AL IHSAN SOCIAL DEVELOPMENT CENTER Free Education, Skills Training and Sustenance Project

Auditor's Report and Financial Statements Along with Form FD-4 Certificate For the period ended December 31, 2023 AL IHSAN SOCIAL DEVELOPMENT CENTER "Free Education, Skills Training and Sustenance Project"

Auditor's Report and Financial Statements Along with Form FD-4 Certificate For the Period ended December 31, 2023

> S P CHOWDHURY & CO. CHARTERED ACCOUNTANTS

### TABLE OF CONTENTS

SI. No.	Particulars	Page #
	Part - I (Auditor's Report and Financial Statements)	
01.	Independent Auditor's Report	1-2
02.	Statement of Financial Position	3
03.	Statement of Comprehensive Income	4
04.	Statement of Changes in Capital Fund	5
05.	Statement of Receipts and Payments	6
06.	Notes to the Financial Statements	7-17
07.	Schedule of Property, Plant and Equipment (Schedule-A)	18
	Part -II (Requirements By The NGO Affairs Bureau)	
08.	FD-4 Certificate	19
09.	Annexure -A/1	20-22
10.	Reports bases on ToR of NGO AffairsBureau	23-34
11.	Schedule of Tax & VAT at source	35-36
12.	Details Schedule of Chalan Wise VAT and Tax Deposit	37
13.	Statement of Fund Reconciliation (Attachment-2)	38

## PART -I Auditor's Report and Financial Statements



#### INDEPENDENT AUDITOR'S REPORT

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of "Free Education, Skills Training and Sustenance Project" a project of AL IHSAN SOCIAL DEVELOPMENT CENTER which comprise the statement of financial position as at December 31, 2023 statement of comprehensive income and receipts & payments statement and notes to the financial statements for the period then ended and a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the "Free Education, Skills Training and Sustenance Project" a project of AL IHSAN SOCIAL DEVELOPMENT CENTER as at December 31, 2023 and its financial performance and its receipts & payments for the period then ended in accordance with International Financial Reporting Standards (IFRSs).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our Audit Report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants Code of Ethics for professional Accountants (IESBA Code), and we have full filled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention that the project did not maintain books of accounts properly. Separate books for each project not maintained. Financial statements have been prepared based on the expenditure analysis from consolidated records of the organization. We also report that organization's internal control on financial activity needs improvement. Our opinion is not modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organisation's financial reporting process.



## S. P. Chowdhury & Co. এস.পি. চৌধুরী এন্ড কোং



Chartered Accountants

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

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

Dated, Dhaka March 13, 2024



Chandra Shakhar Pal Chawdhury FCA Enrolment Number: 1004 Principal S P CHOWDHURY & CO. CHARTERED ACCOUNTANTS DVC:2403131004AO721973





## Free Education, Skills Training and Sustenance Project Statement of Financial Position As at December 31, 2023

Assets	Notes	Amount in	Taka
Assets	Notes	2023	2022
Fixed Assets	4.00	1,551,749	143,997
Cash and Cash Equivalent	5.00	312,082	169,986
Donor Grants Receivable	6.00	52,213	
Total Assets	0.00	1,916,044	313,983
Fund and Liabilities			
Donor Grants Received in Advance	6.00		64,827
Donor Fund Investment in Fixed Assets	7.00	1,551,749	143,997
Provision for Audit Fee	8.00	31,250	25,000
Provision for VAT & TDS Payable	09.0	304,622	77,938
Capital Fund	10.0	28,422	2,221
Total Fund and Liabilities		1,916,044	313,983

**Executive Director** 

Director (Accounts & Finance)

As per our report of date annexed

Dated, Dhaka March 13, 2024



Chandra Shakhar Pal Chowdhury FCA
Enrolment Number: 1004
Principal
S P CHOWDHURY & CO.
CHARTERED ACCOUNTANTS





## Free Education, Skills Training and Sustenance Project Statement of Comprehensive Income For the period from January 01, 2023 to December 31, 2023

Income	Notes	Amount in Taka
Donor Grants Income	11.0	14,041,289
Interest Income (Net)		26,201
Total Income		14,067,490
Expenditure		
Administrative Cost	12.0	5,820,862
Academic Expenses	13.0	8,091,681
Audit Fee Provision	8.00	31,250
Depreciation	Sch-A	97,496
Total Expenditure		14,041,289
Surplus/(Deficit) for the year		26,201
Total		14.067.490

**Executive Director** 

Director (Accounts & Finance)

As per our report of date annexed

Dated, Dhaka March 13, 2024

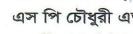


Chandra Shakhar Pal Chowdhury FCA

Enrolment Number: 1004 Principal

S P CHOWDHURY & CO.
CHARTERED ACCOUNTANTS

DVC:2403131004AO721973





#### Free Education, Skills Training and Sustenance Project Statement of Changes in Capital Fund As at December 31, 2023

Particulars	Amount in Taka
Opening Balance	2,221
Add/Less: Surplus/(deficit) for the year	26,201
Closing Balance	28,422







### Free Education, Skills Training and Sustenance Project Statement of Receipts and Payments

#### For the period from January 01, 2023 to December 31, 2023

Receipts	Notes	Amount in Taka
Opening Balance Carrery Forward		160.096
from Previous Year		169,986
Donation Received	3.00	15,332,001
Interest Received (Net)		26,201
Total Receipts		15,528,188
Payments		
Capital Expenditure	4.02	1,362,215
Administrative Cost	12.0	5,783,223
Academic Expenses	13.0	7,967,731
Last Year Audit Fee Paid		25,000
Last Year VAT & TDS Paid		77,938
Total Payments		15,216,106
Closing Balance	5.00	312,082
Total		15,528,188
Shal	,	Manaron
Executive Director	-	Director (Accounts & Fina

As per our report of date annexed

Dated, Dhaka March 13, 2024

> Principal DVC:2403131004AO721973

Chandra Shakhar Pal Chowdhury FCA **Enrolment Number: 1004** 

S P CHOWDHURY & CO. CHARTERED ACCOUNTANTS





## Free Education, Skills Training and Sustenance Project Notes to the Financial Statements For the period from January 01, 2023 to December 31, 2023

#### 1.00 Organization Background

Al Ihsan Social Development Center (AISDC) is an NGO. It was established in 2007. It is implementing various developmental works for socio-cultural progress in remote areas. It aims to help the poor, helpless and distressed boys and girls, vulnerable and vulnerable women and girls of low-lying areas and water-affected communities. The main occupations of the people in the area are fishing, daily wage labor, boating and harvesting from the hoar bill. 70% people of the project area are illiterate and unaware. The area is under water for 5 months of the year and yields only one paddy. The main occupation of common people is fishing. Their wages are low. As a result, they live a miserable life.

#### 1.01 Legal Status of the Organization

Al-Ihsan Social Development Center started its activities since January 2004 as a non profit, non-government & voluntary social welfare organization. It is registered with Social Welfare Registration No: Mu-0303 dated 10-04-2007 and also registered with NGO Affairs Bureau of Bangladesh vide Registration No. 2360, dated 20-05-2008 under Foreign Donation (Voluntary activities) Regulation Act, 2016 and Registration renewed from 20-05-2018 to 19-05-2028.

#### 1.02 Organizational Activities

Al-Ihsan Social Development Center has been working in Bangladesh since 2004. The organization is registered with the NGO Affairs Bureau under the Foreign Donations (Voluntary Activities) Regulations Act, 2016.

#### 1.03 Project Background

A. I. SDC is mainly working for the development of vulnerable helpless women and weak and disadvantaged girls. Because this category is the most neglected and oppressed in the society. Women are oppressed in male dominated society and are deprived of basic rights, human rights and child rights. Girls of this category are subjected to religious prejudices and social restrictions. The most notable work of AISDC is the establishment of child rights. This organization is working to establish the rights of working girls in Srinagar Upazilla of Munshiganj district. Al Ihsan Social Development Society of Canada has been able to create a positive environment for the establishment of rights and social development of working girls in the area with the help of the organization. Parents are now taking care of the girls and not sending them to any neglected work. They are pursuing studies and undergoing real career education training in schools run by A, I, S, DC. Children are very fast. And parents are becoming aware of the value of education and child rights.



