Public Disclosure Authorized
Public Disclosure Authorized
Public Disclosure Authorized
Public Disclosure Authorized

P156036
(AJK)
12/28/18

Financial Attest Audit Report
on the Accounts of
Disaster and Climate Resilience Improvement Project
(World Bank)
Loan No. 5686-PAK
Planning & Development Department

For the Financial Year 2017-18

Auditor General of Azad Jammu and Kashmir

Financial Attest Audit Report
on the Accounts of
Disaster and Climate Resilience Improvement Project
(World Bank)
Loan No. 5686-PAK
Planning & Development Department

For the Financial Year 2017-18

Auditor General of Azad Jammu and Kashmir

TABLE OF CONTENTS

	Page No.
List of Abbreviations	1
Preface	2
PART-I	
Project Overview	3
Auditor's Report to the Management (Audit Opinion)	4-5
Financial Statements	6-16
PART-II	
COVERING LETTER TO THE MANAGEMENT LETTER	18
EXECUTIVE SUMMARY	19
MANAGEMENT LETTER	20
1. Introduction	
2. Audit Objectives	
3. Audit Scope and Methodology	
4. AUDIT FINDINGS AND RECOMMENDATIONS	
4.1 Organization and Management	21-24
4.2 Financial Management	
4.3 Procurement and Contract Management	
4.4 Construction and Works	
4.5 Asset Management	
4.6 Monitoring and Evaluation	
4.7 Compliance with Loan Covenants	
4.8 Environment	
4.9 Sustainability	
4.10 Overall Assessment	
5. CONCLUSION	25
ACKNOWLEDGEMENT	26

Abbreviations and Acronyms

AJ&K	Azad Jammu & Kashmir
DAC	Departmental Accounts Committee
DCRIP	Disaster and Climate Resilience Improvement Project
DRM	Disaster Recovery Management
ESMF	Environment and Social Management Framework
FY	Financial Year
GOP	Government of Pakistan
ICPD	Internal Conference on Population Development
IDA	International Development Agency
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standards of Supreme Audit Institutions
MDGs	Millennium Development Goals
NDMP	National Disaster Management Plan
NOL	No Objection Letter
PC-I	Preliminary Cost/ Planning Commission-I
P&DD	Planning and Development Department
PAO	Principal Accounting Officer
PIU	Project Implementation Unit
PMU	Project Management Unit
RFA	Revolving Fund Account
RFQ	Request for Quotation
SDMA	State Disaster Management Authority
WB	World Bank

PREFACE

The Auditor-General of Azad Jammu and Kashmir conducts audit subject to Article 50-A of the AJ&K Interim Constitution 1974, read with Sections 9 and 13 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Act, 2005. The audit of Disaster and Climate Resilience Improvement Project was carried out accordingly.

The Director General Audit Azad Jammu and Kashmir conducted audit of the Disaster and Climate Resilience Improvement Project in July, 2018 for the FY 2017-18 under the Contract Agreement of the Project with a view to report significant findings to stakeholders. Audit examined the economy, efficiency, and effectiveness aspects of project. In addition, Audit also assessed on test check basis whether the management complied with applicable laws, rules and regulations in managing the project. The Audit Report indicates specific actions that, if taken, will help the management to realize the objectives of the Disaster and Climate Resilience Improvement Project.

The Report consists of two parts. Part-I contains Auditor's Report (Audit Opinion) and Financial Statements. Part-II contains Executive Summary, Management Letter and Audit Findings.

The Report has been prepared for submission to World Bank in terms of Loan Agreement No. 5686-PAK with Islamic Republic of Pakistan.

Dated: December 17, 2018
Muzaffarabad AJK

Muhammad Hassan Rana
Director General Audit

PART-I

1. PROJECT OVERVIEW
2. AUDITOR'S REPORT TO MANAGEMENT
3. FINANCIAL STATEMENTS

PROJECT OVERVIEW

1.	Name of the Project	Disaster and Climate Resilience Improvement Project
2.	Sponsoring Authority	World Bank
3.	Executing Authority	Planning and Development Department through PIU DCRIP
4.	Loan No.	5686-PAK
5.	PC-I Cost	Rs 2500.000 Million
6.	Date of Commencement	14-09-2015
7.	Actual Date of Commencement	19-05-2016
8.	Date of Completion (as per PC-I)	30-09-2019
9.	Date of Approval by CDWP	19-05-2015
10.	Loan Closing Date	01-12-2019
11.	Expenditure upto last F.Y 2016-17	Rs 226.594 Million
12.	Loan Utilization Status during F.Y 2017-18	Rs 215.936 Million
13.	Progressive Expenditure upto F.Y 2017-18	Rs. 442.530 Million

