

বাংলাদেশের
কম্পট্রোলার এন্ড অডিটর জেনারেল এর কার্যালয়
একাউন্টস এন্ড রিপোর্ট উইং
'অডিট ভবন'
৭৭/৭, কাকরাইল, ঢাকা-১০০০
www.cag.org.bd

নং-৮২.০০.০০০০.০৬২.১৬.০৪২.২২- ৫৬৬

তারিখ: ১১.১২.২০২৩ খ্রি.

নিরীক্ষা নির্দেশনা- ০৫/২০২৩

বিষয়: Project Financial Statement (PFS) Format for P for R এবং Unique Audit Report Format (P for R) অনুমোদন ও অনুসরণ প্রসঙ্গে।

উপর্যুক্ত বিষয়ের প্রতি দৃষ্টি আকর্ষণ করা যাচ্ছে। বাংলাদেশের কম্পট্রোলার এন্ড অডিটর জেনারেল এর কার্যালয়ের নিয়ন্ত্রণাধীন সংশ্লিষ্ট অডিট অধিদপ্তরসমূহের P for R প্রকল্প/কর্মসূচি এর অডিট কার্য পরিচালনার ক্ষেত্রে অভিন্ন Project Financial Statement (PFS) ফরম্যাট এবং Unique Audit Report ফরম্যাট (P for R) যথাযথ কর্তৃপক্ষের অনুমোদনক্রমে এতদসঙ্গে জারি করা হলো।

২। সংশ্লিষ্ট অডিট অধিদপ্তরের আওতাধীন P for R প্রকল্প/কর্মসূচি এই Financial Statement এর ফরম্যাট অনুসরণপূর্বক প্রণয়ন করবে। আলোচ্য P for R প্রকল্প/কর্মসূচি অডিট কালে অডিট অধিদপ্তর এতদসঙ্গে সংযুক্ত Unique Audit Report ফরম্যাট অনুসরণপূর্বক অডিট Opinion সহ অডিট রিপোর্ট প্রস্তুত করে সংশ্লিষ্টদের বরাবর ইস্যু করবে।

৩। উল্লেখ্য যে সকল P for R প্রকল্প/কর্মসূচি এর Special Account এর মাধ্যমে অর্থায়ন রয়েছে, সে সকল ক্ষেত্রে শুধু Special Account এর অংশটুকুর জন্য বৈদেশিক সাহায্যপুষ্টি প্রকল্প অডিট Manual এ প্রদত্ত Format অনুসরণ করে পৃথক Financial Statement প্রস্তুত করবে। এক্ষেত্রে পৃথক অডিট Opinion প্রদানপূর্বক P for R এর অংশসহ সম্পূর্ণ প্রকল্প/কর্মসূচির জন্য একটি অডিট রিপোর্ট প্রণয়ন করতে হবে।

 ১১/১২/২০২৩

(মোঃ আহসান হাবীব)

এ্যাডিশনাল ডেপুটি সিএজি (পার্লামেন্ট)

ফোন: ০২-২২২২২১১৯৮

তারিখ: ১১.১২.২০২৩ খ্রি.

নং-৮২.০০.০০০০.০৬২.১৬.০৪২.২২- ৫৬৬

কার্যার্থে ও জ্ঞাতার্থে বিতরণ করা হলো (জ্যেষ্ঠতার ক্রমানুসারে নয়):

১. মহাপরিচালক, ফিন্যান্সিয়াল ম্যানেজমেন্ট একাডেমী (ফিমা), এ/৭, লালাসরাই, মিরপুর, ঢাকা।
২. মহাপরিচালক, ডাক, টেলিযোগাযোগ, বিজ্ঞান, তথ্য এবং প্রযুক্তি (PTST) অডিট/ স্থানীয় সরকার ও পল্লী উন্নয়ন অডিট/ পূর্ত অডিট/ আইটি ও জনসেবা অডিট/ কৃষি ও পরিবেশ অডিট/ বাণিজ্যিক অডিট/ রাজস্ব অডিট/ বৈদেশিক সাহায্যপুষ্টি প্রকল্প অডিট/ মিশন অডিট / সাংবিধানিক প্রতিষ্ঠান অডিট/ সামাজিক নিরাপত্তা অডিট/ স্বাস্থ্য অডিট / পরিবহন অডিট/ সিভিল অডিট/ শিক্ষা অডিট/ বিদ্যুৎ ও জ্বালানী অডিট অধিদপ্তর/ প্রতিরক্ষা অডিট অধিদপ্তর ঢাকা। [P for R প্রকল্প/কর্মসূচির জন্য এই Financial Statement (PFS) ফরম্যাটটি সংশ্লিষ্ট প্রকল্প/কর্মসূচি কর্তৃপক্ষকে অবহিতকরণ এবং PFS, PAR ফরম্যাট সিএজি কার্যালয়ের ওয়েবসাইট এর Audit Resource (Instructions) থেকে সংগ্রহ করার অনুরোধসহ]।

Name of Project/ Program.....

