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নিরীক্ষা প্রতিবেদন
AUDITORS' REPORT

OF

রহমান মোস্তফা আলম এন্ড কোং
RAHMAN MOSTAFA ALAM & CO.
CHARTERED ACCOUNTANTS

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Auditors' Report

The Shareholders of North-West Zone Power Distribution Company Limited

We have audited the accompanying Financial Statements of North-West Zone Power Distribution Company Limited (the Company) for the year ended June 30, 2014, as shown in Annexure II, which are the responsibility of the Management, in accordance with the provisions of the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

Management's Responsibility for the Financial Statements
The Management of the Company is responsible for the preparation and fair presentation of these Financial Statements in accordance with the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

Auditors' Responsibility
The responsibility of the auditors is to express an opinion on these Financial Statements based on the audit. We conducted the audit in accordance with the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

North-West Zone Power Distribution Company Limited

Financial Statements

For the year ended June 30, 2014

We have audited the accompanying Financial Statements of North-West Zone Power Distribution Company Limited (the Company) for the year ended June 30, 2014, as shown in Annexure II, which are the responsibility of the Management, in accordance with the provisions of the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

We found that the accounts are properly maintained and the figures are correctly stated. The accounts are in accordance with the provisions of the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

Conclusion
In our opinion, the Financial Statements of North-West Zone Power Distribution Company Limited for the year ended June 30, 2014, are in accordance with the provisions of the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003, and the Companies Act, 1993 and the Companies (Auditors' Report) Order, 2003.

Notes on Financial Statements
1. The Company is a public company incorporated in Bangladesh under the Companies Act, 1993. It is engaged in the business of power distribution. The Company has a registered office at Dhaka and a branch office at Chittagong. The Company has a total of 10,000 shares, of which 5,000 shares are held by the public and 5,000 shares are held by the management. The Company has a total of 10,000 shares, of which 5,000 shares are held by the public and 5,000 shares are held by the management.

Dated: 12/08/2014
Signature of the Auditor

Rahman Mostafa Alam & Co.
Chartered Accountants



Auditors' Report
To
The Shareholders of North-West Zone Power Distribution Company Limited

We have audited the accompanying Financial Statements of **North-West Zone Power Distribution Company Limited** ("the Company") which comprise the Statement of Financial Position as at June 30, 2014, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in notes 1-9 and annexure-A.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRS) and for such internal control as management determines is necessary to enable the preparation of Financial Statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the company, as well as evaluating the overall presentation of the Financial Statements of the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

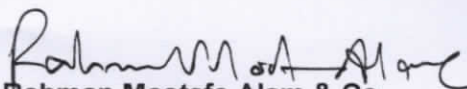
Opinion

In our opinion, the Financial Statements present fairly, in all materials respects, the financial position of **North-West Zone Power Distribution Company Limited** as at June 30, 2014 and of the company prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) of these financial statements give a true and fair view of its financial performance and its cash flows for the year then ended and comply with the applicable sections of the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the Statement of Financial Position and statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts and returns.

Dated : Dhaka
October 15, 2014


Rahman Mostafa Alam & Co.
Chartered Accountants



North-West Zone Power Distribution Company Limited
Statement of Financial Position
As at June 30, 2014

Particulars	Notes	Amount in Taka	
		30.06.14	30.06.13
Assets:			
Non Current Assets:		3,860,681	4,733,985
Property, Plant & Equipment	3	3,860,681	4,733,985
Current Assets:		2,350,667	5,682,909
Advance, deposits and prepayments	4	226,794	246,045
Cash and Cash Equivalents	5	2,123,873	5,436,864
Total Assets		6,211,348	10,416,895
Equity and Liabilities			
Shareholders Equity:		(45,450,205)	(41,257,158)
Share Capital	6	999,900	999,900
Retained Loss		(46,450,105)	(42,257,058)
Non Current Liabilities:			
Loan from BPDB :	7	50,110,383	50,110,383
Current Liabilities			
Liability For Expenses	8	1,551,170	1,563,670
Total Equity and Liabilities		6,211,348	10,416,895

The annexed notes from 1 to 9 & annexure -'A' form an integral part of these financial Statements.

Company Secretary

Managing Director

Signed in terms of our separate report of even date annexed.

Dated : Dhaka
October 15, 2014

Rahman Mostafa Alam & Co.
Chartered Accountants





North-West Zone Power Distribution Company Limited
Statement of Comprehensive Income
For the year ended June 30, 2014

Particulars	Notes	Amount in Taka	
		30.06.14	30.06.13
Operating Income		-	-
Less: Operating Expenses		-	-
Gross Profit		-	-
Administrative Expenses	9	4,352,409 4,352,409	3,877,504 3,877,504
Operating Income/(loss)		(4,352,409)	(3,877,504)
Add: Other Income		159,842	-
Net Profit/(Loss) before Provision & Tax		(4,192,567)	(3,877,504)
Less: Income Tax		480	-
Net Profit/(Loss) after tax transferred to Retained loss		(4,193,047)	(3,877,504)

The annexed notes from 1 to 9 & annexure -'A' form an integral part of these financial Statements.