Office of the
Director General Audit
Azad Jammu & Kashmir
Muzaffarabad

DGA=05822-920018
FAX=05822-920011

Auditor's Report to the Management (Audit Opinion)

The Directorate General Audit Azad Jammu and Kashmir has audited the accompanying Financial Statements of "Disaster and Climate Resilience Improvement Project" as of 30.06.2018.

Preparation of Financial Statements is the responsibility of the management of the Project. Responsibility of Audit is to express an opinion on the accompanying statements based on the audit exercise.

The audit exercise was carried out in accordance with the INTOSAI Auditing Standards as adopted by the Auditor General of Azad Jammu and Kashmir. The Standards require the audit to obtain reasonable assurance that the Financial Statements are free of material misstatements. This audit is based on test check basis and includes findings, evidence supporting the amounts and disclosures in the Financial Statements. It also includes assessment of the accounting principles adopted by the management in preparing Financial Statements. A professional exercise has been conducted to provide a reasonable basis for audit opinion. The statements have been prepared on cash receipts and disbursement basis. On this basis, the revenue is recognized when received rather when earned, and expenses are recognized when paid rather than when incurred.

In our opinion:

A. The aforementioned Financial Statements and appended notes subjected to audit fairly present in all material respects the financial position of Disaster and Climate Resilience Improvement Project and results of its operations for the period ended 30.06.2018, in conformity with the accepted accounting principles, applied on a basis consistent in material respects with that of previous year;

B. The management of the Project has utilized all proceeds of the loan withdrawn from the World Bank for the purposes of the Project as agreed in accordance with the Loan Agreement and no proceeds of the grant have been utilized for any other purposes.

In addition:-

1. Adequate supporting documentation has been maintained in support of the expenditure incurred.

2. Expenditure of Rs.215.936 million incurred during the Financial Year 2017-18, is eligible for replenishment.

(Muhammad Hassan Rana)
Director General Audit
Azad Jammu & Kashmir

FINANCIAL STATEMENTS

DISASTER AND CLIMATE RESILIENCE IMPROVEMENT PROJECT (DCRIP)

FOR THE YEAR ENDED 30TH JUNE 2018

		Page No.
i.	Statement of Receipts and payments	7
ii.	Statement of Comparison of Budget and Actual Amounts	8
iii.	Bank Statement and Bank Reconciliation Statement	9-10
iv.	Notes to Financial Statements	13-16

Disaster and Climate Resilience Improvement Project, AJ&K

Statement of Receipts and Payments

For the Year Ended 30 June 2018

	Note	2017-18		2016-17	
		Receipt (Payments) controlled by Project	Payments by Third Parties	Receipt (Payments) controlled by Project	Payments by Third Parties
RECEIPTS					
External Assistance	5	1,054,469,979	-	314,305,800	-
Counterpart Funds	6	-	-	-	-
Total Receipt		**1,054,469,979**	-	**314,305,800**	-
PAYMENTS					
Consultancy Services	7	93,003,805	-	127,317,418	-
Operating Expenses	8	45,114,336	-	24,115,324	-
Supplies and Consumables	9	14,149,211	-	56,114,980	-
Civil Works	10	63,539,013	-	-	-
Trainings	11	129,800	-	51,600	-
Total Payments		**215,936,165**	-	**207,599,322**	-
Increase/Decrease in Cash					
Cash at the beginning of year		297,246,460	-	190,539,992	-
Receipts during the year		1,054,469,979		314,305,800	
Cash available		1,351,716,439	-	504,845,792	-
Payments during the year		215,936,165	-	207,599,332	-
Cash at the End of Year	12	***1,135,780,274***	-	*297,246,460*	-

The accompanying notes form an integral part of these financial statements and are to be read herewith

Audit Officer, DG Audit

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob

Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad.