Project Financial Statements

Receipts and Expenditure Statement

For the year ended 30th June, 20XX

(Figure in Thousand/ Lakh Taka)

Receipts/Resources	Notes	Cumulative Prior Period	Current Period	Cumulative Current Period
1	2	3	4	5 (3+4)
Government of Bangladesh	4	xxx	xxx	xxx
Loan from Development Partners (Net) ¹	5	xxx	xxx	xxx
Total Resources		xxx	xxx	xxx

Expenditure	Notes	Cumulative Prior Period	Current Period	Cumulative Current Period
1	2	3	4	5 (3+4)
Revenue Expenditure:				
(As per Project /Program Documents)				
Pay and Allowances				
Travel Expenses				
Training				
Repair and Maintenance				
Stationery				
Honorarium				
Seminar/Conference				
.....				
.....				
Sub Total				
Capital Expenditure:				
(As per Project /Program Documents)				
Computer				
Vehicle				
Office Equipment				
Furniture & Fixture				
Office Building				
Roads & Culverts				
.....				
Sub Total				
Total Expenditure		xxx	xxx	xxx

¹ Details will be given in the Notes



Budget vs Actual Expenditure Statement

For the year ended 30th June, 20XX

(Figure in Thousand/ Lakh Taka)

Expenditure	Notes	Budget for Current Year	Actual Expenditure for Current Period	Variation	Percentage of Variation	Remarks
1	2	3	4	5 (3-4)	6=5/3x100	7
Revenue Expenditure:						
(As per Project /Program Documents)						
Pay and Allowances						
Travel Expenses						
Training						
Repair and Maintenance						
Stationery						
Honorarium						
Seminar/Conference						
.....						
.....						
Sub Total						
Capital Expenditure:						
(As per Project /Program Documents)						
Computer						
Vehicle						
Software						
Office Equipment						
Furniture & Fixture						
Office Building						
Roads & Culverts						
.....						
Sub Total						
Total Expenditure		xxx	xxx	xxx		



Notes to the Financial Statement

Name of Project/ Program.....
For the years ended 30 June 2022

1 General Information:

These financial statements relate to (**Name of Project/ Program**). Implemented by the Department under the Ministry/ Division of since (**Month**), (**year**) with the financial assistance of (**Name of Donar**).

2 Significant Accounting Policies

Basis of Preparation:

The financial statements of the Project/program have been prepared in accordance with IPSAS Financial Reporting Under the Cash Basis of Accounting. These special purpose financial statements (Receipts and Expenditure Statement and Budget vs Actual Expenditure Statement) reflect the data for the year ended 30 June 20xx.

Financial Statements:

These Financial Statements have been presented in Bangladeshi Taka. The financial statements comprise the statements of: (a) Receipts and Expenditure Statement and (b). Budget vs Actual Expenditure Statement

Reporting period:

The financial statements apply to the financial period ended from 1 July 20xx to 30 June 20xx (the Period 1 year). The principal accounting policies applied in the preparation of these financial statements are set out below:

Measurement basis:

The financial statements have been prepared using cash basis of accounting

Changes in accounting policies:

There have been no material changes in accounting policies during the Period.

Foreign currency translation:

Foreign currency transactions are translated at the exchange rates prevailing at the date of the transactions.

3. Receipts and Disbursements

a. Receipts

Receipts are accounted in the period in which such receipts are received. Receipts consist of Government budget allocation and Development partner disbursement during the period.



b. Payments/ Expenditure

Payments are accounted in the period in which such disbursements are made.

4. Receipt from Government of Bangladesh

Funds are allocated by the Government of Bangladesh (GoB) to cover GoB's share of eligible project expenditures, as specified in the Project/program documents.

(In Thousand / Lakh taka)

5. Fund from Development Partners

Funds including initial advance are disbursed by the development partner to cover share of eligible project expenditures, as specified in the Project/program documents.