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They understand that these children are the future of the nation and they will lead the country to prosperity. The demand for general education and practical work-oriented education is increasing. The school run by Al Ihsan Social Development Society of Canada provides general education as well as practical work oriented education to the parents of poor, needy and helpless families in the area. The poor simple people are therefore requesting that more poor girls of the area should be given such opportunities. That is why the deprived people of the area are requesting to continue the project and increase the facilities. They said these poor girls are victims of neglect and deprivation. Now they are becoming burden in rural society. This class is becoming violent day by day and destroying the peace of the society and making the nation uneducated. These people will be poverty stricken and lead a very difficult life. So the local people and the local administration want the project to continue.

#### 1.04 Project Objectives

The ongoing project aims to protect more children's rights and provide opportunities for children affected by flood water to live in a favorable environment. Its current operations will continue:

- \* To impart basic and versatile education to poor girls.
- \* Providing light vocational training to poor teachers.
- \* Identify poor children as the driving force behind the war.
- \* Involve these girls in light income earning.
- \* Encouraging small business with low capital.
- \* Providing safe shelter to poor girls.
- \* Providing knowledge on first aid and improving physical health.
- \* Providing legal aid to working children in distress
- \* Creating mass awareness through documentaries, publicity etc.
- \* Encouraging the spirit in recreational and other educational activities and sports.

The above-mentioned goals are related to the nation's plans for child development, adequate housing, good utilization of local resources and safety of the child population.

#### 2.00 Significant Accounting Policies

### 2.01 Summary of The Significant Accounting Policies

Al-Ihsan Social Development Center prepares its financial statements on a going concern basis under the historical cost convention. Al-Ihsan Social Development Center generally follows the accrual basis of accounting or a modified form thereof for key income and expenditure items.

The significant accounting policies, which have been materially consistent over the years, as applied and followed in the preparation and presentation of these financial statements are summarized in the relevant notes.

#### 2.02 Basis of Preparation of Financial Statements

The financial statements of the organization have been prepared based on historical cost convention in accordance with IFRS and other applicable laws and regulations and cash basis of accounting is followed except Provision and depreciation.





#### 2.03 Reporting Period

These financial statements has been prepared for the period from January 01, 2023 to December 31, 2023.

#### 2.04 Use of Estimate and Judgements

The preparation of financial statements requires management to make judgement estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

#### 2.05 Donor Grants

The project follows the guideline as stated in IAS-20 Accounting for Government Grants and Disclosure of Government Assistance, in respect to grant income recognition i.e. grants shall be recognized in the income and expenditure statement on a systematic basis over the periods throughout which the associated costs of the grant can be matched, as these costs are being compensated by the grant.

#### 2.06 Component of the Financial Statements

According to the International Accounting Standard "IAS-1" Presentation of Financial Statements to complete set of Financial Statements include the following components:

- (a) Statement of Financial Position as at December 31, 2023.
- (b) Statement of Comprehensive Income for the period ended December 31, 2023.
- (c) Statement of Changes in Capital Fund as at December 31, 2023.
- (d) Statement of Receipts & Payments for the period ended December 31, 2023.
- (e) Notes to the Financial Statements for the period ended December 31, 2023.

#### 2.07 Cash and Cash Equivalent

According to IAS-7 "Cash Flow Statement", cash comprises cash in hand and demand deposits and, cash equivalents are short term, liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that Cash and Cash Equivalent are not restricted in use. Considering the provisions of IAS-I & IAS-7, cash in hand and bank balance have been considered as cash and cash equivalent.

#### I) Cash in Hand

As on December 31, 2023 closing cash in hand was Tk. 293,394/-. As, We have obtained a cash custody certificate from the management confirming the balance held by them as on that date.

#### II) Cash at Bank

We have checked the bank transactions with pass book, cheque counterfoils deposit slips etc. and the balance has been agreed with the book of accounts and bank statement.





#### 2.08 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment's recognized as an asset if, and only if all the following conditions are met:

- a) It is probable that future economic benefits will flow to Al Ihsan Social Development Center.
- b) The cost of the items can be measured reliable and exceeds Tk. 20,000/=
- c) It is expected to be used for more than 1 years.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses where applicable. Depreciation is provided for on a Straight-line method at the appropriate annual rates.

#### 2.09 Recognition of Fixed Assets

#### I) Owned assets

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standards (IAS) 16 "Property, Plant and Equipment".

#### ii) Subsequent expenditure of fixed assets

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it probable that the future economic benefits embodied within the part will flow to the Organization and its cost can be measured reliably. The costs of the day-to day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

#### iii) Depreciation and amortization of fixed assets

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS 16. Depreciation is charged on additions during the year. The depreciation rates used to write off the amount of assets are as follows:

Particulars	Depreciation Rate(%)	
Machinery/Machines		
Computer Lab	10%	

#### 2.10 Authorization

Vouchers substantiating Receipts and Payments have been accepted by us on the strength of authorization thereon by the Program Coordinator, Accountant, Finance Officer /Respective Assigned authorizes as mentioned in the organization table of authorities supported by bills, memos, receipts, etc.





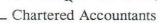
#### 3.00 Donation Received

An amount of Tk. 15,332,001/- has been received from Al-Ihsan Social Development Society Canada credited through Account no.# 2741100003739 of Dutch-Bangla Bank Ltd, Sreenagar Branch, Munshiganj, and checked by us with the bank statement. Details of foreign donation received are given below:

Name of the Donor	Date of Receipts	Amount in Taka
Al Ihsan Social Development Society- Canada	30.03.2023	5,228,808
	17.05.2023	3,910,340
	09.07.2023	4,779,095
	07.11.2023	778,001
	24.12.2023	635,757
Total		15,332,001

		Amount in Taka	
		Dec. 31, 2023	Dec. 31, 2022
4.00			
	Opening Balance	159,015	
	Add: Addition during the year	1,505,248	159,015
		1,664,263	159,015
	Less: Accumulated depreciation	112,513	15,017
	Closing Balance	1,551,749	143,997
4.01	Accumulated Depreciation		
	Opening Balance	15,017	_
	Add: Charged during the year	97,496	15,017
		112,513	15,017
	Less: Adjustment during the year	=	_
	Closing Balance	112,513	15,017
	Details have been shown in "S	chedule-A"	
4.02	Capital Expenditure		
	Ambrodary Machine	144,324	141,335
	Computer & Table	1,360,924	17,680
	Total Expenditure	1,505,248	159,015
	Less: Provision for VAT & TDS payable	143,033	8,730
	Total Payment	1,362,215	150,285
4.02.1	Ambrodary Machine		
	Ambrodary Machine	90,610	
	Vocational/Ambrodary Machine	343	
	Vocational Training Cloth	-	141,335
	Sewing machine	26,852	-
	Sewing machine table	26,520	_
	Total Expenditure	144,324	141,335
	Less: Provision for VAT & TDS payable	13,714	7,050
	Total Payment	130,610	134,285