Disaster and Climate Resilience Improvement Project, AJK
Statement of Comparison of Budget and Actual Amounts
For the Year Ended 30 June 2018

Amount in Rupees

	Note	2017-18		2016-17	
RECEIPTS		**Budgeted Amounts**	**Actual Amounts**	**Budgeted Amounts**	**Actual Amounts**
External Assistance	5	1,054,469,979	1,054,469,979	525,000,000	314,305,800
Counterpart Funds	6	-	-	-	-
Total Receipts		**1,054,469,979**	**1,054,469,979**	**525,000,000**	**314,305,800**

		2017-18		2016-17	
PAYMENTS					
Consultancy Services	7	93,003,805	93,003,805	127,317,000	127,317,418
Operating Expenses	8	45,114,336	45,114,336	23,938,442	24,115,324
Supplies and Consumables	9	14,149,211	14,149,211	55,753,890	56,114,980
Civil Works	10	63,539,013	63,539,013	590,000	-
Trainings	11	129,800	129,800	-	-
Total Payments		**215,936,165**	**215,936,165**	**207,599,332**	**207,547,722**

The accompanying notes form an integral part of these financial statements and are to be read herewith

Audit Officer, DG Audit

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob

Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad.

Disaster and Climate Resilience Improvement Project, AJK				
Bank Reconciliation Statement MCP a/c no.27-A as on 30-06-2018				
Description		**Amount (PKR)**	**Amount (USD)**	**Remarks**
(A) Balance as per Bank Statement		**1,147,697,894.00**	**10,283,015.93**	
Less Cheques issued but not presented				
Cheque No.	*Cheque Date*	Amount (PKR)	Amount (USD)	
Cheque No.25695454	31.05.2017	83,978.00	801.56	
Cheque No.25695473	06.06.2017	96,946.00	925.33	
Cheque No.86463777	29.06.2018	1,250.00	11.93	
Cheque No.86463778	29.06.2018	6,925.00	66.10	
Cheque No.86463779	29.06.2018	179,529.00	1,713.58	
Cheque No.86463780	29.06.2018	10,602.00	101.19	
Cheque No.86463781	29.06.2018	2,661.00	25.40	
Cheque No.86463782	29.06.2018	195,925.00	1,870.07	
Cheque No.86463784	29.06.2018	6,000,000.00	57,269.07	
Cheque No.86463785	29.06.2018	1,728,216.00	16,495.55	
Cheque No.86463786	29.06.2018	2,909,516.00	27,770.88	
Cheque No.86463787	29.06.2018	253,541.00	2,420.01	
Cheque No.86463788	29.06.2018	242,705.00	2,316.58	
Cheque No.86463789	29.06.2018	205,826.00	1,964.58	
(B) Sub Total		**11,917,620.00**	**113,751.83**	
(C) Balance as per Cash Book (A-B)		**1,135,780,274.00**	**10,169,264.10**	
Difference - if any (with reasons)				

Prepared by

Syed Muhammad Rizwan Shah
AAO DCRIP
Syed Muhammad Rizwan Shah
Assistant Accounts Officer
DCRIP- Muzaffarabad.

Reviewed by

Ejaz Ahmed.
FMS DCRIP
Financial Management Specialist
Disaster & Climate Resilience Improvement Project
GoAJK. Muzaffarabad

Approved by

Tahir Iqbal Mughal.
DDF&A DCRIP
Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

NBP
National Bank of Pakistan

Main Branch Muzaffarabad - 0377

86,831,023.00

US Dollar Assignment Account #
Project Director Implementation,
Disaster and Climate Reisilence
IDA LOAN NO 5686-PAK SUPPORT to Disaster and Climate Resilience Improvement Project, Muzaffarabad AJK
From: To:

