



Annual Report - 2013

Office of the
Comptroller & Auditor General of Bangladesh

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ANNUAL REPORT - 2013

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VISION, MISSION AND VALUES

OUR VISION

Attaining accountability and transparency in Public Financial Management for achieving good governance.

OUR MISSION

Conducting effective audit of public sector operations for optimum utilization of public resources, providing reliable and objective information to assist in establishing accountability and transparency in government activities.

OUR VALUES

P Professionalism

R Reliability

O Objectivity

A Accountability

C Credibility

T Transparency

I Integrity

V Viability

E Ethics

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1. FOREWORD: IN RETROSPECT



In any democratic country the Office of the Comptroller & Auditor General (OCAG) as the Supreme Audit Institution (SAI) plays a pivotal role in establishing good governance. An effective and functional working relationship between the Auditor General's office and the Public Accounts Committee (PAC) is highly appreciated in ensuring transparency and accountability in the public sector.

I took oath as the 11th Comptroller & Auditor General of Bangladesh on Sunday, April 28, 2013. I look forward to actively reforming the auditing and accounting practices in line with international best standards for better public financial management together with my dedicated staff.

A new history created in the auditing culture of Bangladesh as the SAI of Bangladesh launched a digital audit management system, that is, Audit Monitoring & Management System (AMMS), in preparing quality audit reports and improving the audit process. In line with the government vision, the IT strategic issues and plans of the OCAG have been mooted achieving the cherished goal of 'Digital Bangladesh'.

To make public financial management more efficient and effective, the relationship between the SAIs and the public-private partnership for improved audit quality assurance is a way forward to realize high quality financial reporting and credible auditing systems. The Memorandum of Understanding (MoU) signed between the OCAG and the Institute of Chartered Accountants of Bangladesh (ICAB) and the OCAG and the Commission on Audit (COA), Philippines reinforce transparent audit reporting according to globally accepted accounting and auditing standards based on the relevance to all parties.

There are two technical assistance projects: SCOPE and SPEMP-B are running. The main focus of SCOPE project is to build up the capacity and institutional development of the OCAG. The SPEMP-B is a capacity building, multi-donor funded project led by the World Bank focusing on organizational strengthening, enhancing the quality of audit and strengthening institutional capacity of the FIMA. As part of the OCAG's capacity building and institutional development SPEMP-B has already started the International Public Financial Management (IPFM) course through the Chartered Institute of Public Finance & Accountancy (CIPFA). This is now a highly prestigious qualification for all finance professionals.

Finally, we ended the year with significant success results. However, we still have milestones to achieve. I urge the readers of this report to join us in reaffirming our commitment to the citizens, taxpayers, as well as other stakeholders. My thanks to all who were involve in the process, without whose untiring effort this report would not have been a reality.

April 27, 2014

A handwritten signature in black ink, appearing to read 'Masud Ahmed'.

Masud Ahmed
Comptroller and Auditor General

2. INTRODUCING SUPREME AUDIT INSTITUTION OF BANGLADESH

a. About us



The Office of the Comptroller and Auditor General (OCAG), the Supreme Audit Institution (SAI) of Bangladesh is responsible for auditing government receipts and public spending to ascertain whether expenditures have yielded value for money in government offices, public bodies and statutory organizations. Appointed by the President of the Republic, the Comptroller and Auditor General (CAG) heads the Supreme Audit Institution. Constitutional mandate of Comptrollership provides the CAG with the authority to decide the manner and the form in which the government accounts are maintained and disclosed.

The Constitution of the People's Republic of Bangladesh provides the CAG with absolute operational independence. CAG is not subject to the influence or control of any other authority in determining the scope and extent of audit and has unrestricted access to all documents required for carrying out audit.

Directors General, the heads of the Audit Directorates are responsible for conducting audit on behalf of the CAG in their respective jurisdictions. Alongside the traditional approach to carry out financial, compliance or regularity audits, the OCAG is now conducting performance audit to determine economy, efficiency and effectiveness in the management of public resources.

In recent years, there has been increased use of IT in the government offices, as a result of which the scope for the IT audit has also increased manifold. To keep pace with the vision of the present government's 'Digital Bangladesh', OCAG Bangladesh has formed an IT audit core group and is moving forward to creating an IT audit cell to foster the IT auditing activities.

b. Constitutional Mandate

Constitution of the People's Republic of Bangladesh

Part-VIII

THE COMPTROLLER AND AUDITOR-GENERAL

127. (1) There shall be a Comptroller and Auditor-General of Bangladesh (hereinafter referred to as the Auditor-General) who shall be appointed by the President.

Establishment of office of Auditor-General

(2) Subject to the provisions of this Constitution and of any law made by Parliament, the conditions of service of the Auditor-General shall be such as the President may, by order, determine.

128. (1) The public accounts of the Republic and of all courts of law and all authorities and officers of the Government shall be audited and reported on by the Auditor-General and for that purpose he or any person authorized by him in that behalf shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores or other government property in the possession of any person in the service of the Republic.

Functions of Auditor General

(2) Without prejudice to the provisions of clause (1), if it prescribed by law in the case of any body corporate directly established by law, the accounts of that body corporate shall be audited and reported on by such person as may be so prescribed.

(3) Parliament may by law require the Auditor-General to exercise such functions, in addition to those specified in clause (1), as such law may prescribe, and until provision is made by law under this clause the President may, by order, make such provision.

(4) The Auditor-General, in the exercise of these functions under clause (1), shall not be subject to the direction or control of any other person or authority.

129. ¹[(1) The Auditor General shall, subject to the provisions of this article, hold office for five of years from the date on which he entered upon his office, or until he attains the age of sixty-five years, whichever is earlier].

(2) The Auditor Genral except in like manner and on the like ground as a judge of the ²[Supreme Court].

Term of office Auditor-General

1. Substituted by the Constitution (Fourteenth Amendment Act, 2004 (Act 14 of 2004), for cl. (1), section 5

2. Substituted for the words "Supreme Court" by the Constitution (Fifteenth Amendment Act XIV of 2011, Section 39.

Constitutional Mandate

(3) The Auditor-General may resign his office by writing under his hand addressed to the President.

(4) On ceasing to hold office the Auditor-General shall not be eligible for further office in the service of the Republic.

130. At any time when the office of Auditor-General is vacant, or the President is satisfied that the Auditor-General is unable to perform his functions on account of absence, illness or any other cause, the President may appoint a person to act as Auditor-General and to perform the functions of that office until an appointment is made under article 127 or, as the case may be until the Auditor-General resumes the functions of his office.

131. The public accounts of the Republic shall be kept in such form and in such manner as the Auditor-General may, with the approval of the President, prescribe

132. The reports of the Auditor-General relating to the Reports of public accounts of the Republic shall be submitted to the President, who shall cause them to be laid before Parliament.

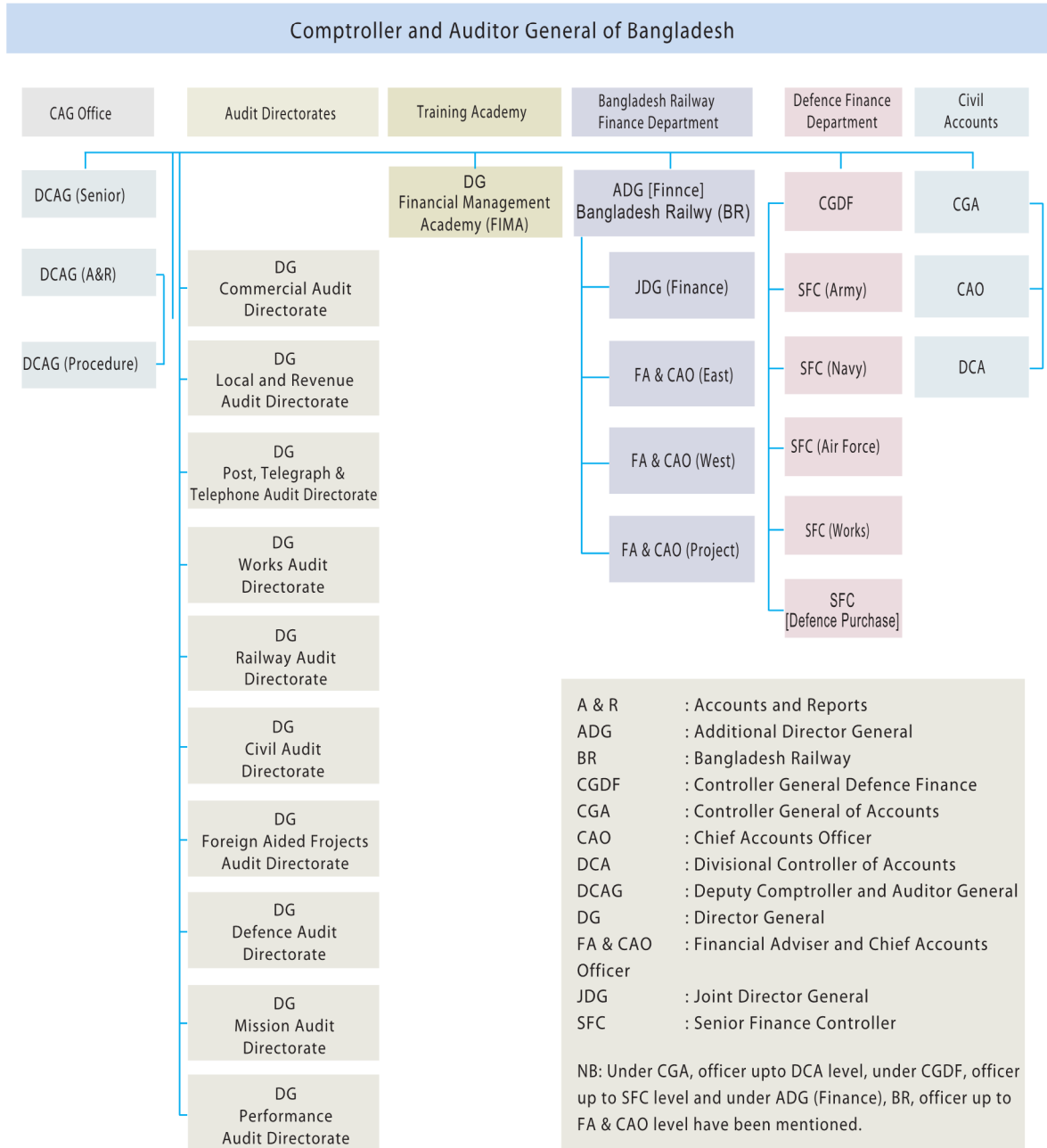
**Acting Auditor
General**

**Form and manner
of keeping public
accounts**

**Reports of
Auditor-General
to be laid before
Parliament**

ORGANOGRAM

c. ORGANOGRAM



d. Operational Activities

Public Sector Audit:

The OCAG is the secretariat of the SAI Bangladesh where broad policies and plans are designed, coordinated and evaluated. The OCAG conducts its post audit activities through ten Audit Directorates. The Directorates are organized on functional basis as shown below:

Sl	Directorates	Auditing Areas	Existing Manpower
01	Commercial Audit Directorate	All public sector entities and state owned enterprises (SOEs) including nationalized commercial banks (NCBs) and financial institutions, autonomous, semi-autonomous bodies and public holding companies	631
02	Local and Revenue Audit Directorate	All civil government departments, local and statutory bodies including municipalities, city corporations, universities and the National Board of Revenue (NBR)	431
03	Civil Audit Directorate	Office of the Controller General of Accounts (CGA), 6 Divisional Controller of Accounts offices, 49 Chief Accounts Offices, 58 District Accounts Offices and 418 Upazila Accounts Offices under the CGA	226
04	Works Audit Directorate	Public works expenditures of the Public Works Department, Roads and Highways Department, Bangladesh Water Development Board, Bangladesh Power Development Board, Dhaka Electric Supply Authority, Water and Sewerage Authority, Bangladesh Civil Aviation Authority, Local Government Engineering Department, Education Engineering Department, Public Health Engineering Department and City Development Authorities	263
05	Foreign Aided Projects Audit Directorate	All development and technical assistance programs and projects in the public sector funded by foreign aid	225
06	Railway Audit Directorate	All establishments of Bangladesh Railway, office of the Additional Director General (Finance), Bangladesh Railway and offices under its administrative control	139
07	Post, Telegraph and Telephone Audit Directorate	All establishments of the Postal Department, Bangladesh Telecommunications Company Limited, Bangladesh Telecommunication Regulatory Commission and the office of the Chief Accounts Officer, Ministry of Post and Telecommunication	197
08	Defence Audit Directorate	All units/formations of the defence forces, including army, Air force and navy, field services organizations like the Department of Meteorology, Geological Survey of Bangladesh, Controller General Defence Finance (CGDF) including the offices of the Defence Finance Department under the CGDF	149
09	Mission Audit Directorate .	All overseas missions under Ministry of Foreign Affairs, nationalized banks, shipping corporation offices and Biman Bangladesh Airlines offices operating abroad	35
10	Performance Audit Directorate	Performance audit of selected bodies	24

Operational Activities:

Operational Activities: Pre-Auditing Responsibilities

Pre-audit responsibilities are undertaken by the OCAG on the backdrop of prevalent control weaknesses and inadequate internal audit functions within the public sector organizations. The offices of the Controller General of Accounts (CGA), Controller General Defence Finance (CGDF) and Additional Director General (Finance), Bangladesh Railway assist the CAG in pre-audit of all expenditures incurred by the government. These offices are also assigned with the responsibilities of compiling the Finance Accounts and Appropriation Accounts of the Government. The allocation of functions to these offices are mentioned below:

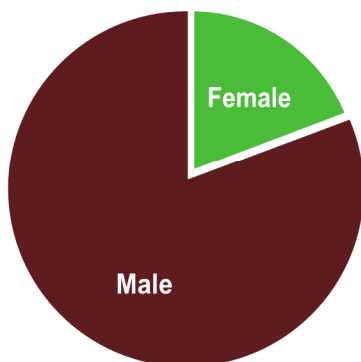
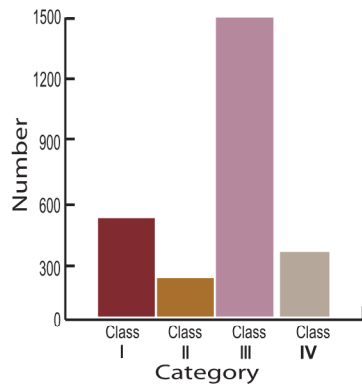
Name of Office	Type of Accounts	Allocation of functions	Existing Manpower
Controller General of Accounts (CGA)	Civil Accounts	<ul style="list-style-type: none"> ■ Prepare monthly accounts of the government ■ Make payments for claims of all civil officers and staff of government ■ Prepare Appropriation Accounts and Finance Accounts of the government and place before CAG for approval ■ Ensure accuracy and timeliness of accounts ■ Maintain the Central Data Processing Unit (CDPU) ■ Administer all accounts offices including CAOs, DCAs, DAOs and UAOs ■ Prescribe forms and methods of keeping accounts with approval of CAG ■ Provide data and information regarding accounts according to requirements of Finance Division 	5391
Controller General Defence Finance (CGDF)	Defence Accounts	<p>Accounting:</p> <ul style="list-style-type: none"> ■ Compilation and consolidation of the annual accounts of the Defence Services receipts and expenditure ■ Submission of periodical financial/accounting reports/statments including yearly Appropriation Accounts to the CAG through the MOD ■ Furnish inputs of Finance Accounts to the CGA ■ Issue necessary instructions to the Finance Controllers in matters relating to internal audit, accounts and procedure etc. ■ Supply/disbursement and control of cash 	1287

Operational Activities:

Name of Office	Type of Accounts	Allocation of functions	Existing Manpower
		<p>Pre-audit Function:</p> <ul style="list-style-type: none"> ■ Carry out pre audit to suit the individual service requirements ■ Assist the Directorate of Defence Audit ■ Examine issues relating to interpretation of rules and regulations and appeals against advising decisions given by the Finance Controllers <p>Financial Advice:</p> <ul style="list-style-type: none"> ■ Examine and render advice to defence services on 'Budget estimate and reviews' ■ Assist in scrutiny of all 'New budget measures' ■ Assist in processing cases with government which require government approval ■ Assist in internal auditing, external/statutory audits and accounts keeping by advising the services chiefs ■ Assist in speedy disbursement of pay, pension and allowances to the personnel 	
Additional Director General (finance)	Bangladesh Railway Accounts	<ul style="list-style-type: none"> ■ Render advice to administrative matters involving Bangladesh Railway (BR) finance and on policy of public service obligation ■ Maintain current accounts, monthly accounts of cash based transactions ■ Settle claims against BR ■ Consolidate BR Appropriation Accounts on expenditure against budget allocation ■ Furnish inputs of Finance Accounts to the CGA including year end asset and liabilities ■ Prepare Subsidiary Accounts comprising of capital statement, balance sheet, profit and loss accounts ■ Maintain traffic accounts by Additional FA&CAO/Traffic Accounts routed through the pay and cash offices of East and West zones of BR ■ Finalize both development and non-development budget estimates and submitting budget proposal of BR to the government ■ Maintain Settlement Accounts of BR with adjustment to civil, defence and store accounts through central books and budget unit under FA&CAO (East) 	839

Human Resources

e. Human Resources



The Supreme Audit Institution requires special competence for its workforce to conduct widely varied auditing tasks. The OCAg considers the skills and expertise of its staff as the most important aspect to perform its duties. The office possesses a wide range of educational backgrounds among its employees which is often very useful for carrying out the audit activities especially in performance auditing, environmental auditing and the emerging auditing issues.

