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নিরীক্ষা প্রতিবেদন  
AUDITORS' REPORT

OF

30.6.2018

North-West Zone Power Distribution Company Limited  
Financial Statements  
For the year ended June 30, 2018

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

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**North-West Zone Power Distribution Company Limited**  
**Financial Statements**  
For the year ended June 30, 2015



**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, 2015, 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, 2015 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**  
**July 28, 2015**

  
**Rahman Mostafa Alam & Co.**  
Chartered Accountants





# North-West Zone Power Distribution Company Limited

## Statement of Financial Position

As at June 30, 2015

Particulars	Notes	Amount in Taka	
		June 30, 2015	June 30, 2014
<b>Assets:</b>			
<b>Non current assets</b>		<b>3,181,568</b>	<b>3,860,681</b>
Property, plant & equipment	3.00	3,181,568	3,860,681
<b>Current assets</b>		<b>11,329,987</b>	<b>2,509,591</b>
Advance, deposits and prepayments	4.00	259,398	226,794
Cash and cash equivalents	5.00	11,070,589	2,282,797
<b>Total assets</b>		<b>14,511,555</b>	<b>6,370,272</b>
<b>Equity and Liabilities</b>			
<b>Shareholders equity</b>		<b>(55,061,787)</b>	<b>(49,571,675)</b>
Share capital	6.00	999,900	999,900
Retained loss		(56,061,687)	(50,571,575)
<b>Non current liabilities</b>			
Loan from BPDB	7.00	64,981,134	50,110,383
<b>Current liabilities</b>			
Liability for expenses	8.00	4,592,208	5,831,564
<b>Total equity and liabilities</b>		<b>14,511,555</b>	<b>6,370,272</b>

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  
July 28, 2015

Rahman Mostafa Alam & Co.  
Chartered Accountants





**North-West Zone Power Distribution Company Limited**  
**Statement of Comprehensive Income**  
For the year ended June 30, 2015

Particulars	Notes	Amount in Taka	
		June 30, 2015	June 30, 2014
Operating income		-	-
Less: Operating expenses		-	-
Gross Profit		-	-
Administrative expenses	9.00	5,666,557 5,666,557	4,352,409 4,352,409
Operating income/(loss)		(5,666,557)	(4,352,409)
Add: Bank interest ( gross)		176,444	159,842
Net profit/(loss) before provision & tax		(5,490,113)	(4,192,567)
Less: Adjustment		-	480
Net profit/(loss) after tax transferred to Retained loss		(5,490,113)	(4,193,047)

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  
July 28, 2015

Rahman Mostafa Alam & Co.  
Chartered Accountants



**North-West Zone Power Distribution Company Limited**  
**Statement of Changes in Equity**  
**For the year ended June 30, 2015**

Particulars	Share Capital	Retained Earnings / (loss)	Total
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)
Adjustment		(4,121,470)	(4,121,470)
Balance as on June 30, 2014	999,900	(50,571,575)	(49,571,675)
Balance as on July 01, 2014	999,900	(50,571,575)	(49,571,675)
Profit/(loss) during the year	-	(5,490,113)	(5,490,113)
Balance as on June 30, 2015	999,900	(56,061,687)	(55,061,787)



Company Secretary



Managing Director







North-West Zone Power Distribution Company Limited

Statement of Cash Flows  
For the year ended June 30, 2015

Particulars	Amount in Taka	
	June 30, 2015	June 30, 2014
Cash flows from operating activities		
Net profit/(loss) after tax	(5,490,113)	(4,193,047)
Adjustment to net profit/(loss):		
Depreciation	712,713	873,304
Tax expense	-	480
Payments of advances	(32,604)	18,771
Adjustment (restated)	-	158,924
Liability for expenses	(1,239,355)	(12,500)
Net cash used in operating activities	(6,049,359)	(3,154,067)
Cash flows from investing activities		
Acquisition of fixed assets	(33,600)	-
Net cash used in investing activities	(33,600)	-
Cash flows from financing activities		
Loan from BPDP	14,870,751	-
Net Cash generated in financing activities	14,870,751	-
Increase/(Decrease) in cash and cash equivalent	8,787,792	(3,154,067)
Cash and cash equivalent at beginning of the year	2,282,797	5,436,864
Cash and cash equivalent at end of the year	11,070,589	2,282,797

Company Secretary

Managing Director





## North-West Zone Power Distribution Company Limited

### Notes to the Financial Statements

For the year ended June 30, 2015

#### 1. 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 restated Division excluding areas of Rural Electrification Board (REB)/ Palli Bidyut Samities.

*The company has not started its commercial operation till 30.06.2015.*

#### 2. 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 01,2014 to June 30,2015.







## 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 Changes in Equity and
- (iv) Statement of Cash Flows
- (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

Previous year figure has been restated if where necessary.





