rural Water Supply and Sanitation Project(BRRSSP)" financed by IDA under Credit Agreement No. 5075-BD for the year ended 30th June, 2014 submitted to the World Bank for reimbursement of expenditure in accordance with the IDA credit no-5075-BD dated. April 12 '2012.

The audit was conducted following International Standard of Auditing. Accordingly it included such test of accounting records and supporting documentation review of existing system of internal controls, So far exists, and adopting necessary auditing procedures that we considered essential under the circumstances.

Withdrawals SOE Particulars

Withdrawal application /SOE. The Project authority claimed Tk.2488.01 lakh for reimburse and same was disbursed by the Donor during the period 2013-2014. Details are shown in Annexure-"B"


Withdrawals SOE/NON-SOE Particulars

The particulars of withdrawal on the basis of statement of expenditure SOE/NON- SOE of CONTASA account as submitted to audit by the Project authority are shown in separate statement enclosed here with Annexure-"C" SOE Annexure-"C" and NON-SOE Annexure-D.

OPINION

In our opinion, World Bank could rely upon the Statement of Expenditure (SOE) except as discussed in the observations issued under section -II of this report, to support the applications for credit disbursement for expenditure incurred for the purpose of the Project specified in the particulars of withdrawal applications.

Opinion Status:- Unqualified



31.12.14

(Md.Mamun-ul-Mannan)

Deputy Director

For Director General

Foreign Aided Project Audit Directorate

Tel: 9331027

SUMMARY OF WITHDRAWAL APPLICATION (SOE)

2013-14

Bangladesh Rural Water Supply and Sanitation Project (BRWSSP)

DONOR : International Development Association (IDA)

NO. : 5075-BD

Application		IFR period	Goods, Consultants' Services and Training (Category-1)		Rural Piped Water Supply (Category-2(i))	Incremental operating costs (Category-3)	Total expenditure claimed for adjustment with the special account advance			Total expenditure approved & adjusted with the special account advance	Difference	Total amount claimed for advance to the special account	Total amount received against advance to the special account	Difference	Outstanding advance to the special account
No.	Date		SOE	NON-SOE	NON-SOE	SOE	SOE	NON-SOE	Total						
1	2	3	4	5	6	7	8=4+7	9=5+6	10=8+9	11	12=10-11	13	14	15=13-14	16 = opening balance +14-10
Outstanding advances to the Special Account as on July 01, 2013															100.
WA-0002	19.08.2013	Jan-March/13	-	515,000	-	-	-	515,000	515,000	515,000	-	45,665,000	45,665,000	-	145.
WA-0003	02.10.2013	April-June/13	1,445,483	2,100,238	-	1,910,266	3,355,749	2,100,238	5,455,987	5,455,987	-	20,905,987	20,905,987	-	160.
WA-0004	19.12.2013	July-Sept/13	360,000	1,650,000	-	454,463	814,463	1,650,000	2,464,463	2,464,463	-	35,617,500	35,617,500	-	193.
BRWSSP-005	28.04.2014	Oct-Dec/13	9,188,215	1,650,000	-	834,392	10,022,607	1,650,000	11,672,607	11,672,607	-	3,782,500	3,782,500	-	185.
BRWSSP-006	10.06.2014	Jan-March/14	7,504,798	60,950,811	734,957	1,356,116	8,860,914	61,685,768	70,546,682	70,546,682	-	142,830,000	142,830,000	-	258.
Total			18,498,496	66,866,049	734,957	4,555,237	23,053,733	67,601,006	90,654,739	90,654,739	-	248,800,987	248,800,987	-	

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 08-09-14
 Md. Rafiqul Alam
 Project Director
 Bangladesh Rural Water Supply and Sanitation Project

20/8/14
 (Monwar Ali)
 Project Director
 Bangladesh Rural Water Supply and Sanitation Project

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SUMMARY OF WITHDRAWAL APPLICATION (SOE)

FISCAL YEAR : 2013-14

PROJECT : Bangladesh Rural Water Supply and Sanitation Project (BRWSSP)

LENDER/DONOR : International Development Association (IDA)

CREDIT NO. : 5075-BD

Application		Goods, Consultants' Services and Training (Category-1)	Rural Piped Water Supply (Category-2(i))	Rural Non-Piped Water Supply (Category-2(ii))	Rural Sanitation (Category-2(iii))	Characterization and Monitoring of Safe Ground Water Resources (Category-2(iv))	Incremental operating costs (Category-3)	Total Amount Claimed	Total amount approved & adjusted with the advance	Di
No.	Date									
WA-0002	19.08.2013	-	-	-	-	-	-	-	-	-
WA-0003	02.10.2013	1,445,483	-	-	-	-	1,910,266	3,355,749	3,355,749	-
WA-0004	19.12.2013	360,000	-	-	-	-	454,463	814,463	814,463	-
BRWSSP-005	28.04.2014	9,188,215.00	-	-	-	-	834,392	10,022,607	10,022,607	-
BRWSSP-006	10.06.2014	7,504,798	-	-	-	-	1,356,116	8,860,914	8,860,914	-
Total		18,498,496	-	-	-	-	4,555,237	23,053,733	23,053,733	-

Verified
08-09-14
Abdur Rahman
Joint Project Director

20/8/14
(Monwar Ali)
 Project Director
 Bangladesh Rural Water Supply and Sanitation

SUMMARY OF WITHDRAWAL APPLICATION (NON-SOE)

FISCAL YEAR : 2013-14

PROJECT : Bangladesh Rural Water Supply and Sanitation Project (BRWSSP)

LENDER/DONOR : International Development Association (IDA)

CREDIT NO. : 5075-BD

Application		Goods, Consultants' Services and Training (Category-1)	Rural Piped Water Supply (Category-2(i))	Rural Non-Piped Water Supply (Category-2(ii))	Rural Sanitation (Category-2(iii))	Characterization and Monitoring of Safe Ground Water Resources (Category-2(iv))	Incremental operating costs (Category-3)	Total Amount Claimed	Total amount approved & adjusted with the advance	Dif
No.	Date									
WA-0002	19.08.2013	515,000	-	-	-	-	-	515,000	515,000	
WA-0003	02.10.2013	2,100,238	-	-	-	-	-	2,100,238	2,100,238	
WA-0004	19.12.2013	1,650,000	-	-	-	-	-	1,650,000	1,650,000	
BRWSSP-005	28.04.2014	1,650,000	-	-	-	-	-	1,650,000	1,650,000	
BRWSSP-006	10.06.2014	60,950,811	734,957	-	-	-	-	61,685,768	61,685,768	
Total		66,866,049	734,957	-	-	-	-	67,601,006	67,601,006	

Verified
08-09-14
Md. Abdur Rahman
Project Director

20/8/14
(Monwar Ali)
 Project Director
 Bangladesh Rural Water Supply and Sanitation
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