Donors	Notes	Inception to 30 th June 20XX	For the Year 20 XX -20 YY	Inception to 30 th June 20 YY
World Bank	5.1			
ADB	5.2			
EU	5.3			
-----	5.4			
-----	5.5			
Total				

5.1 Fund from the World Bank

The World Bank has provided funds to the project to cover its share of eligible project expenditure

	Inception to 30 th June 20XX	For the Year 20 XX -20 YY	Inception to 30 th June 20 YY
Date.....			
Date.....			
Date.....			
Date.....			
Date.....			
.....			
Total			

5.2 Fund from the Asian Development Bank (ADB)

The Asian Development Bank has provided funds to the project to cover its share of eligible project expenditure

	Inception to 30 th June 20XX	For the Year 20 XX -20 YY	Inception to 30 th June 20 YY
Date.....			
Date.....			
Date.....			
Date.....			
Date.....			
.....			
Total			

5.3 Fund from the European Union (EU)

The European Union has provided funds to the project to cover its share of eligible project expenditure

	Inception to 30 th June 20XX	For the Year 20 XX -20 YY	Inception to 30 th June 20 YY
Date.....			
Date.....			
Date.....			
Date.....			
Date.....			
.....			
Total			

6. **Others:** As per requirement of program/ project or financial statements specific.

Disclosure Statements:

In this section some disclosure statements need to be provided as per the requirement of development partner's Statement of Audit Need (SoAN) such as:

- (a) List of Fixed assets
- (b) Category wise allocation and up-to-date disbursement
- (c) DLI wise allocation and up-to-date disbursement, etc.

(a) List of Fixed assets

Name of the program/Project:

List of Fixed Assets

Sl. No.	Name of item	Unit price (TK)	Qty	Total Price (TK)	Date of Acquisition
---------	--------------	-----------------	-----	------------------	---------------------

A. Computer and Computer Equipment's:

1					
2					

Sub-Total -A:

B. Office Equipment's:

1					
2					

Sub-Total -B:

C. Furniture and fittings:

1					
2					

Sub-Total -C:

D. Training Equipment's:

1					
2					

Sub-Total -D:

E. Others Equipment's:

1					
2					

Sub-Total -E:

Grand Total: (A+B+C+D+E)

(b) Category wise allocation and up-to-date disbursement (if any)

Sl No.	Category Name and Number	Category wise allocation	Up-to-date disbursement	Remaining balance	Remarks

(c) DLI wise allocation and up-to-date disbursement

Sl No.	DLI Number and Name	Allocation against DLI	Up-to-date disbursement	Remaining balance	Target date of DLI achievement	DLI achievement Date	Disbursement date	Remarks



Name of the Audit Directorate
Audit Complex (..... Floor)
Segunbagicha, Dhaka.
Website Address

No-

Dated:

[Senior Secretary/Secretary]

Name of the Division/Name of the Ministry
Bangladesh Secretariat, Dhaka.

Sub: Project Audit Report on the accounts of "Name of the project/Program" financed by name of the Donor and credit number for the year

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

Enclosure:

1. Auditor's Report
2. Financial Statements
3. Management letter

(Name of the Officer)
Deputy Director
Phone:
Email:

No-

Dated:

Copy for information and necessary action to (Not According to Seniority): -

1. **Secretary**, Economic Relations Division, Ministry of Finance, Sher-e-Bangla Nagar, Dhaka.
2. **Country Director**, Name of the Donor and Address
3. **Program Director**, "*Name of the project/Program and Address*"

a) Replies/Comments on the Auditor's Report and Management Letter may please be sent to the undersigned within 30 (Thirty) days of receipt of this letter in your office.

b) Observations in Part-B (Non-SFI) should be responded to Name of the Audit Directorate directly.

4. Office Copy.

(Name of the Officer)
Deputy Director
Phone:
Email:

