

AUDITED PROJECT FINANCIAL STATEMENTS

Loan/Grant: Loan N° L-I—896- Grant N° G-I-C-1445- Loan N° 2000001457

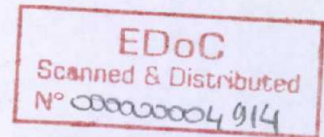
Period covered: FY 2016 - 2017

Coastal Climate Resilient Infrastructure Project (CCRIP)

Prepared by Foreign Aided Project Audit Directorate (FAPAD)

Received on 21 January 2018

The Audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those IFAD's Board of Directors, Management or Staff. These documents are made publicly available in accordance with the "IFAD Handbook for Financial Reporting and Auditing of IFAD-Financed Projects (2018)" and as agreed between IFAD and the Government of Bangladesh.



Foreign-Aided Projects Audit Directorate
Audit Complex (6th & 11th Floor)
Segunbagicha, Dhaka.

No. 524/FAPAD/S-1/ADB,IFAD,KfW/CCRIP/2016-2017/

Date: -12-2017.

Secretary
Local Govt. Division
Ministry of LGRD and Co-operatives.
Bangladesh Secretariat.
Dhaka.

Sub: Audit Inspection Report on the Accounts of "Coastal Climate Resilient Infrastructure Project" financed by ADB Loan No.2913-BAN(SF), ADB Loan No.8258-BAN (SCF), ADB Grant No. 0310-BAN(EF), IFAD Loan No. L-1-896-BD, IFAD Loan-2000001457, IFAD Grant No.1-C-1445-BD and KfW Grant BMZ No.2011 97 680 for the Year 2016-2017.

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

Enclosure:

1. Auditor's Report.
2. Financial Statement & Notes to FS.
3. Management letter.
4. Opinion on SOE.
5. Auditor's Report on Special Account.

Sdk
(Md. Abdul Alim Talukder)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9331027.

No. 524/FAPAD/S-1/ADB,IFAD,KfW/CCRIP/2016-2017/ 1024 Date: 31-12-2017.

Copy for information and necessary action to:-

1. Secretary, Economic Relations Division, Ministry of Finance, Sher-e-Bangla Nagar, Dhaka.
2. Country Director, Asian Development Bank, E-31, Agargaon, Sher-e-Bangla Nagar, Dhaka.
- ✓ 3. Project Director, Coastal Climate Resilient Infrastructure Project, RDEC Bhaban, Level-3, LGED, Agargaon, Dhaka.

Replies/Comments on the Auditor's Report and Management Letter may please be sent to the undersigned within 35 (Thirty Five) days of receipt of this letter in your office observation in part-A through Ministry concerned and part-B directly to FAPAD.

4. Office Copy.

31.12.17
(Md. Abdul Alim Talukder)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9331027.

প্রকল্প পরিচালক
সিসিআরআইপি, এনজিইডি, ঢাকা
তারিখ নং ২৬২৭/২
স্বাক্ষর <i>AW</i>
তারিখ ২৭/১২/১৭

Information Regarding Audit

- Name of the audit unit : *Coastal Climate Resilient Infrastructure Project (CCRIP)*
- Name of Development Partners: : ADB, IFAD and KfW
- Nature of Audit : Financial Audit.
- Audit Year : 2016-20167
- Duration of Audit : 26.08.2017 to 16.11.2017.
- Audit team : Md. Abul Hashim, Audit & Accounts Officer.
Md. Rubel Akter, Auditor
- Audit Methodology : Sampling of vouchers, High value.
- Scope of Audit :
 - Certification of Annual Financial Statement.
 - Audit opinion is limited to the fund receipts and expenditures incurred by the project authority.
 - Review of Financial Management, Internal Control systems.
 - Equipment Management.
- Audit Status : 5th year audit.
- Project Duration : 06 Years
- Total Estimated Cost : BDT 126, 723.17 lakh.
- Current Year Cost : **Total Tk. 23,524.41 Lakh.**
(GOB Tk. 3999.66 lakh +
Donor fund (RPA) Tk. 19,027.81 lakh)+
DPA 496.94 Lakh.
- Commencement : January/2013.
- Completion : December/2018 (As per RDPP)
- Executing Ministry : Ministry of Local Govt. Rural Development and Co-operatives.
- Implementing agencies : Local Government Engineering Department (LGED).
- Funding agencies : ADB, IFAD & KfW
- Fund Management System : **GOB fund:** Funds are allocated by Government of Bangladesh to cover GoB's share of eligible project expenditures. The Ministry of LGRD & Co-Operatives released GOB fund with the concurrence of the Ministry of Finance. The project authority withdrew the same submitting bills to the Chief Accounts officer, M/O LGRD & Co-operatives, DCA and DAO time to time.
Donor Fund (RPA):

ADB fund: Imprest Account was maintained with the Bangladesh Bank for ADB Loan No.2913-BAN(SF), ADB Loan No.8258-BAN (SCF), ADB Grant No. 0310-BAN(EF). Later on, fund was transferred to the project operating bank account no.STD 004001639, STD 004001642 and STD 004001654, Janata Bank Ltd. Motijheel C/A, Dhaka on the basis of fund authorization issued by the Ministry of Finance. Then the funds were transferred to District Operating account shown in details under Note-4 of Financial Statement.

IFAD Fund: Special account (SAFE) was maintained with the Bangladesh Bank for IFAD Loan No. L-1-896-BD, IFAD Grant No.1-C-1445-BD. Later on, fund was transferred to the project operating bank account no.STD 0200002387489 and STD 0200002387435, Agrani Bank Ltd. Shymoli Branch, Dhaka on the basis of fund authorization issued by the Ministry of Finance. Then the funds were transferred to District Operating account shown in details under Note-4 of Financial Statement.

