

# Audited Project Financial Statements

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Project Number: 42229-016  
Grant Number: 3674-BHU  
Period covered: 1 July 2018 to 30 June 2019

## BHU: Secondary Towns Urban Development Project

Prepared by Department of Engineering Services, Ministry of Works and Human Settlement

For the Asian Development Bank  
Date accepted by ADB: 22 January 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 Department of Engineering Services, Ministry of Works and Human Settlement.

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Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources

AIN: 16276

**FINANCIAL AUDIT REPORT OF THE  
ASIAN DEVELOPMENT BANK [ADB] FUNDED  
"SECONDARY TOWN URBAN DEVELOPMENT  
PROJECT BHU 3674", IMPLEMENTED BY THE  
DEPARTMENT OF ENGINEERING SERVICES,  
MINISTRY OF WORKS & HUMAN SETTLEMENT,  
THIMPHU**

PERIOD: 01/07/2018 TO 30/06/2019

OCTOBER 2019

Received on 24.10.19

Nanda,  
Please scan and  
Share to Director,  
DS, SFO  
27-10-19

*"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."  
- His Majesty the King Jigme Khesar Namgyel Wangchuck*

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Website: [www.bhutanaudit.gov.bt](http://www.bhutanaudit.gov.bt) | Email: [info@bhutanaudit.gov.bt](mailto:info@bhutanaudit.gov.bt) and [tkezang@bhutanaudit.gov.bt](mailto:tkezang@bhutanaudit.gov.bt)



རྒྱལ་ཁཚམས་ལྷན་ཁུངས་འཛིན་པ།  
ROYAL AUDIT AUTHORITY  
Bhutan Integrity House

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



RAA/AR/DSA-SCID/ADB- Project -DES/MoWHS/2019/2554

Date: 23/10/19

The Director  
Department of Macroeconomic Affairs  
Ministry of Finance  
Thimphu

**Subject: Financial Audit Report of the ADB funded "Secondary Town Urban Development Project, Loan No. BHU 3674", implemented by the Department of Engineering Services, Thimphu for the period from 01/07/2018 to 30/06/2019**

Sir,

Enclosed herewith, please find the audited **financial statements and auditors' report thereon** in respect of the ADB funded "Secondary Town Urban Development Project, loan No. 3674", implemented by the Department of Engineering Services, Thimphu for the financial year ended June 30, 2019 along with the **audit findings & recommendations**. The audit was conducted as required under the Audit Act of Bhutan 2018, and in accordance with International Standards of Supreme Audit Institutions (ISSAIs).

Two sets of the audited Financial Statements and Auditors' Report may please be forwarded to the ADB Headquarters, Manila, Philippines.

#### **Auditor's Report on the Financial Statement**

As may be noted from the auditors' report, the financial statements are prepared by the Department of Engineering Services, in all material respects, in accordance with Financial Rules and Regulations 2016. Accordingly, the RAA has issued unmodified (unqualified) opinion on the financial statements.

#### **Audit Findings and Recommendations**

The deficiencies and lapses observed in the accounting records, internal controls and operations of the Department of Engineering Services are reported herewith as audit findings along with recommendations, which also form part of the audited financial statement for the year ended 30 June 2019.

The RAA has reviewed the replies furnished by the Department of Engineering Services and incorporated in the report. Out of five audit findings with various sub heads, one audit finding was settled in view of recoveries made, related supporting documents and evidences furnished subsequently, which are transmitted separately to the Department of Engineering Services in the form of **Management Appraisal Report (MAR)** for future reference and compliance.

The RAA has also reported one audit finding under **Recommendatory Observation**, which in the opinion of the RAA needed further review and intervention as issue observed has potential impact on the loan money and if not addressed for future projects.

*"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."*

*- His Majesty the King Jigme Khesar Namgyel Wangchuck*

The Department of Engineering Services is requested to review the deficiencies and lapses pointed out and institute appropriate check and balance systems to curb such lapses in future. The Royal Audit Authority would appreciate receiving an Action Taken Report (ATR) within **three months** from the date of issuance of this report.

The Royal Audit Authority acknowledges the kind co-operation and assistance extended to the audit team by the officials of the Department of Engineering Services, which facilitated the completion of the audit.

Yours sincerely,



**(Tashi Tobgay)**  
**Deputy Auditor General**  
**Department of Sectoral Audit**

*Copy to:*

1. Hon'ble Secretary, Ministry of Finance, Tashichho Dzong, Thimphu
2. Hon'ble Secretary, Ministry of Works & Human Settlement, Thimphu
3. The Project Manager, BHU 3674, MoWHS, Thimphu
- ✓ 4. The Chief Finance officer, MoWHS, Thimphu
5. The AAG, Follow-up and Clearance Division, RAA, Thimphu
6. The AAG, Policy, Planning & Annual Audit Report Division, RAA, Thimphu
7. Office copy.