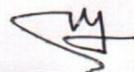


Project Audit Report

On

The Accounts of

“Name of the Programme/Project for the year



Part- I

**Executive Summary
&
Audit Findings.**



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INFORMATION REGARDING AUDIT

- Name of the Audit Unit** :
- Nature of Audit** : Audit of Financial Statements of FY.....
- Year of Audit** :
- Duration of audit** :
- Audit Team** :
- Audit Methodology** :
○ Verification of Financial Statements.
○ Test check of vouchers.
○ Examination of F/S.
○ Program Document
○ Annual Action Plan
- Scope of Audit** :
○ Certification of Annual Financial Statement.
○ The audit was conducted following Government Auditing Standards of Bangladesh (GASB) and practices of INTOSAI/SAI and also as per procedures prescribed by GOB & Development Partner.
○ Audit of financial system and transaction including an evaluation of compliance with applicable statutes and regulations.
○ Review of Financial Management, Internal Control System; and Equipment/Inventory management.
○ Audit opinion is limited to funds received and expenditure incurred by the Program authority.
- Applicable Authorities:** :
○ Program Document, Annual Action Plan, Financial Statement (FS), Bank Statement, Expenditure Statement, Delegation of Financial Power, Cash Book, Bill Register, Stock Register, Asset Register, Progress Report.
- Project Duration** :
- Total Cost** :
- Current cost (2020 - 2021)** :
- Commencement** :
- Completion** :
- Funding System** : Fund for the Program both *Name of the Donor* and GOB was disbursed through Treasury Single Account (TSA) and payment was recorded in the iBAS ++.
- Executing Ministry** :
- Implementing Agency** :
- Funding Agency** :
- Program Objectives** :

Auditor's Report

Qualified Opinion

We have audited the accompanying Financial Statements of **(Name of the Program/Project)** which comprise of the statement of Receipts and Expenditure Statement, Budget vs Actual Expenditure Statement as at and for the year ended on 30th June 20xx and a summary of significant accounting policies and other explanatory notes.

In our opinion, the project Financial Statements present fairly, in all material respects of the project/program as on 30th June 20xx and the funds received and expenses incurred for the year then ended in accordance with the International Public Sector Accounting Standard (IPSAS) financial reporting under the cash basis of Accounting and other applicable laws and regulations.

Basis for Modified Opinion

Items(observations) need to be mentioned here for which Auditor's provide modified opinion.

We conducted our audit in accordance with Government Auditing Standards of Bangladesh (GASB) issued by the office of the Comptroller and Auditor General (OCAG) of Bangladesh which is based on the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the Article 128(4) of the Constitution of the People's Republic of Bangladesh, and we have fulfilled our other ethical requirements in accordance with the Code of Ethics issued by the OCAG which is based on ISSAI 130. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our modified opinion.

Management Responsibility

Program/Project management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standard (IPSAS) financial reporting under the cash basis of accounting issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC), and other applicable laws and regulations as well as those of the **(Development Partner)** guideline and agreement and for such internal control as management determines is necessary to enable the

preparation of special purpose financial statements that are free from material misstatements, whether due to fraud or error.

Auditor Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 GASB 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 an audit in accordance with GASB, we exercise professional judgment and maintain professional scepticism 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 omissions, 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

If any regulatory issues identified by the auditor, which do not mention in the "Basis for Opinion" paragraph need to mentioned here.

(Name of the Officer)
Deputy Director



FINANCIAL STATEMENT

&

Notes



MANAGEMENT LETTER

National Program Director/Project Director
Name of the Project/Program

We have audited the Financial Statement of "*Name of the Program/Project*, as at 30th June, ----- and for the fiscal year then ended and we have issued our report thereon dated ----- . During the course of our audit examination, we made a number of observations that are presented in this audit report for your consideration and action. All of these matters were considered by us when formulating the audit opinion expressed in our report.

Section-One

I. Introduction:

This section will basically cover the objectives of the project/Program, basic idea about the components of the program (if any) and the duration of the project.

II. Background:

This section will basically cover the functions of the project/program and the funding arrangement as per the tenure of the project.

Scope of Audit:

1. The audit was conducted following Government Auditing Standards of Bangladesh (GASB), Financial Audit and practices of International Organization of Supreme Audit Institutions (INTOSAI)/SAI of Bangladesh and also as per procedures prescribed by GOB & Development Partner.
2. Program Documents, Annual Action Plan, Financial Statement (FS), TOR, Bank statement, Reconciliation statement, Audit Manual, Delegation of Financial Powers, Cash Book, Bill Register, Stock Register, Guard files other relevant documents are audited.
3. Financial Management system and transaction including an evaluation of compliance with applicable statutes and regulation.
4. Review of Financial Management, Internal Control systems of the entity has been conducted.



5. Equipment/Inventory management.

The audit was conducted following Government Auditing Standard of Bangladesh and practices of International Organization of Supreme Audit Institutions and also as per procedures prescribed by OCAg and the INTOSAI. The audit accordingly included such tests of accounting records, internal controls and other procedures as were considered essential for due performance of this audit.