KfW Fund: Imprest account was maintained with the Bangladesh Bank for KfW Grant no.201197680. Later on, fund was transferred to the project operating bank account no.0200002476312, Agrani Bank Ltd. Shymoli Branch, Dhaka on the basis of fund authorization issued by the Ministry of Finance. Subsequently from the project operating bank account fund were transferred to the District Operating account bank account no.0200003472004, Agrani Bank Ltd., Patuakhali branch & bank account no.0200002893318, Agrani Bank Ltd., Barguna branch.

DPA Fund: DPA fund was disbursed by the Donor directly on the basis of withdrawal application sent by the project authority.

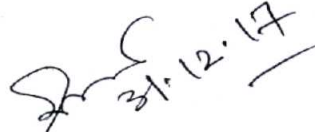
➤ **Project objectives**

- : Improvement of livelihood in the selected coastal districts vulnerable to climate change and increase of safety of the population as well as the rural infrastructures during extreme climate events.

Auditor's Report

Secretary
Local Govt. Division
Ministry of LGRD and Co-operatives.
Bangladesh Secretariat.
Dhaka.

- I. We have audited the accompanying Financial Statement of the "Coastal Climate Resilient Infrastructure Project" financed by ADB Loan No.2913-BAN(SF), ADB Loan No.8258-BAN (SCF), ADB Grant No. 0310-BAN(EF) IFAD Loan No. L-1-896-BD, IFAD Loan-2-000001457, IFAD Grant No.1-C-1445-BD and KfW Grant No.201197680 for the Year 2016-2017 as of 30th June, 2017 and for the year then ended. The preparation of the 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 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 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.
- IV In our opinion, the Financial Statement gives a fair view in all material aspect of the financial position "Coastal Climate Resilient Infrastructure Project" for the year 2016-2017 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.
- V. Opinion Status: **Unqualified.**


(Md. Abdul Alim Talukder)
Deputy Director
For Director General
Foreign Aided Projects Audit Directorate
Tel: 9331027.

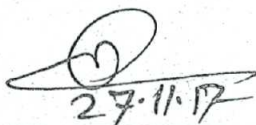
Local Government Engineering Department (LGED)
Coastal Climate Resilient Infrastructure Project (CCRIP)

Project Financial Statement


As on 30th June, 2017

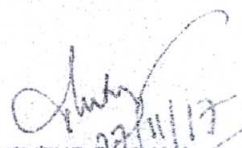
Figure in Lakh Taka

Resources	Notes	Total Budget up to June 2017 (As per ADP Allocation)	Cumulative Actual up to 30 June 2017	Budget Current Period (July 16- June 17)	Actual Current Period (July 16- June 17)	Actual Prior Period (July 15- June 16)	Unspent Budget
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h=(c-d)</i>
A. Sources of Fund							
Government of Bangladesh	Note 1	11,550.00	11,500.73	4,000.00	3,999.66	3,999.46	
Lender/ Donor	Note 2	57,262.00	58,887.22	25,500.00	21,762.59	20,738.74	
Other resources	Note 3	-	350.12	-	301.71	108.15	
Cash opening balance	Note 4	-	-	-	7,835.54	3,065.42	
Total Resources		68,812.00	70,738.07	29,500.00	33,899.51	27,911.78	
B. Usages of Fund							
B.1 Expenditure							
1. Pay of Officers	Note 5	301.50	298.03	111.57	111.56	89.36	3.47
2. Pay of Establishment	Note 5	347.39	344.02	119.03	119.02	102.65	3.37
3. Allowances	Note 5	549.32	544.46	171.48	171.47	126.11	4.86
4. Supply & Services	Note 5	10,240.29	9,669.56	2,765.92	2,997.03	2,627.54	570.73
5. Re-habilitation	Note 5	116.50	116.47	32.00	31.99	32.50	0.03
6. Capital	Note 5	1,153.28	1,126.47	8.15	7.79	36.22	26.81
7. Land Acquisition	Note 5	458.90	458.89	154.90	154.89	114.00	0.01
8. Civil Work	Note 5	55,644.82	47,680.20	26,136.95	19,863.70	16,917.78	7,964.62
9. Bank Charge	Note 5		57.41		27.28	12.51	
10. Bank Interest deposited to GOB Account	Note 5		67.46		39.68	17.57	
Total Expenditure		68,812.00	60,362.97	29,500.00	23,524.41	20,076.23	8,573.89
B.2 Cash Closing Balance							
Project Special Accounts	Note 4		1,768.34		1,768.34	5,339.26	
Project Operating Accounts	Note 4		141.64		141.64	83.27	
Operating Accounting of Field offices	Note 4		8,465.11		8,465.11	2,413.02	
Total Cash Closing Balance			10,375.10		10,375.10	7,835.54	
Total Usages of Fund			70,738.07		33,899.51	27,911.78	


27.11.17
(MD. LUTFUR RAHMAN)
Accountant
Coastal Climate Resilient
Infrastructure Project
LGED H/O, Agargaon, Dhaka.


27.11.17
(MD. ABUL HASHIM)
Audit & Accounts Officer
Foreign Aided Projects Audit Directorate
Segunbagicha, Dhaka.


27.11.17
(MD. SHAHARUR)
Deputy Project Director
Coastal Climate Resilient
Infrastructure Project
Local Govt. Engineering Department.


27.11.17
A.K.M. LUTHFUR RAHMAN
Project Director
Coastal Climate Resilient
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LGED H/O, Agargaon, Dhaka.