The OCAg has taken initiatives to increase its expertise in public financial management including accounting and auditing qualifications. Officers belonging to the Bangladesh Civil Service (BCS) are recruited by the Bangladesh Public Service Commission. The other category of staff are recruited directly by the OCAg who are promoted to the rank of officers after qualifying departmental examination know as Sub-ordinate Accounts Service (SAS).

Officers and staff of the OCAg have varied academic backgrounds - science and humanities, finance, accounting as well as business administration. In order to build a strong competence based human capital, the OCAg encourages professionalism through acquiring ACCA (Association of Chartered Certified Accountants) CIPFA (Chartered Institute of Public Finance & Accountancy) qualification and certifications like Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE) by the officials.

Approximately two thousand five hundred officers and staff are presently working in the OCAg of which nineteen percent are women. Following table depicts the total number of OCAg human resources and officer-staff gender ratio.

OCAg Human Resources

Category	Male	Female	Total
I	453	51	504
II	161	27	188
III	1164	329	1493
IV	266	59	925
Total	2134	466	2510

3. PRODUCT AND SERVICES



In the year 2013 OCAG covered audits of various sectors of the government. 41 Audit Reports were submitted to Hon'ble President. Special emphasis was given to cover major areas of risk including health, power, banking, public works, education, communication etc. In preparing these reports attention was given to the quality of audit to ensure transparency and accountability of the government earnings and expenditure. It is expected that, maximum utilization of government funds and minimizing wastage of public resources would be assured in the sectors audited. A list of 02 Performance Audit, 02 Special Audit, 05 Issue based Audit & 32 Annual audit reports is given below with the title of the reports

A. Performance Audit

No.	Title of the report	Financial year	Ministry/Division	Audit directorate
1.	Performance Audit Report on Quality Control Activities of Bangladesh Standard & Testing Institution (BSTI)	2008-2009	Ministry of Industry	Local & Revenue Audit
2.	Performance Audit Report on Bangladesh Forest Management	2010-2011	Ministry of Environment & Forest	Local & Revenue Audit

B. Special Audit

No.	Title of the report	Financial year	Ministry/Division	Audit directorate
1.	Special Audit Report on Government Loan Disbursement and Reporting System.	2010-2011	Banking & Financial Institution Division, Ministry of Finance	Commercial Audit
2.	Special Audit Report on Tarakandi - Jamuna Bridge Railway Link Project of Bangladesh Railway	2010-2011	Bangladesh Railway, Ministry of Communication	Railway Audit

C. Issue Based Audit

No.	Title of the report	Financial year	Ministry/Division	Audit directorate
1.	Issue Based Report on Cash Incentives Programms of 20 Branches of 12 Commercial Bank	2010-2011	Internal Resources Division, Ministry of Finance	Commercial Audit
2.	Issue based Audit Report on Purchase, Stock & Distribution (Revenue) System of Railway Store Department	2006-07 to 2008-09	Bangladesh Railway Store Dept., Ministry of Communication	Railway Audit
3.	Issue based Audit Report on Railway Engineering Department.	2006-07 to 2008-09	Bangladesh Railway Engineering Department, Ministry of Communication	Railway Audit
4.	Issue Based Report on the Plot Allotment and Development Work of RAJUK under the Ministry of Housing and Public works	2009-2010	Ministry of Housing and Public works	Works Audit
5.	Issue Based Report on Revenue Collection of Civil Aviation Authority under Ministry of Civil Aviation & Tourism	2009-2010	Ministry of Civil Aviation & Tourism	Works Audit

PRODUCT AND SERVICES

D. Annual Audit

No.	Title of the report	Financial year	Ministry/Division	Audit directorate
1.	Report on the Accounts of Ministry of Housing & Public Works	2010-2011	Ministry of Housing & Public Works	Works Audit
2.	Report on the Accounts of Power Development Board, Dhaka Power Distribution Company & West zone Power Distribution under the Ministry of Power, Energy & Mineral Resources	2010-2011	Ministry of Power, Energy & Mineral Resources	Works Audit
3.	Report on the Accounts of Roads & Highways Department	2008-09 to 2007-08	Ministry of Communication	Works Audit
4.	Report on the Accounts of Local Government Engineering Department	2010-2011	Ministry of Local Government, Rural Development & Co-operatives	Works Audit
5.	Report on the Accounts of Water Resources Ministry	2009-2010	Ministry of Water Resources	Works Audit
6.	Report on the Accounts of Power Division	2009-2010	Ministry of Power, Energy & Mineral Resources	Works Audit
7.	Report on the Accounts of Dhaka Electric Supply Company under Power Division	2008-2009	Ministry of Power, Energy & Mineral Resources	Works Audit
8.	Report on the Accounts of Ministry of Health	2008-2009	Ministry of Health & Family Planning	Local & Revenue Audit
9.	Report on the Accounts of Commissioner of Tax, Large Tax Payer Unit(LTU), Dhaka	2007-2008 & 2008-09	Internal Resources Division, Ministry of Finance	Local & Revenue Audit
10.	Report on the Accounts of Value Added Tax (VAT), Internal Resources Division	2008-2009	Internal Resources Division	Local & Revenue Audit
11.	Report on the Accounts of City Corporation (Dhaka & Chittagong), Municipal Corporation of Local Government Rural Development & Co-operatives	2008-2009	Ministry of Local Government, Rural Development & Co-operatives	Local & Revenue Audit
12.	Report on the Accounts of Education Board, University, NTCB & Different Educational Institution under Ministry of Education	2008-2009	Ministry of Education	Local & Revenue Audit
13.	Report on Various Organizations of Internal Resources Division	2009-2010	Internal Resources Division, Ministry of Finance	Local & Revenue Audit
14.	Report on Various Organizations of Internal Resources Division	2008-2009	Internal Resources Division, Ministry of Finance	Local & Revenue Audit
15.	Report on Local Government, Rural Development & Co-operatives	2007-2009	Ministry of Local Government, Rural Development & Co-operatives	Local & Revenue Audit

PRODUCT AND SERVICES

No.	Title of the report	Financial year	Ministry/Division	Audit directorate
16.	Report on Eleven Organizations of Energy & Mineral Resources Division	2008-2009	Ministry of Power, Energy & Mineral Resources Division	Commercial Audit
17.	Report on Accounts of Nationalized Commercial Banks	2008-2009	Banking & Financial Institution Division, Ministry of Finance	Commercial Audit
18.	Reports on Accounts of BASIC Bank & Rajshahi Agriculture Development Bank	2009-2010	Banking & Financial Institution Division, Ministry of Finance	Commercial Audit
19.	Reports on 12 Nationalized Industries of Three Ministry.	2008-2009	Ministry of Industry, Defence, Textile & Jute	Commercial Audit
20.	Reports on Directorate of Food & Bangladesh Inland Water Transport Corporation	2010-2011	Ministry of Food and Shipping	Commercial Audit
21.	Reports on Ministry of Health (Essential Drugs Company Limited)	2010-2011	Ministry of Health	Commercial Audit
22.	Reports on the Accounts of Nationalized Industry under Ministry of Industry	2010-2011	Ministry of Industry	Commercial Audit
23.	Report on the Accounts of Six Organization under Six Ministry (Agriculture, LGRD, Liberation, Shipping, Communication, Food)	2008-2009	Ministry of Agriculture, LGRD, Liberation, Shipping, Communication, Food	Commercial Audit
24.	Reports on the Accounts of Four Institutions of Ministry of Civil Aviation & Tourism	2008-2009	Ministry of Civil Aviation & Tourism	Commercial Audit
25.	Reports on the Accounts Petro-Bangla under Energy & Mineral Resources Division.	2009-2010	Ministry of Power Energy & Mineral Resources Division	Commercial Audit
26.	Eleven Reports on the Organization of Eight Ministries	2009-2010	Ministry of LGRD, Defence, Agriculture, Civil Aviation, Textile & Jute, Fisheries, and Communication	Commercial Audit
27.	Reports on the Accounts of Bangladesh Petroleum Corporation under the Energy & Mineral Resources Division.	2009-2010	Ministry of Power Energy & Mineral Resources Division	Commercial Audit
28.	Report on Accounts of the Offices under Ministry of Defence & Armed Forces Division	2009-2010	Ministry of Defence	Defence Audit
29.	Reports on the Accounts of Foreign Aided Projects of Three Ministries	2010-2011	Ministry of LGRD, Communication, Agriculture	Foreign Aided Projects Audit
30.	Report on Ministry of Post and Telecommunication	2008-2009	Ministry of Post and Telecommunication	Post, Telephone and Telegraph Audit Directorate
31.	Report on the Accounts of Bangladesh Railway under Ministry of Communication	2009-2010	Ministry of Communication	Railway Audit
32.	Report on Accounts of Bangladesh Missions Abroad	2007-08 & 2008-2009	Ministry of Foreign Affairs	Mission Audit

E. NOTABLE AUDIT REPORTS

Ministry of Finance Banking and Financial Institution Division

Report: Issue Based Audit report on cash incentives/export subsidy programme of 20 branches under 12 different commercial banks for the financial year 2005-2009.

C&AG's Audit Report : 2010-2011

Audit Directorate: Local & Revenue Audit Directorate

No. of Audit Observations: 07

Amount Involved: TK 321.50 million

Major Observations:

- » More cash incentives given as against the prescribed rate
- » Irregular cash incentives given against the export of locally purchased cigarettes
- » Cash incentive given even not applied within the prescribed time limit
- » Cash incentive given on raw materials of export product, even after availing customs bond facility.

Reasons for Irregularities :

- ✓ Weak internal control systems
- ✓ Non-compliance with circulars, orders issued by Finance Division, Ministry of Finance and Bangladesh Bank

NOTABLE AUDIT REPORTS

Ministry of Communication Bangladesh Railway Store Department

Report: Issue Based Audit report on the accounts for the year 2006-2007 to 2008-2009 related to the purchase of goods, store and distribution(Revenue)

C&AG's Audit Report : 2008-2009

Audit Directorate: Railway Audit Directorate

No. of Audit Observations: 15

Amount Involved: TK 1556.90 million

Major Observations:

- » Purchase of pig-iron at higher rate
- » Unauthorized purchase of oil which is 114% higher than the estimated price
- » Purchase of hard rock at higher prices
- » Purchase of machineries /goods using LTM/DPM instead of open tendering method by violating PPR.
- » Purchase of excessive quantities of wheels which were not required
- » Irregular purchase of machineries without any necessity

Reasons for Irregularities :

- ✓ Non-compliance with the PPR
- ✓ Not following appropriately the Delegation of Financial Powers
- ✓ Non determination of actual demand of purchase
- ✓ Procurement of less quality products
- ✓ Reluctance of deducting income tax and VAT.

NOTABLE AUDIT REPORTS

Ministry of Housing & Public Works RAJUK

Report: Issue Based Audit report on the accounts for the year 2000-2010 related to the plot allotment and other development activities of RAJUK.

C&AG's Audit Report : 2009-2010

Audit Directorate: Work Audit Directorate

No. of Audit Observations 19

Amount Involved: TK 4159.30 million

Major Observations:

- » Irregular allotment of plots among husband-wife, father-mother, son-daughter of the same family.
- » Alloted residential plots are using for commercial purposes
- » Allotment of plot at lesser price against actual price
- » Undue favor given for allotment of plot
- » Estimation of land development cost at higher prices than the approved schedule of rates.

Reasons for Irregularities :

- ✓ Weak internal control system
- ✓ Non-realization of stipulated rates for allotment of plots.
- ✓ Uses the plots for other purposes violating the conditions of allotment.
- ✓ Non-compliance of schedule of rates.
- ✓ Not to take cancelled plot under the authority's control

NOTABLE AUDIT REPORTS

Ministry of Civil Aviation and Tourism Civil Aviation Authority

Report: Issue Based Audit report on the accounts of Civil Aviation Authority for the financial Year 2009-2010 related to the revenue collection system and management.

C&AG's Audit Report : 2009-2010

Audit Directorate: Works Audit Directorate

No. of Audit Observations: 17

Amount Involved: TK 567.80 million & US\$ 19.2 million

Major Observations:

- » Non-realization of Aero-nautical and non- Aeronautical charges and other fares.
- » Non realization of arrears of landing charges of different airlines.
- » Outstanding fees of surcharge, landing-charge and embarkation charges.
- » Non-payment of rents of office rooms and/or floor space by different airlines

Reasons for Irregularities :

- ✓ Weak internal control system
- ✓ Excess expenditure incurred against the budget allocation/sanction
- ✓ Non-compliance of codal and financial rules and regulations
- ✓ Non-compliance of PPR
- ✓ Lack of close monitoring
- ✓ Negligence related to realization/deduction of IT/VAT

NOTABLE AUDIT REPORTS

Ministry of Communication Roads and Highways Department (R&HD)

Report: Annual Audit Report on the accounts of the Roads and Highways Department for the financial Year 2007-2008 and 2008-2009.

C&AG's Audit Report : 2008-2009

Audit Directorate: Works Audit Directorate

No. of Audit Observations: 18

Amount Involved: TK 2379.90 million

Major Observations:

- » Misuse of government money for repairing the road beyond the jurisdiction of R&HD without any budget allocation.
- » Non-realization of leased money of bridge, ferry ghat from the lease holder.
- » Non-realization of attributed fine from the defaulted contractor after cancellation of work order.
- » Non-realization of income tax and VAT from lessee/contractor.