IV. Overall Opinion:

a) Financial operation and controls:

b) **Management Structure:** The Management structure of the project is/isn't as per project/program document.

(c) **Equipment Use and Control:** (Comment on this para is needed to base on list of Fixed assets)

..... were procured for the project and those were being used for the project activities.

d) **Evaluation of Internal Control:** (Set as an example). The Directorate need to rewrite of this table.

S.N.	Weakness/Operative Effectiveness	Impact	Recommendations
01.	Procurement Management: The project authority made/fail to make procurement as per PPA-2006 and PPR-2008 according to contract agreement.	The transparency and accountability of the public money is ensured /not ensured.	Should maintain the rules and regulations properly.
02.	Compliance of Delegation of Financial Power: The practice and use of Delegation of Financial Power is not adequate/ adequate.	As a result, there is some potential for financial irregularities.	It is necessary to ensure adequate practice and use of Delegation of Financial Power.
03	Fixed Asset Management: The project authority-maintained stock/assets register for procurement of 01(One) Laptop, 1(one) Desktop, 4(Four) Printer, 4(Four) and 15 (Fifteen) Motor Cycles 30 June22 were procured for the project and those were being used for the project activities.	The permanent asset Register maintained properly.	Permanent Asset Register and Assets List must be properly maintained and verified. The project authority is requested to conduct physical inventory at least once in a year.

04.	Stock and Issue Register: The Project Implementation Unit and another cost center did not maintain stock and issue register systematically. The concerned offices did not maintain yearly physical verification reports.	It is possible to assess government property and maintaining properly.	Stock and Issue Register must be maintained and verified properly.
05.	Cash Book: The Executive authority signed the cash book and the entry of passed voucher was maintained.	The transparency and accuracy of the calculation is realized.	Cash book maintained properly.
06.	Reconciliation and Fund Management: The Project authority has not done reconciliation on monthly basis with the Chief Account and Finance Officer/DAFO at iBAS++ the fund of RPA & GOB was well maintained. No impact on natural accounting system.	The transparency and accuracy of government accounts is not guaranteed.	Public Financial Management (PFM) maintained.
07.	VAT & TAX: The project authority properly checked bills and voucher to deduct VAT & TAX which was mandatory by the SRO.	Govt. achieved revenue earning.	The authority maintained the VAT/TAX register.
08.	Internal Audit: The project authority should conduct internal audit properly	Control over expenditure and financial discipline must be more transparent.	It is necessary to keep adequate system of internal audit.
09.	Citizen's Charter: It is not Visible in place.	Accountability in providing services is not ensured.	Citizen's Charter should be kept in place.
10.	Monitoring, Evaluation & Reporting: Monthly progress report is being sent to Administrative Ministry with copy to ERD, Planning & Finance Ministry, and CAFO, LGRD. Quarterly progress report (FMR) is being sent to Development partner and Local Government Division.	As per provided paper no irregularities were found against Monitoring, Evaluation & Reporting.	It is recommended to continue this trend.

e) Overall Comments on Observations

Causes of irregularities & loss: ²

- Non-compliance of financial rules & regulations;
- Violation of delegation of financial power/2015;
- Violation of PPR/2008;
- Violation of technical specification.

Audit Recommendations³

- Due care should be given for compliance of the Govt. financial rules and regulations.

² These are usually written as examples but you have to write your own way

³ You have to write your own way



F) SUMMARY OF AUDIT OBSERVATIONS

S.N.	Subject	Comments
1	Status of Financial Statement	Unmodified/modified
2	Summary of Management Letter	Non-compliance of government rules & conditions of program agreements.
Observations	Title	Amount in Taka
Serious Financial Irregularities (SFI)		
01		
02		
Non-Serious Financial Irregularities (Non-SFI)		
03		
04		
Total=		



SECTION-TWO

Audit Observations, Findings and Recommendations

Observation -01

Title:

Description:

Causes of Irregularities:

Reply of Responsible Party:

Audit Comments:

Audit Recommendations:



Section Three

FOLLOW-UP-ACTION:

VI. Follow Up Action:

The status of the previous audit is given below (as sample):

Year of Audit	No. of Observations issued	Amount Involved in Taka	Observations settled	Amount Involved in Taka	Outstanding Observations
2019-2020					
2020-2021					
Total					

(Name of the Officer)
Audit & Accounts Officer



Part- II

Annexure



Auditor's Report

Unqualified Opinion

We have audited the accompanying Financial Statements of (Name of the Program/Project) which comprise of the statement of Receipts and Expenditure Statement, Budget vs Actual Expenditure Statement as at and for the year ended on 30th June 20xx and a summary of significant accounting policies and other explanatory notes.