*"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."*  
*- His Majesty the King Jigme Khesar Namgyel Wangchuck*

## TITLE SHEET

1.	Title	:	Financial Audit Report of ADB funded "Secondary Town Urban Development Project (BHU-3674) of Department of Engineering Services.
2.	AIN	:	16276
3.	Head of the Agency	:	Dasho Chencho Norbu, Secretary, MoWHS EID No.8805205
4.	Project Manager	:	Prakash Gautam, Executive Engineer EID No. 201001179
5.	Drawing and Disbursing Officer	:	1. Karma Ugyen, Chief Account Officer EID No. 2101187 01/07/2018 to 30/6/2019 2. Kinzang Norbu, Senior Account Officer EID No.2007001128 01/07/2018 to 30/6/2019
6.	Finance Personnel	:	Tshewang Dema, Accountant EID No.200207173
7.	Period Audited	:	01/07/2018 to 30/06/2019
8.	Schedule of Audit	:	Start date:05/08/2019 End date : 30/08/2019
9.	Composition of Teams	:	<b>Team Leader:</b> Karma Wangchuk, Dy.Chief Auditor EID No.9209042 <b>Team Members:</b> 1. Sherab Jamtsho, Audit Officer EID No. 201710107998 2. Kinley Zam, AAO EID No.20150104999 3. Tashi Wangmo. Auditor II EID No. 20180912410
10.	Supervising Officer	:	Gaza Wangchuk, Offtg. AAG EID No.9209044
11.	Overall Supervising Officer	:	Tashi Tobgay, DAG EID No. 9811012
12.	Engagement Letter No	:	RAA/DSA-SCID/Iti-01/2019/1900 dated 6/8/19
13.	Focal Person	:	Karma Wangchuk
14.	Date of Exit Meeting	:	27/09/2019

## Glossary of Abbreviations & Acronyms

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AAG	:	Assistant Auditor General
AIN No	:	Audit Information Number
ADB	:	Asian Development Bank
AR	:	Audit Report
DSA	:	Department of Sectoral Audit
DES	:	Department of Engineering Services
EID No.	:	Employee Identification Number
MoWHS	:	Ministry of Works & Human Settlement
PLC	:	Project Letter of Credit
PMU	:	Project Management Unit
PIU	:	Project Implementation Unit
RMA	:	Royal Monetary Authority of Bhutan
RAA	:	Royal Audit Authority
SCID	:	Social, Communication and Information Division
TL	:	Team Leader



རྒྱལ་ཁབ་ལྷན་ཁྲིམ་ཞིབ་དབང་འཛིན།

ROYAL AUDIT AUTHORITY

*Bhutan Integrity House*

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



**FINANCIAL STATEMENTS OF THE ADB FUNDED – SECONDARY TOWN URBAN DEVELOPMENT PROJECT (BHU-3674) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

**Opinion**

We have audited the accompanying financial statements of the ADB funded “Secondary Town Urban Development Project, BHU 3674”, implemented by Department of Engineering Services, Thimphu (PLC Account No.206.01/2028) which comprise the Receipts and Payments Statement and schedules forming part of financial statements for the financial year ended 30 June 2019.

In our opinion, the financial statements are prepared, in all material respects, in accordance with the Financial Rules and Regulations 2016 and Project Agreement.

**Basis for Opinion**

We conducted our audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of Financial Statement* section of our report. We are independent of the Project in accordance with RAA’s *Oath of Good Conduct, Ethics and Secrecy of Auditors*, and we have fulfilled our responsibilities in accordance with the requirements outlined in this Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the special purpose project financial statements, which describes the basis of accounting. The special purpose project financial statements are prepared to assist the project’s management to comply with the financial reporting provisions of the Project Agreement, which requires the special purpose project financial statements to comply with the Standard Conditions of the Loan Agreement. As a result, the special purpose project financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for preparation of the financial statements in accordance with the Financial Rules and Regulations 2016 and Project Agreement, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Project’s financial reporting process.

*“Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder.”*  
- His Majesty the King Jigme Khesar Namgyel Wangchuck

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of audit in accordance with ISSAIs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 project's internal control.