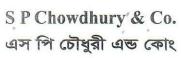
		Amount	in Taka
		Dec. 31, 2023	Dec. 31, 2022
4.02.2	2 Computer & Table		
	Computer/Laptop	68,510	-
	Printer, Photocopy, Camera, Scaner Maintenance	14,697	-
	CC TV Camera setup & Maintenance	39,791	
	Multimedia(TV,Projector,Mobile,Pin	262 995	
	ter & Scener) Purchase	263,885	
	Computer Table	-	17,680
	UPS	63,538	-
	Soler Panel	192,270	-
	Furniture: Computer Table	564,086	-
	Documentary & Website	154,148	_
	Total Expenditure	1,360,924	17,680
	Less: Provision for VAT & TDS payable	129,319	1,680
	Total Payment	1,231,605	16,000
5.00	Cash and Cash Equivalent		
5.00	(i) Cash in Hand	293,394	22 840
	(ii) Cash at Bank		33,849
	Closing Balance	18,688 312,082	136,137
	Closing Dalance	312,002	169,986
	(i) Cash in Hand	293,394	33,849
		270,074	33,047
	(ii) Cash at Bank	18,688	136,137
	Name of the Bank, Branch Name & A/C No.		
	Mother Bank		
	Dutch Bangla Bank Ltd., Sreenagar, Munshiganj		
	A/C No. # 2741200003739	-	-
	Operational Bank		
	Dutch Bangla Bank Ltd., Sreenagar, Munshiganj	10 /00	126 125
	A/C No. # 2741200000175	18,688	136,137
	Total	18,688	136,137
6.00	Donor Grants Received in Advance/Receivable		
	Opening Balance	64,827	_
	Add: Donation received during the year	15,332,001	3,464,827
	Less: Expenditure during the year	Was seed the seed of the seed	
	(including provision)	13,943,793	3,240,985
	Less: Donor fund investment in fixed assets	1,505,248	159,015
	Closing Balance	(52,213)	64,827





Chartered Accountants

		Amount	in Taka
		Dec. 31, 2023	Dec. 31, 2022
7.00	Donor Fund Investment in Fixed Assets		
	Opening Balance	159,015	_
	Add: Addition during the year	1,505,248	159,015
	3 7	1,664,263	159,015
	Less: Charged during the year	112,513	15,017
	Closing Balance	1,551,749	143,997
8.00	Provision for Audit Fee		
	Opening Balance	25,000	
	Add: Addition during the year	31,250	25,000
	and your	56,250	25,000
	Less: Paid during the year	25,000	23,000
	Closing Balance	31,250	25,000
			23,000
09.0	Provision for VAT & TDS Payable		
	Opening Balance	77,938	-
	Add: Addition during the year	304,622	77,938
		382,560	77,938
	Less: Paid during the year	77,938	
	Closing Balance	304,622	77,938
10.0	Capital Fund		
	Opening Balance	2,221	
	Add: Surplus/(Deficit) for the year	26,201	2,221
	Closing Balance	28,422	2,221
		Amount i	n Taka
11.0	Donor Grants Income		
	Donor grants income recognized during the year		13,943,793
	Add: Depreciation during the year		97,496
	Total		14,041,289
12.0	Administrative Cost		
12.0	Salary Allowances		4,724,056
	Office Expenses (Utilities Bill)		621,451
	School Building Repair & Maintenance		475,356
	Total Expenditure	7	5,820,862
	Less: Provision for VAT & TDS payable		37,640
	Total Payment		5,783,223
		-	



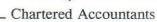




#### Amount in Taka

12.1	Salary Allowances	
	Teachers & Others Staff Salary Allowance:	
	Project Director	377,000
	Co-Ordinator	302,000
	Head Teacher	308,350
	Asst. Head Teacher	192,000
	Senior Teacher	223,000
	Assistant Teacher	488,075
	Accounts Officer	205,297
	Supervisor	196,000
	Eid Bonus	214,190
	Trainers Salary	
	Computer Teacher	109,275
	Science Teacher	170,000
	Math Teacher	132,000
	English Teacher	102,000
	Asst. Teacher	532,879
	Vocational Trainer	212,333
	Senior Office Assistant	154,400
	Office Peion	74,000
	Gurd	170,844
	Cleaner	99,221
	Eid Bonus	72,950
	Support Staff:	
	Cooker	95,500
	Driver	144,500
	Office Assistant	111,742
	Eid Bonus	36,500
	Total	4,724,056
12.2	Office Expenses (Utilities Bill)	
	Electricity Bill	348,717
	Internet Bill	76,130
	Mobile Bill	77,234
	Genitor Bill	50,470
	Entertainment	65,025
	Newspaper	3,875
1 -	Total Expenditure	621,451
	Less: Provision for VAT & TDS payable	12,284
	Total Payment	609,167



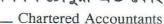




#### Amount in Taka

		Amount in Taka
10.3		
12.3	School Building Repair & Maintenance	1(0.20(
	Fan,Light,CC Camera Ect IPS, Generator & Soler	169,296 33,665
	Toileties, Harpic Ect	12,485
	School Building Painting	259,909
	Total Expenditure	475,356
	Less: Provision for VAT & TDS payable	25,356
	Total Payment	450,000
	1 out 1 dy ment	
12.0	A I T	
13.0	Academic Expenses School Supplies & Uniform	1,089,760
	Students & Staff Lunch/Tiffin	5,626,134
	Health Service for Female Students	31,414
	Meeting	35,809
	Addimision fee, Reg.fee & Tution Fee for Female Students	66,210
	Coaching Fee for Female Students/Teacher Training	45,850
	Sports Materials	24,061
	Annual Sports	23,971
	Transportation Fare For Student / Staff	655,624
	Training Cloth:	445,608
	Proportional	47,241
	Total Expenditure	8,091,681
	Less: Provision for VAT & TDS payable	123,950
	Total Payment	7,967,731
13.1	School Supplies & Uniform	
13.1	Education Material / School Stationary	120.016
		128,016
	A4,Legal,color paper,color pen,Chart Paper Ect.	239,508
	Libiray Students Education Scholarship & Shill Assaul	4,420
	Students Education Scholarship & Skill Award	213,660
	Toiletries/Cosmetics	11,184
	School Dress	492,972
	Total Expenditure	1,089,760
	Less: Provision for VAT & TDS payable	42,432
	Total Payment	1,047,328
13.2	Students & Staff Lunch/Tiffin	
	Rice	638,991
	Lentils	171,848
	Oil .	240,003
	Fish	745,797
		7







Amount in Taka Beef 1,050,100 Chicken 620,599 Egg 205,312 Vegetables 394,430 Potatoes 33,990 Onion 140,075 Others 99,693 Wood 330,000 Tiffin 331,403 Entertainment 28,903 Study Tout & Ticket 107,611 Annual Picnic & Ticket 103,356 Ifter Party 384,024 **Total Expenditure** 5,626,134 Less: Provision for VAT & TDS payable 32,082 **Total Payment** 5,594,052 13.3 Health Service for Female Students Primary health care for female students 31,414 **Total Expenditure** 31,414 Less: Provision for VAT & TDS payable 915 **Total Payment** 30,499 13.4 Meeting Seminars/workshops/meetings 35,809 **Total Expenditure** 35,809 Less: Provision for VAT & TDS payable 1,094 **Total Payment** 34,715 13.5 Addimision fee, Reg.fee & Tution Fee for Female Students Addimision fee, Reg.fee & Tution Fee for Female Students 66,210 **Total Expenditure** 66,210 Less: Provision for VAT & TDS payable **Total Payment** 66,210 13.6 Coaching Fee for Female Students/Teacher Training Coaching Fee for Female Students/Teacher Traning 45,850 **Total Expenditure** 45,850 Less: Provision for VAT & TDS payable **Total Payment** 45,850

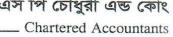






#### **Amount in Taka** 13.7 Sports Materials Sports Materials 24,061 **Total Expenditure** 24,061 Less: Provision for VAT & TDS payable 2,286 **Total Payment** 21,775 13.8 Annual Sports **Annual Sports** 23,971 **Total Expenditure** 23,971 Less: Provision for VAT & TDS payable 1,421 **Total Payment** 22,550 13.9 Transportation Fare For Student / Staff Staff Car-1 238,981 Maintenance Car 94,891 Daily Staff-Teacher TA/DA 50,050 Daily Office Staff TA/DA 111,082 Students transportation fare 40,620 Car fare(Study Tour) 120,000 Car fare(Annual Picnic) **Total Expenditure** 655,624 Less: Provision for VAT & TDS payable 25,624 **Total Payment** 630,000 13.10 Training Cloth: Support Staff Uniform 139,647 Training Cloth: 305,961 **Total Expenditure** 445,608 Less: Provision for VAT & TDS payable 13,608 **Total Payment** 432,000 13.11 Proportional Proportional 47,241 **Total Expenditure** 47,241 Less: Provision for VAT & TDS payable 4,489 **Total Payment** 42,752