Assignment A/C No. 27A
Current A/C No. (Shadow) 4105958794
SBP A/C No.PAK5686

DATE	PARTICULARS	CHEQUE	PKR-Dr.	PKR-Cr.	PKR Bal. with SBP	@	TTs @	DEBIT (US$)	CREDIT (US$)	BALANCE ($)
04.06.2018	Clearing	86463738	179,333.00		1,190,244,815.00	104.7686		1,711.71		$ 10,689,119.67
04.06.2018	Clearing	86463741	508,000.00		1,189,736,815.00	104.7686		4,848.78		$ 10,684,270.89
04.06.2018	Clearing	86463740	257,833.00		1,189,478,982.00	104.7686		2,460.98		$ 10,681,809.92
04.06.2018	Clearing	86463733	172,333.00		1,189,306,649.00	104.7686		1,644.89		$ 10,680,165.02
05.06.2018	Clearing	86463739	82,676.00		1,189,223,973.00	104.7686		789.13		$ 10,679,375.89
05.06.2018	Clearing	86463727	4,346,561.00		1,184,877,412.00	104.7686		41,487.25		$ 10,637,888.65
05.06.2018	Clearing	86463737	179,333.00		1,184,698,079.00	104.7686		1,711.71		$ 10,636,176.94
05.06.2018	Clearing	86463736	179,333.00		1,184,518,746.00	104.7686		1,711.71		$ 10,634,465.23
05.06.2018	Clearing	86463735	179,333.00		1,184,339,413.00	104.7686		1,711.71		$ 10,632,753.53
06.06.2018	Clearing	86463746	2,236,664.00		1,182,102,749.00	104.7686		21,348.61		$ 10,611,404.92
06.06.2018	Clearing	86463734	179,333.00		1,181,923,416.00	104.7686		1,711.71		$ 10,609,693.21
07.06.2018	Clearing	86463742	52,000.00		1,181,871,416.00	104.7686		496.33		$ 10,609,196.88
07.06.2018	Clearing	86463731	100,575.00		1,181,770,441.00	104.7686		959.79		$ 10,608,233.09
07.06.2018	Clearing	86463745	155,038.00		1,181,615,403.00	104.7686		1,479.81		$ 10,606,753.28
07.06.2018	Clearing	86463730	31,984.00		1,181,583,419.00	104.7686		305.29		$ 10,606,447.99
08.06.2018	Clearing	86463744	8,070,057.00		1,173,513,362.00	104.7686		77,027.44		$ 10,529,420.55
11.06.2018	Clearing	86463747	3,062,804.00		1,170,450,558.00	104.7686		29,233.99		$ 10,500,186.57
12.06.2018	Clearing	86463751	14,716.00		1,170,435,842.00	104.7686		140.46		$ 10,500,046.10
13.06.2018	Clearing	86463761	119,574.00		1,170,316,268.00	104.7686		1,141.32		$ 10,498,904.79
13.06.2018	Clearing	86463754	37,048.00		1,170,279,220.00	104.7686		353.62		$ 10,498,551.17
13.06.2018	Clearing	86463760	490,264.00		1,169,788,956.00	104.7686		4,679.49		$ 10,493,871.68
13.06.2018	Clearing	86463729	1,009,492.00		1,168,779,464.00	104.7686		9,635.44		$ 10,484,236.23
13.06.2018	Clearing	86463749	777,874.00		1,168,001,590.00	104.7686		7,424.69		$ 10,476,811.55
13.06.2018	Clearing	86463755	7,894,618.00		1,160,106,972.00	104.7686		75,352.90		$ 10,401,458.65
14.06.2018	Clearing	86463756	6,950.00		1,160,100,022.00	104.7686		66.34		$ 10,401,392.31
14.06.2018	Clearing	86463757	6,950.00		1,160,093,072.00	104.7686		66.34		$ 10,401,325.97
14.06.2018	Clearing	86463750	160,624.00		1,159,932,448.00	104.7686		1,533.13		$ 10,399,792.84
14.06.2018	Clearing	86463752	2,087.00		1,159,930,361.00	104.7686		19.92		$ 10,399,772.92
19.06.2018	Clearing	86463759	5,024,615.00		1,154,905,746.00	104.7686		47,959.17		$ 10,351,813.75
21.06.2018	Clearing	86463758	5,550.00		1,154,900,196.00	104.7686		52.97		$ 10,351,760.78
21.06.2018	Clearing	86463748	1,294.00		1,154,898,902.00	104.7686		12.35		$ 10,351,748.43
21.06.2018	Clearing	86463762	43,793.00		1,154,855,109.00	104.7686		418.00		$ 10,351,330.43
21.06.2018	Clearing	86463764	179,333.00		1,154,675,776.00	104.7686		1,711.71		$ 10,349,618.72
22.06.2018	Clearing	86463766	114,960.00		1,154,560,816.00	104.7686		1,096.32		$ 10,348,522.40
22.06.2018	Clearing	86463765	179,333.00		1,154,381,583.00	104.7686		1,711.71		$ 10,346,810.70
22.06.2018	Clearing	86463768	83,064.00		1,154,298,519.00	104.7686		792.83		$ 10,346,017.87
22.06.2018	Clearing	86463767	199,500.00		1,154,099,019.00	104.7686		1,904.20		$ 10,344,113.67
22.06.2018	Clearing	86463763	179,333.00		1,153,919,686.00	104.7686		1,711.71		$ 10,342,401.96
22.06.2018	Clearing	86463728	451,138.00		1,153,468,548.00	104.7686		4,306.04		$ 10,338,095.92
25.06.2018	Clearing	86463753	3,000.00		1,153,465,548.00	104.7686		28.63		$ 10,338,067.29
25.06.2018	Clearing	86463770	176,433.00		1,153,289,115.00	104.7686		1,684.03		$ 10,336,383.26
26.06.2018	Clearing	86463769	257,833.00		1,153,031,282.00	104.7686		2,460.98		$ 10,333,922.29
26.06.2018	Clearing	86463732	85,120.00		1,152,946,162.00	104.7686		812.46		$ 10,333,109.83
27.06.2018	Clearing	86463772	10,956.00		1,152,935,206.00	104.7686		104.57		$ 10,333,005.25
28.06.2018	Clearing	86463775	4,935,257.00		1,147,999,949.00	104.7686		47,105.26		$ 10,285,898.99
29.06.2018	Clearing	86463771	19,339.00		1,147,980,610.00	104.7686		184.55		$ 10,285,714.41
29.06.2018	Clearing	86463773	21,214.00		1,147,959,396.00	104.7686		202.48		$ 10,285,511.92
29.06.2018	Clearing	86463776	174,710.00		1,147,784,686.00	104.7686		1,667.58		$ 10,283,844.34
29.06.2018	Clearing	86463774	86,792.00		1,147,697,894.00	104.7686		828.42		$ 10,283,015.93