We communicate with the management, among others, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

## **Other Requirements**

### **We report that;**

- The flow of funds from the Imprest Account and balance thereon could be fairly relied upon. The control mechanism put in place for the operation of the account could also be fairly relied upon;
- The Statement of Expenditure, Statement of Loans and Advances and Reconciliation Statement submitted could be fairly relied upon;
- All the expenditure reported and claimed are eligible for financing under the loan No. BHU 3674;
- The funds provided under the loan No. BHU 3674 have been utilised for the purposes for which they were provided;
- The FOREX conversation rate for fund transfer is recognised on the basis of exchange rate prevailing on the date of transfer of fund to Department of Public Accounts (DPA) from the Imprest Account maintained with Royal Monetary Authority (RMA) of Bhutan.

- The expenditure incurred in local currency have been converted to USD at the average exchange rate obtained by dividing the total fund transferred in local currency from the Imprest Account by the total equivalent USD debited in the Imprest Account maintained by the Royal Monetary Authority;
- The overall reconciled fund balance of the Project (ADB) as at 30 June 2019 stand at Nu.3,211,455.52 which is represented by USD 3,124.48 with RMA equivalent to local currency Nu. 220,182.10 (Refer Exhibit 9) and local currency of Nu.2,991,273.42 with DPA as on 30 June 2019 (Refer statement of ADB fund balance(DPA) Exhibit- 9- part I and Reconciliation Statement of the project letter of credit Exhibit 9 -Part II).

  
Gaiza Wangchuk  
Offtg. Assistant Auditor General

Date: 23/10/2019



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
DEPARTMENT OF ENGINEERING SERVICES  
PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
CONSOLIDATED STATEMENT OF EXPENDITURE  
FOR THE FINANCIAL YEAR ENDING 30th June, 2019

Exhibit-1

Sl #	COST CATEGORIES	Progressive Total as on 30 June 2019		Expenditure during the FY 18-19		Expenditure during the FY 18-19		Progressive Total as on 30 June 2019	
				Asian Development Bank		Royal Government of Bhutan			
		Nu.	Equiv. US\$	Nu.	Equiv. US\$	Nu.	Equiv. US\$	Nu.	Equiv. US\$
<b>A.</b>	<b>Investment Costs</b>								
	1 Civil Works	74,145,128.64	1,052,151.68	65,091,820.88	923,681.30	9,053,307.76	128,470.38	74,145,128.64	1,052,151.68
	2 Mechanical & Equipments	-	-	-	-	-	-	-	-
	3 Environment and Social Mitigation	-	-	-	-	-	-	-	-
	4 Consultants	5,528,687.36	78,454.48	5,528,687.36	78,454.48	-	-	5,528,687.36	78,454.48
	a. Project Implementation	5,528,687.36	78,454.48	5,528,687.36	78,454.48	-	-	5,528,687.36	78,454.48
	b. Capacity Development	-	-	-	-	-	-	-	-
	Sub-total (A)	79,673,816.00	1,130,606.16	70,620,508.24	1,002,135.78	9,053,307.76	128,470.38	79,673,816.00	1,130,606.16
<b>B.</b>	<b>Recurrent Costs</b>								
	1 Project Administration	616,390.64	8,746.85	-	-	616,390.64	8,746.85	616,390.64	8,746.85
	Sub-total (B)	616,390.64	8,746.85	-	-	616,390.64	8,746.85	616,390.64	8,746.85
<b>C.</b>	<b>Contingencies</b>								
	1 Physical	-	-	-	-	-	-	-	-
	2 Price	-	-	-	-	-	-	-	-
	Sub-total (C)	-	-	-	-	-	-	-	-
<b>D.</b>	<b>Financial Charges During Implementation</b>								
	Total Project Cost (A+B+C+D)	80,290,206.64	1,139,353.01	70,620,508.24	1,002,135.78	9,669,698.40	137,217.23	80,290,206.64	1,139,353.01

  
 Accountant  
 ADB Loan Project (BHU 3674)  
 MoWHS  
**Chief Finance Officer**  
 Ministry of Works & Human Settlement  
 Head of Finance  
 MoWHS  
 Thimphu : Bhutan

  
 Project Manager  
 PMU, ADB Loan BHU 3674  
 MoWHS

  
 Director  
 Dept. of Engineering Services  
 MoWHS  
**Director**  
 Department of Engineering Services  
 Ministry of Works and Human Settlement  
 Thimphu



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
DEPARTMENT OF ENGINEERING SERVICES  
PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
STATEMENT OF EXPENDITURE (ADB)  
FOR THE FINANCIAL YEAR ENDING 30th June, 2019