Reasons for Irregularities :

- ✓ Weak internal control system
- ✓ Excess expenditure incurred against the budget allocation/sanction
- ✓ Non-compliance of codal and financial rules and regulation
- ✓ Non-compliance of PPR
- ✓ Expenditure incurred from government revenue without approval from appropriate authority.

NOTABLE AUDIT REPORTS

Ministry of Local Government, Rural Development & Co-operation Local Government Engineering Department

Report: Annual Audit Report on the accounts of Local Government Engineering Department for the financial Year 2008-2009.

C&AG's Audit Report : 2010-2011

Audit Directorate: Works Audit Directorate

No. of Audit Observations: 15

Amount Involved: TK 342.60 million

Major Observations:

- » Agreement signed with the contractor against fake tender advertisement
- » Loss of government money due to payment made to the contractor without following approved standard of road design
- » Loss of government money due to non-realisation of the forfeited performance security and penalty fees from the contractors who have failed to complete the respective works within stipulated time frame.

Reasons for Irregularities :

- ✓ Weak internal control system
- ✓ Excess expenditure incurred against the budget allocation/sanction
- ✓ Non-compliance of codal and financial rules and regulations
- ✓ Non-compliance of PPR
- ✓ Expenditure incurred from government revenue without approval from appropriate authority.

NOTABLE AUDIT REPORTS

Ministry of Communication Railway Division

Report: Annual Audit Report on the accounts of the Railway Division for the financial Year 2008-2009.

C&AG's Audit Report : 2009-2010

Audit Directorate: Railway Audit Directorate

No. of Audit Observations: 15

Amount Involved: TK 7737.80 million

Major Observations:

- » Realization of license fee from Grameenphone with reduced rate as against the prescribed rate.
- » Agreement signed at 89.22% higher rate as compared to the estimated value.
- » VAT deducted at reduced rate
- » Purchase of rail at higher value
- » Bill paid to the contractor in spite of incomplete land development works

Reasons for Irregularities :

- ✓ Weak internal control system
- ✓ Violation of conditions of contract of different civil works
- ✓ Violation of conditions of tender and non-compliance of engineering code
- ✓ Irregular purchase of goods

NOTABLE AUDIT REPORTS

Ministry of Power, Energy and Mineral Resources Power Division

Report: Annual Audit Report on the accounts of Power Division for the financial Year 2008-2009 and 2006-2007.

C&AG's Audit Report : 2009-2010

Audit Directorate: Works Audit Directorate

No. of Audit Observations: 18

Amount Involved: TK 1776.7 million

Major Observations:

- » Agreement signed with the contractor using advertisement published in the fake news paper and then paid the bill without performing the works by the contractor.
- » Failed to control the system loss within a prescribed limit.
- » Violation of PPR-2008
- » Non-realization of VAT and income tax

Reasons for Irregularities :

- ✓ Committed fraud-forgery and non-compliance of relevant financial rules and regulations in conducting procurement
- ✓ Not taking appropriate steps to restrict system loss
- ✓ Not collecting electricity bill according to the tariff rules

NOTABLE AUDIT REPORTS

Ministry of Finance Finance Division

Report: Annual Audit Report on the accounts of Nationalized Commercial Bank and other financial institutions for the financial year 2008-2009.

C&AG's Audit Report :	2008-2009
Audit Directorate:	Commercial Audit Directorate
No. of Audit Observations:	32
Amount Involved:	TK 5492.3 million

Major Observations:

- » Irregularly opening back-to-back letter of credit
- » Non-existence of pledge godown
- » Failure to realize insurance premium
- » Loan distribution violating the condition of agreement
- » Rescheduling based on false information
- » Provide special increment irregularly

Reasons for Irregularities :

- ✓ Non-compliance of prevailing financial rules & regulations
- ✓ Non compliance of orders , instruction, notification etc. circulated time to time
- ✓ Irregularity in sanctioning the loan
- ✓ Misuse of power of the authority
- ✓ Lack of willingness to strengthen the internal control system and internal audit activities

NOTABLE AUDIT REPORTS

Ministry of Finance Internal Resource Division

Report: Annual Audit Report on office of the tax commissioner, large tax-payer unit (LTU), Dhaka for the financial year 2008-2009.

C&AG's Audit Report : 2008-2009

Audit Directorate: Local and Revenue Audit Directorate

No. of Audit Observations: 14

Amount Involved: TK 2705.10 million

Major Observations:

- » Less payment of income tax by the various parties by deducting inadmissible expenses and not showing income received as income.
- » Falsified net sales to evade income tax
- » Taking more tax rebate irregularly

Reasons for Irregularities :

- ✓ Deviation from different sections of income tax ordinance
- ✓ Less revenue income shown by parties
- ✓ Overstated expenditure to evade income tax
- ✓ Imposition of tax at a reduced rate.

Audit Reports Under Process

F. Audit Reports Under Process



The following audit reports are in the process of finalization by the OCAG: two Issue Based, two Special Audit & six Annual Audit reports are expected to be ready for submission to the Hon'ble President.

No.	Title of Report	Type of Report	Ministry	Audit Directorate
1.	Report on Money Refund through the Office of the Director General Duty Exemption and Drawback Office (DEDOD) and Various Bank	Annual Audit	Internal Resources Division, Ministry of Finance	Local & Revenue Audit
2.	Report on the Accounts of Nationalized Commercial Bank and Financial Institution.	Annual Audit	Ministry of Finance	Commercial Audit
3.	Report on Customs Excise VAT Circle & Customs House under Internal Resources Division	Annual Audit	Internal Resources Division, Ministry of Finance	Local & Revenue Audit
4.	Report on the Accounts of Postal, BTCL & BTRC under the Ministry of Post & Telecommunication	Annual Audit	Ministry of Post & Telecommunication	PT&T Audit
5.	Report on the Accounts of Local Government Engineering Department Nationalized Industries Year 2010-2011	Annual Audit	Ministry of Local Government, Rural Development and Co-operatives	Works Audit
6.	Report on the Accounts of Different Missions under Ministry of Foreign Affairs	Annual Audit	Ministry of Foreign Affairs	Mission Audit
7.	Report on Export Subsidies and Cash Incentives Provided to Exporter through the Commercial Bank	Issue Based Audit	Ministry of Finance	Local & Revenue Audit
8.	Report on Land Management & License Fee Recovery of Bangladesh Railway (East & West Zone)	Issue Based Audit	Bangladesh Railway, Ministry of Communication	Railway Audit
9.	Report on Licensing Programme of BTRC under Ministry of Post & Telecommunication.	Special Audit	Ministry of Post & Telecommunication	PT&T Audit
10.	Report on the Revenue Income of Land Customs Stations and Accounts Management (2006-2009)	Special Audit	Internal Resources Division, Ministry of Finance	Local & Revenue Audit

Finance Accounts and Appropriation Accounts

G. Finance Accounts and Appropriation Accounts

Government Accounts

The Comptroller and Auditor General of Bangladesh certifies the annual 'financial accounts' and 'Appropriation Accounts' for submission to the Hon'ble president as per article 4 of the Comptroller and Auditor General (Additional Function) Act, 1974. Finance Accounts show the annual receipts and disbursements for the purpose of the government, distinguished under the respective heads thereof, and particulars of its balances and outstanding liabilities containing such other information as to its financial position. A comparative statement showing detailed head-wise final budget allocation and actual expenditure of different Ministries and their subordinate offices with explanation of variances (if any) are included in the Appropriation Accounts.

All financial transactions of the Government of Bangladesh as per constitution are reflected in the consolidated Fund and the public Account of the Republic. As per Article 84 of the constitution of the people's republic of Bangladesh the definitions of Consolidated Fund and public Account are as follows:

Consolidated Fund

All revenues received by the government, all loans raised by the government, and all moneys received by it in repayment of any loan, shall form part of one fund to be known as the consolidated fund.

Public Account

All other public moneys received by or on behalf of the government shall be credited to the public account of the republic.

The custody of public moneys, their payment into and the withdrawal from the consolidated fund, or, as the case may be, the public account of the republic, and matters concerned with or ancillary to the matters aforesaid, are regulated by act of parliament.

Government accounts are kept on 'cash basis'. The Controller General of Accounts (CGA) is responsible for maintaining the accounts of government's Cash Balance in the Central Bank.

The annual Finance accounts for the Consolidated Fund and the public Account of the republic for the year ended on 30th June 2011 and respective Appropriation Accounts are as follows:

Consolidate Fund Summary of Income & Expenditure 30th June 2011

(Amount in Thousand Taka)

Income	Amount	Expenditure	Amount
		Opening Balance	90179,09,71
Revenue Receipts		Revenue Expenditure	
Tax Revenue		Non-Development Expenditure	
Taxes on Income and Profit	21955,61,22	Pay of Officers	2068,40,73
Taxes on Property and Wealth	11,86	Pay of Establishment	8688,72,40
Value Added Tax (VAT)	29215,69,52	Allowances	9294,58,82
Import Duty	10755,91,83	Supplies and Services	
7335,12,41			
Expot Duty	8	Repairs, Maintenance and Rehabilitation	
3053,63,92			
Excise Duty	506,53,13		
Supplementary Duty	13375,10,53	Term Loan Interest Repayment	4628,05,13
Electricity Duties	18,82	Floating Loan Interest	1256,43,74
Other Taxes and Duties	415,84,18	Interest on National Savings Certificates	
6588,71,43			
Narcotics and Liquor Duty	63,43,19	Provident Fund Interest	1740,13,36
Taxes on Vehicles	705,94,21	Other Interest	1,58,14
Land Revenue	433,34,15	Interest on Foreign Debt	1422,91,89
Stamp Duty (Non Judicial)	2120,47,53	Subsidies	9269,47,62
		Grants-in-Aid	
16585,32,09			
		Contributions to International Organization	80,24,84
		Write-off of Loans and Advances	60.97
		Pensions and Gratuities	
5627,57,51			
		State Trading	8426,43,48
		Transfer, Adjustment & Others	
1,42,94			
		Block Allocations for Repair	
441,70,09			
Total Tax Revenue	79548,20,25	Total Non-Development Expenditure	
86511,11,52			
Non Tax Revenue		Development Expenditure	
Dividends and Profits	1427,49,66	Pay of Officers	62,14,56
Interest	567,36,06	Pay of Establishment	
169,02,42			
Royalties and property Income	18,23,79	Allowance	
141,23,31			
Administrative Fees and charges	2290,24,77	Supplies and Services	1809,37,09
Fines, Penalties and Forfeiture	289,66,16	Repairs, Maintenance and Rehabilitation	
148,76,20			
Receipts for Services Rendered	894,67,29	Other Interest	
1,10,61			
Rents, Leases and Recoveries	109,92,69	Grants in Aid	1625,76,84
Tolls and Levies	297,53,68	Contributions to International Organization	7
Non-Commercial Sales	294,92,79	Block Allocations for Repair	3336,32,83

Consolidate Fund Summary of Income & Expenditure 30th June 2011

(Amount in Thousand Taka)

Income	Amount	Expenditure	Amount
Capital Receipts & Grants		Capital Expenditure	
Sales of Assets	40,39,50	Non-Development Expenditure	
		Acquisition of Assets	
3596,23,66		Acquisition/Purchase of Land Properties and other properties	
Foreign Aid and Grants	2449,78,99	Construction and Works	
		Investments in Shares and Equities	
31,76,19		Capital Grants	
		Capital Block Allocation & Misc. Capital Expenditure	
639,94,96			
1569,59,78		Total : Non-Development Exp.	
1			
		Development Expenditure	
-		Acquisition of Assets	
5837,54,59		Acquisition/Purchase and Landed Properties	
		Construction and Works	
1105,59,69		Investments in Shares and Equities	
		Capital Grants	
672,86,56		CD/VAT on Capital	
		Transfer. Adjust and Others (Cap)	
10351,24,34		Capital Block Allocation & Misc. Capital Expenditure	
2937,63,70		Total : Development Expenditure	
1041,37,26		Total : Capital Expenditure	
333,00,71			
5			
6223,66,24			
22665,38,54			
Total : Capital Receipts & Grants	2490,18,49		
28502,93,13			
Public Debt & Advances		Loans & Advances	

Public Accounts of the Republic Summary of Receipts & Payment 30th June 2011

(Amount in Thousand Taka)

Income	Amount	Expenditure	Amount
Opening Balance	: 89150,90,14		
National Savings Scheme		National Savings Scheme	
Savings Certificates	11793,22,89	Savings Certificates	
9626,72,74			
Postal Savings Bank Deposits	4814,83,99	Postal Savings Bank Deposits	
5304,41,96			
Postal Life Insurance and Annuity	94,66,74	Postal Life Insurance and Annuity	
51,04,96			
Other National Savings Instruments	1007,54,25	Other National Savings Instruments	
926,44,03			
Total : National Savings Schemes	17710,27,86	Total : National Savings Schemes	
15908,63,69			
State Provident Funds		State Provident Funds	
State Provident Funds	5643,86,35	State Provident Funds	
3754,82,16			
Total : State Provident Funds	5643,86,35	Total : State Provident Funds	
3754,82,16			
Renewal, Reserve & Depreciation Funds		Renewal, Reserve & Depreciation Funds	
Renewal Reserve & Depreciation Funds	10,65	Renewal Reserve & Depreciation Funds	
0			
Welfare Fund	46,31,15	Welfare Fund	
54,88,10			
Relief Fund	0	Relief Fund	
-			
Total :Renewal, Reserve & Depreciation Funds	46,41,80	Total :Renewal, Reserve & Depreciation Funds	
54,88,10			
Deposit Accounts		Deposit Accounts	
Advance Tax Deposit	15,44	Advance Tax Deposit -	
Deposit of Local Funds	267,86,41	Deposit of Local Funds	
259,59,23			
Civil Deposits	490,48,74	Civil Deposits	
282,87,28			
Deposits against Supplies and Works	9736,74,59	Deposits against Supplies and Works	
12186,54,26			
Personal Ledger Account	402,18,18	Personal Ledger Account	
405,92,41			
Food Aid Deposit Account	153,76,56	Food Aid Deposit Account	
-			
Other Deposit Accounts	3667,93,80	Other Deposit Accounts	
2325,46,96			
Total : Deposit Accounts	14719,13,71	Total : Deposit Accounts	
15460,40,13			
Current Assets		Current Assets	
Permanent Advances	15,65,64	Permanent Advances	
16,32,36			
Advances Repayable	3491,55,04	Advances Repayable	
3484,82,23			

3484,82,23

Appropriation Accounts: Development Grants & Allocation Wise Actual Appropriation Summary and Receipt 2010-11

(Amount in Thousand Taka)

