

Audited Project Financial Statements

Project Number: 32234
Loan Number: 3097
Period covered: 2014 - 2015

BAN: Railway Sector Investment Program–Project 3

Prepared by Bangladesh Railway

For the Asian Development Bank
Date received by ADB: 20 January 2016

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 Public Communications Policy 2011 and as agreed between ADB and the Bangladesh Railway.

Government of the People's Republic of Bangladesh
Bangladesh Railway, RailBhaban,
16 Abdul Gani Road,
Dhaka-1000

No. BR/ADB/Audit-52-774

Date: 19-01-2016

To
Nusrat Chowdhury
Operation Assistant
Asian Development Bank
Bangladesh Resident Mission
Plot E-31, Sher-e-Bangla Nagar
Dhaka-1207, Bangladesh
e-mail: nchowdhury@adb.org




Subject: Audit Inspection Report on the account of "Procurement of 100 Meter Gauge & 50 Broad Gauge passenger carriages for Bangladesh Railway" financed under ADB Loan no. 3097-BAN (SF) for the year 2014-15 report against the loan no. 3097-BAN.

Dear Sir,

Please find enclosed herewith an Audit Inspection Report on the account of " Procurement of 100 Meter Gauge & 50 Broad Gauge passenger carriages for Bangladesh Railway" financed under ADB Loan no. 3097-BAN (SF) for the year 2014-15 for your kind information.

Thanks & best regards.

Enclosure: Audit report - 17 pages.


(M. Mizanur Rahman Bhuiyan)
Works Manager (Project)
For, Chief Mechanical Engineer (Development)
& Project Director
Bangladesh Railway, RailBhaban,
16, Abdul Gani Road, Dhaka,
Bangladesh.

FOREIGN-AIDED PROJECTS AUDIT DIRECTORATE
AUDIT COMPLEX (6TH FLOOR)
SEGUNBAGICHA, DHAKA.

১২/১১/১৫
সি.এ.জি.এ.সি.
২০/১১/১৫

NO: 465 /FAPAD/S-1/ADB/2014-2015/

Date: -11-2015.

To

The Secretary,
Ministry of Railways,
Bangladesh Secretariat,
Dhaka.

Sub: Audit Inspection Report on The Accounts of "Procurement of 100 Meter Gauge and 50 Broad Gauge Passenger Carriages for Bangladesh Railway Project" financed under ADB Loan no- 3097 BAN (SF) for the year 2014-15.

The Auditor's Report along with a Management Letter of the above mentioned project is enclosed for your kind information and necessary action.

Enclosure:

1. Auditor's Report
2. Financial Statement
3. Management Letter

Sd/-
(A K M Jubaer)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9356303.

NO: 465 /FAPAD/S-1/ADB/2014-2015/ ৪৩৩

Date: 12 -11-2015.

Copy for information and necessary action to: -

1. The Secretary, Economic Relations Division, Ministry of Finance, Sher-e-Bangla Nagar, Dhaka.
2. The Country Director, Asian Development Bank, Bangladesh Resident Mission, Plot-No. E 31, Sher-e- Bangla Nagar, Dhaka-1207.
3. The Project Director, Procurement of 100 Meter Gauge and 50 Broad Gauge Passenger Carriages for Bangladesh Railway Project, Bangladesh Railway 6th floor, Abdul Gani Road , Dhaka-1000.
4. Office Copy.

(A K M Jubaer)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9356303.

Audit Inspection Report

On

The Accounts of
*“Procurement of 100 Meter Gauge and 50 Broad Gauge
passenger carriages for Bangladesh Railway Project”*
Financed under ADB Loan no 3097
BAN (SF) for the year 2014-2015.

Part-I

Executive Summary
&
Audit Finding

Foreign Aided Projects Audit Directorate
Segunbagicha, Dhaka.

Information Regarding Audit

1.	Name of Audit Unit	:	<i>Procurement of 100 Meter Gauge and 50 Broad Gauge Passenger Carriages for Bangladesh Railway Project.</i>
2.	Nature of Audit	:	Financial Audit.
3.	Year of Audit	:	2014-2015.
4.	Duration of Audit	:	06-09-2015 to 08-09-2015.
5.	Audit Party	:	Party No.06 Md. Delwar Hossain Fakir, A&AO Mr. Rabindranath Saha, Super.
6.	Audit Methodology	:	i) Verification of Financial Statement. ii) Test check of vouchers.
7.	Scope of Audit	:	<ul style="list-style-type: none"> ▪ Certification of Annual Financial Statement. ▪ The audit was conducted following International Standards on Auditing (ISA) and practices of INTOSAI/SAI of Bangladesh and also as per procedures prescribed by GOB and Development partner. ▪ Audit opinion is limited to the fund receipt and expenditure incurred by the project authority. ▪ Review of Financial Management and Internal Control Systems. ▪ Equipment Management.
8.	Duration of project	:	4 years.
9.	Total estimated cost	:	Tk. 113026.85 lakh
10.	Current year expenditure	:	TK. 553.90 (GOB)
11.	Commencement	:	01-07-2013.
12.	Completion	:	30-06-2017.
13.	Executing Ministry	:	Ministry of Railway.
12.	Implementing Agency	:	Bangladesh Railway
14.	Funding Agency & Credit No	:	ADB 3097 BAN (SF) & GOB.
15.	Project Objectives	:	The objectives of the project is to replaced the over aged passenger carriages and to provide modern, safe, improved quality carriages for passenger services.