Free Education, Skills Training and Sustenance Project AL IHSAN SOCIAL DEVELOPMENT CENTER Schedule of Property, Plant and Equipment As at December 31, 2023 Schedule-A

			C	Cost			Depre	Depreciation		
SI.	Particulars	Opening balance as on 01.01.2023	Addition during the period	Adjustment during the period	Closing balance as on 31.12.2023	Opening Charged balance as on during the 01.01.2023 period	Charged during the period	Adjustment during the period	Closing balance as on 31.12.2023	Written Down Value as on 31.12.2023
01	Machinery/Machines	141,335	144.324		285 659	14 133	28 566		42 600	020 040
02	Computer Lab	17,680	1.36	1	1 378 604	884	68 930		42,039	1 200 700
					100101011	100	00,00	1	02,014	1,506,789
osing I	Closing Balance as at 31.12.2023	159,015	1,505,248	1	1.664.263	15017	907 406		117 513	1 551 740



## PART -II Requirements By The NGO Affairs Bureau





#### FORM FD-4 CERTIFICATE

We have audited the financial statements of "Free Education, Skills Training and Sustenance Project" implemented by AL IHSAN SOCIAL DEVELOPMENT CENTER, (Govt. Approval with memo # 03.07.0000.657.68.159.22-1049 date-13/02/2023 Sreenagar, Munshiganj, Registration no - 2360, Date: 20.05.2008 and Renewed Date: 29.03.2018 for the period from January 01, 2023 to December 31, 2023 and examined all relevant books and vouchers and certifies the according to the accounts:

- 01. The brought forward foreign donation at the beginning of the year was Tk. 167,765/-.
- 02. The foreign donation amounting to Tk. 15,332,001/- were received by the organization during the period from January 01, 2023 to December 31, 2023.
- 03. The balance of unutilized foreign donation by the organization was Tk. 304,623/-.
- 04. Foreign donation amounting to Tk. 15,195,143/- has been utilized for the following purpose. Shown Head wise in the enclosed "Annexure A/1".

Head of Expenditure	Amount as per Approved Budget	Amount Actually Spent	Difference/ Variation
As per Annexure – A/1	15,540,000	15,216,106	323,894
Less: Paid From Bank Interest	-	20,963	20,963
Donor Contribution	15,540,000	15,195,143	344,857

- 05. Certified that the organization has maintained the accounts of foreign donation and records relating thereto in the manner specified as in section 12 of the foreign donations (Voluntary Activities) Regulation Act, 2016.
- 06. The information furnished above is correct and checked by us.

Dated, Dhaka March 13, 2024 Chandra Shakhar Pal Chowdhury FCA

**Enrolment Number: 1004** 

Principal

S P CHOWDHURY & CO. CHARTERED ACCOUNTANTS

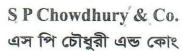
NGO Bureau Enlistment No. 136

Circular: 03.07.2666.657.43.253.17-2458

Date: 24.12.2023

DVC:2403131004AO721973





Annexure-A/1

Chartered Accountants

300

Name of the Organization

Name of the Project

Date of approval with memo No.

Date of fund release with memo No.

**Audit Period** 

: AL IHSAN SOCIAL DEVELOPMENT CENTER

: Free Education, Skills Training and Sustenance Project

: 03.07.0000.657.68.159.22-1049 date-13/02/2023

: 03.07.0000.657.68.159.22-1049 date-13/02/2023

: 03.07.0000.657.68.159.2022-100 date-25/06/2023

: January 01, 2023 to December 31, 2023

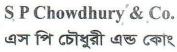
SI.	Head of Expenditure	Amount as per Approved Budget	Amount Actually Spent	Budget Variance	Percentage of Budget Variance	Reason for Budget Variance
01	School Supplies & Uniform	1,046,380	1,089,760	(43,380)	-4%	
	Education Material / School Stationary	200,880	128,016	72,864	36%	
	Ect.	120,000	239,508	(119,508)	-100%	
	Libiray	29,400	4,420	24,980	85%	
	Students Education Scholarship & Skill Award	300,000	213,660	86,340	29%	
	Toiletries/Cosmetics	120,000	11,184	108,816	91%	
	School Dress	276,100	492,972	(216,872)	-79%	
02	Salary Allowances Teachers & Others Staff Salary Allowance:	4,893,410	4,724,056	169,354	3%	
	Project Director	372,000	377,000	(5,000)	-1%	
	Co-Ordinator	360,000	302,000	58,000	16%	
	Head Teacher	237,600	308,350	(70,750)	-30%	
	Asst. Head Teacher	300,000	192,000	108,000	36%	
	Senior Teacher	436,248	223,000	213,248	49%	
	Assistant Teacher	382,800	488,075	(105,275)	-28%	
	Accounts Officer	230,760	205,297	25,463	11%	
	Supervisor	132,000	196,000	(64,000)	-48%	
	Eid Bonus	204,286	214,190	(9,904)	-5%	
	Trainers Salary			, , , ,		
	Computer Teacher	85,800	109,275	(23,475)	-27%	
	Science Teacher	198,000	170,000	28,000	14%	
	Math Teacher	137,616	132,000	5,616	4%	
	English Teacher	132,000	102,000	30,000	23%	Please see-
	Asst. Teacher	490,224	532,879	(42,655)	-9%	next page
	Vocational Trainer	271,908	212,333	59,575	22%	
	Senior Office Assistant	144,000	154,400	(10,400)	-7%	
	Office Peion	128,040	74,000	54,040	42%	
	Gurd	60,000	170,844	(110,844)	-185%	
	Cleaner	44,196	99,221	(55,025)	-125%	
	Eid Bonus	140,982	72,950	68,032	48%	
	Support Staff:					
	Cooker	84,000	95,500	(11,500)	-14%	
	Driver	192,000	144,500	47,500	25%	
	Office Assistant	97,800	111,742	(13,942)	-14%	
	Eid Bonus	31,150	36,500	(5,350)	-17%	
3	Audit & Vat Tax	500,000	134,188	365,812	73%	
	Audit & Vat Tax	500,000	134,188	365,812	73%	
4	Students & Staff Lunch/Tiffin	5,517,618	5,626,134	(108,516)	-2%	
	Rice	595,000	638,991	(43,991)	-7%	
	Lentils	168,000	171,848	(3,848)	-7%	
	Oil	240,000	240,003	(3)	-2%	
	Fish	743,750	745,797	(2,047)	0%	
	Beef	1,050,000	1,050,100	(100)	0%	
	Chicken	595,000	620,599	(25,599)	0%	