Company Secretary

Managing Director

Signed in terms of our separate report of even date annexed.

Dated : Dhaka
October 15, 2014

Rahman Mostafa Alam & Co.
Chartered Accountants





North-West Zone Power Distribution Company Limited
Statement of Cash Flow
For the year ended June 30, 2014

Particulars	Amount in Taka
	30.06.14
Cash flow from Operating Activities:	
Net Profit/(Loss) after tax	(4,193,047)
Adjustment to net profit/(loss):	
Depreciation	873,304
Tax expense	480
Payments of Advances	18,771
Liability for expenses	(12,500)
Net Cash used in Operating Activities	(3,312,991)
Cash flow from Investing Activities:	
Acquisition of Fixed Assets	-
Net cash used in Investing Activities	-
Cash flow from Financing Activities:	
Net Cash Generated in Financing Activities	-
Loan from BPDP	-
Increase/(Decrease) in Cash and Cash Equivalent	(3,312,991)
Cash and Cash Equivalent at Beginning of the year	5,436,864
Cash and Cash Equivalent at end of the year	2,123,873

Company Secretary

Managing Director





North-West Zone Power Distribution Company Limited
Statement of Changes in Equity
For the year ended June 30, 2014

Particulars	Share Capital	Retained Earnings / (loss)	Total
Balance as on July 01, 2012	999,900	-	999,900
Adjustment for restate		(38,379,554)	(38,379,554)
Profit/(loss) during the year	-	(3,877,504)	(3,877,504)
Balance as on June 30, 2013	999,900	(42,257,058)	(41,257,158)
Balance as on July 01, 2013	999,900	(42,257,058)	(41,257,158)
Profit/(loss) during the year	-	(4,193,047)	(4,193,047)
Balance as on June 30, 2014	999,900	(46,450,105)	(45,450,205)

Company Secretary

Managing Director





North-West Zone Power Distribution Company Limited
Notes to the Financial Statements
For the year ended June 30, 2014

Corporate information and nature of business:

1.1 Legal Form of the Enterprise

North-West Zone Power Distribution Company Limited was incorporated in Bangladesh on 03 August, 2005 vide registration no. C- 584333 (439)/05 as a Public Limited Company.

1.2 Nature of Business Activities:

The principal activities of the organization is to generate, harness, develop, accumulate, distribute and supply electricity by setting up power plants by use of solid, liquid and gaseous fuels for the purposes of light, heat motive power and for all other purpose for which electric energy can be employed and to distribution and supply such power either directly or through transmission lines and facilities and other utilities to consumers of electricity of the area under Rajshahi Division excluding areas of Rural Electrification Board (REB)/ Palli Bidyut Samities.

The company has not started its commercial operation till 30.06.2014.

Significant Accounting Policies and Basis for preparation of Financial Statements :

2.1 Statement of Compliance

The Financial Statements of North-West Zone Power Distribution Company Limited have been prepared in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994, and other applicable Laws and Regulations.

2.2 Measurement bases used in preparing the Financial Statements

The financial statements have been prepared based on the accrual basis of accounting following going concern assumption and prepared under the historical cost convention .

2.3 Functional and Presentational Currency

The financial statements are prepared in Bangladesh Taka (Taka/TK), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.





2.4 Reporting period

The financial statements cover one accounting year from July 01,2013 to June 30,2014.

2.5 Components of Financial Statements:

According to International Accounting Standard (IAS) - 1, as adopted by ICAB as BAS-1 "presentation of financial statements" the complete set of financial statements includes the following components:

- (i) Statement of Financial Position
- (ii) Statement of Comprehensive Income
- (iii) Statement of Cash Flows
- (iv) Statement of Changes in Equity and
- (v) Notes to the Financial Statements.

2.6 Cash and Cash Equivalents:

Cash comprises of cash at banks . BAS-1 "presentation of financial statement provides that cash and cash equivalents are not restricted in use. Cash in hand and bank balances have been considered as cash and cash equivalents.

2.7 Cash flow statement

The net cash flow from operating activities is determined by adjusting profit/(loss) for the year under indirect method as per BAS 7.

2.8 Restatement

Revenue expenditure of the company recorded under unallocated revenue expenditure i.e. Intangible assets upto June 30,2013. As per BAS-38 "Intangible assets" these kind of expenditure does not comply with the requirement to be intangible assets. Hence the un-allocated revenue expenditure upto June 30,2012 amounting Tk.38,379,554 has been restated and adjusted with retained earning in the Changes in Equity Statement and revenue expenditure of last year Tk.3,877,504 shown in the statement of comprehensive income as comparative figure with current year's presentation in accordance with BAS-8 "Accounting Policies, Changes in Accounting Estimate & Errors".