Exhibit-2

SI #	COST CATEGORIES	Progressive total as on 30 June 2019		Expenditure during the Financial Year 2018-2019		Progressive total as on 30 June 2019	
		Asian Development Bank					
		Nu.	Equiv. US\$ @ 70.47	Nu.	Equiv. US\$	Nu.	Equiv. US\$
<b>A.</b>	<b>Investment Costs</b>						
	1 Civil Works	65,091,820.88	923,681.30	65,091,820.88	923,681.30	65,091,820.88	923,681.30
	2 Mechanical & Equipments	-	-	-	-	-	-
	3 Environment and Social Mitigation	-	-	-	-	-	-
	4 Consultants	5,528,687.36	78,454.48	5,528,687.36	78,454.48	5,528,687.36	78,454.48
	a. Project Implementation	5,528,687.36	78,454.48	5,528,687.36	78,454.48	5,528,687.36	78,454.48
	b. Capacity Development	-	-	-	-	-	-
	Sub-total (A)	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78
<b>B.</b>	<b>Recurrent Costs</b>						
	1 Project Administration	-	-	-	-	-	-
	Sub-total (B)	-	-	-	-	-	-
	Total Base Cost (A+B)	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78
<b>C.</b>	<b>Contingencies</b>						
	1 Physical	-	-	-	-	-	-
	2 Price	-	-	-	-	-	-
	Sub-total (C)	-	-	-	-	-	-
<b>D.</b>	<b>Financial Charges During Implementation</b>						
	Total Project Cost (A+B+C+D)	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78	70,620,508.24	1,002,135.78

  
 Chief Finance Officer  
 Ministry of Works and Human Settlement  
 Thimphu, Bhutan  
 Accountant  
 ADB Loan Project (BHU 3674)  
 MoWHS  
 Head of Finance  
 MoWHS

  
 Project Manager  
 PMU, ADB Loan 3674 BHU,  
 MoWHS

  
 Director  
 Dept. of Engineering Services  
 MoWHS



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
 STATEMENT OF EXPENDITURE (RGoB)  
 FOR THE FISCAL YEAR ENDING 30th June, 2019

Exhibit-3

SI #	COST CATEGORIES	Progressive total as on 30 June 2019		Expenditure during the Fiscal Year 2018-2019		Progressive total as on 30 June 2019	
		Royal Government of Bhutan					
		Nu.	Equiv. US\$ @ 70.47	Nu.	Equiv. US\$	-	Equiv. US\$
<b>A.</b>	<b>Investment Costs</b>						
	1 Civil Works	9,053,307.76	128,470.38	9,053,307.76	128,470.38	9,053,307.76	128,470.38
	2 Mechanical & Equipments		-		-		-
	3 Environment and Social Mitigation		-		-		-
	4 Consultants		-		-		-
	a. Project Implementation		-		-		-
	b. Capacity Development		-		-		-
	Sub-total (A)	9,053,307.76	128,470.38	9,053,307.76	128,470.38	9,053,307.76	128,470.38
<b>B.</b>	<b>Recurrent Costs</b>						
	1 Project Administration	616,390.64	8,746.85	616,390.64	8,746.85	616,390.64	8,746.85
	Sub-total (B)	616,390.64	8,746.85	616,390.64	8,746.85	616,390.64	8,746.85
	<b>Total Base Cost (A+B)</b>	<b>9,669,698.40</b>	<b>137,217.23</b>	<b>9,669,698.40</b>	<b>137,217.23</b>	<b>9,669,698.40</b>	<b>137,217.23</b>
<b>C.</b>	<b>Contingencies</b>						
	1 Physical		-		-		-
	2 Price		-		-		-
	Sub-total (C)		-		-		-
<b>D.</b>	<b>Financial Charges During Implementation</b>						
	<b>Total Project Cost (A+B+C+D)</b>	<b>9,669,698.40</b>	<b>137,217.23</b>	<b>9,669,698.40</b>	<b>137,217.23</b>	<b>9,669,698.40</b>	<b>137,217.23</b>

Note

  
 Chief Finance Officer  
 Ministry of Works & Human Settlement  
 Thimphu : Bhutan  
 Head of Finance  
 MoWHS

  
 Project Manager  
 PMU, ADB Loan 3674 BHU,  
 MoWHS

  
 Director  
 Dept. of Engineering Services  
 MoWHS  
 Director  
 Dept. of Engineering Services  
 Ministry of Works and Human Settlement  
 Thimphu



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
 WORKSHEET FOR THE TOTAL EXPENDITURE  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit-4