SI.	Head of Expenditure	Amount as per Approved Budget	Amount Actually Spent	Budget Variance	Percentage of Budget Variance	Reason for Budget Variance
	Egg	204,000	205,312	(1,312)	-4%	
	Vegetables	400,000	394,430	5,570	-1%	
	Potatoes	30,000	33,990	(3,990)	1%	
	Onion	140,000	140.075	(75)	-13%	
	Others	92,472	99,693	(7,221)	0%	
	Wood	330,000	330,000	-	-8%	10
	Tiffin	324,000	331,403	(7,403)	0%	
	Entertainment	27,996	28,903	(907)	-2%	
	Study Tout & Ticket	100,000	107,611	(7,611)	-3%	
	Annual Picnic & Ticket	100,000	103,356	(3,356)	-8%	
	Ifter Party	377,400	384,024	(6,624)	-2%	
5	Health Service for Female Students	24,000	31,414	(7,414)	-31%	
	Primary health care for female students	24,000	31,414	(7,414)	-31%	
6	Meeting	30,000	35,809	(5,809)	-19%	
	Seminars/workshops/meetings	30,000	35,809	(5,809)	-19%	
7	Addimision fee, Reg.fee & Tution Fee for Female Students	48,000	66,210	(18,210)	-38%	
8	Coaching Fee for Female Students/Teacher Training	36,000	45,850	(9,850)	-27%	
9	Sports Materials	10,000	24,061	(14,061)	-141%	
10	Annual Sports	20,000	23,971	(3,971)	-20%	Please see
11	Transportation Fare For Student / Staff	630,000	655,624	(25,624)	-4%	next page
	Staff Car-1	180,000	238,981	(58,981)	-33%	
	Maintenance Car	50,000	94,891	(44,891)	-90%	
	Daily Staff-Teacher TA/DA	50,000	50,050	(50)	0%	
	Daily Office Staff TA/DA	100,000	111,082	(11,082)	-11%	
	Students transportation fare	50,000	40,620	9,380	19%	
	Car fare(Study Tour)	100,000	120,000	(20,000)	-20%	
	Car fare(Annual Picnic)	100,000		100,000	100%	
12	Sewing machine	24,000	26,852	(2,852)	-12%	
13	Sewing machine table	24,000	26,520	(2,520)	-11%	
14	Training Cloth:	432,000	445,608	(13,608)	-3%	ř.
	Support Staff Uniform Training Cloth:	70,000 362,000	139,647 305,961	(69,647) 56,039	-99% 15%	
15	Ambrodary Machine:	75,000	104000000000000000000000000000000000000	7-12-1-12-13-13-13-13-13-13-13-13-13-13-13-13-13-		
15	Ambrodary Machine:	19,000	90,953	(15,953)	-21%	
	Vocational/Ambrodary Machine	6,000	343	(71,610)	-377%	
	Vocational Training Table	50,000	- 1	5,657 50,000	94% 100%	
16	Office Expenses (Utilities Bill)	528,000	621,451	(93,451)	-18%	
	Electricity Bill	240,000	348,717	(108,717)	-45%	
	Internet Bill	48,000	76,130	(28,130)	-59%	
	Mobile Bill	84,000	77,234	6,766	8%	
	Genitor Bill	120,000	50,470	69,530	58%	
	Entertainment	32,400	65,025	(32,625)	-101%	
	Newspaper	3,600	3,875	(275)	-8%	







11/2/19	N/A
13/1/2	
300000	
1	9

SI.	Head of Expenditure	Amount as per Approved Budget	Amount Actually Spent	Budget Variance	Percentage of Budget Variance	Reason for Budget Variance
17	Computer & Table	1,231,592	1,360,924	(129,332)	-11%	
	Computer/Laptop	400,000	68,510	331,490	83%	
	Printer, Photocopy, Camera, Scaner Maintenance	60,000	14,697	45,304	76%	
	CC TV Camera setup & Maintenance	69,996	39,791	30,205	43%	
	Laptop/Computer Maintenance	24,000	-	24,000	100%	
	Multimedia(TV,Projector,Mobile,Pinter & Scener) Purchase	200,000	263,885	(63,885)	-32%	
	Science Lab Tools	15,000		15,000	100%	
	UPS	17,500	63,538	(46,038)	-263%	
	Soler Panel	118,500	192,270	(73,770)	-62%	
	IPS	150,000		150,000	100%	
	Furniture: Computer Table	10,000	564,086	(554,086)	-5541%	
	Office Table	35,796		35,796	100%	
	Office Chair	70,800	-	70,800	100%	
	Documentary & Website	60,000	154,148	(94,148)	-157%	
18	School Building Repair & Maintenance	450,000	475,356	(25,356)	-6%	DI
	Fan,Light,CC Camera Ect	96,000	169,296	(73,296)	-76%	Please see
	IPS, Generator & Soler	96,000	33,665	62,335	65%	next page
	Toileties, Harpic Ect	108,000	12,485	95,515	88%	
	School Building Painting	150,000	259,909	(109,909)	-73%	
19	Proportional	20,000	47,241	(27,241)	-136%	
	Sub-Total	15,540,000	15,551,979	(11,979)	0%	
	Less: Last Year Audit Fee Paid	-	25,000	(25,000)	0%	
	Less: Last Year VAT & Tax Paid	-	77,938	(77,938)	0%	
	Total Expenditure	15,540,000	15,449,041	90,959	1%	
	Add: Last Year Audit Fee Paid	-	25,000	(25,000)	0%	
	Add: Last Year VAT & Tax Paid	-	77,938	(77,938)	0%	
	Less: Current Year Audit Fee Payable		31,250	(31,250)	0%	
	Less: Current Year Vat & Tax Payable		304,622	(304,622)	0%	
	Total Payments	15,540,000	15,216,106	323,894	2%	

#### Reasons for Budget variance :

The budgeted provision and actual expenditure of the project for the period under audit were Tk. 15,540,000/- and Tk. 15,449,041/- respectively. So there is a favorable budget variance of Tk.90,959/-. The main reason of unfavorable budget variance in some cases actual cost is higher then budgeted estimation for smooth operation of project activities.







#### Report as per condition prescribed in the Terms of Reference (TOR) issued by NGO Affairs Bureau Government of the People's Republic of Bangladesh

Name of the Organization: AL IHSAN SOCIAL DEVELOPMENT CENTER Name of Project: Free Education, Skills Training and Sustenance Project

Our observations in compliance with the conditions laid down in the circular No. 03.07.2666.657.43.253.17-2458 dated 24.12.2023 issued from the NGO Affairs Bureau, Prime Minister's Office, Government of the People's Republic of Bangladesh are listed below:

#### Condition-1

CA firm should maintain most responsible and independent role in case of audit of NGOs.

#### Observations and comments

We have conducted the audit in accordance with the International Standards on Auditing and maintained strictly the 'IFAC Code of Ethics" according to which reasonable steps have been taken to identify circumstances that could pose a conflict of interest. The report is prepared by using excel software.

#### Condition-2

During the audit of NGOs, the audit firm will conduct auditing work and ensure their compliance with the Foreign Donations (Voluntary Activities) Regulation Act 2016, FD-6 related with project approval, terms and condition as mentioned in the project approval letter at the time of audit.

#### Observations and comments

During our audit we have checked compliance of Foreign Donations (Voluntary Activities) Regulation Act 2016 and all other applicable rules, regulations, and circulars mentioned in the TOR issued by the NGO Affairs Bureau and other applicable standards and rules and regulations and found that AL IHSAN SOCIAL DEVELOPMENT CENTER of "Free Education, Skills Training and Sustenance Project" has been complied them. The project has been implemented properly as per terms of approval of the FD-6 and the terms of project approval.

#### Condition-3

The CA firm, along with the audit report, must issue a certificate regarding receipts and expenditure of foreign Donation in form FD-4 and Annexure A/1 prescribed by the Bureau. All information in FD-4 regarding foreign donation should be presented on cash basis not accrual. It means no foreign donation should be shown as receivables. Approved budget in FD-4, actual expenditure and variance between the two should be shown in Taka. Item-wise approved budget, actual expenditure, variance and reasons for variance should be shown in Annexure A/1. Heads and sub-heads and budget against those in Annexure A/1 would be as per approved project.

#### Observations and Comments

Format FD-4 and Annexure-A/1 as prescribed by the Bureau in respect of foreign donations is enclosed herewith. All information relating to the Foreign Donations have been presented in cash basis. Foreign donation has not been shown negative or receivable balance. Head wise approved budget, actual expenditure and budget variance have been shown in Annexure-A/1. Annexure A/1 has been presented as per Annexure-C attached with the FD-6.





Separate audit report should be prepared for each project and the reports should be based on project year. If the project includes any local income/donation then it should be shown separately.

#### **Observations and Comments**

Total project period & year	:	01.01.2023 to 31.12.2023	One Year
Reporting period & year	:	01.01.2023 to 31.12.2023	Full period
Total local donation/Income	:	N/A	
Total Community contribution	:	N/A	

#### Condition-5

The audit report should contain a brief description of the project and its main activities. Name of the project, approval letter no. and date, project area, project period, total project value and project year should be clearly mentioned.