10. Project Staff List with Job description

-10-

Disaster and Climate Resilience Improvement Project, AJ&K
Notes to the Financial Statements
For the Year ended 30 June 2018

1 Reporting Entity

The financial statements are for the 'Disaster and Climate Resilience Improvement Project' (DCRIP) . The financial statements has been compiled by the reporting entity i.e. DCRIP. The Financing Agreement was signed between the World Bank and GoP (EAD) on 30-07-2015 for an amount of SDR 88.9 million equal to USD 125 Million which also included USD 25 million for AJ&K. The project became effective from 01-09-2015 with closing date of 01-12-2019. A Subsidiary Agreement was also signed on 22-04-2016 between GoP and Go AJ&K for an amount of USD 25 Million (equal to SDR 17.790 Million).

The key objective, *inter alia* , of the Project is to support the Go AJ&K for 'Restoring flood protection infrastructure, upgrading flood management system and strengthen state capacity to manage Disaster and Climate variability.

The project is being implemented through an independent Project Implementation Unit (PIU) under umbrella of Planning & Development Department (P&DD), Go AJ&K.

Financing

The Financing is made in the form of credit based on standard world bank terms. The Financing Agreement Credit Number is 56860-PK.

Responsible Agency

A primary responsibility for over all progress and management of the additional financial has been entrusted to Project Implementation Unit(PIU) with approval of P&DD, Go AJ&K.

2 Certification by Project Management on Application of Funds

The DCRIP management certified that the funds have been applied and expenditure have been incurred for the purposes intended in the financing agreement.

3 Accounting Convention and Statement of Compliance

These financial statements have been prepared in accordance with Cash Basis IPSAS Financial Reporting under the Cash basis of Accounting.

4 *Significant Accounting Policies*

The Accounting Policies have been applied in consistently throughout the period.

4.1 Foreign Currency Transactions

All monetary transactions in foreign currencies are converted into Pak Rupees at exchange rate declared by the State Bank of Pakistan on the date of credit in Project bank account.

4.2 Reporting Currency

All amounts in the financial statements are in Pak Rupees.

4.3 Revenue Recognition

Revenue is recognized on the receipt date of receipt of money by the State Bank of Pakistan or clearance of cheque. Revenue is recognized on gross basis and any related costs are recorded separately.

4.4 Recognition of Expenditure

Expenditure is recognized on the date when payment is made or cheque is issued. Financial year to which the payment pertains is determined by the date on which a cheque or payment advice is issued.

