

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

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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.





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



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



AL IHSAN SOCIAL DEVELOPMENT CENTER
Free Education, Skills Training and Sustenance Project
Statement of Financial Position
As at December 31, 2023

Assets	Notes	Amount in Taka	
		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		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 Shakhur Pal Chowdhury FCA
Enrolment Number: 1004
Principal
S P CHOWDHURY & CO.
CHARTERED ACCOUNTANTS
DVC:2403131004AO721973



AL IHSAN SOCIAL DEVELOPMENT CENTER
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 Shakhur Pal Chowdhury FCA
Enrolment Number: 1004

Principal

S P CHOWDHURY & CO.

CHARTERED ACCOUNTANTS

DVC:2403131004AO721973



AL IHSAN SOCIAL DEVELOPMENT CENTER
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





AL IHSAN SOCIAL DEVELOPMENT CENTER
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 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

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



AL IHSAN SOCIAL DEVELOPMENT CENTER
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.





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:

- It is probable that future economic benefits will flow to Al Ihsan Social Development Center.
- The cost of the items can be measured reliable and exceeds Tk. 20,000/=
- 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	20%
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

4.00 Fixed Assets

	Amount in Taka	
	Dec. 31, 2023	Dec. 31, 2022
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 "Schedule-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 Computer & Table		
Computer/Laptop	68,510	-
Printer, Photocopy, Camera, Scanner Maintenance	14,697	-
CC TV Camera setup & Maintenance	39,791	-
Multimedia (TV, Projector, Mobile, Printer & 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		
(i) Cash in Hand	293,394	33,849
(ii) Cash at Bank	18,688	136,137
Closing Balance	312,082	169,986
(i) Cash in Hand	293,394	33,849
(ii) Cash at Bank	18,688	136,137
Name of the Bank, Branch Name & A/C No.		
<u>Mother Bank</u>		
Dutch Bangla Bank Ltd. , Sreenagar, Munshiganj		
A/C No. # 2741200003739		
<u>Operational Bank</u>		
Dutch Bangla Bank Ltd. , Sreenagar, Munshiganj	18,688	136,137
A/C No. # 2741200000175		
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 (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



	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
	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
	56,250	25,000
Less: Paid during the year	25,000	-
Closing Balance	31,250	25,000
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 in 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	
Salary Allowances	4,724,056
Office Expenses (Utilities Bill)	621,451
School Building Repair & Maintenance	475,356
Total Expenditure	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
Total Expenditure	<u><u>621,451</u></u>
Less: Provision for VAT & TDS payable	<u>12,284</u>
Total Payment	<u><u>609,167</u></u>



**Amount in Taka****12.3 School Building Repair & Maintenance**

Fan,Light,CC Camera Ect	169,296
IPS, Generator & Soler	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

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

Education Material / School Stationary	128,016
A4,Legal,color paper,color pen,Chart Paper Ect.	239,508
Libiray	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



**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



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

Schedule-A

Sl.	Particulars	Cost				Depreciation			Written Down Value as on 31.12.2023	
		Opening balance as on 01.01.2023	Addition during the period	Adjustment during the period	Closing balance as on 31.12.2023	Opening balance as on 01.01.2023	Charged during the period	Adjustment during the period		Closing balance as on 31.12.2023
01	Machinery/Machines	141,335	144,324	-	285,659	14,133	28,566	-	42,699	242,960
02	Computer Lab	17,680	1,360,924	-	1,378,604	884	68,930	-	69,814	1,308,789
Closing Balance as at 31.12.2023		159,015	1,505,248	-	1,664,263	15,017	97,496	-	112,513	1,551,749



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

Name of the Organization : AL IHSAN SOCIAL DEVELOPMENT CENTER
 Name of the Project : Free Education, Skills Training and Sustenance Project
 Date of approval with memo No. : 03.07.0000.657.68.159.22-1049 date-13/02/2023
 Date of fund release with memo No. : 03.07.0000.657.68.159.22-1049 date-13/02/2023
 : 03.07.0000.657.68.159.2022-100 date-25/06/2023
 Audit Period : January 01, 2023 to December 31, 2023

Sl.	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	4,893,410	4,724,056	169,354	3%	
	Teachers & Others Staff Salary Allowance:					
	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%	
	Asst. Teacher	490,224	532,879	(42,655)	-9%	
	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%	