#### Observations and Comments

Name of the Project	:	Free Education, Skills Training and Sustenance Project
Total Project Period	:	January 01, 2023 to December 31, 2023
Project Approval with memo no. and date	:	03.07.0000.657.68.159.22-1049 date-13/02/2023
Fund Release with memo no. and	:	03.07.0000.657.68.159.22-1049 date-13/02/2023
date		03.07.0000.657.68.159.2022-100 date- 25/06/2023
Total Project Budget Amount	:	TK. 15,540,000/-
Current Year Budget Amount	:	TK. 15,540,000/-
Released Amount	:	TK. 12,432,000/- 1st 80% (Date: 13/02/2023)
		TK. 3,108,000/- rest 20% (Date: 25/06/2023)
Foreign donation received	:	TK. 15,332,001/-
Foreign Donation received before fund released by NGO Bureau	:	No
Audit Period	:	January 01, 2023 to December 31, 2023
Project working area	:	Munshiganj District, Sreenagar Upazilla
No. of Beneficiaries	:	Direct 366 persons & Indirect 1,464 persons
Date of Audit Appointment	:	17.12.2023

#### Condition-6

Balance sheet. Income & Expenditure Account and Receipts and Payments Account should be the part of the audit report and should contain signature of the NGO Management. If in any case the presentation of Balance Sheet is not mandatory then an explanation should be included. Auditor should confirm whether the Receipts and Payments Account was prepared based on the ledger items maintained by NGO. In the items where gross amount has been shown, (such as contingency and others), a detail breakdown should be shown in notes.





#### **Observations and Comments**

#### PART-1 of the report Contain:

- i) Balance sheet
- ii) Income and Expenditure account
- iii) Receipts and Payments account
- iv) Signature of the NGO management have been contained in the Balance sheet, Income and Expenditure account, Receipts and Payments account of the report
- v) Balance sheet is annexed of this report
- vi) Receipts and payments account have been prepared based on the ledger balance maintained by the NGO
- vii) The detailed breakdown of gross items has been shown in the notes to the financial statement.

#### Condition-7

Every page of the NGO audit report should contain page number, initial of authorized person of CA firm and common seal. But auditor's certificate, balance sheet, accounts statement, FD-4 certificate and report as per ToR should contain full signature of the auditor. Full name, designation and FCA/ACA should be mentioned below the full signature. NGO audit reports should have followed sequence:

#### First part

- · Auditor's certificate including scope, opinion etc.
- Statement of Financial Position
- Income & Expenditure statement
- Receipts and payments statement
- Statement of Changes in Capital Fund
- Notes to the Financial Statement
- Schedule/Appendix/others

#### Second part

- FD-4 Certificate
- Annexure-A/1
- Reasons for budget variance
- Notes of FD-4 (if any)
- Report based on ToR of NGOAB (conditions of ToR should be exactly followed)
- VAT and Tax schedule.
- List of Executive Committee.

#### Observations and Comments

- Every page of the NGO audit report has contained page numbers.
- Initial of authorized person of CA firm and common seal have affixed in every pages.
- Auditor's certificate, balance sheet, accounts statement, FD-4 certificate and report as per ToR have contained full signature of the auditor, Full name, designation and FCA/ACA should be mentioned below the full signature.
- Audit reports have followed the above-mentioned sequence.





In case of multiple year project audits, the audit report should contain whether it was audited in the earlier year, if yes, whether the report was submitted to the NGOAB. In case of continuous project i.e. the project continued in the same name/same type in the earlier year, whether it was audited in the earlier year, if yes, whether the report was submitted to the NGOAB.

#### **Observations and Comments**

SI.	Particulars		Pe	eriod	Year	
			From	To		
i)	Total project period	:	01.01.2023	31.12.2023	One Year	
ii)	Current audit period	:	01.01.2023	31.12.2023	Full period	
iii)	Previous audit period	:	N/A			
iv)	Previous year audited by	:	N/A	Company of the Compan		
v)	Submission of the previous year's audit report to the NGO affairs bureau	:	N/A			

#### Condition-9

After completion of audit, one copy of audit report in sealed envelope should be sent directly to the Director-General (Grade-1), NGO Affairs Bureau, Dhaka.

#### **Observations and Comment**

One copy audit report of the project sealed envelope will be submitted directly to the Director-General (Grade-1), NGO Affairs Bureau, Dhaka.

#### Condition-10

The number and date of first registration of the NGO with NGOAB should be mentioned along with the latest date of renewal of registration.

#### **Observations and Comments**

SI.	Particulars	Ren	arks
1.	Registration no. with NGOAB	23	360
2.	First date of registration with NGOAB	20.05	5.2008
3.	Latest date of renewal of registration	29.03	MALVEST CHOOK OF PUR
4.	Latest date of renewal of registration	From	То
1.0	effective date	20.05.2018	19.05.2028

#### Condition-11

It should be reported whether the NGO has received all the foreign donations in a single Bank Account as per Rule-9 of the Foreign Donations (Voluntary Activities), Regulation Rules, 2016. The name of the Bank, Account number and Amount should be mentioned if the foreign donation has been received through more than one Bank Account non-complying this rule.





#### Observations and Comments

SI.	Particulars	Remarks
1.	Donation received	The NGO has received all the foreign donations through a single Bank Account as per The Foreign Donations (Voluntary Activities) Regulation Act, 2016 Sec 9
2.	Name of the mother bank account	Dutch-Bangla Bank Ltd.
3.	Mother bank account no.	2741100003739
4.	Foreign donation received through more than one Bank Account	NGO did not receive any foreign donation through more than one Bank Account non- complying this rule

#### Condition-12

The account number approved by the NGO Affairs Bureau for receipt of foreign donation (mother account) including name of the Bank and its Branch, amount of donation received and name of the donor in detail should be mentioned. Bank account numbers, branch name, and bank balance of relevant project account should be mentioned. Bank reconciliation between mother account and project account should be checked and certified whether it is correct.

#### Observations and Comments

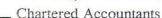
Details of Bank information are given below:-Information of the Mother Bank account:

Mother Bank:		
Mother Bank Account no.	2741100003739	
Mother Bank Name	Dutch-Bangla Bank Ltd.	
Name of branch	Sreenagar, Munshiganj	
Closing balance at the closing date	No balance for this project.	

Operational Bank:		
Operational Bank Account no.	2741200000175	
Operational Bank Name	Dutch-Bangla Bank Ltd.	
Name of branch	Sreenagar, Munshiganj	
Closing balance at the closing date	18,688/	

Name of the Donor  Al Ihsan Social Development Society- Canada	Foreign Donation			
Name of the Donor	Date of Receipt	Total Fund in BDT		
	30.03.2023	5,228,808/-		
Al Ihsan Social Development Society-	17.05.2023	3,910,340/-		
	09.07.2023	4,779,095/-		
Canada	07.11.2023	778,001/-		
	24.12.2023	635,757/-		
Total		15,332,001/-		







Donations received in kind should be accounted for after proper valuation and shown in Form FD-4. The portion utilised and the unutilised balance should be submitted as per Form FD-5.

#### Observations and Comments

During the period under audit donation received in kind is Nil.

#### Condition-14

The bank interest/exchange gain on foreign donations should be accounted for in the accounts separately. It should be mentioned whether permission has been accorded by the NGO Affairs Bureau for use of it.

#### Observations and Comments

Sl.	Particulars	Remarks		
1.	Bank Interest received	26,201/- (Net)		
2.	Bank interest utilization	Yes		
3.	Permission from NGOAB for use of Bank interest	No		
4.	Exchange gain on foreign donation received	Project has no exchange gain on foreign donation as per books and records of the project.		

#### Condition-15

It should be reported as per Section-12 of the Foreign Donations (Voluntary Activities), Regulation Act. 2016, whether the accounts of NGO is maintained under double entry system of book keeping and cash book/bank book, ledger book, stock register, fixed asset register and other registers maintained properly.