Particulars	PMU		Total	
	ADB	RCOB	ADB	RCOB
<b>Current Expenditure</b>				
Pay & Allowances & Travel				
Maintenance of Property - Vehicle & Transportation				
Hospitality & Entertainment				
Office Supplies				
Office Rent & Utilities				
Bank Charges				
Advertisement & Others Expenditures				
Operation and Maintenance Charges				
<b>Sub-total</b>				
<b>Capital Expenditure</b>				
M/s E W Construction Pvt Ltd	39,877,460.69	5,489,388.78	39,877,460.69	5,489,388.78
M/s K D Builders	4,264,899.06	587,091.01	4,264,899.06	587,091.01
M/s Ponjor & Jabab Construction Pvt Ltd	20,949,461.13	2,883,827.97	20,949,461.13	2,883,827.97
APECS Consultancy	5,528,687.36		5,528,687.36	
Plant & Equipment				
Office Equipments		451,792.00		451,792.00
Civil Works		93,000.00		93,000.00
Capacity Building				
Operation and Maintenance Charges		164,598.64		164,598.64
<b>Sub-total</b>	70,620,508.24	9,669,698.40	70,620,508.24	9,669,698.40
<b>Grand total of Expenditure in 2018-19</b>	70,620,508.24	9,669,698.40	70,620,508.24	9,669,698.40

  
 Accountant  
 ADB Loan Project (BHUSPT)  
 MoWHS  
**Chief Finance Officer**  
 Dept. of Finance  
 MoWHS  
**Ministry of Works & Human Settlement**  
 Thimphu : Bhutan

  
 Project Manager  
 PMU, ADB Loan 3674 B16U,  
 MoWHS

  
 Director  
 Dept. of Engineering Services  
 MoWHS

**Director**  
 Department of Engineering Services  
 Ministry of Works and Human Settlement  
 Thimphu



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
DEPARTMENT OF ENGINEERING SERVICES  
PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
STATEMENT OF FUND RELEASE  
FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit 5

Budget released from DPA during 2018-'19		Date	ADB	RGOB	Total
1	BR.2018.10.26519	24/10/2018	5,076,585.00		5,076,585.00
2	BR.2018.10.26510	24/10/2018		698,825.00	698,825.00
3	BR.2018.11.27314	16/11/2018	8,668,665.30	1,193,297.70	9,861,963.00
4	BR.2018.11.27683	27/11/2018	15,127,590.00	-	15,127,590.00
5	BR.2019.2.2125	7/2/2019	747,736.00		747,736.00
6	BR.2019.2.3132	26/2/2019	977,618.00	2,107,410.00	3,085,028.00
7	BR.2019.3.3470	1/3/2019	4,553,766.08	626,855.17	5,180,621.25
8	BR.2019.3.4590	14/3/2019	7,746,478.35		7,746,478.35
9	BR.2019.3.4830	14/3/2019	-	46,000.00	46,000.00
10	BR.2019.3.4542	14/3/2019		50,000.00	50,000.00
11	BR.2019.3.4907	14/3/2019	1,143,618.18		1,143,618.18
12	BR.2019.3.4673	15/3/2019		608,925.00	608,925.00
13	BR.2019.4.7448	11/4/2019	367,715.91		367,715.91
14	BR.2019.4.8181	17/4/2019		50,000.00	50,000.00
15	BR.2019.4.8629	23/4/2019	9,256,540.61	1,185,373.22	10,441,913.83
18	BR.2019.5.10104	8/5/2019		50,000.00	50,000.00
19	BR.2019.5.10686	13/5/2019	8,549,952.14		8,549,952.14
20	BR.2019.5.10688	13/5/2019		1,176,955.87	1,176,955.87
21	BR.2019.5.11605	21/5/2019		25,000.00	25,000.00
22	BR.2019.5.11650	21/5/2019	586,090.00		586,090.00
23	BR.2019.5.12136	27/5/2019		47,000.00	47,000.00
24	BR.2019.5.12132	27/5/2019		680,993.00	680,993.00
25	BR.2019.5.12130	27/5/2019	4,947,052.00		4,947,052.00
26	BR.2019.5.12505	29/5/2019		254,670.00	254,670.00
27	BR.2019.6.13306	4/6/2019		436,000.00	436,000.00
28	BR.2019.6.16918	14/6/2019	27,047,746.14		27,047,746.14
29	BR.2019.6.16920	14/6/2019		3,556,076.04	3,556,076.04
30	BR.2019.6.16931	14/6/2019		300,000.00	300,000.00
<b>TOTAL</b>			<b>94,797,153.71</b>	<b>13,085,381.00</b>	<b>107,882,534.71</b>

  
 Accountant  
 ADB Loan Project (BHU 3674)  
 MoWHS  
  
 Chief Finance Officer  
 Head of Finance  
 MoWHS  
 Thimphu : Bhutan

  
 Project Manager  
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 MoWHS

  
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 Dept. of Engineering Services  
 MoWHS