		Amount in Tk.	
		30.06.14	30.06.13
00	Property, Plant & Equipments, Net :		
	Vehicles	3,199,245	3,999,056
	Office Furniture	661,436	734,929
		<u>3,860,681</u>	<u>4,733,985</u>
00	Advance, Deposit & Prepayments:		
	Advance Tax (At Source) 4.01	158,444	142,920
	Telephone Security	18,350	18,350
	Advance House Rent	50,000	50,000
	Temporary Advance 4.02	-	34,775
		<u>226,794</u>	<u>246,045</u>
01	Advance Tax (At Source)		
	Opening balance	142,920	125,141
	Add: Addition made during the year	16,004	17,779
		<u>158,924</u>	<u>142,920</u>
	Less; Adjustment during the year	480	-
		<u>158,444</u>	<u>142,920</u>
02	Temporary Advance		
	Opening balance	34,775	51,975
	Add: Addition during the year	50,000	337,800
		<u>84,775</u>	<u>389,775</u>
	Less: Adjustment during the year	(84,775)	(355,000)
		<u>-</u>	<u>34,775</u>
00	Cash & Cash Equivalents:		
	Janata Bank (Hetam khan Branch, A/C. STD-513	34,646	33,841
	AB Bank (Rajshahi Branch, A/C No. 76089-430) 5.01	2,089,227	5,403,023
		<u>2,123,873</u>	<u>5,436,864</u>
01	Reconciliation Statement of bank balance		
	AB Bank (Rajshahi Branch, A/C No. 76089-430)		
	Balance as per Bank Book	2,248,151	5,545,943
	Less: Advance Income Tax (At Source) 2008-2009	25,617	25,617
	Advance Income Tax (At Source) 2009-2010	55,261	55,261
	Advance Income Tax (At Source) 2010-2011	30,136	30,136
	Advance Income Tax (At Source) 2011-2012	14,127	14,127
	Advance Income Tax (At Source) 2012-2013	17,779	17,779
	Advance Income Tax (At Source) 2013-2014	16,004	-
		<u>2,089,227</u>	<u>5,403,023</u>





Amount in Tk.	
30.06.14	30.06.13

00 Share Capital:

Authorized Share Capital :

25,000,000 Ordinary shares @ Tk. 100 each

2,500,000,000	2,500,000,000
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Subscribed & Paid-up Capital :

9999 Ordinary shares @ Tk. 100 each

999,900	999,900
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00 Loan from BPDB :

Janata Bank (Abdul Gani Road Branch)

10,470,250 10,470,250

Agrini Bank (WAPDA Branch)

8,743,250 8,743,250

Agrini Bank (WAPDA Branch)

16,124,700 16,124,700

Pubali Bank Ltd.

8,933,306 8,933,306

AB Bank

6,838,777 6,838,777

51,110,283 51,110,283

Less: Accounts Receivable

(999,900) (999,900)

50,110,383 50,110,383

8.00 Liability For Expenses

Interest suspense

8.01

1,496,170 1,496,170

Audit fee

25,000 37,500

Withholding Tax

30,000 30,000

1,551,170 1,563,670

8.01 Interest Suspense

year 2007-2008

66,774 66,774

year 2008-2009

256,177 256,177

year 2009-2010

552,616 552,616

year 2010-2011

301,360 301,360

year 2011-2012

141,273 141,273

year 2012-2013

177,970 177,970

1,496,170 1,496,170





Amount in Tk.	
30.06.14	30.06.13

Administrative Expenses:

Basic Salary	532,000	838,550
House Rent Allowances	258,600	180,000
Medical Allowances	108,395	101,485
Dearness Allowances	52,000	42,000
Festival Allowances	70,000	110,500
Electricity-Office	11,420	15,261
Electricity - Rebate	16,901	22,140
Salaried for Hired Employees	632,850	-
Leave Encashment	37,500	30,333
Washings	-	6,726
Entertainment	-	29,200
Stationary & Printing	110,542	147,082
Licence & Fees	-	200,856
Office Rent	274,450	131,750
Postage & Telegram	9,775	91,396
Legal Expense		8,000
Telephone	45,922	-
Books & Periodicals	2,394	3,280
Fuel & Lubricants	342,618	283,773
Tax Token & Insurance	183,151	176,219
Miscellaneous	33,448	2,090
Bank Charge & Commission	2,270	21,693
Audit Fee	25,000	37,500
Director Remuneration	182,000	85,000
Repairs of Building	-	1,738
Repairs of Vehicles	374,403	204,270
Repairs of Furniture	-	20,519
Tiffin & Conveyance allowance		4,720
Conveyance	8,066	-
Charge Allowance	113,400	-
Education Allowance	2,000	-
Board Meeting Expense	50,000	-
Depreciation	873,304	1,081,423
	4,352,409	3,877,504



৳ ৪,৩৫২,৪০৯/-
৳ ৩,৮৭৭,৫০৪/-

North-West Zone Power Distribution Company Limited
Fixed Assets Schedule
As at June 30, 2014

Annexure-A

Particulars	Cost			Rate	Depreciation			W.D.V as on 30.06.14
	Balance as on 01.07.13	Addition during the year	Balance as on 30.06.14		Balance as on 01.07.13	Charged during the year	Balance as on 30.06.14	
Vehicles	10,857,000	-	10,857,000	20%	6,857,944	799,811	7,657,755	3,199,245
Office Furniture	1,179,316	-	1,179,316	10%	444,387	73,493	517,880	661,436
Total	12,036,316	-	12,036,316		7,302,331	873,304	8,175,635	3,860,681