#### Observations and Comments

- Maintenance of books: We draw attention that the project did not maintain books of
  accounts properly. Separate books for each project not maintained. Financial statements
  have been prepared based on the expenditure analysis from consolidated records of the
  organization.
- Other books and records are maintained: The cash book/ bank book and ledger book, stock register, and other related applicable registers have been maintained by the project.

#### Condition-16

It should be reported whether separate Revolving Loan Fund (RLF) for each donor (including earlier projects) or consolidated account is maintained and whether RLF is audited separately in each year. If RLF from Foreign Donation is not recorded separately and loan disbursed from auditee project then it should be ensured that the service charge is recorded as receipts.

#### Observations and Comments

SI.	Particulars	Remarks	
1.	Revolving Loan Fund (RLF) of the project	No.	





It should be mentioned that whether the NGO has obtained license from Micro Credit Regulatory Authority (MRA) for implementation of Micro Credit activities.

#### **Observations and Comments**

The NGO has no micro credit program. So obtained license from Micro Credit Regulatory Authority (MRA) does not arise.

#### Condition-18

If any expenditure is made in foreign currency out of the receipt of donation, detail description should be given in the report.

#### Observations and Comments

No expenditure was made in foreign currency by the organization during the period under audit.

#### Condition-19

It should be mentioned whether any amount of certain head of account spent beyond budget and adjusted with other head of accounts or some unapproved budget amount has been adjusted with the regular amount. If yes, the intention and reason for such over expenditure should be mentioned.

#### **Observations and Comments**

Favourable/unfavourable variances took place. The reasons for budget variance for under or over expenditure then approved budget is mentioned in Annexure-A/1.

#### Condition-20

The salaries and allowances of officer/ staff and any other expenses above Tk.10,000 are to be paid by bank cheque and bank transfer as per instruction in relevant circular. If the NGO has non-complied with that and paid in cash, that should be mentioned in the report.

#### Observations and Comments

The salaries and allowances of officer/ staff and any other expenses above Tk.10,000 have been disbursed through bank or by account payee cheque as per instruction in relevant circular.

#### Condition-21

If the project is implemented through procurement of loan, then the source of loan and information regarding approval of Executive Committee of the NGO should be furnished.

#### Observations and Comments

- An amount of short-term loan received for the period: Nil
- Approval of Executive Committee for loan received: N/A

#### Details of short-term loan received by the project:

Sl.	Observations	Comments
1.0	Correspondence with Donor about fund received	N/A
2.0	Sources of Loan	N/A
3.0	Mode of Loan received	N/A
4.0	Evidence of Loan received	N/A
5.0	Approval of Loan received	N/A
6.0	Source of local Donation	N/A





Detail information should be furnished if the members of General Body or Executive Committee receive salary or honorarium. If received, details including approval of the Executive Committee should be provided. Moreover, it should be mentioned whether the Chief Executive of the Project received any full/part salary/ honorarium from auditee project and other projects.

#### Observations and Comments

Member of the Executive Committee did not receive partial salary or remuneration as per books and accounts of the project.

#### Condition-23

It should be mentioned whether the internal control system of the organisation is satisfactory or not.

#### Observations and Comments

Internal control system and internal fund management system of the organization need improvement.

#### Condition-24

Whether any money was refunded to the donor, if refunded, details are to be given.

#### Observations and Comments

As per accounting records no amount has refunded to the donor agency during the year under audit.

#### Condition-25

Comment of the audit firm as to whether Revenue Stamp was affixed, VAT and IT were properly deducted from the bill/vouchers according to the government laws and regulations and deposited to Government Treasury by the organisation. The amount of VAT and IT deposited to the Government Exchequer should be mentioned separately.

#### Observations and Comments

SI.	Particulars	Remarks	
1.	Revenue Stamp	Revenue stamps have been affixed most of the cases.	
2.	VAT and Tax deduction as per law	ner law	
3.	VAT and Tax deposit in the Govt. A/C	Details shown in Schedule-B	

#### Condition-26

It should be reported whether the NGO, as a legal entity, submits income tax return to NBR as per Income Tax Ordinance 2023 for each year. The foreign staff working regularly in the NGO are submitting his/her income tax return regularly and also mentioned that whether the income tax assessment for previous year have been completed or not.







#### **Observations and Comments**

SI.	Particulars	Remarks		
1.	ETIN of the organisation	725441898657		
2.	Submission of latest year Income Tax Return	The organization could not provide document for latest year Income Tax Submission.		
3.	Foreign staff work in the project	No		
4.	Previous year income tax assessment completion	Previous year Income Tax Assessment has not been completed.		
5.	Information regarding foreign staff	No foreign employee works under this project so no payment against salary is made to foreign employees.		

#### Condition-27

The audit report should state whether any Income Generating Activities (IGA) are included as a ongoing project of the organization, if so, mention whether tax are paid properly on income from such IGA with the name of the source or whether the organization has collected any Income Tax Exemption Certificate from the NBR.

#### **Observations and Comments**

SI.	Particulars Rem		Reference Schedule
1.	Income generating activities in the project	No	
2.	Tax paid on IGA	N/A	N/A
3.	Income Tax exemption certificate collected	N/A	

#### Condition-28

It should be reported whether any officer/employee member of Executive Committee or General Body availed foreign travel by using fund. Air ticket/any other facility received from the foreign sources if so the details of such travel whether permission from NGO Affairs Bureau were taken in respect of the travel.

#### Observations and Comments:

SI.	Particulars	Remarks	Referenc e Schedule
1.	Foreign Travel of officer/employee member of executive committee or general committee members availed foreign travel by using fund	No	N/A
2.	Air ticket/any other facility received from the foreign sources	No	
3.	Permission from NGO Affairs Bureau was taken in respect of the foreign travel.	No	







The audit report should contain statement of Fixed Assets owned by NGO for this project; and relevant fixed assets deed/office rent agreement or donated land or vehicle and other asset reported in the accounts are in the name of the entity.

#### Observations and Comments

- Movable fixed and immovable fixed assets: The project has no immovable fixed
  assets as per the books and records provides to us at the time of our audit. But the
  movable assets of the project have been shown in the assets schedule. (Schedule-A)
- Ownership of Assets of the project: Deed/office rent agreements where applicable and other assets are reported in the accounts are in the name of the entity.

#### Condition-30

Have Permanent / Temporary assets has been sold/transferred during the year under audit or not? If yes whether the permission have been obtained from the NGO Affairs Bureau or not.

#### **Observations and Comments**

No Permanent / Temporary assets have been sold/transferred during the year under audit as per books and records provided to us at the time of our audit by the organisation.

#### Condition-31

The audit firm should issue management letter mentioning the irregularities/ ineligible cost/unauthorized expenditure/unapproved budgeted expenditure to the management of the organization after completion of the audit. A copy of the management letter should be submitted to Deputy Director (Inspection & Audit). It should be mentioned if such report is not required.

#### **Observations and Comments**

- We did not find any material irregularities/ illegitimate expenditure /unauthorized expenditure/ Unapproved budgeted expenditure during the course of our audit.
- Over or under expenditure than approved budget has been shown in the "Annexure-A/1".

#### Condition-32

A CA Firm cannot consecutively audit same Project of NGO for five years. For this reason, the CA Firm should certify that they did not audit the auditee NGO's Project consecutively for five years.

#### **Observations and Comments**

SI.	Particulars		Period		Year	
			From	To		
i)	Total project period	:	01.01.2023	31.12.2023	One year	
ii)	Current audit period	:	01.01.2023	31.12.2023	Full period	
iii)	Previous audit period	:	N/A	•		
iv)	Previous year audited by	:	N/A			





List of the members of the organization's Executive Committee/Governing Body/Management Committee is to be enclosed in the audit report.