Grant/Allocation & Name/ Function Code (Level-2)	Original Grant/ Allocation	Supplementary Grant/ Allocation	Re-Appropriation	Final Grant	Actual Expenditure	Difference between Final Grant & Actual Expenditure [Surplus/Additional]
Parliament	1,00,00	15,43,00	- 1,00,00	15,43,00	3,71,59	(11,71,41)
Prime Minister's Office	174,12,00	179,78,20	- 39,13,50	314,76,70	287,86,97	(26,89,73)
Cabinet Division	6,60,00	32,00	- 4,91,00	2,01,00	56,99	(1,44,01)
Election Commission Secretariat	301,48,00	17,03,00	-124,60,00	193,91,00	169,97,11	(23,93,89)
Ministry of Establishment	113,93,00	47,94,00	- 35,04,00	126,83,00	108,31,53	(18,51,47)
Public Service Commission	1,00,00	6,00,00	- 1,00,00	6,00,00	6,00,00	0
Finance Division	122,17,00	2,11,63	- 27,25,93	97,02,70	63,07,40	(33,95,30)
Internal Resources Division (I R D)	36,00,00	0	- 16,80,00	19,20,00	1,24,90	(17,95,10)
Banking Division	130,97,00	5,98,00	- 31,57,00	105,38,00	70,43,33	(34,94,67)
Economic Relations Division (E R D)	15,42,00	2,95,00	- 7,87,00	10,50,00	9,45,92	(1,04,08)
Planning Division	1653,82,00	24,09,00	- 1597,51,96	80,39,04	37,09,67	(43,29,37)
Imple. Monitoring & Evaluation Division.	61,10,00	0	- 10,25,00	50,85,00	50,73,73	(11,27)
Department of Statistics	120,85,00	136,71,00	- 10,24,86	247,31,14	164,88,69	(82,42,45)
Ministry of Commerce	123,30,00	45,13,00	- 123,30,00	45,13,00	38,84,63	(6,28,37)
Ministry of Foreign Affairs	7,00,00	65,00	- 4,07,00	3,58,00	2,75,08	(82,92)
Ministry of Defence	226,41,00	15,48,00	-54,41,00	187,48,00	185,14,24	(2,33,76)
Ministry of Law, Justice & Parliament Affairs	29,21,00	57,35,00	- 20,26,00	66,30,00	64,95,46	(1,34,54)
Ministry of Home Affairs	316,18,00	336,45,87	- 95,34,00	557,29,87	489,61,77	(67,68,10)
Legislative and Parliament Affairs Dept.	80,00	5,22,00	- 12,00	5,90,00	2,81,90	(3,08,10)
Min. of Primary & Mass Education	3207,32,00	293,80,00	- 444,50,00	3056,62,00	3151,20,16	94,58,16
Ministry of Education	1685,65,00	322,81,00	- 284,53,00	1723,93,00	1597,61,24	(126,31,76)
Science & Technology Division	169,56,00	19,54,20	- 71,45,09	117,65,11	123,15,62	5,50,51
Ministry of Health and Family Welfare	3472,92,00	247,58,00	- 984,98,00	2735,52,00	2550,52,92	(184,99,08)
Ministry of Social Welfare	234,66,00	5,34,00	- 142,00,50	97,99,50	89,30,62	(8,68,88)
Ministry of Women & Children Affairs	209,45,00	45,68,50	- 49,72,00	205,41,50	158,95,44	(46,46,06)
Ministry of Labor and Employment	32,95,00	2,53,00	- 18,00,00	17,48,00	20,60,73	3,12,73
Ministry of Housing and Public Works	479,03,00	77,27,05	- 81,34,00	474,96,05	475,39,40	43,35
Ministry of Information	104,71,00	24,00,00	- 34,89,00	93,82,00	85,04,25	(8,77,75)
Ministry of Cultural Affairs	127,51,00	6,70,00	- 56,19,00	78,02,00	75,03,48	(2,98,52)

(Contd.)

Appropriation Accounts: Development

Grants & Allocation Wise Actual Appropriation Summary and Receipt 2010-11 (Contd.)

(Amount in Thousand Taka)

Grant/Allocation & Name/ Function Code (Level-2)	Original Grant/ Allocation	Supplementary Grant/ Allocation	Re- Appropriation	Final Grant	Actual Expenditure	Difference between Final Grant & Actual Expenditure [Surplus/Additional]
Ministry of Religious Affairs	137,47,00	146,60,00	- 137,45,,00	146,62,00	152,26,09	5,64,09
Ministry of Youth and Sports	267,64,00	58,66,81	- 25,00,00	301,30,81	299,43,45	(1,87,36)
Local Government (263,41,73)	8177,72,00	1141,16,00	- 1482,00,38	7836,87,62	7573,45,89	
Division						
Rural Development & Co-operatives	468,56,00	156,44,78	- 240,97,40	384,03,38	413,97,08	29,93,70
Ministry of Industries 34,31,83	475,46,00	46,76,00	- 253,56,88	268,65,12	302,96,,95	
Ministry of Textiles and Jute	103,27,00	23,76,00	- 61,25,00	65,78,00	61,68,21	(4,09,79)
Energy & Mineral resources Div.	1080,09,00	602,18,80	- 627,41,80	1054,86,00	987,18,15	(67,67,85)
Ministry of Agriculture	1054,12,00	827,37,14	- 839,31,00	1042,18,14	1025,36,35	(16,81,79)
Ministry of Fisheries and Livestock	373,46,00	33,69,00	- 105,01,93	302,13,07	279,68,62	(22,44,45)
Ministry of Environment & Forest	242,52,00	132,46,00	- 188,57,00	186,41,00	171,19,08	(15,21,92)
Ministry of Land	114,97,00	7,10,38	- 20,40,00	101,67,38	85,07,80	(16,59,58)
Ministry of Water Resources	1406,73,00	476,14,00	- 438,45,00	1444,42,00	1349,10,98	(95,31,02)
Ministry of Food & Disaster Management	320,25,00	45,31,00	- 121,32,00	244,24,00	216,67,00	(27,57,00)
Ministry of Disaster (574,57,54)	1309,86,53	326,94,00	- 237,92,55	1398,87,98	824,30,44	
Management & Relief						
Ministry of Communication (479,73,08)	2074,58,00	805,37,85	- 328,39,04	2551,56,81	2071,83,73	
Ministry of Shipping	408,69,00	47,31,00	- 167,04,00	288,96,00	267,79,94	(21,16,06)
Ministry of Civil Aviation & Tourism	283,00,00	5,01,00	- 201,98,00	86,,03,00	27,01,00	(59,02,00)
Ministry of Post and Telecommunications	120,74,00	29,06,00	- 13,17,00	136,63,00	136,54,97	(8,03)
Ministry of Chittagong Hill Tracts Affairs	356,74,00	7,00,00	- 52,67,00	311,07,00	301,65,70	(9,41,30)
Power Division	4994,72,00	2695,64,00	- 1708,48,00	5981,88,00	6028,02,79	46,14,79
Ministry of Liberation	29,09,00	23,54,00	- 9,25,84	43,37,16	24,19,92	(19,17,24)
War Affairs						
Ministry of Expatriates Welfare & Overseas	85,45,00	14,18,00	- 76,22,,00	23,41,00	12,65,54	10,75,46

Note:Excluding Defence, CGDF, Railway, Postal and T&T

Employment. Bridges Division (721,51,34)	1276,68,00	583,00,00	- 754,09,00	1105,59,00	384,07,66	
Total Development (2962,75,97)	38326,93,53	10178,61,21	- 12462,26,66	36043,28,08	33080,52,11	

Appropriation Accounts: Non-Development Grants & Allocation Wise Actual Appropriation Summary and Receipt 2010-11

(Amount in Thousand Taka)

Grant/Allocation & Name/ Function Code (Level-2)	Original Grant/ Allocation	Supplementary Grant/ Allocation	Re- Appropriation	Final Grant	Actual Expenditure	Difference between Final Grant & Actual Expenditure [Surplus/Additional]
Office of the President	9,13,08	2,37,17	- 29,50	11,20,75	10,36,75	(84,00)
Parliament	99,49,53	7,44,73	- 1,04,,52	105,89,74	96,05,00	(9,84,74)
Prime Minister's Office	120,17,87	69,35,23	- 6,91,92	182,61,18	174,69,35	(7,91,83)
Cabinet Division	44,87,49	23,80,37	- 20,39,00	48,28,86	25,16,51	(23,12,35)
Election Commission Secretariat	311,44,92	2,76,56	- 1,92,14	312,29,34	292,48,87	(19,80,47)
Ministry of Establishment	763,27,99	184,60,72	- 3,57,12	944,31,59	880,95,44	(63,36,15)
Public Service Commission	17,02,66	2,87,29	- ,36,36	19,53,59	19,75,42	21,83
Finance Division						
Charged :	64943,21,07	111,28,04	11663,97,85	53390,51,26	51657,44,63	(1733,06,63)
Others :	64943,21,07	4206,27,03	8480,93,89	14952,25,56	12361,01,21	(2591,24,35)
Finance Division- C&AG: Charged :	91,09,61	1,39,34	- 6,54,02	85,94,93	93,74,14	7,79,21
Internal Resources Division (IRD)	991,79,38	47,56,07	- 38,07,90	921,27,55	907,79,21	(13,48,34)
Banking Division	604,01,88	35,85,24	- 203,46,15	436,40,97	321,26,10	(115,14,87)
Economic Relations Div. (ERD)-Charged:	6375,00,00	0	0	6375,00,00	6690,29,45	(315,29,45)
Others :	74,75,55	56,40,32	- 38,03	130,77,84	124,83,27	(5,94,57)
Planning Division	36,12,84	5,30,20	- 2,38,81	39,04,23	39,96,37	92,14
Imple. Monitoring & Evaluation Div. Statistics Division	11,33,77	18,73	- 45,80	11,06,70	9,51,13	(1,55,57)
Ministry of Commerce	88,36,78	2,56,53	- 4,13,02	86,80,29	108,35,38	21,55,09
Ministry of Foreign Affairs	62,19,54	14,67,85	- 1,78,62	75,08,77	140,33,75	65,24,98
Ministry of Defence	577,26,14	91,09,53	- 72,14,70	596,20,97	514,59,31	(81,61,66)
Charged:	133,11,01	7,12,46	- 1,39,78	138,83,69	167,60,11	28,76,42
Ministry of Law, Justice & Parliament Affairs	418,69,09	42,86,73	- 20,42,00	441,13,82	447,34,41	6,20,59
Ministry of Home Affairs	6135,91,86	837,65,11	- 313,13,07	6660,43,90	6712,26,89	51,82,99
Legislative & Parliamentary Affairs Division	5,27,12	2,75,71	- 20,16	7,82,67	6,75,66	(1,07,01)
Min. of Primary & Mass Education	4866,63,82	93,46,49	- 12,38,55	4947,71,76	5156,40,84	208,69,08
Ministry of Education	8199,67,00	597,75,70	- 345,70,23	8451,72,47	8494,14,78	42,42,31
Science & Technology Division	280,00,00	120,45,48	- 91,39,41	309,06,07	297,00,99	(12,05,08)
Ministry of Health and Family Welfare	4676,00,00	360,26,81	- 135,13,20	4901,13,61	4754,69,00	(146,44,61)

(Contd.)

Appropriation Accounts: Non-Development Grants & Allocation Wise Actual Appropriation Summary and Receipt 2010-11 (Contd.)

(Amount in Thousand Taka)

Grant/Allocation & Name/ Function Code (Level-2)	Original Grant/ Allocation	Supplementary Grant/ Allocation	Re-Appropriation	Final Grant	Actual Expenditure	Difference between Final Grant & Actual Expenditure [Surplus/Additional]
Ministry of Social Welfare (4,20,44)	1687,68,29	17,59,91	- 29,02,70	1676,25,50	1672,05,06	
Ministry of Women & Children Affairs (92,55,17)	1031,92,50	108,27,69	- 151,49,58	988,70,61	896,15,44	
Ministry of Labor and Employment (99,90)	39,99,68	21,60,18	- 11,29,44	50,30,42	49,30,52	
Ministry of Housing and Public Works (20,82,04)	796,10,50	105,30,36	- 70,69,77	830,71,09	851,53,13	
Ministry of Information (21,43,80)	334,95,50	35,70,94	- 4,12,97	366,53,47	345,09,67	
M/O Cultural Affairs (6,97,49)	86,64,31	72,57,62	- 61,92	158,60,01	151,62,52	
M/O Religious Affairs (1,33,98)	134,00,00	18,15,82	- 50,27,93	101,87,89	100,53,91	
M/O Youth and Sports (23,77,69)	358,00,00	17,90,18	- 1,93,54	373,96,64	350,18,95	
Local Government Division (38,81,17)	1446,80,78	79,29,08	- 21,38,95	1504,70,91	1465,89,74	
Rural Development (10,85) & Co-operatives	216,61,10	4,68,56	- 4,86,18	216,43,48	216,32,63	
Ministry of Industries (65,39)	90,00,00	5,79,66	- 45,70	95,33,96	95,99,35	
M/O Textiles and Jute (78,15,27)	270,20,00	77,68,52	- 96,09	346,92,43	425,07,70	
Energy & Mineral Resources Div. (1,75,81)	34,55,50	181,02,68	- 83,98	214,74,20	212,98,39	
Ministry of Agriculture (20,03,49)	5688,00,00	1841,33,33	- 132,22,55	7397,10,78	7417,14,27	
M/O Fisheries and Livestock (78,44)	488,02,48	34,92,33	- 29,05,82	493,88,99	494,67,43	
M/O Envrmnt. & Forest (2,30,53)	955,94,44	7,73,66	- 20,11,25	943,56,85	945,87,38	
Ministry of Land (23,21,17)	457,56,76	43,53,07	- 16,59,07	484,50,76	507,71,93	
M/O Water Resources (1,29,13)	642,25,63	48,41,21	- 1,25,83	689,41,01	690,70,14	
M/O Food & Disastar Mangmnt. Charged : (3,76,91)	7,61,95	0	- 2,61,95	5,00,00	1,23,09	
Others (81,30,93)	7687,91,84	4310,59,39	- 2332,69,70	9665,81,53	9584,50,60	
Ministry of Disaster Management & Relief (1899,27,14)	3978,73,7	2 411,90,51	- 78,32,81	4312,31,42	2413,04,28	
M/O Communication (95,36,08)	1238,54,00	19,94,38	- 22,68,56	1235,79,82	1140,43,74	
Ministry of Railway (28)	00	00	00	00	28	
Ministry of Shipping (10,45,88)	159,35,00	40,27,33	- 3,44,76	196,17,57	185,71,69	

Note : Excluding Defence, CGDF, Railway, Postal and T&T

4. MINISTRY WISE SETTLEMENT OF AUDIT OBSERVATIONS

The impact of audit cannot be assessed only from the limited standpoint of audit reports placed and discussed by the public Accounts Committee (PAC). The deterrent effect of audit is important that cannot be quantified. However, a considerable part of audit efforts are reflected in the audit inspection reports (AIR) that are issued to the audited organization and followed up subsequently. Large number of accumulated audit observations are settled every year through bi-lateral and tripartite meetings with positive impact in terms of recovery and adjustment of public money. A total of 26584 audit observations have been settled in 2012-2013 by the OCAG. The amount involved in these observations is Tk. 11619.19 Crore. The number of audit observations and the amount involved for the respective ministries is shown below.