In our opinion, the project Financial Statements present fairly, in all material respects of the project/program as at and for the year ended on 30th June 20xx and the funds received and expenses incurred for the year then ended in accordance with the International Public Sector Accounting Standard (IPSAS) financial reporting under the cash basis of Accounting and other applicable laws and regulations.

Basis for Unqualified Opinion

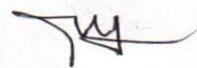
We conducted our audit in accordance with Government Auditing Standards of Bangladesh (GASB) issued by the office of the Comptroller and Auditor General (OCAG) of Bangladesh which is based on the International Standards of Supreme Audit Institutions (ISSAIS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the Article 128(4) of the Constitution of the People's Republic of Bangladesh, and we have fulfilled our other ethical requirements in accordance with the Code of Ethics issued by the OCAG which is based on ISSAI 130. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion.

Management Responsibility

Program management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standard (IPSAS) financial reporting under the cash basis of accounting issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC and other applicable laws and regulations as well as those of the (Development partner) guideline and agreement and for such internal control as management determines is necessary to enable the preparation of special purpose financial statements that are free from material misstatements, whether due to fraud or error.

Auditor Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 GASB 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 an audit in accordance with GASB, we exercise professional judgment 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 omissions, misrepresentations, or the over-ride 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

If any regulatory issues identified by the auditor, which do not directly link with Financial statement but need to focus as an emphasis matter are need to mention here.

(Name of the Officer)
Deputy Director

Auditor's Report

Disclaimer Opinion

We have audited the accompanying Financial Statements of **(Name of the Program/Project)** which comprise of the statement of Receipts and Expenditure Statement, Budget vs Actual Expenditure Statement as at and for the year ended on 30th June 20xx and a summary of significant accounting policies and other explanatory notes.

We do not express an opinion on the accompanying financial statements of the Project/program. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

We conducted our audit in accordance with Government Auditing Standards of Bangladesh (GASB) issued by the office of the Comptroller and Auditor General (OCAG) of Bangladesh which is based on the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the Article 128(4) of the Constitution of the People's Republic of Bangladesh, and we have fulfilled our other ethical requirements in accordance with the Code of Ethics issued by the OCAG which is based on ISSAI 130. *The Project/Program management informed us that on the evening of 18 July 20Xx, there was heavy rainfall and sudden flood in the locality where the Project Office was situated. The rain and flood water entered the ground floor office of the Project and destroyed most of the documents including accounting records and statements. As a result, we were not able to check any payment related documents at the Project site. We were unable to satisfy ourselves by alternative means concerning the payments made during the year ended 30 June 20X1 which are shown in the statement of Project sources and uses of funds as amount spent during the year. (The italic para use as an example)*

(Name of the Officer)
Deputy Director



Auditor's Report

Adverse Opinion

We have audited the accompanying Financial Statements of **(Name of the Program/Project)** which comprise of the statement of Receipts and Expenditure Statement, Budget vs Actual Expenditure Statement as at and for the year ended on 30th June 20xx and a summary of significant accounting policies and other explanatory notes.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not present fairly (or do not give a true and fair view of) the statement of Project sources and uses of funds as at and for the year ended on 30 June 20Xx in accordance with the International Public Sector Accounting Standard (IPSAS) financial reporting under the cash basis of Accounting and other applicable laws and regulations.

Basis for adverse opinion

We conducted our audit in accordance with Government Auditing Standards of Bangladesh (GASB) issued by the office of the Comptroller and Auditor General (OCAG) of Bangladesh which is based on the International Standards of Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the Article 128(4) of the Constitution of the People's Republic of Bangladesh, and we have fulfilled our other ethical requirements in accordance with the Code of Ethics issued by the OCAG which is based on ISSAI 130. *The Project should account for all Project related receipts and payments through its books of account as well any direct payments made by Development Partners directly to supplier/contractor. However, the Project/program sources and uses of funds as at and for the year ended 30 June 20Xx has not included any direct payments of project expenditure made by Development Partners.* The amount of Project related direct payment is considered to be material and pervasive. *(The italic para use as an example)*

(Name of the Officer)
Deputy Director