#### Observations and Comments

List of the current Board Members are as follows: -

Sl. No.	Name of the Member	Designation
1.	Mr. Md. Salah Uddin Khan	Chairman
2.	Mr. Md. Azizul Haque	Vice-Chairman
3.	Mr. S.M.S Iqbal Hossain	Vice-Chairman
4.	Mr. Md. Abdul Aziz Khan	Executive Director
5.	Mrs. Afroza Khanom	Finance Director
6.	Mr. Md. Rafiqul Islam	Director
7.	Mr. S. M. Masud Hasan Khan	Director

#### Condition-34

It should be mentioned whether all the expenses for audit of the project is paid by the organization from the project expenditure.

#### Observations and Comments

All expenditure related to the audit of this project will be paid under the budget line item of "Audit & Vat Tax" of the project.

#### Condition-35

The audit report should contain the memorandum number with date of firm's enlistment and renewal.

#### Observations and Comments

Memo no.	:	03.07.2666.657.43.253.17-2458	
Renewal Date	:	24.12.2023	
Serial No.	:	136	

#### Condition-36

The audit report should contain the opinion that all financial transactions are free from Money Laundering and Terrorist financing.

#### Observations and Comments

As far as our best of knowledge, examination and judgement the organization was not involved in any money laundering or terrorist financing activity and to the best of our knowledge no such instances were observed during the course of the audit, which may indicate that the financing transaction associated with the project involved no money laundering & terrorist financing activities.

#### Condition-37

The audit report should contain opinion that whether the conditions of project approval are properly followed; and should contain opinion with evidence of the local administration's involvement while implementing the project activities.







#### 1) Involvement of the local administration's:

SI.	Name of Implementing	1000	ne local administration's nvolvement
OI.	Upazilla/Zilla	Original FD-6 Submission	Collection of Certificate
1.	Hasara, Munshiganj	Submitted	Collected

#### 2) Conditions of project approval and fund release letter by NGOAB:

SI.	Condition mentioned in the Project approval Letter by the NGOAB	Our comments of the condition		
1.	This project progress report of project implementation should be submitted to the concern DC office & UNO Office. The same report should be submitted to the NGOAB along with the acknowledgement receipts of the DC office and UNO office.	Collected		
2.	Annual Report (Ka to Cha) format will be submitted to NGOAB within three months after end of the project.	Under process		
3.	Applicable VAT and Tax to be submitted as per Govt. Rules	Mentioned in the condition no. 25 of this report		

#### Condition-38

It should be mentioned whether the audit has been completed in due time; if not, logical reasons should be mentioned.

#### **Observations and Comments**

Due to delay in preparation of financial statements for audit and other administrative work issuance of audit report is delayed. After getting all audit related documents the audit was completed as quicker as possible.

#### Condition-39

Data verification code should be mentioned in the audit report.

#### **Observations and Comments**

Data verification code has been mentioned in the audit report.

Dated, Dhaka March 13, 2024



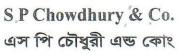
Chandra Shakhar Pal Chowdhury, FCA Enrolment No.-1004 Principal S P CHOWDHURY & CO. CHARTERED ACCOUNTANTS DVC:2403131004AO721973



# Free Education, Skills Training and Sustenance Project Schedule of VAT and Tax Deducted at Source AL IHSAN SOCIAL DEVELOPMENT CENTER For the Period ended December 31, 2022

	Total	D. J. T.					-		20.000				
Head & Sub-head of Account	Expenditure	Deductible Amount (Taka)	Amount a)	Deducted Amount (Taka)	Amount ka)	Deposited Amount (Taka)	(Taka)	Amount to be deposited (Taka)	t to be (Taka)	Bank name	Chalan No and Date	and Date	Remarks
	Taka	VAT	Tax	VAT	Tax	VAT	Тах	VAT	Tax		VAT	Tax	
School Supplies & Uniform													
Education Material / School Stationary	115,852	8,689	3.476	8.689	3 476	1.		8 680	3 476				
A4, Legal, color paper, color pen, Chart Paper	216,749	16,256	6,502	16.256	6.502	1		16.256	6 502	(4)			
Libiray	4,000	300	120	300	120		1	300	130				
Toiletries/Cosmetics	10,121	759	304	759	304			759	304				we found that
School Dress	486,946	4,304	1,722	4,304	1,722		,	4,304	1,722				the project
Audit & Vat Tax	25,000	3,750	2,500	3,750	2,500	3,750	2,500						deducted VAT & Tax
Students & Staff Lunch/Tiffin													and have been
	626,462		12,529		12 529	1	,	1	12 520				deposited in
Lentils	168,478		3,370	1	3,370		,	,	3 370				the
Others	682'96	1	2,904	1	2.904				2,000				Government
Entertainment	28,020	630	252	630	252	1		630	250			Datailage	Treasury
Study Tout & Ticket	104,325	2,347	939	2,347	939	,	1	2 347	939		Details of	Chalan no	where
Annual Picnic & Ticket	100,200	2,255	902	2,255	902		-	2255	902		Chalan no	and date	applicable
Ifter Party	378,069	4,253	1,701	4,253	1,701			4,253	1,701	Sonali Bank	and date have	_	according to
Health Service for Female Students										Limited, Sri	been annexed		the
Primary health care for female students	30,499		915	1	915	,			915	Nagar	in "Schedule-		Government
Meeting											B/1"	B/1"	Kules for this
Seminars/workshops/meetings	34,715	781	312	781	312	,	1	781	312				is noted here
Sports Materials	21,775	1,633	653	1.633	653			1633	553				that the
Annual Sports	22,550	1,015	406	1,015	406			1,015	406				chalan was
Transportation Fare For Student / Staff													used to
Staff Car-1	238,981												deposit
Maintenance Car	89,267	4,017	1.607	4.017	1.607			4017	1,607				applicable
Car fare(Study Tour)	100,000	15,000	5,000	15,000	5,000			15,000	5,000				VAT & Tax
Sewing machine	24,300	1,823	729	1,823	729			1 823	779				against
Sewing machine table	24,000	1,800	720	1,800	720	,		1.800	720				multiple head.
Training Cloth:													
Support Staff Uniform	135,382	3,046	1,218	3,046	1,218	,	,	3.046	1.218				
Training Cloth.	019 900	1127	0000	, ,,,									





Chartered Accountants



Deductible Amount
-
6,150 2,460 6,150 2,460
23 9 23
3,310 6,620 3,310
1,418 567 1,418
263 105 263
4,650 1,860 4,650
866 866 866
2,701 1,080 2,701
17,911 7,164 17,911
4,313 1,725 4,313
13,050 5,220 13,050
38,286 15,315 38,286
10,463 4,185 10,463
11,491 4,596 11,491
2,285 914 2,285
847 339 847
3,488 1,395 3,488
3,206 1,283 3,206
204.185 106.687 204.185 106.687

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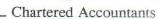
Free Education, Skills Training and Sustenance Project
Details of Vat & Tax Deducted at Source (TDS) during the period under audit
For the period from January 01, 2023 to December 31, 2023

Schedule -B/1

	VDS				TDS				
Sl.	Date	Branch Name	Chalan No.	Amount in Taka	Date	Branch Name	Chalan No.	Amount in Taka	
				Ven	dor				
01	28.12.2022	Sri Nagar	T-52	3,750	28.12.2022	Sri Nagar	T-65	2,500	
				2.550				2.500	
	Grand	-Total		3,750	-		-	2,	

Director (Accounts & Finance)
AL IHSAN SOCIAL DEVELOPMENT CENTER







Free Education, Skills Training and Sustenance Project
Statement of Fund Reconciliation
As on December 31, 2023

Attachment-1

	Aı	mount in Ta	ka
Particulars		2023	
T an electrical s	Foreign Donation	Bank   Interest	Total
Opening unutilized amount	167,765	2,221	169,986
Add: Received during the year	15,332,001	26,201	15,358,202
	15,499,766	28,422	15,528,188
Less: Utilized during the year	15,195,143	20,963	15,216,106
Unutilized Donation (As per FD-4 Certificate)	304,623	7,459	312,082
Closing balance as per Receipt & Payment	304,623	7,459	312,082
Amount excess in Receipt & Payment than FD-4 Certificate	-	-	-