Director  
 Department of Engineering Services  
 Ministry of Works and Human Settlement  
 Thimphu



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
 STATEMENT OF REFUNDABLE DEPOSIT ACCOUNTS  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit-6

PMU	Opening Balance		Deposits during the year		Release for refund during the year		Balance		
	RGOB	ADB (FIC 4652)	RGOB	ADB (FIC 4652)	RGOB	ADB (FIC 4652)	RGOB	ADB (FIC 4652)	TOTAL
	A	B	C	D	E	F	G (A+C-E)	H (B+D-F)	I (G+H)
E W Const	-		548,938.88	3,987,746.06	-	-	548,938.88	3,987,746.06	4,536,684.94
K D Builders		-	58,709.08	426,489.92	-	-	58,709.08	426,489.92	485,199.00
Penjore Const			288,382.80	2,094,946.10	-	-	288,382.80	2,094,946.10	2,383,328.90
	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	-	-	<b>896,030.76</b>	<b>6,509,182.08</b>	-	-	<b>896,030.76</b>	<b>6,509,182.08</b>	<b>7,405,212.84</b>

  
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MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, ADB LOAN PROJECT # BHU 3674  
 STATEMENT OF LOANS & ADVANCES  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit-7

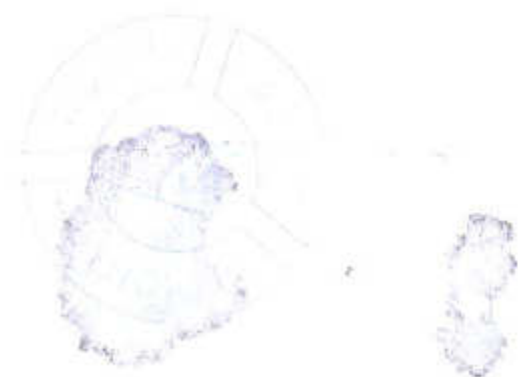
SI #	Name of the parties	Jurisdiction	Opening balance		Transactions				Balances (in Nu.)		Balances (equi-US\$)
					Paid (in Nu.)		Recoveries (in Nu.)		ADB (FIC 4652)	RGOB	ADB (FIC 4652)
			ADB (FIC 4652)	RGOB	ADB (FIC 4652)	RGOB	ADB (FIC 4652)	RGOB			
1	E W Construction	PMU		-	14,620,153.08	2,012,558.17	13,894,626.10	1,912,684.89	725,526.98	99,873.28	
2	K D Builders	PMU	-		6,911,405.60	951,399.40	1,496,401.00	205,988.84	5,415,004.60	745,410.56	-
3	Penjor Construction	PMU			20,784,101.63	2,861,065.18	7,076,324.74	974,101.60	13,707,776.89	1,886,963.58	-
			-	-	-	-	-	-	-	-	
	<b>TOTAL</b>		-	-	<b>42,315,660.31</b>	<b>5,825,022.75</b>	<b>22,467,351.84</b>	<b>3,092,775.33</b>	<b>19,848,308.47</b>	<b>2,732,247.42</b>	

  
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MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, PROJECT # ADB 3674 BHU  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019  
 Detail of Lapsed fund for the 1st JULY 2018 to 30th JUNE 2019

Exhibit-8

Cost centers	Fund Releases		Recoveries & Remittances/refund		Expenditure		Advance		Lapsed fund (in Nu)			Remarks
	RGOB (FIC 0002)	ADB (FIC 4652)	RGOB (FIC 0002)	ADB (FIC 4652)	RGOB (FIC 0002)	ADB (FIC 4652)	RGOB (FIC 0002)	ADB (FIC 4652)	RGOB (FIC 0002)	ADB (FIC 4652)	Total	
	A	B	C	D	E	F	G	H	I (A+C-E-G)	J (B+D-F-H)	K (I+J)	
PMU (DES)	13,085,381.00	94,797,153.71	3,092,775.33	22,467,351.84	9,669,698.40	70,620,508.24	5,825,022.75	42,315,660.31	683,435.18	4,328,337.00	5,011,772.18	PMU (DES)
	13,085,381.00	94,797,153.71	3,092,775.33	22,467,351.84	9,669,698.40	70,620,508.24	5,825,022.75	42,315,660.31	683,435.18	4,328,337.00	5,011,772.18	

  
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MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 STUDB Loan No. 3674 BHU FIC # 4652 at RMA  
 STATEMENT OF IMPREST ACCOUNT (RMA)  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit 9 (Part-I)