16.	Funding System	<p>GOB fund for the Project was provided in the Annual Development program (ADP). It was withdrawn on the basis of fund release order issued by the Administrative Ministry. The funds were spent by the Project Director on the basis of submitting bills to the Financial Adviser and Chief Accounts Officer (project), Bangladesh Railway, Dhaka. Who issued Bangladesh Railway cheques to the Bangladesh Bank.</p> <p>Donor's fund (Direct payment) DPA was provided directly by the Donor (ADB) to the Contractor's nominated bank account after getting withdrawal application submitted by the Project Director.</p> <p>No RPA funds were used for the project upto 30-6-2015.</p>
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Auditor's Report

Audit Completion Date: 08-09-2015.

To

The Secretary,
Ministry of Railway
Bangladesh Secretariat,
Dhaka.

I. We have audited the Financial Statement of the **"Procurement of 100 Meter Gauge and 50 Broad Gauge Passenger Carriages for Bangladesh Railway Project"** financed under ADB Loan number 3097 BAN (SF) as at 30 June 2015 and for the year then ended. The preparation of the 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 have conducted our audit following 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 of material misstatement. An audit includes examining, on a test basis evidences supporting the amounts and disclosures made 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 aspects of the financial position of **"Procurement of 100 Meter Gauge and 50 Broad Gauge Passenger Carriages for Bangladesh Railway Project"** financed under ADB Loan number 3097 BAN(SF) as at 30 June 2015 and the result 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 Status: **Unqualified.**



(A K M Jubaer)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9356303.

1/25/15

Name of the Project: Railway Sector Invest Program-Project 3
(Sub-project: Procurement of 100 Meter Gauge and 50 Broad Gauge
Passenger Carriages for Bangladesh Railway).

Project Financial Statement

30th June 2015

(Figure in Lakh Taka)

Resources	Notes	Cumulative Prior Period	Current Period	Cumulative Current Period
Government of Bangladesh	1	1.93	553.90	555.83
Lender/Donor	2	0.00	0.00	0.00
Other resources	3	0.00	0.00	0.00
Cash opening balance	4	0.00	0.00	0.00
Total Resources		1.93	553.90	555.83

Expenditure				
1. Government of Bangladesh (Salary)	5	0.00	5.78	5.78
2. Government of Bangladesh (Supply and Service) L/C Cam.	5	1.93	475.01	476.94
3. Government of Bangladesh (Equipment)	5	0.00	73.11	73.11
Total Expenditure		1.93	553.90	555.83

Cash Closing Balance				
Special Account		-	-	-
Project Operating Account No.		-	-	-
Operating Account of Field offices		-	-	-
Total Expenditure and Cash		1.93	553.90	555.83

Verified
 01/10/2015
 MR. MOHAMMAD FAKIR
 ACCOUNTS OFFICER
 1ST FLOOR
 DHAKA

✓
Mrinal Kanti Banik
 Addl. Chief Mechanical Engineer/Project
 100 MG & 50 BG Carriages Procurement Project
 Bangladesh Railway, Rail Bhavan, Dhaka.

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NOTES TO THE FINANCIAL STATEMENT

1. GOVERNMENT OF BANGLADESH:

	Inception to 30 June 2014	For the year 2014-15	Inception to 30 June 2015
Disbursements by GOB	3.00	555.00	558.00
Less: Refunds to GOB	1.07	1.10	2.17
Total:	1.93	553.90	555.83

2. LOAN FROM LENDER / DONOR:

	Inception to 30 June 2014	For the year 2014-15	Inception to 30 June 2015
Initial Advance	-	-	-
Direct Payments	-	-	-
SOE Procedures	-	-	-
Non SOE Procedures	-	-	-
Total:	-	-	-

3. OTHER RESOURCES:

	Inception to 30 June 2014	For the year 2014-15	Inception to 30 June 2015
Project Revenues	-	-	-
Exchange gains/ losses	-	-	-
Total:	-	-	-

4. CASH:

	Inception to 30 June 2014	For the year 2014-15	Inception to 30 June 2015
Cash on hand	-	-	-
Special Account	-	-	-
Project Operating Account No.	-	-	-
Operating Account of Field stations	-	-	-
Total:	-	-	-


Mrinal Kanti Banik
Addl. Chief Mechanical Engineer/Project
100 MG & 50 BG Carriages Procurement Project
Bangladesh Railway, Rati Eneben, Dhaka.