Please see next page





Sl.	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%	
	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%	
11	Transportation Fare For Student / Staff	630,000	655,624	(25,624)	-4%	
	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%	
	Support Staff Uniform	70,000	139,647	(69,647)	-99%	
	Training Cloth:	362,000	305,961	56,039	15%	
15	Ambrodary Machine:	75,000	90,953	(15,953)	-21%	
	Ambrodary Machine:	19,000	90,610	(71,610)	-377%	
	Vocational/Ambrodary Machine	6,000	343	5,657	94%	
	Vocational Training Table	50,000	-	50,000	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%	

Please see next page





Sl.	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, Scanner 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, Printer & 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%	
	Fan, Light, CC Camera Ect	96,000	169,296	(73,296)	-76%	Please see next page
	IPS, Generator & Soler	96,000	33,665	62,335	65%	
	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 than 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.



**Condition-4**

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 date	: 03.07.0000.657.68.159.22-1049 date-13/02/2023 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/- 1 st 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/I
- 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.

**Condition-8**

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

Sl.	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		
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

Sl.	Particulars	Remarks	
1.	Registration no. with NGOAB	2360	
2.	First date of registration with NGOAB	20.05.2008	
3.	Latest date of renewal of registration	29.03.2018	
4.	Latest date of renewal of registration effective date	From	To
		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**

Sl.	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	Foreign Donation	
	Date of Receipt	Total Fund in BDT
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/-



**Conditon-13**

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.

Conditon-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.

Conditon-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.

Conditon-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

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



**Condition-17**

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



**Condition-22**

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

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

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**

Sl.	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

Sl.	Particulars	Remarks	Reference Schedule
1.	Income generating activities in the project	No	N/A
2.	Tax paid on IGA	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:

Sl.	Particulars	Remarks	Reference 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	



**Condition-29**

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

Sl.	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		



**Condition-33**

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:

Sl.	Name of Implementing Upazilla/Zilla	Evidence of the local administration's involvement	
		Original FD-6 Submission	Collection of Certificate
1.	Hasara, Munshiganj	Submitted	Collected

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

Sl.	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



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



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

Sl.	Head & Sub-head of Account	Total Expenditure		Deductible Amount (Taka)		Deducted Amount (Taka)		Deposited Amount (Taka)		Amount to be deposited (Taka)		Bank name with Branch	Chalan No and Date		Remarks		
		Taka	Tax	VAT	Tax	VAT	Tax	VAT	Tax	VAT	Tax		VAT	Tax		VAT	Tax
	School Supplies & Uniform																
	Education Material / School Stationary	115,852	3,476	8,689	3,476	8,689	3,476	-	-	-	8,689	3,476			we found that the project deducted VAT & Tax and have been deposited in the Government Treasury where applicable according to the Government Rules for this project. But it is noted here that, the chalan was used to deposit applicable VAT & Tax against multiple head.		
	A4,Legal,color paper,color pen,Chart Paper	216,749	6,502	16,256	6,502	16,256	6,502	-	-	-	16,256	6,502					
	Libray	4,000	120	300	120	300	120	-	-	-	300	120					
	Toiletries/Cosmetics	10,121	304	759	304	759	304	-	-	-	759	304					
	School Dress	486,946	1,722	4,304	1,722	4,304	1,722	-	-	-	4,304	1,722					
	Audit & Vat Tax	25,000	2,500	3,750	2,500	3,750	2,500	3,750	2,500	-	-	-					
	Students & Staff Lunch/Tiffin																
	Rice	626,462	12,529	-	12,529	-	12,529	-	-	-	-	12,529					
	Lentils	168,478	3,370	-	3,370	-	3,370	-	-	-	3,370						
	Others	96,789	2,904	-	2,904	-	2,904	-	-	-	2,904						
	Entertainment	28,020	252	630	252	630	252	-	-	-	630	252					
	Study Tout & Ticket	104,325	939	2,347	939	2,347	939	-	-	-	2,347	939					
	Annual Picnic & Ticket	100,200	902	2,255	902	2,255	902	-	-	-	2,255	902					
	lifer Party	378,069	1,701	4,253	1,701	4,253	1,701	-	-	-	4,253	1,701					
	Health Service for Female Students																
	Primary health care for female students	30,499	915	-	915	-	915	-	-	-	-	915					
	Meeting																
	Seminars/workshops/meetings	34,715	781	312	781	312	781	-	-	-	781	312					
	Sports Materials	21,775	653	1,633	653	1,633	653	-	-	-	1,633	653					
	Annual Sports	22,550	406	1,015	406	1,015	406	-	-	-	1,015	406					
	Transportation Fare For Student / Staff																
	Staff Car-1	238,981															
	Maintenance Car	89,267	4,017	1,607	4,017	1,607	4,017	-	-	-	4,017	1,607					
	Car fare(Study Tour)	100,000	5,000	15,000	5,000	15,000	5,000	-	-	-	15,000	5,000					
	Sewing machine	24,300	1,823	729	1,823	729	1,823	-	-	-	729	1,823					
	Sewing machine table	24,000	1,800	720	1,800	720	1,800	-	-	-	720	1,800					
	Training Cloth:																
	Support Staff Uniform	135,382	3,046	1,218	3,046	1,218	3,046	-	-	-	3,046	1,218					
	Training Cloth:	296,618	6,674	2,670	6,674	2,670	6,674	-	-	-	6,674	2,670					