Particulars	Amount (in US\$)	No	Rate	Remarks
Opening Balance	-			
<b>Funds received from ADB:</b>				
26.09.2018 Fund Received from ADB during FY 2018-2019	1,000,000.00			
30.12.2018 Fund Received from ADB during FY 2018-2019	592,087.28			
<b>Funds released to DPA:</b>				
17.10.2018 RMA/DB/FC-2078/2018-2019/1961	69,071.62	3,076,503.30	71.54	
13.11.2018 RMA/DB/FC-20786/2018-2019/2361	135,485.14	9,861,963.00	72.29	
21.11.2018 RMA/DB/FC-2202086/2018-2019/2496	241,543.86	17,210,000.00	71.25	
12.02.2019 RMA/DB/FC-2202086/2018-2019/5449	65,296.33	4,553,766.08	69.74	
18.02.2019 RMA/DB/FC-2202086/2018-2019/5016	108,814.13	7,746,478.00	71.19	
19.04.2019 RMA/DB/FC-2202086/2018-2019/6185	124,043.50	8,671,099.70	69.42	
13.05.2019 RMA/DB/FC-2202086/2018-2019/6631	122,667.89	8,549,952.14	69.70	
21.05.2019 RMA/DB/FC-2202086/2018-2019/6794	73,242.31	4,947,052.00	69.44	
17.04.2019 RMA/DB/FC-2202086/2018-2019/6118	8,292.27	645,440.91	69.46	
17.05.2019 RMA/DB/FC-2202086/2018-2019/6725	8,395.50	586,090.00	69.81	
12.06.2019 RMA/DB/FC-2202086/2018-2019/7278	453,150.45	30,000,000.00	69.26	
30.06.2019	1,368,967.80	1,392,687.28	97,788,427.13	USD 3,124=48

Note: Copy of the RMA's statement as of 30.06.2019 enclosed.

Average Exchange rate determine as (Total Nu. transferred / Total \$ converted) = Nu. 70.47 = 1 US\$

STUDB Loan No. 3674 BHU FIC # 4652 at Department of Public Accounts (DPA)  
 STATEMENT of ADB FUND BALANCE (DPA)  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit 9 (Part-II)

Particulars	Amount		Remarks (Forex rate)
	(Equi- in US\$)	(in Nu.)	
01.07.18 Opening Balance			
01.07.18 Brought Forward of last FY's ADB lapse fund			
Opening Balance as of 1st July 2018			
<b>Funds received from RMA:</b>			
release to DPA, from RMA	-	97,788,427.13	70.47
Add Total receipts	-	97,788,427.13	
<b>Funds released to the Project at DES, MoWHS:</b>			
FY 18-19 Total Fund released from DPA to DES		94,797,153.71	
Less Total payments		94,797,153.71	
30.06.19 Closing Balance at DPA as of 30 June 2019		2,991,273.42	

STUDB Loan No. 3674 BHU FIC # 4652 PLC-206/01/2028  
 RECONCILIATION STATEMENT OF PROJECT LETTER OF CREDIT  
 PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
 FOR THE PERIOD FROM 1st JULY 2018 to 30th JUNE 2019

Exhibit 9 (Part-III)

Sl No.	Particulars	Amount (in Nu.)		Remarks
<b>PART A:</b>				
1	a) Total fund received from DPA	94,797,153.71		
	Less Payments to DPA	-		
	b) Direct Payments from ADB to Consultants/Contractors			
	c) Add Opening Outstanding Advances	-	94,797,153.71	
<b>TOTAL FUND AVAILABLE</b>			94,797,153.71	
2	Less Payments			
	a) Total Expenditure during the year (FORM A)	70,620,508.24		
	b) Add Closing Outstanding Advances	19,848,308.47	90,468,816.71	
<b>FUND BALANCE (A1 - A2)</b>			4,328,337.00	
<b>PART B:</b>				
3	Closing Balances as of 30.06.2019			
	a) Lapsed Fund as on 30.06.2019 ADB	4,328,337.00		
	b) Lapsed Fund as on 30.06.2019 RGoB	683,435.18	3,011,772.18	
<b>FUND BALANCES (Part B)</b>			3,011,772.18	

  
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**Royal Monetary Authority**  
Banking Department

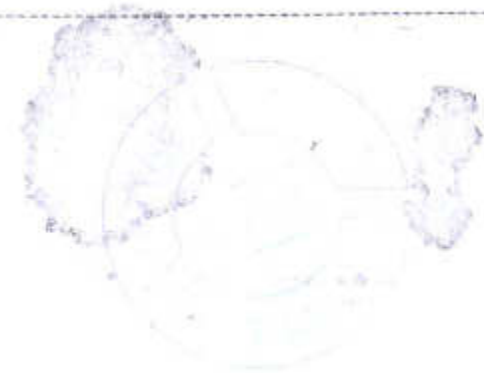
CURRENCY WISE GENERAL LEDGER (For the Period of 01/09/2018 - 03/07/2019)  
Currency Code:-01,US Dollar