No.	Name of Ministry	Number	Amount Involved (In Crore Taka)
1.	Agriculture	9223	88.91
2.	Banking and Financial Institutions Division	2381	1911.04
3.	Chittagong Hill Tracts Affairs	7	296.44
4.	Civil Aviation and Tourism	44	26.56
5.	Commerce	103	32.42
6.	Cultural Affairs	24	1.73
7.	Defence	1843	41.04
8.	Disaster Management	80	15.75
9.	Education	577	600.13
10.	Election Commission	9	1.36
11.	Energy and Mineral Resources Division	239	192.18
12.	Environment and Forest	146	27.31
13.	Public Administration	95	12.72
14.	Finance Division	123	183.70
15.	Fisheries and Livestock	505	23.07
16.	Food	1602	153.13
17.	Foreign Affairs	151	4.78
18.	Health and Family Planning	327	351.09
19.	Home Affairs	1391	130.63
20.	Implementation Monitoring and Evaluation Division	4	0.05
21.	Industry	973	881.31
22.	Information	98	0.27
23.	Internal Resources Division	66	13.70
24.	Textiles and Jute	688	434.28
25.	Land	43	4.41

MINISTRY WISE SETTLEMENT OF AUDIT OBSERVATIONS

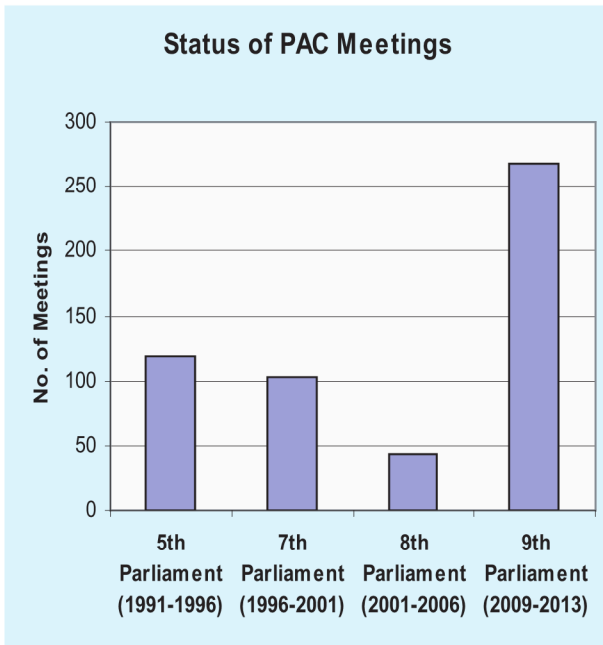
No.	Name of Ministry	Number	Amount Involved (In Crore Taka)
26.	Law, Justice and Parliamentary Affairs	12	
0.44			
27.	Local Government Division	1584	
3020.16			
28.	Road Division	93	
113.01			
29.	Railway Division	295	
142.78			
30.	Rural Development and Cooperatives Division	5	
0.07			
31.	Liberation war affairs	190	
0.96			
32.	Parliament Secretariat	1	
0.02			
33.	Planning Division	22	
3.98			
34.	Power Division	221	
1024.57			
35.	President's Secretariat	1	
0			
36.	Primary and Mass Education	1618	
84.74			
37.	Prime Minister's Office	5	
0.03			

5. PUBLIC ACCOUNTS COMMITTEE ACTIVITIES



In accordance with Article 132 of the Constitution the Comptroller and Auditor General, after apprising the Prime Minister in compliance with the Rules of Business, submits the reports to the Hon'ble President of the Republic who causes them to be laid before the Parliament. Mandated by the Article 76 (1) (a) of the Constitution the Public Accounts Committee (PAC) examines the reports.

The PAC selects important observations of the audit reports for detailed examination and holds hearings to the Principal Accounting Officers i.e. the Secretaries of different ministries/divisions. It makes recommendations and submits reports to the Parliament. The OAG provides necessary support to the PAC in its effective functioning. During the full committee meeting, the CAG remains present as 'amicus curie' along with the related officers of the respective Audit Directorates. The officers of the OAG attached in the Parliament assist the committee in preparation of reports of the PAC. Concerned officers of the OAG remain present in the meetings of the Public Undertakings Committee (PUC) and Estimates Committee (EC) when they are requested to.



A. Public Accounts Committee (PAC) Meetings

The OAG submitted 980 reports to the Parliament since the independence of Bangladesh. Among those, 902 reports were discussed up to the 9th Parliament. The number of undiscussed reports are 78. Out of this 78 reports, 40 new reports have been submitted to the 9th Parliament on March 5, 2013.

The Public Accounts Committee (PAC) of the 9th Parliament has undertaken an unprecedented step in resolving the existing un-discussed reports. Because of the proactive approach by the PAC a large number of audit observations included in these reports have been discussed during 2009-2013. These reports include more than ten thousand six hundred audit observations to be discussed by the PAC.

A total number of 268 meetings were held during the 9th parliament. In 2013, the PAC and the sub-committees of the PAC of the 9th Parliament held 45 meetings to discuss the status of the audit reports of various ministries and divisions.

PUBLIC ACCOUNTS COMMITTEE ACTIVITIES

B. 4th PAC Report of the 9th Parliament Tabled

The Public Accounts Committee (PAC) of the 9th Parliament finalized its 4th report in October 2013. The committee and its four sub-committees examined 6740 audit observations of 570 audit reports in 268 sittings. Among the 6740 audit observations, 4113 observations were settled for taking appropriate measures by the executing agencies. Tk. 1396.74 crore was recovered and adjusted through audit recommendations and another Tk. 2566.68 crore has to be recovered as per the PAC's instruction. Ministry of Energy and Mineral Resources has the highest amount (Tk 763.51 crore) involved in audit observations and highest amount of money (Tk. 65.97 crore) recovered from Banking and Financial Institution Division, Ministry of Finance. Details regarding 19 ministries/division are depicted in the following table:

Ministry/Division	Number of observations	Amount involved (in crore Tk.)	Recovered and Adjusted (in crore Tk.)
Education	08	13.59	0.08
Communication (Roads and Highways)	28	678.76	-
Banking and financial Institutions Division	34	481.91	65.97
Internal Resources Division	75	236.35	8.95
Works	20	101.89	-
Land	04	0.04	0.04
Power Division	77	138.88	25.97
Energy and Mineral Resources Division	21	763.51	0.23
Local Government Division	59	20.79	1.71
Civil Aviation and Tourism	75	50.98	0.06
Industries	113	32.35	1.31
Textiles and Jute	71	2.35	0.21
Foreign Affairs	15	0.09	0.03
Water Resources	60	461.43	9.43
Food and Disaster Management	34	1.17	0.41
Railway	45	217.50	40.84
Shipping	17	13.37	3.58
Post & Telecommunication	112	7.17	0.17
Agriculture	77	54.18	8.81

PUBLIC ACCOUNTS COMMITTEE ACTIVITIES

C. PAC MEETING: JAN-DEC, 2013

No.	Meeting Date	Discussed audit reports	Audit Directorate
1	105th meeting, January 3, 2013	Report on Nationalized Bank and Financial Institutions for the year 2007-2008 under Ministry of Finance	Commercial Audit Directorate
2	106th meeting, January 22, 2013	Report on Nationalized Bank and Financial Institutions for the year 2007-2008 under Ministry of Finance	Commercial Audit Directorate
3	107th meeting, February 4, 2013	Report on Large Taxpayer Unit (LTU), Vat Tax Dhaka for the 2005-2006 under Internal Resources Division Ministry of Finance	Local and Revenue Audit Directorate
4	108th meeting, February 17, 2013	Report on Ministry of Railway for the year 2007-2008	Railway Audit Directorate
5	109th meeting, March 3, 2013	Report on the accounts of 7 organisations of five Ministries - Ministry of Civil Aviation and Tourism, Agriculture, Ports, Shipping and Inland Water Transport, Food and Disaster Management, Communication for the year 2007-2008	Commercial Audit Directorate
6	110th meeting, March 5, 2013	Report on accounts of customs Bond Commissionerate for the year 2006-2007 under Internal Resources Division, Ministry of Finance	Local and Revenue Audit Directorate
7	111th meeting, March 12, 2013	Report on the accounts of 7 organisations of five Ministries - Ministry of Civil Aviation and Tourism, Agriculture, Ports, Shipping and Inland Water Transport, Food and Disaster Management, Communication for the year 2007-2008	Commercial Audit Directorate
8	112th meeting, March 19, 2013	Performance Audit Report on the road maintenance activities of the Roads and Highways Department for the year 2005-2006 and 2006-2007 under Ministry of Communications	Works Audit Directorate
9	113th meeting, April 2, 2013	Special Report on Commissioner of Taxes, Large Taxpayer Unit (LTU)-VAT, Dhaka for the year 2006-2007 under Internal Resources Division, Ministry of Finance	Local and Revenue Audit Directorate
10	114th meeting, April 9, 2013	Report on the accounts of 14 state owned enterprises for the year 2006-2007 under Ministry of Power, Energy and Mineral Resources	Commercial Audit Directorate
11	115th meeting, April 11, 2013	Report on the implementation of Medium Term Budget Framework (MTBF) System for the year 2007-2008 Ministry of Water Resources	Works Audit Directorate
12	116th meeting, May 7, 2013	Ministry of Primary and Mass Education: Appropriation Accounts (Civil)- Development and Non-Development 2009-2010-Portion relating to Ministry of Primary and Mass Education	Civil Audit Directorate
13	117th meeting, May 14, 2013	Ministry of Education Appropriation Accounts (Civil)- Development and Non-Development 2009-2010-Portion relating to Ministry of Education	Civil Audit Directorate

PUBLIC ACCOUNTS COMMITTEE ACTIVITIES

No.	Meeting Date	Discussed audit reports	Audit Directorate
14	118th meeting, May 21, 2013	Report on the accounts of 25 state owned enterprises for the year 2007-2008 under Ministry of Power, Energy and Mineral Resources, Ministry of Industries	Commercial Audit Directorate
15	119th meeting, May 28, 2013	Report on the accounts of 12 Executive Engineers offices for the year 2004-2008 Ministry of Housing and Public Works	Works Audit Directorate
16	120th meeting, June 04, 2013	Report on the implementation of Medium Term Budget Framework for the year 2007-2008 Ministry of Environment and Forest	Local and Revenue Audit Directorate
17	121st meeting, June 11, 2013	Report on the accounts of eleven branches of 6 nationalized commercial banks under Internal Resources Division for the year 2002-2007 Ministry of Finance	Local and Revenue Audit Directorate
18	122nd meeting, June 18, 2013	Report on Ministry of Housing and Public Works for the year 2007-2008	Works Audit Directorate
19	123rd meeting, June 20, 2013	Report on the accounts of 11 Executive Engineers offices of Education Engineering Department for the year 2004-2007 Ministry of Education	Works Audit Directorate
20	124th meeting, July 29, 2013	Special Audit Report on the Implementation of Medium Term Budget Framework (MTBF) System for the year 1991-99 and 2000-2003, Ministry of Environment and Forest.	Local and Revenue Audit Directorate and Foreign Aided Project Audit Directorate
21	125th meeting, September 19, 2013	Performance Audit Report on the accounts of Water Development Board for the year 2005, Special Audit Report on the accounts of Open University for the year 2000-2003 and Audit Report on the accounts of Rupali Bank for the year 2007-2008 and 15 audit observations of different years of Ministry of Liberation War Affairs, Ministry of Water Resources, Ministry of Education, and Finance Division of Ministry of Finance.	Works Audit Directorate, Local & Revenue Audit Directorate and Commercial Audit Directorate
22	126th meeting, October 03, 2013	PAudit Report on the accounts of Eleven Executive Engineers offices for the year 2004-2007 of Education Engineering Department Ministry of Education.	Works Audit Directorate
23	127th meeting, October 08, 2013	Finance Accounts for the year 2008-2009 of Finance Division of Ministry of Finance.	Civil Audit Directorate
24	128th meeting, October 21, 2013	Finance Accounts for the year 2006-2007 and 2007-2008 of Finance Division of Ministry of Finance.	Civil Audit Directorate
25	129th meeting, November 05, 2013	Finance Accounts for the year 2006-2007 and 2007-2008 of Finance Division of Ministry of Finance.	Civil Audit Directorate

PUBLIC ACCOUNTS COMMITTEE ACTIVITIES

PAC Sub-Committee 1

No.	Meeting Date	Discussed audit reports	Audit Directorate
1	37th meeting, November 29, 2012	Report on accounts of Executive Engineer Road and Highway for the year 1995-1996 to 1999-2000 Ministry of Communications	Works Audit Directorate
2	38th meeting, April 24, 2013	Report on Ministry of Agriculture for the year 1998-1999	Foreign Aided Project Audit Directorate
3	39th meeting, May 15, 2013	Report on accounts of Bangladesh Railway for the year 1994-1997 Ministry of Railway	Railway Audit Directorate
4	40th meeting, July 02, 2013	Special Report on 6 Customs excise station for the year from 1997-98 to 1998-99 of Internal Resource Division of Ministry of Finance.	Local and Revenue Audit Directorate
5	41st meeting, July 22, 2013	Special Audit Report on Accounts for the year from 1994-95 to 1999-2000 of Sugar and Food Industries Corporation of Ministry of Industry.	Commercial Audit Directorate

PAC Sub-Committee 4

No.	Meeting Date	Discussed audit reports	Audit Directorate
1	59th meeting, January 09, 2013	Report on accounts of Tea Board for the year 2003-2006 Ministry of Commerce	Commercial Audit Directorate
2	60th meeting, January 14, 2013	Report on Director of Forest and Agriculture Development Corporation for the year 2004 Ministry of Environment and Forest	Performance Audit Directorate
3	61st meeting, January 23, 2013	Report on Essential Drugs Company Limited for the year 2005-2006 Ministry of Health and Family Welfare	Commercial Audit Directorate
4	62nd meeting, February 18, 2013	Report on Ministry of Communications for the year 2005-2006	Works Audit Directorate
5	63rd meeting, February 25, 2013	Report on Ministry of Defence for the year 2005-2006	Defence Audit Directorate
6	64th meeting, February 27, 2013	Report on Biman Bangladesh for the year 2005-2006 Ministry of Civil Aviation and Tourism	Commercial Audit Directorate
7	65th meeting, April 16, 2013	Report on the accounts of savings bank accounts of Bangladesh Postal Department for the year 2003-2005 Ministry of Post and Telecommunications	Post, telegraph and Telephone Audit Directorate
8	66th meeting, May 13, 2013	Report on Ministry of Food for the year 2003-2006	Commercial Audit Directorate
9	67th meeting, May 13, 2013	Report on the accounts of Chittagong Urea Fertilizer Ltd. under Bangladesh Chemical Industries Corporation for the year 2002-2004 Ministry of Industries	Commercial Audit Directorate
10	68th meeting, July 09, 2013	Progress review on the recommendations of 58th meeting of 31 Executive Engineers office of Roads and Highway Department of Ministry of Communications.	Works Audit Directorate

PUBLIC ACCOUNTS COMMITTEE ACTIVITIES

No.	Meeting Date	Discussed audit reports	Audit Directorate
11	69th meeting, July 19, 2013	Report on the accounts on Chittagong Urea Fertilizer Factory under Bangladesh Chemical Industries Corporation of Ministry of Industries for the year 2002-2004 (2nd Part).	Commercial Audit Directorate
12	70th meeting, July 30, 2013	Progress review on the recommendations of 62nd meeting and also review on the recommended observation no. 12 of 15th meeting Ministries of Commerce and Ministries of Water Transport.	Works Audit Directorate and Commercial Audit Directorate
13	71st meeting, August 21, 2013	Progress review on the recommendations of Chittagong Urea Fertilizer Factory of 69th meeting Ministry of Industries	Commercial Audit Directorate
14	72nd meeting, September 23, 2013	Progress report of Sugar and Food Industries Corporation for the year 2003-2004 Compliance of decision of 67th meeting of Roads and Highway Department, [31 Ex en Offices] Ministry of Industry and Ministry of Communication.	Commercial Audit Directorate and Works Audit Directorate
15	73rd meeting, October 23, 2013	Review progress of decision of the 63rd meeting of Ministry of Defence.	Defence Audit Directorate



6. NEWLY APPOINTED COMPTROLLER & AUDITOR GENERAL



CAG Mr. Masud Ahmed meets Honorable President Md. Abdul Hamid at Banga Bhaban on May 20, 2013

Mr. Masud Ahmed took his oath as the 11th Comptroller and Auditor General of Bangladesh on Sunday, April 28, 2013. Chief Justice Mr. Md Muzammel Hossain administered the oath at the Judges lounge of Supreme Court.