Sl.	Head & Sub-head of Account	Total Expenditure		Deductible Amount (Taka)		Deducted Amount (Taka)		Deposited Amount (Taka)		Amount to be deposited (Taka)		Bank name with Branch	Chalan No and Date		Remarks
		Taka		VAT	Tax	VAT	Tax	VAT	Tax	VAT	Tax		VAT	Tax	
	Ambrodary Machine:														
	Ambrodary Machine:	82,000		6,150	2,460	6,150	2,460	-	-	6,150	2,460				
	Vocational/Ambrodary Machine	310		23	9	23	9	-	-	23	9				
	Office Expenses (Utilities Bill)														
	Internet Bill	66,200		3,310	6,620	3,310	6,620	-	-	3,310	6,620				
	Entertainment	63,039		1,418	567	1,418	567	-	-	1,418	567				
	Newspaper	3,507		263	105	263	105	-	-	263	105				
	Computer & Table														
	Computer/Laptop	62,000		4,650	1,860	4,650	1,860	-	-	4,650	1,860				
	Printer, Photocopy, Camera, Scanner Maintenance	13,300		998	399	998	399	-	-	998	399				
	CC TV Camera setup & Maintenance	36,010		2,701	1,080	2,701	1,080	-	-	2,701	1,080				
	Multimedia(TV, Projector, Mobile, Printer & Scener) Purchase	238,810		17,911	7,164	17,911	7,164	-	-	17,911	7,164				
	UPS	57,500		4,313	1,725	4,313	1,725	-	-	4,313	1,725				
	Soler Panel	174,000		13,050	5,220	13,050	5,220	-	-	13,050	5,220				
	Furniture: Computer Table	510,485		38,286	15,315	38,286	15,315	-	-	38,286	15,315				
	Documentary & Website	139,500		10,463	4,185	10,463	4,185	-	-	10,463	4,185				
	School Building Repair & Maintenance														
	Fan, Light, CC Camera Ect	153,209		11,491	4,596	11,491	4,596	-	-	11,491	4,596				
	IPS, Generator & Soler	30,466		2,285	914	2,285	914	-	-	2,285	914				
	Toiletries, Harpic Ect	11,299		847	339	847	339	-	-	847	339				
	School Building Painting	255,026		3,488	1,395	3,488	1,395	-	-	3,488	1,395				
	Proportional	42,752		3,206	1,283	3,206	1,283	-	-	3,206	1,283				
	Grand Total	5,318,511		204,185	106,687	204,185	106,687	3,750	2,500	200,435	104,187				

Alhasan
Director (Accounts & Finance)
AL IHSAN SOCIAL DEVELOPMENT CENTER





AL IHSAN SOCIAL DEVELOPMENT CENTER
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

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

Director (Accounts & Finance)
AL IHSAN SOCIAL DEVELOPMENT CENTER





AL IHSAN SOCIAL DEVELOPMENT CENTER
Free Education, Skills Training and Sustenance Project
Statement of Fund Reconciliation
As on December 31, 2023

Attachment-1

Particulars	Amount in Taka		
	2023		
	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	-	-	-