(Page 1 of 1)  
(Amount in: USD)

Printed on: 03/07/2019

Account Head: 2202086, LOAN NO.3674-BHU(COL): Secondary Towns Urban Development Project

Voucher Date	Value Date	Voucher Number	Ref. No.	Particulars	Debit	Credit	Balance
Balance Brought Forward:							0.00 DR
26/09/2018	26/09/2018	CAM/GV/1819/4399		Fund transfer for FC 2202086	0.00	1,000,000.00	1,000,000.00 CR
17/10/2018	17/10/2018	CAM/BK08/1819/5641		Fund transfer from FC 2202086 FT 11 @ 73.54 vide DMEA letter no. 425 dated 17/10/2018	69,031.62	0.00	930,968.38 CR
13/11/2018	13/11/2018	CAM/BK08/1819/6871		fund tfd to DPA from FC 2202086 FT 14 dated Nov.6,2018 @ 72.79	135,485.14	0.00	795,483.24 CR
21/11/2018	21/11/2018	CAM/BK08/1819/7305		Fund transfer from FC 2202086 FT 13 @ 71.25 vide DMEA letter no. 544 dated 15/11/2018	241,543.86	0.00	553,939.38 CR
28/01/2019	28/01/2019	CAM/GV/1819/10796		Fund deposited by ADB for FC 2202086	0.00	392,087.28	946,026.66 CR
18/02/2019	18/02/2019	CAM/BK08/1819/11844		Fund transfer from FC 2202086 FT 35 @ 71.19 vide DMEA letter no. 886 dated 13/2/2019	108,814.13	0.00	837,212.53 CR
12/03/2019	12/03/2019	CAM/BK08/1819/13057		Fund transfer to DPA from FC 2202086 @ 69.74 vide DMEA letter no.933 dated 11/03/2019	65,296.33	0.00	771,916.20 CR
17/04/2019	17/04/2019	CAM/BK08/1819/15466		fund tfd for FC 2202086 vide letter no. 1052 dated 12/04/2019 @ 69.46	9,292.27	0.00	762,623.93 CR
19/04/2019	19/04/2019	CAM/BK08/1819/15660		Fund transfer to DPA from FC 2202086 @ 69.42 vide DMEA letter no.1125 dated 19/04/2019	124,043.50	0.00	638,580.43 CR
13/05/2019	13/05/2019	CAM/BK08/1819/17049		Fund transfer to DPA from FC 2202086 @ 69.70 vide DMEA letter no.1237 dated 10/04/2019	122,667.89	0.00	515,912.54 CR
17/05/2019	17/05/2019	CAM/BK08/1819/17571		Fund transfer to DPA from FC 2202086 @ 69.81 vide DMEA letter no. 1274 dated 16/05/2019	8,395.50	0.00	507,517.04 CR
21/05/2019	21/05/2019	CAM/BK08/1819/17876		Fund transfer to DPA from FC 2202086 @ 69.44 vide DMEA letter no.1285 dated 17/05/2019	71,242.11	0.00	436,274.93 CR
12/06/2019	12/06/2019	CAM/BK08/1819/19427		Fund transfer to DPA from FC 2202086 @ 69.26 vide DMEA letter no.1430 dated 12/06/2019	433,150.45	0.00	3,124.48 CR



MINISTRY OF WORKS AND HUMAN SETTLEMENT  
 DEPARTMENT OF ENGINEERING SERVICES  
 PROJECT MANAGEMENT UNIT, PROJECT # BHU 3674  
 STATEMENT OF EXPENDITURE (ADB)  
 FOR THE FINANCIAL YEAR ENDING 30th June, 2019

Exhibit-10

S#	Cost Categories	Budget Amounts		Actual Expenditure		Variance in Amount		Variance in %		Remarks
		BTN	USD	BTN	USD	BTN	USD	BTN	USD	
A.	Investment Costs									
	1) Civil Works									
	2) Mechanical & Equipments	102,335,000.00		65,091,800.88		37,243,179.12		36.3221634		
	3) Environment and Social Mitigation									
	4) Consultants									
	a. Project Procurement	5,040,000.00		5,526,487.39		561,311.64		11.1369657		
	b. Capacity Development									
B.	Recurrent Costs									
	1) Project Administration									
C.	Contingencies									
	1) Physical									
	2) Price									
D.	Financial Changes During Implementation									
		108,425,000.00		70,620,588.74		37,804,411.26				

  
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