		Amount in Tk.	
		June 30, 2015	June 30, 2014
3.00	Property, plant & equipments- net		
	Cost at the beginning	12,036,316	12,036,316
	Add: Addition during the year	33,600	-
		12,069,916	12,036,316
	Less: Accumulated depreciation	8,888,348	8,175,635
	Written down value	3,181,568	3,860,681
Detail shown in Annexure-A			
4.00	Advance, deposit & prepayments		
	Tax deducted at source	4.01 191,048	158,444
	Telephone security	18,350	18,350
	Advance house rent	50,000	50,000
		259,398	226,794
4.01	Tax deducted at source		
	Opening balance	158,444	142,920
	Add: Addition made during the year	4.01.1 32,604	16,004
		191,048	158,924
	Less; Adjustment made during the year	-	480
		191,048	158,444
4.01.1	Addition of tax deducted at source		
	TDS from bank interest	17,604	16,004
	TDS from motor vehicle	15,000	-
		32,604	16,004
5.00	Cash & cash equivalents		
	Janata bank (hetam khan branch, A/C. STD-513	35,470	34,646
	AB Bank (Rajshahi branch, A/C No. 76089-430)	5.01 11,035,119	2,248,151
		11,070,589	2,282,797
5.01	Reconciliation statement of bank balance		
	AB Bank (Rajshahi branch, A/C No. 76089-430)		
	Balance as per bank statement	11,072,019	2,248,151
	Less: Unpresented cheque		
	Ch. No.-6952228	29,450	-
	Ch. No.-6952236	7,450	-
		11,035,119	2,248,151







**6.00 Share capital**

**Authorized share capital :**

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

Amount in Tk.	
June 30, 2015	June 30, 2014

2,500,000,000	2,500,000,000
---------------	---------------

**Subscribed & paid-up capital :**

9999 Ordinary shares @ Tk. 100 each

999,900	999,900
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**7.00 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.

23,804,057 8,933,306

AB bank

6,838,777 6,838,777

65,981,034 51,110,283

Less: Accounts receivable

999,900 999,900

64,981,134 50,110,383

**8.00 Liability for expenses**

Interest suspense

8.01 1,496,170 1,496,170

Salaries

- 1,665,032

Electricity bill

3,582 -

Leave encashment

600,320 600,320

Gratuity

1,771,400 1,618,400

Contribution to providend fund

484,559 392,892

Office rent

23,387

Suppliers

24,408

Audit fee

28,750 28,750

Withholding tax

155,882 30,000

VAT Payable

3,750 -

4,592,208 5,831,564

**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







9.00 Administrative Expenses

Amount in Tk.		
	June 30, 2015	June 30, 2014
Basic salary	904,838	532,000
House rent allowances	497,661	258,600
Medical allowances	82,791	108,395
Dearness allowances	72,000	52,000
Festival allowances	193,500	70,000
Electricity-office	15,702	11,420
Electricity	28,493	16,901
Salaried for hired employees	802,600	632,850
Leave encashment	49,400	37,500
Stationary & printing	35,034	110,542
Office rent	283,237	274,450
Postage & telegram	910	9,775
Telephone	41,563	45,922
Books & periodicals	4,130	2,394
Fuel & lubricants	371,966	342,618
Tax token & insurance	185,539	183,151
Miscellaneous	26,547	33,448
Bank charge & commission	3,424	2,270
Audit fee	28,750	25,000
Director remuneration	215,000	182,000
Repairs of building	6,870	-
Repairs of vehicles	272,580	374,403
Repairs of furniture	23,200	-
Conveyance	7,040	8,066
Charge allowance	180,967	113,400
Education allowance	6,000	2,000
Board meeting expense	33,690	50,000
Contribution to providend fund	91,667	
Gratuity	153,000	
Water	18,000	-
Tour	33,617	-
Advertisment	187,128	-
Utilities	97,000	-
Depreciation	712,713	873,304
	<u>5,666,557</u>	<u>4,352,409</u>



# North-West Zone Power Distribution Company Limited

## Fixed Assets Schedule

As at June 30, 2015

Annexure-A

Particulars	Cost			Rate	Depreciation			W.D.V as on 30.06.15
	Balance as on 01.07.14	Addition during the year	Balance as on 30.06.15		Balance as on 01.07.14	Charged during the year	Balance as on 30.06.15	
Vehicles	10,857,000	-	10,857,000	20%	7,657,755	639,849	8,297,604	2,559,396
Office Furniture	1,179,316	-	1,179,316	10%	517,880	66,144	584,024	595,292
Electric Equipment	-	33,600	33,600	20%	-	6,720	6,720	26,880
<b>Total</b>	<b>12,036,316</b>	<b>33,600</b>	<b>12,069,916</b>		<b>8,175,635</b>	<b>712,713</b>	<b>8,888,348</b>	<b>3,181,568</b>