4.5 Employee Terminal Benefits

Service benefits of government deputations employees are accounted for in their respective departments while no service terminal benefits are paid to the contractual employees.

4.6

The payments made by third parties do not constitute cash receipts or payments controlled by the Project but do benefits the project as the project does not received cash (including cash equivalents) directly from or gain control of the bank account or similar facility established for its benefit by the third parties, payment by third parties, if any are disclosed in the payments by third parties columns on the face of the Statement of Cash Receipts and Payments and notes to the financial statements.

Audit Officer, DG Audit

Audit Officer

Tahir Iqbal Mughal

Dy. Director Accounts

Ansar Yaqoob

Project Director,

Disaster & Climate Resilience Imp. Project

Disaster and Climate Resilience Improvement Project
Notes to the Financial Statements
For the year ended 30 June 2018

5 External Assistance

External Assistance/Credit was received from the World Bank under loan financing agreement dated 30/07/2015 between the World Bank and Government of Pakistan(GoP) and subsequent subsidiary agreement between Government of Pakistan (EAD) and Government of AJ&K (P&DD) for the activities of Disaster and Climate Resilience Improvement Project. The following payment was received by the project during the period.

		2017-18		2016-17	
		PKR	USD	PKR	USD
SOE Procedures/Advance	5.1	1,054,469,979	9,393,170	314,305,800	3,000,000
Direct Payment	5.2	-	-	-	-
Total		**1,054,469,979**	**9,393,170**	**314,305,800**	**3,000,000**

5.1 This represents funds transferred by the World Bank on the basis of Withdrawal Application, to DCRIP designated US Dollar Account no. 27-A, maintained with National Bank of Pakistan main branch, Muzaffarabad AJ&K.

5.2 Direct payments represent amount paid directly by the World Bank on behalf of the project in respect of goods, works and services procured by the project on the basis of Withdrawal Application.

5.3 There has been no instance of non compliance with the terms and conditions of financing /subsidiary agreement which has resulted in cancellation of credit.

5.4 Undrawn External Assistance

Undrawn credit at reporting date represent amounts specified in financing agreement that the World Bank will disburse for DCRIP Project activities.

	Amounts in USD $	
	2017-2018	2016-2017
Closing Balance - undrawn	10,606,830	20,000,000

6 Counter Part Funding : No counterpart funding is available in this project. It is an 100% financed project by the World Bank

	Amount in Pak Rupees	
7 Consultancy Services	2017-18	2016-17
7.1 Individual Consultants	-	-
7.2 Firms (Detail at Annex-A)	93,003,805	127,317,418
	93,003,805	**127,317,418**

8 Operating Expenses	2017-18	2016-17
Remuneration and salaries	28,784,332	13,252,841
General Operating Expenditure	16,330,004	10,862,483
	45,114,336	**24,115,324**

8.1 Salaries

Salaries Officers	20,549,398	10,596,707
Salaries Staff	8,234,934	2,656,134
	28,784,332	**13,252,841**

8.2	Office Expenses		
	Telephone	269,931	208,221
	Advertisement and Publicity	1,381,420	619,150
	office maintenance	2,773,504	1,551,653
	POL, Repair and maintenance	2,909,787	928,495
	Stationery	1,121,634	513,375
	Travelling	1,441,875	1,439,072
	Other Expenses	6,431,853	5,602,527
		16,330,004	**10,862,493**

9	**Supplies and consumables**		
9.1	Furniture and Fixtures	4,279,515	524,310
9.2	Office Equipment	9,394,893	2,924,580
9.3	Vehicles	475,209	52,466,090
9.4	Security deposit	-	200,000
		14,149,211	**56,114,980**

10	**Civil Works**	**2017-18**	**2016-17**
	Civil Works (Annex-B)	63,539,013	-
		63,539,013	-

11	**Trainings**	**2017-18**	**2016-17**
11.1	Trainings	129,800	51,600
11.2	Workshops	**129,800**	**51,600**

12	**Cash and Bank**	**2017-18**	**2016-17**
12.1	Cash in Hand	-	-
12.2	Cash at Bank (DA)	1,135,780,274	190,539,992
		1,135,780,274	**190,539,992**

13	**Commitments**		
13.1	Contractor Liabilities Annex - C	275,914,806	-
13.2	Obligation under contract - Annex-D	106,798,254	199,801,487
13.3	Pending legislation	-	-
		382,713,060	**199,801,487**

14 Authorization for Issue

These financial statements have been authorized for issue by the Project Director of DCRIP on 23rd July, 2018

15 General

15.1 Figures have been rounded off to the nearest rupee.

15.2 Figures are grouped where ever necessary for the purpose of presentation

Audit Officer, DG Audit

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob

Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad.