Mr. Masud Ahmed took his oath as the 11th Comptroller and Auditor General of Bangladesh

By the order of the Honorable President as per Article 127(1) of the Constitution, the Finance Division notified this appointment on 24 April, 2013. Mr. Masud Ahmed is a member of Bangladesh Civil Service (Audit & Accounts Cadre), 1981 Batch. Before taking the charge of C&AG, he served in Planning Commission as member (Secretary to Bangladesh Government). He got his Honors and Masters in English Language and Literature from Dhaka University. He also completed the Post Graduate Diploma in Accounting from the University of Ulster, UK. His rural homestead is at Dhamrai, Dhaka.

Apart from his professional life, Mr. Ahmed is a novelist and short story writer, having written more than one hundred short stories and six novels so far. One of his novels, 'Chaitropaban O Digontorekha' has got wide acclamation for occupying a significant niche in the creative writings on Bangladesh's Liberation War. 'Dr Muhammad Shahidullah Literary Award', Sher-E-Bangla A.K. Fazlul Huq Literary Award, Natyasava Literary Award and several other accolades acknowledge his contribution to Bangla literature. As a vocalist of Bangladesh Television, he performs Bangla songs of the golden age.

7. YEAR IN REVIEW



Comptroller and Auditor General of Bangladesh Mr. Masud Ahmed (Centre), Mrs Rokeya Sultana (Right) President and Mrs. Zeenat Khan (Left), Secretary General of the BCS Audit and Accounts Association at a reception and farewell function organized by the association on May 23, 2013.

C&AG Mr. Masud Ahmed Visits CGDF Office

The Comptroller and Auditor General of Bangladesh (C&AG) Mr. Masud Ahmed visited the office of Controller General Defence Finance (CGDF) on 8th May, 2013.

On the occasion, a meeting was held at the conference room of CGDF with Controller General Defence Finance Mr. Md. Motaher Hussain in the chair. CGDF officials including SFCs, FCs and area FCs of Defence Finance Department attended the meeting.



C&AG Mr. Masud Ahmed visits CGDF Office

Current activities, future plan and recent successes of the department were discussed at the meeting. The C&AG Mr. Masud Ahmed gave directives for the overall development of the department at the meeting.

The cover of a book titled "A compilation of suggestions/decisions of SFC, FC and area FC offices under Defence Finance department, Defence Services Department and the Defence Ministry" was unveiled by the C&AG which was published by CGDF.

C&AG Visits FIMA

The newly appointed Comptroller & Auditor General of Bangladesh, Mr. Masud Ahmed, visited the Financial Management Academy (FIMA) on 14 May 2013. In his maiden visit to FIMA as C&AG, he was warmly greeted by the Director General FIMA, Mr. Md. Abul Kashem, Ms. Kazi Tasmin Ara Ajmery, Director FIMA, Mr. Bikash Chandra Mitra, Director FIMA, deputy directors and faculty members of FIMA as well as AAG (Probationers) from the 30th and 31st batches.

After the Auditor General visited the FIMA campus, DG FIMA apprised him of the ongoing training programmes as well as the different extra-curricular activities that FIMA organizes for the overall development of the trainees' mental faculty, e.g. mandatory journal writing by AAGs. Mr. Bikash Chandra Mitra, Director FIMA, gave a brief presentation on FIMA and the Auditor General expressed his deep admiration for the way FIMA was relentlessly trying to cater to the training needs of the officials and employees of the Audit & Accounts department in particular and officials from other departments across the government in general.



C&AG with FIMA Management at FIMA Conference Room

Afterwards, Ms. Tanim Tanim, AAG (Probationer) from the 30th batch, gave a presentation on What Makes Life Wonderful at FIMA Conference Room which the Auditor General highly appreciated. Echoing the theme of the presentation, the Auditor General stressed the need to count our blessings for the opportunity to serve the people and the country. He reminded everyone present of the obligations that public servants have and of the rewards that they get in not only monetary terms but also in terms of honour and dignity. Finally, he urged the AAGs to equip themselves with all the skills necessary to do well professionally and also to work hard to ensure smooth delivery of services.

YEAR IN REVIEW

CAG Mr. Masud Ahmed Visits FA & CAO (East) and Commercial Audit Chittagong Office

Honorable Comptroller and Auditor General of Bangladesh, Mr. Masud Ahmed visited the local office of the Commercial Audit Directorate in Chittagong on 09 June, 2013 at 11.30 o'clock in the morning. He was accompanied by Mr. Abul Fayeze Md. Abid, FA&CAO (East) and Mr. Md. Aftabuzzaman, Director General, Commercial Audit Directorate.

Officers and staff of the said office received Honorable CAG and other guests with flower bouquets. H'ble CAG took part in a discussion meeting with the staff at the conference room of the local office. The meeting started with recitation from the Holly Quran followed by a welcome address by Deputy Director Sector -5, Mr. Dipak Kanti Sarkar. Afterwards, Director General Mr. Md. Aftabuzzaman in his speech, stated the overall activities of that office. He also urged upon conducting audit activity with honesty and sincerity to enhance the quality of audit report. Mr. Abul Fayeze Md. Abid, FA&CAO (East) also delivered a speech. Finally H'ble CAG made his concluding remarks.



CAG Mr. Masud Ahmed Visits FA & CAO (East) and Commercial Audit Chittagong Office

C&AG Visits PT&T Audit Directorate and Inaugurates Library

Comptroller and Auditor General Mr. Masud Ahmed visited the Post, Telegraph and Telephone Audit (PT&T) Directorate on 19 June 2013 and inaugurated newly established library of the directorate. Welcomed by Director General and other officers and staff of PT&T Audit Directorate with flower bouquet, C&AG later joined in a presentation session in the

conference room of the Directorate. The senior officers of the department including Deputy C&AG (Senior), Mr. Md. Amir Khosru, ADG (Finance), Bangladesh Railway Mr. Md. Delwar Hossain, DG, Financial Management Academy Mr. Md. Abul Kashem and all Director-Generals of the audit directorates were present in the session.

Director General of PT&T Audit Directorate Mr. Mohammed Iqbal Hossain, presented the five year strategic plan (2013-18) of PT&T Audit Directorate. Based on OCAG strategic plan (2013-18), this strategic plan aims at implementing International Standards of Supreme Audit Institutions (ISSAIs) and introducing entity-wide audit in the directorate. The plan outlines the activities and the audit projects to be conducted in the next five year period which includes performance audit, financial and compliance audit. The honorable C&AG in his speech emphasized the adherence to rules and regulation and compliance with auditing standards in the audit process and to ensure the quality of audit report.

Afterwards a demonstration of Audit Monitoring and Management System (AMMS) was given to the C&AG and other senior officers in the Director General's room in a big TV screen. The demonstration showed how successfully AMMS was being implemented in PT&T audit directorate to materialize the vision of ICT use and IT strategic plan of Office of the Comptroller and Auditor General of Bangladesh.



C&AG gives speech in PT&T Audit Directorate

Collaboration between Private and Public Sector Auditors

Bangladesh Government is always eager to bring financial discipline in Public Sector. The Public Private Partnership for Improved Audit Quality Assurance is a way forward to realize high quality financial reporting and credible auditing systems for Public Sector Financial Management, said Masud Ahmed, Comptroller and Auditor General of Bangladesh as Chief Guest at a Knowledge Sharing Session on Public Private Partnership for Improved Audit Quality Assurance programme held at a city hotel on Saturday, 01 June 2013. He said, there has been growing demand globally for collaboration between Private and Public Sector Auditors for ensuring effective oversight over Expenditure Management and quality audit and assurance, adding that in Bangladesh, the OCAg and Private Sector Auditors are both engaged in audit of public sector entities and there is a demand to find the avenues of mutual cooperation and explore those possibilities. He said that the Public Private Partnership is a platform to strengthen public sector accounting and auditing, and strengthen all aspects of Public Sector Financial Management. He expressed this partnership is aimed to pursue and achieve the very purpose of this programme.



Masud Ahmed, Comptroller and Auditor General of Bangladesh as Chief Guest at a Knowledge Sharing Session on Public Private Partnership for Improved Audit Quality Assurance programme

Mr. Ahmed also said that the foremost challenges are to adopt the full Accrual based accounting through ensuring the integrity, accountability and transparency of the profession. ICAB needs to be instrumental in implementing the IPSAS and ISSAI in Public Sector Accounting and Auditing. ICAB and OCAg are now more efficient and educated in the field of audit quality assurance and will provide the reasonable assurance on the reliability of financial statement to the stakeholders, regulators and decision makers, he hoped.

C&AG Visits ADG (Finance) Office:

Comptroller & Auditor General of Bangladesh Mr. Masud Ahmed visited ADG (Finance) office at Rail Bhavan on 17

November 2013. He was received by Mr. Md. Abul Kashem, ADG (Finance). The CAG was appraised of the activities & related issues of the office. Mr. Md. Abu Taher, Director General of Bangladesh Railway was present during the visit. The CAG also went round the various sections of the office and was introduced to the officers and staffs of Railway Accounts. Mr. Md. Delwar Husain, DCAG (Senior) was present during the program.



C&AG Visits ADG (Finance) Office

Views Exchange Meeting of C&AG with Senior Officials of Audit & Accounts Department:

Director General of PT&T Audit arranged a views exchange meeting about "how to improve audit quality" on 19-06-2013. Comptroller & Auditor General and other senior officers of Audit & Accounts department were present at that meeting. The Honorable C&AG exchanged his valuable opinion with others and emphasized to increase the quality of audit in the department



C&AG Exchange His Views with Senior Officials of Audit & Accounts Department

Farewell Program in Honor of the Departing CGDF:

Mr. Md. Motaher Hussain, CGDF, went on Post Retirement Leave (PRL) on December 30, 2013 after successful completion of his career in the civil service for more than 34 years. He served in the Defense Finance Department for a pretty long time. CGDF Office organized a farewell program in honor of the departing CGDF on December 29, 2013. Honorable Comptroller and Auditor General Mr. Masud Ahmed graced the occasion as chief guest. Around 50 senior officials from Audit Department attended the program. They shared their feelings and experience working with Mr. Motaher Hussain with due respect and dignity. Participants have also expressed their gratitude and heartfelt thanks to Mr. Hussain for his commendable contribution to the Audit Department during his long serving period.



C&AG Mr. Masud Ahmed Attended Farewell Program in Honor of the Departing CGDF Mr. Md. Motaher Hussain.

SCOPE Presentation

The Comptroller and Auditor General have accorded topmost priority to capacity building for "auditing in IT environments". In order to effectively deal with this challenge, OCAG has introduced computer-based auditing techniques. OCAG staff are being trained in the use of two widely practiced audit software tools i.e. IDEA and TeamMate electronic working papers (EWP) software. A fibre-optic data link has been established between the OCAG network and the computer systems of the Controller General of Accounts (CGA). This will enable

OCAG to access government's financial information in electronic format and use advanced data analytic technology to provide "concurrent audit" oversight of public expenditure.

The electronic working papers (EWP) is a knowledge based system which helps the auditor to document the audit work electronically and eventually move to a paperless audit environment. For this purpose an important software application called the Audit Monitoring and Management System (AMMS) is being implemented over the OCAG network. The AMMS is a customised database application developed under the SCOPE project that will help the audit directorates to more efficiently plan and schedule audit assignments and monitor and track disposition of the large number of audit observations made by the OCAG.

Accordingly a large number of OCAG officers and key staff have been provided with laptop computers to enable them to effectively utilize the various functionalities of the software. Laptop computers have been issued to each audit team to enable them to send the audit inspection reports from the field electronically to OCAG using the AMMS. More than 1400 personnel are given training on AMMS from all audit directorates. The focus of the training was to give hand-on practice to the trainees on the various features of the software so that the users can start using this software immediately after the training is completed. The implementation and training of the AMMS has been provided in a phased manner.

The implementation of office wide automation and use of IT based audit tools like IDEA, TeamMate and AMMS promises to significantly increase the efficiency of OCAG operations. Full implementation of the AMMS across all audit directorates together with the CAATs software and CGA data link will lead towards a paperless audit environment for OCAG. This will be a unique achievement of SAI Bangladesh amongst the world SAI community.



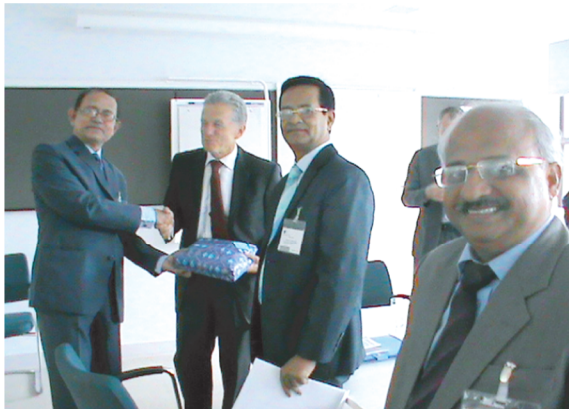
C&AG Chaired the Review Meeting Organized by SCOPE

8. SAI BANGLADESH IN GLOBAL PERSPECTIVE

C&AG Visited NAO, UK

Officials of the office of the Comptroller & Auditor General visited the National Audit Office (NAO), UK for a study tour during 02-06 September 2013 and that was arranged by SPEMP-B: Strengthening the Office of the Comptroller and Auditor General Project. The team consisted of 9 members and was led by the Honorable CAG of Bangladesh.

During the visit, the delegation met the Comptroller and Auditor General of UK and other high officials. The visit discussed and exchanged views of mutual interest in relation to 'Financial Audit'. The CAG as well as the delegation team was welcomed and received by Mr. Amyas Morse, the Honorable Comptroller and Auditor General of UK. In his speech, he expressed to extend all sorts of cooperation to OCAG, Bangladesh. The delegation also visited CIPFA (The Chartered Institute of Public Finance and Accountancy) and the Office of the 'Foreign and Commonwealth'.



Mr. Masud Ahmed Comptroller and Auditor General of Bangladesh visited the National Audit Office, UK

INCOSAI XXI in Beijing :

Comptroller and Auditor General of Bangladesh Mr Masud Ahmed Attended the Congress:

INCOSAI XXI in Beijing was concluded with the adoption of the "Beijing Declaration" on 26 October 2013. The Congress was attended by 591 participants from 154 SAIs, 3 associated members and 22 observers. In the "Beijing Declaration", the congress participants call in particular for the implementation of the UN Resolution A/66/209 on strengthening the independence of Supreme Audit Institutions (SAIs). They adopted 12 new audit standards and expressed support for the plans to intensify cooperation with the United Nations in the framework of the Post-2015 Development Agenda. The Congress also

adopted recommendations on audit work concerning the theme areas "National Audit and National Governance" and "The Role of SAIs in Safeguarding Long-Term Sustainability of Finance Policies".