Annex - B

Disaster and Climate Resilience Improvement Project, AJK

Detail of Payments to contractors for Civil Works			
For the Period Ended 30-06-2018			
Disbursement Category	**Description**	**Name of Firm/ Contractor**	**Total Payment (PKR)**
Civil Works	Restoration of damaged Hydro-power Houses & Flood Protection Structures of PDO - Package 1, 2 & 3	M/S O & G Construction Co.	15,687,418
		M/S HESPAK Engineering	26,291,960
		M/s ZK & Associates	3,482,396
		M/S Asif Hussain Shah Construction	3,536,105
	Restoration of Flood Protection Structures of Package-1 (PP&H) at Bandi Bagh near Nisar Camp.	M/S Mumtaz & Co.	14,541,134
		Total Payments	**63,539,013**

Audit Officer, DG Audit

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob
Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad.

Disaster and Climate Resilience Improvement Project, AJK

Detail of Payments to Consultancy firms			Annex A
For the Period Ended 30-06-2018			
Disbursement Category	**Description**	**Name of Firm/ Individual**	**Total Payment (PKR)**
Consultancy Services	Baseline creation and third party Monitoring/Validation	M/S Sustainable Solutions Pvt Ltd.	2,465,714
	Detailed Feasibility Study & Designing Flood Protection Works for Mandi Kotli Vulnerable Areas.	M/S Techo Consult International (Pvt) Ltd.	35,431,772
	Project proposal review, designing, planning, cost estimation, feasibility studies, preparation of PC-1s, tender documents, resident supervision etc	M/S Cameos Engineering.	55,106,319
		Total Payments	**93,003,805**

Audit Officer, DG Audi

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob
Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad.

Disaster and Climate Resilience Improvement Project, AJK

Commitments as on 30-06-2018 (PKR)

Contractor Liabilities / Civil Works (PKR)				Annex - C	
Description	**Name of Firm**	**Contract Amount**	**Paid till 30-06-18**	**Payable Liability**	**Remarks**
Restoration of damaged Hydro-power Houses & Flood Protection Structures of PDO - Package 1, 2 & 3	M/S O & G Construction Co.	97,391,533	15,687,418	81,704,115	
	M/S HESPAK Engineering	96,442,792	26,291,960	70,150,832	
	M/s ZK & Associates	31,234,479	3,482,396	27,752,083	
	M/S Asif Hussain Shah Construction	24,685,671	3,536,105	21,149,566	
Restoration of Flood Protection Structures of Package-1 (PP&H) at Bandi Bagh near Nisar Camp.	M/S Mumtaz & Co.	89,699,344	14,541,134	75,158,210	
	Total Civil Works	**339,453,819**	**63,539,013**	**275,914,806**	
Obligation under contract / Consultancy Services (PKR)				**Annex -D**	
Description	**Name of Firm**	**Total Contract**	**Paid till 30-06-18**	**Payable Liability**	**Remarks**
Project Management & Implementation Consultant (PMIC)	M/S Cameos Engineering.	144,653,116	68,446,364	76,206,752	
Baseline creation and third party Monitoring/Validation	M/S Sustainable Solutions Pvt Ltd.	29570941	12,575,145	16,995,796	
Detailed Feasibility Study & Designing Flood Protection Works for Mandi Kotli	M/S Techno consult International	54,478,520	40,882,814	13,595,706	
	Total Consultancies	**228,702,577**	**121,904,323**	**106,798,254**	

Audit Officer, DG Audit

Audit Officer
Office of the Director General
Audit AJ&K Muzaffarabad.

Tahir Iqbal Mughal

Dy. Director Accounts
DCRIP, P&DD,
GoAJ&K Muzaffarabad

Ansar Yaqoob

Project Director,
Disaster & Climate Resilience Imp. Project
Planning & Development Department
GoAJK, Muzaffarabad