The Congress also noted the adoption of the UN Resolution "Promoting the efficiency, accountability, effectiveness and transparency of public administration by strengthening supreme audit institutions" in a highly positive way and called upon members, development organizations and other stakeholders to implement the principles of the Lima and Mexico Declarations contained therein at the national level. With regard to the adoption of new audit standards, the focus was on three areas:

ISSAI 12 "Value and Benefits of SAIs - Making a difference in the lives of citizens"; The fundamental auditing principles on financial, performance and compliance auditing revised by the harmonization project (Level 3, four ISSAIs: 100, 200, 300 and 400) as well as Auditing Guidelines with regard to audit of disaster-related aid (Level 4, five ISSAIs: 5500, 5510, 5520, 5530 and 5540 and one INTOSAI GOV: 9250).



C&AG Attended INCOSAI XXI in Beijing, China

A three member delegation headed by the Honorable Comptroller and Auditor General of Bangladesh Mr Masud Ahmed attended the Congress. Other two members were Mr Md. Matiar Rahman, Director General, Works Audit Directorate and Mr ASM Lukman, Deputy CGA (Admin). All of them actively participated in all sessions- both plenary and voluntary sessions. SAI Bangladesh as a member of Professional Standards Setting Committee attended that meeting and imparted valuable contribution especially in 'Auditing Guidelines with regard to audit of disaster-related aid'.

C&AG of Bangladesh held a bilateral meeting with the President of the State Audit Office of Hungary. SAI Hungary is pursuing for the position of External Auditor of the United Nations Industrial Development Organization (UNIDO).

9. TRAINING AND PROFESSIONAL DEVELOPMENT

Events in FIMA

Financial Management Academy (FIMA), the apex training organization of Audit and Accounts Department organized a lot of training-related and other important activities during the period from January-December 2013. A brief profile containing reflection of these important events are produced below.

Passing out of 30th Batch AAGs

On 8 July, 2013 a spectacular passing out ceremony for the officers of 30th BCS Audit &Accounts cadre was held at Osman Ghani Khan Auditorium of FIMA. Honourable C&AG of Bangladesh Mr. Masud Ahmed was present as chief guest. The chief guest handed over the DG's crest of honour to the three best performers and certificates to all for successful completion of one year long departmental training course. Honourable CAG Mr. Masud Ahmed expressed heartfelt felicitation to the young officers and encouraged them to apply their merit, potential and commitment for the betterment of the country as well as for the Department. Director General of FIMA Mr. Abul Kashem, former C&AG Mr. Asif Ali, Director (Training) Ms Tasmin Ara Ajmery and Director (Admin) Mr. Bikash Chandra Mitra expressed their gratitude to the CAG for his kind presence. The remarkable gathering ended with a beautiful cultural session participated by the AAGs and followed by dinner.



Passing out Ceremony of the 30th batch AAGs

Joining of 31st Batch

Five Assistant Accountant Generals belonging to the 31st batch of Bangladesh Civil Service - Audit and Accounts cadre whose departmental training commenced on 21st January 2013 are about to complete their training. Their training syllabus being almost complete, they are likely to be eligible to graduate from FIMA by March-April 2014.



TRAINING AND PROFESSIONAL DEVELOPMENT

MoU between CIPFA and FIMA

In order to facilitate provision of sustainable high quality training in Public Finance Management (PFM) to the officers of the Audit and Accounts Department of Bangladesh and other government and non-government agencies, the Chartered Institute of Public Finance and Accountancy (CIPFA), UK signed a Memorandum of Understanding (MOU) with Financial Management Academy (FIMA), Bangladesh on 2nd October 2013.

Acting Director General of FIMA Mr. Md. Mahtab Uddin signed the MoU on behalf of the Comptroller and Auditor General of Bangladesh. The signatory on behalf of CIPFA was its International Director, Alan Edwards. SPEMP-B Team leader Mr. Peter Armstrong, Directors of FIMA and other officials were also present in the signing ceremony.

Following signing of this MoU both the institutes will jointly explore opportunities for cooperation in mutually beneficial areas and will provide information to each other on the professional code of ethics, legislation, standards and other matters of national and international relevance to the accountancy and auditing professions.

Refreshers' Course for Senior Scale Examination

FIMA organizes Refreshers' Course for participants of Senior Scale Examinations conducted by Bangladesh Public Service Commission. In January 2013 officers belonging to the 27th batch of Audit and Accounts cadre attended a Refreshers' Course to help prepare them best for appearing at the senior scale promotion examination to be held in February 2013.

CIPFA Professional Accreditation Courses

With the assistance of the SPEMP B Project, FIMA organizes CIPFA professional accreditation courses under the direct supervision of the Office of the Comptroller & Auditor General. A total of 105 participants from both Audit and Accounts streams took part in CIPFA Certificate Course in three batches in 2013.

Other training activities

- i) **SAS Part I and Part II:** Providing training nomenclatured Sub-ordinate Accounts Service (SAS) Part I and Part II mainly to auditors constitutes the cornerstone of FIMA's training activities. In 2013, SAS Part I and Part II training was organized four times and a total of 258 participants took part.
- ii) **Orientation course for newly recruited Auditors:** It is considered a matter of profound importance to provide newly recruited staff with ideas about organization and functions of Audit and Accounts Department through some basic training programme. So far a total of 503 Auditors have been trained in 13 batches. In 2013, five courses were held.
- iii) **TIBAS Course for mid-level officers:** Training in Budgeting and Accounting System (TIBAS), which is participated by mid-level officers from across the Government including Deputy Secretaries, is held in FIMA three to four times a year. In 2013 a total of 83 participants attended TIBAS Course in three batches.

TRAINING AND PROFESSIONAL DEVELOPMENT

On-Request Courses:

In addition to regular courses, FIMA also organizes training courses on Financial Management on request for officials of different departments. On-request courses held in FIMA in 2013 were as follows:

- i) 26 Assistant Directors from the Department of Passports and Immigration successfully completed their Training on Financial Management.
- ii) 36 officials from Agrani Bank successfully completed their Training in Audit Planning and Programme.
- iii) 138 participants from PWD took part in Financial Management Course in 5 batches.
- iv) 29 officials from the Integrated Agricultural Productivity Project (IAPP) of the Ministry of Agriculture successfully completed Financial Management Course in two batches.
- v) 22 officials from the Emergency Cyclone Relief & Rehabilitation Project (ECRRP) participated in Financial Management Course in two batches.
- vi) 30 officials from the Election Commission Secretariat successfully completed a Training Course on Financial Management.



Participants of 13th Auditors' Orientation Course

10. SPEMP - B PROJECT ACTIVITIES

SPEMP-B: Strengthening the Office of the Comptroller and Auditor General

The Government of Bangladesh has a comprehensive programme of on-going reforms in Public Financial Management (PFM) called the Strengthening Public Expenditure Management Program (SPEMP). This consists of three projects namely SPEMP-A, SPEMP-B, and SPEMP-C.

SPEMP-B has three components, each of which has different development objectives.

Component 1: Strengthening the Institutional Arrangements of the OCAG - This Component deals with the relationships between OCAG and its external stakeholders, including the Parliament and its Committees. It also includes activities designed to improve the way in which ministries and agencies respond to audit observations made by OCAG and recommendations made by the Public Accounts Committee (PAC).

Component 2: Enhancing the Quality and Expanding the Scope of External Audit - The first part of this Component deals with the matter of quality through peer reviews and other exchanges with a developed and regional SAI, study tours and the introduction of management of the skills and competencies to better enable OCAG officials to perform audits. The second part of this Component involves developing ISSAI-compliant audit methodologies for field testing in pilot audits, including performance and environmental audits. The pilot audits are to be accompanied by appropriate training of auditors. The main thrust of this Component is to provide a full-pledged ISSAIs compliant audits over time across all Audit Directorates.

Component 3: Enhancing the Institutional Capacity of the Financial Management Academy (FIMA) - A significant part of this project is concerned with improving the range of teaching, education and training activities at FIMA. It is proposed that FIMA become a centre of educational excellence for supplying professional accreditation courses in accounting and auditing and thus increasing OCAG personnel skills and education to levels required to perform their work in a manner which meets INTOSAI standards. The FIMA will provide full-range of training for CIPFA courses to as many as 350 officials and staff of the OCAG on sustained basis.

Progress as of December 2013

Component 1: Strengthening the Institutional Arrangements of the OCAG

As the Audit Act has yet to be approved by the Parliament, some key activities identified could not be carried out. A report was submitted to be finalized in one of the upcoming workshops for three line ministries (Education, Health, and Local Government) to determine the status of audit observations made by the OCAG, and to suggest ways of dealing with the increasing backlog. The workshop was expected to deal with (1) ways of clearing the backlog and handling unsettled observations more efficiently and effectively and, (2) consider and discuss the new audit approach and reporting format, seeking the input of all those present. A report was submitted jointly with the SPEMP-C project, dealing with ways to strengthen the OCAG's support for parliamentary oversight committees, including the Public Accounts Committee, and the Committee on Public Undertakings.



SPEMP - B PROJECT ACTIVITIES

Component 2: Enhancing the Quality and Expanding the Scope of External Audit

During the year 2013, a great deal of progress was made in all activity areas of this component. Six pilot audits, employing ISSAI-compliant methodologies and approaches, were completed, and another seven were started. The pilot audits required a significant amount of training to be given to the pilot audit teams. Every attempt was made to deliver this training before the audits began. These audits are using modern audit tools and techniques, such as IDEA (Interactive Data Extraction and Analysis) software to analyze huge numbers of transactions, and to select samples for audit, and using valid statistical sampling techniques to determine, for example, error rates and amounts in large populations of transactions, from a relatively very small sample.

There were six compliance audits carried out in round one of the pilot audits, and one financial audit. The audit reports from the six pilot compliance audits were reviewed by the concerned Directors General, and by the Project Management Control Unit (PMCU) and have been submitted to concerned audited entities. Five audit manuals have been developed, which conform to ISSAI standards. When they reach an appropriate level of development, they will be translated into Bengali, and uploaded to the OCAG's Audit Management and Monitoring System (AMMS), a computerized system to track audits, and audit findings and reports. The OCAG is finalizing twinning arrangements with the Supreme Audit Institution (SAI) of India. This will entail sharing information and audit expertise through training, temporary exchange of officers and through joint audits of areas of common interest. A workshop was held on HRM framework with a competency framework for OCAG. Study tours have been conducted, which result in senior OCAG officers gaining first-hand insights and knowledge into areas of interest to the OCAG, such as financial audit, performance audit, and the management of a SAI training center.

Component 3: Enhancing the Institutional Capacity of the Financial Management Academy (FIMA)

The consortium partner for this component is the Chartered Institute of Public Finance and Accounting (CIPFA), an internationally recognized UK-based training institute, specializing in training public sector officers in areas relating to government finance and accounting, and audit. A Memorandum of Understanding (MOU) has been signed between CIPFA and the OCAG, which documents and cements the close relationship that has been developed between the two organizations. Progress in this component has been more than expected. Certificate training courses have been completed for three batches of students, totaling 105. The pass rates for the examinations have exceeded the CIPFA international standards by a significant degree. A number of short courses have been also presented, dealing primarily with audit-related subjects.

The project has also refurbished a number of classrooms, has established a fully-equipped, state-of-the-art computer training facility, and installed a public address system in the training classrooms. A capacity-development strategy paper for FIMA has been prepared, and discussed at a workshop. A study tour, including FIMA senior officials as delegates, has been conducted in the training center of the Asian Institute of Technology, Thailand.. A project steering committee meeting was held on 5th June 2013.

Hon'ble C&AG inaugurated the CIPFA certification course as the Chief Guest. Also seen are DG FIMA, Mr. Md. Amir Khasru, and SPEMP-B Team Leader, Mr. Peter Armstrong.

11. SCOPE PROJECT: AUTOMATION IN AUDITING

The SCOPE project funded by the Govt. of Canada has been a flagship capacity building project for Office of the Comptroller and Auditor General (OCAG) of Bangladesh. The contract for implementing was awarded to Cowater International Inc. a leading Canadian international development consultancy firm by CIDA and approved by Govt. of Bangladesh.

With a view to achieving the national goal of "Digital Bangladesh", OCAG is currently implementing an ambitious computerisation programme. As the Supreme Audit Institution (SAI) of Bangladesh, OCAG's mission is to provide high quality audit services to the National Parliament and its stakeholders. To support this, OCAG has built an integrated and reliable information technology (IT) infrastructure comprising a modern state-of-the-art data centre and a wide area network (WAN) which connects the Audit Bhaban with the Audit Complex building located in Dhaka and branch offices located in other cities. A large number of desktop and laptop computers have been purchased and distributed for use by the network users.

Supported by the SCOPE project a well-known computer training programme called the "International Computer Driving licence (ICDL)" is being implemented. More than 1800 officers and staff including members of OCAG senior management cadre have already attended the ICDL training.

The Comptroller and Auditor General have accorded topmost priority to capacity building for "auditing in IT environments". For this purpose an important software application called the Audit Monitoring and Management System (AMMS) is being implemented over the OCAG network. The implementation of office wide automation and use of IT based audit tools like CAATs, TeamMate and AMMS promises to significantly increase the efficiency of OCAG operations. The AMMS is a customised database application developed under the SCOPE project that will help the audit directorates to more efficiently plan and schedule audit assignments and monitor and track disposition of the large number of audit observations made by the OCAG. Laptop computers have been issued to each audit team to enable them to send the audit inspection reports from the field electronically to OCAG using the AMMS.

The electronic working papers (EWP) is a knowledge based system which helps the auditor to document the audit electronically and eventually move to a paperless audit environment. For this purpose an important software application called the Audit Monitoring and Management System (AMMS) is being implemented over the OCAG network. The AMMS is a customised database application developed under the SCOPE project that will help the audit directorates to more efficiently plan and schedule audit assignments and monitor and track disposition of the large number of audit observations made by the OCAG.

More than 1400 personnel given training on AMMS combining all audit directorates. The focus of the training is to give hand-on practice to the trainees on the various features of the software so that the users can start using this software immediately after the training is completed. The implementation and training of the AMMS has been provided in a phased manner.

In particular use of computer assisted audit techniques will enable OCAG to track virtually all expenditure thereby enhancing its effectiveness as an agency which enforces accountability and transparency in the use of public resources.

SCOPE PROJECT: AUTOMATION IN AUDITING

Presence of C&AG at AMMS Presentation Programme :

A presentation programme on AMMS (Audit Monitoring & Management System) was arranged by DG.PT&T on 19 June 2013. Honorable Comptroller & Auditor General (CAG) Mr. Masud Ahmed, DC&AG (Senior) Mr. Md. Amir Khosru, ADG (Finance), Bangladesh Railway Mr. Md. Abul Kashem and other high officials of Audit & Accounts department were present on this occasion.

AMMS was designed to enable the Audit Directorates to plan and schedule audit assignments and monitor & track audit observations on a real time basis.

AMMS will enhance the efficiency & effectiveness of audit management process, facilitate better quality audit reports and increase the expectation in general. The honorable CAG applauded the presentation and expected the extensive use of AMMS by all directorates.



AMMS Presentation Program at PT&T Audit Directorate

12. RECIPIENTS OF OVERSEAS TRAINING

Participant	Course	Country and Duration
Mr. AKM Jashim Uddin, Project Director, Mr. AK Nasim Hyder, Field Project manager	Discuss with CIDA and Cowater International	Canada; 6-12 January 2013
Mr. Md. Sofiqur Rahman Deputy Director, FAPAD Mrs Monowara Akhter Deputy Director (Budget), BR	Environment Audit	India; 7th January-1st February 2013
Mr. Md. Amir khasru DCAG (Senior), CAG office Mrs. Kazi Tasmin Ara Ajmeri Director, FIMA Mr. Tanvir Akter Hosain Khan Deputy Director, Local Audit Mr. AKM Jubair Deputy Director, Works Audit Mrs. Fatema Yasmin Deputy Director, FAPAD Mr. Md. Abdul wadud Deputy Director, Defense Audit Mr. Mohammad Khademul Bashar, ACAG(PS to CAG) CAG office Mr. Hasan Mahmud System Analyst, SCOPE Project Mr. Md. Azharul Islam Khandokar AAO, CAG office Mr. Md. Monir Hosain molla AAO, FAPAD Mr. Md. Abdul Haq Hang, AAO, CAG office Mr. Prosan kanti pal AAO, commercial Audit Mr. Md. Anawer Hosain AAO Local Audit Mr. Md. Shamsur Rhaman AAO, CAG office	Study Tour	Philippine; 7-18 January 2013
Mr. Mohammad Moniruzzaman Howlader Deputy FA&CAO, Bangladesh Railway	Financial and Regularity Audi	India; 11 February-08 March 2013
Mr. Mohammad Abul Kashem DG, FIMA Mr. Wazir Ahmed Fateh DG, Local & Revenue Audit Mr. AHM Shamsur Rahman APD SCOPE Project	46th Governing Board Meeting of ASOSAI	Philippine; 18-21 February 2013
Mr. Md. Abdul Baset Khan DG, Defense Audit Directorate Mr. Md. Shahidur Rahmand Chowdury Director, Mission Audit Directorate	3i management Workshop in the ASOSAI Region	Combodia; 07 February -01 March, 2013
Mr. Mohammad Khademul Bashar, ACAG, CAG office	International Auditor fellowship Programme, 2013	Combodia; 07 February -01 March, 2013
Mr. Md Amir Khasru DCAG(Senior), CAG office Mr. Dilip Kumar Poddar DCAG (Procedure), CAG office Mr. Mohammad Jakir Hossain Project Director, SPMP-B Project Mr. Md. Mahbulul Hoque APD, SPMP-B Project Mrs. Kamrun Nahar Adl FA&CAO, (East), BR. Chittagong	Procurement Audit & Systems for Prevention & Detection of Fraud and Corruption	Italy 10-14 June 2013

RECIPIENTS OF OVERSEAS TRAINING

Participant	Course	Country and Duration
Mrs. Samia Alam ADCAG(Procedure),OCAG Mr. Mehedi Hayat Abbasi CAO, Food Mr. Md. Kamrul Alam Deputy Director (Purchase) SPEMP-B Mr. Sohel Ahmed Deputy CGDF Mr. SM Monjur Ahmed Deputy Director, LAD Mrs. Monwara Akter Deputy Director, Commercial Audit Mr. Mohammad Jahangir Alam Khan Rana Deputy Director, MIS, CAG office Mr. Md. Rafiqul Islam Assistant Accounts Officer, SPEMP-B Project		
Mr. Md. Delwar Husain ADG, Finance, Bangladesh Railway	INTOSAI Capacity Building Committee, Sub-Committee-1 Meeting.	Tunisia; 6-7th June, 2013
Mr. Md. Mahtab Uddin SFC, Army, Dhaka Cantonment, Dhaka.	INTOSAI Capacity Building Committee, Sub-Committee-1 Meeting.	Tunisia; 6-7th June, 2013
Ms. Zeenat Khan DG, Performance Audit Directorate, Dhaka.	INTOSAI Capacity Building Committee, Sub-Committee-3 Meeting.	Slovak Republic; 13-14th June, 2013
Mrs. Monwara Habib CAO, Foreign Affairs, Dhaka.	INTOSAI Capacity Building Committee, Sub-Committee-3 Meeting.	Slovak Republic; 13-14th June, 2013
Mrs. Farmeen Mawla JFC, SFC, Army, Dhaka.	Instructors Design Meeting for the ASOSAI- Sponsored Workshop on Performance Audit.	Japan; 16-29th June, 2013
Mr. Masud Ahmed, Hon'ble CAG of Bangladesh Mr. Md. Azizul Huq, Finance Controller, Bangladesh Ordinance Factory, Gazipur	Seminar on "Meeting Higher Expectation"	Sri Lanka; 25-26 July 2013
Mr. Masud Ahmed, Hon'ble CAG of Bangladesh	TI sponsored Seminar on "Climate Finance Integrity Talks"	Thailand; 27 August 2013
Mr. Masud Ahmed, Hon'ble CAG of Bangladesh Mr. Md. Delwar Hussain, Deputy CAG (Senior) Mr. Wazir Ahmed Fateh, DG, Local and Revenue Audit Directorate Mr. Gour Chandra Roy, SFC (Works) Ms. Fahmida Islam, CAO, Ministry of Communication Mr. Shikder Rashed Kamal, Counter Part Officer, SPEMP B Project Mr. G M Mamunur Rashid, Deputy Director, Commercial Audit Directorate Mr. S R M Mokhlesur Rahman, AAO, Local and Revenue Audit Directorate Mr. A F Md. Jamal Uddin Khan, AAO, Railway Audit Directorate	Study Tour in the National Audit Office, UK	United Kingdom; 2-6 September 2013
Mr. Md. Rabiul Islam, Deputy Finance Controller, Office of the Senior Finance Controller (Works) Mr. Md. Khademul Karim Iqbal, Deputy Director, Foreign Aided Project Audit Directorate	Audit in IT Environment	India; 21 October-15 November 2013
Mr. Md. Aftabuzzaman, Director General, Commercial Audit Directorate Dr. Shyamal Kanti Chowdhury, Deputy CAG (A&R) Mr. Md. Khurshid Alam Patwary, Regional Finance Controller (Army)	Training on "SAI Performance Measurement Framework (PMF)"	India; 23-27 September 2013
Mr. Md. Kamruzzaman, DFA&CAO (West), Bangladesh Railway, Rajshahi Ms. Kazi Masuda Sultana, Deputy Director, Office of the Addl. DG (Finance), Bangladesh Railway	Audit of Public Sector Enterprises	India; 16 September-11 October 2013

RECIPIENTS OF OVERSEAS TRAINING

Participant	Course	Country and Duration
<p>Mr. Md. Nurul Islam, DG, Mission Audit Directorate</p> <p>Ms. Shaheda Khanam, Director, Foreign Aided Project Audit Directorate</p> <p>Ms. Wahida Hamid, FC (Miscellaneous)</p> <p>Mr. Shariful Islam, Addl Deputy CAG (Personnel), OCAG</p> <p>Ms. Ayesha Khanam, CAO, Local Government Division</p> <p>Mr. Md. Imrul Kayes Khan, DFA, FA&CAO (West), Bangladesh Railway</p> <p>Mr. Mohd. Nurul Absar, Dy Director, Performance Audit Directorate</p> <p>Mr. Md. Zakir Hossain, Asst CAG (Report), OCAG</p> <p>Mr. Md. Sydur Rahman Sarkar, Deputy Director, Works Audit Directorate</p> <p>Ms. Fatema Yasmin, Deputy Director, Foreign Aided Project Audit Directorate</p> <p>Ms. Rownak Sufia Afsara Rahman, Deputy Director, Local and Revenue Audit Directorate</p> <p>Mr. Md. Shofiqur Rahman, Deputy Director, Foreign Aided Project Audit Directorate</p> <p>Ms. Hasina Banu, CAO, Ministry of Cultural Affairs</p> <p>Ms. Selina Khandaker, Asst Finance Controller, Works Audit Directorate</p> <p>Mr. Md. Habibullah, AAO, Works Audit Directorate</p>	<p>Training on "Procurement Audit and Systems for Prevention and Detection of Fraud and Corruption"</p>	<p>Italy;</p> <p>21-25 October 2013</p>
<p>Ms. Farmeen Mowla, JFC, SFC (Army)</p> <p>Mr. Tanveer Akter Hossain Khan, Director, Performance Audit Directorate</p>	<p>Workshop on Facilitating ISSAI Implementation - Performance Audit</p>	<p>Thailand;</p> <p>30 September-5 October 2013</p>
<p>Mr. Md. Abdul Wadud, Dy Director, Local and Revenue Audit Directorate</p>	<p>Workshop on Facilitating ISSAI Implementation - Financial Audit</p>	<p>Thailand;</p> <p>7 October-12 October 2013</p>
<p>Mr. Md. Zahurul Islam, Project Director, SPEMP B Project.</p> <p>Mr. Mahbulbul Huq, Addl. Project Director, SPEMP B Project</p> <p>Mr. Md. Nazmul Alam, Director, Defense Audit Directorate</p> <p>Mr. Md. Mamun-Ul-Mannan, Deputy Director, FIMA</p> <p>Mst. Shamim Ara Smriti, CAO, CAG PSC and EC</p> <p>Mr. Mohammad Shah Alam, Deputy Finance Controller, Office of the SFC (DP)</p> <p>Mr. Md. Abul Kalam, Deputy Director, Foreign Aided Project Audit Directorate</p> <p>Mr. A K M Aminul Huq, Deputy Director, FIMA</p> <p>Ms. Kanika Mafuaha, AAO, FIMA</p> <p>Mr. K M Anwar Hossain, AAO, FIMA</p>	<p>Training on "Professional Development on Management of Training Centers"</p>	<p>Thailand;</p> <p>23 September-4 October 2013</p>
<p>Mr. Masud Ahmed, Hon'ble CAG of Bangladesh</p> <p>Mr. Md. Motiar Rahman, DG, Works Audit Directorate</p> <p>Mr. A S M Lukman, Deputy CGA (Admin)</p>	<p>21st INCOSAI (International Congress of Supreme Audit Institutions)</p>	<p>China;</p> <p>20-26 October 2013</p>
<p>Ms. Farmeen Mowla, JFC, Office of the SFC (Army)</p> <p>Ms. Mahbuba Begum, Deputy Director, Foreign Aided Project Audit Directorate</p>	<p>ASOSAI Sponsored Workshop on "Performance Audit"</p>	<p>Thailand;</p> <p>18-27 November 2013</p>

RECIPIENTS OF OVERSEAS TRAINING

Participant	Course	Country and Duration
<p>Mr. A K M Jashim Uddin, DG, Foreign Aided Project Audit Directorate</p> <p>Mr. Saroj Kanti Deb, FA&CAO (Project), Bangladesh Railway</p> <p>Mr. Md. Wadud Hossain, FC (Army), Pay-2</p> <p>Mr. Md. Azizul Huq, FC, Bangladesh Ordnance Factory</p> <p>Mr. S M Rezvi, Addl. Deputy CAG (Administration), OCAG</p> <p>Mr. Jiban Krishna Chowdhury, Addl. CGA (Accounts and Procedure), Office of the CGA</p> <p>Mr. Sheikh Kamrul Hasan, CAO, Ministry of Agriculture</p> <p>Mr. Kamalesh Chandra Roy, Director, Local and Revenue Audit Directorate</p> <p>Ms. Nusrat Ferdousi, CAO, Ministry of Postal and Telecommunication</p> <p>Mr. Syed Md. Asaduzzaman, Asst CAG (Exam and Inspection), OCAG</p> <p>Mr. Mohammad Moniruzzaman Howlader, DFA (Dhaka), Bangladesh Railway</p> <p>Ms. Amina Khatun, DFC, SFC (Army)</p> <p>Mr. Mohammad Abdullah Al Faruque, Deputy Director, Office of the Adl DG (Finance), Bangladesh Railway</p> <p>Mr. Mohammad Jahangir Alam, AAO, Foreign Aided Project Audit Directorate</p> <p>Mr. Md. Mujibur Rahman, AAO, OCAG</p>	<p>Workshop on "Integrated Results and Risk-Based Audit Approach"</p>	<p>Philippines; 1 8-29 November 2013</p>
<p>Mr. Abul Kalam Azad, Director, Works Audit Directorate</p>	<p>Training on "Impact Evaluation Capacity Building: Methods and Approaches"</p>	<p>Philippines; 4-8 November 2013</p>
<p>Mr. Md. Firoz Khan, Deputy Director, Defense Audit Directorate</p>	<p>"IT Audit Course"</p>	<p>Malaysia; 4-15 November 2013</p>
<p>Mr. Mirza Md. Tareque Ali, Deputy Director, Performance Audit Directorate</p> <p>Mr. Md. Abdul Wadud, Deputy Director, Local and Revenue Audit Directorate</p>	<p>Training on "Performance Audit"</p>	<p>India; 25 November-20 December 2013</p>
<p>Mr. Md. Delwar Hussain, Deputy CAG (Senior), OCAG</p>	<p>Seminar on "Audit of Disaster Management Practices"</p>	<p>Republic of Korea; 11-15 November 2013</p>
<p>Mr. Abul Foyz Mohd. Abid, FA & CAO (East), Bangladesh Railway</p>	<p>ASOSAI Seminar on Quality Assurance in Audit</p>	<p>Vietnam; 2-5 December 2013</p>

13. ACRONYMS

ADG	Additional Director General
AIR	Audit Inspection Report
AMMS	Audit Management and Monitoring Systems
ASOSAI	Asian Organization of Supreme Audit Institutions
BCS	Bangladesh Civil Service
BEI	Bangladesh Enterprise Institute
BR	Bangladesh Railway
BSTI	Bangladesh Standards and Testing Institution
CAAT	Computer Assisted Auditing Techniques
CAG	Comptroller and Auditor General
CAO	Chief Accounts Officer
CDPU	Central Data Processing Unit
CGA	Controller General of Accounts
CIDA	Canadian International Development Agency
CISA	Certified Information System Auditor
CPWD	Central Public Works Department
DCA	Divisional Controller of Accounts
DCAG	Deputy Comptroller and auditor General
DEDO	Duty Exemption and Drawback Office
DG	Director General
EC	Estimates Committee
EDCL	Essential Drugs Company Limited
ERD	Economic Relations Division
EUROSAI	European Organization of Supreme Audit Institutions
FA&CAO	Financial Advisor and Chief Accounts Officer
FIMA	Financial Management Academy
IDI	INTOSAI Development Initiative
INTOSAI	International Organization of Supreme Audit Institutions
IRD	Internal Resource Division
ISSAI	International Standards of Supreme Audit Institutions
JDG	Joint director General
MOD	Ministry of Defence
NGO	Non Government Organizations
OCAG	Office of the Comptroller and Auditor General
OGP	Open Government Partnership
PAC	Public Accounts Committee
PPR	Public Procurement Regulations
PROGATI	Promoting Governance, Accountability Transparency and Integrity
PUC	Public Undertakings Committee
RAJUK	Rajdhani Unnayan Kotripakha
RTI	Right to Information
SAI	Supreme Audit Institution
SAS	Subordinate Accounts Service
SCOPE	Strengthening Comptrollership and Oversight of Public Expenditure
SFC	Senior Finance Controller
SPEMP	Strengthening Public Expenditure Management Project
STL	Short Term Loan
TOD	Transaction Over Draft
UN	United Nations
USAID	United States Agency for International Development

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