

**Private & Confidential**

**Volunteers Association for Bangladesh (VAB)**  
**Project : VAB Education & Training Project**  
Implemented by **Volunteers Association for Bangladesh (VAB)**

**Audit Report & Audited Financial Statements**  
For the period from January 1, 2021 to December 31, 2021.



**G. BISWAS & CO.**  
CHARTERED ACCOUNTANTS

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**VAB Education & Training Project**  
**Volunteers Association for Bangladesh (VAB)**

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## **Independent Auditor's Report to the Management of the VAB Education & Training Project.**

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

#### **Opinion**

We have audited the financial statements of “**VAB Education & Training Project**” a project being implemented by **Volunteers Association for Bangladesh**, which comprise the statement of financial position as at 31 December, 2021, and the statement of comprehensive income, statement of receipts and payments and notes to the accounts for the year then ended, and including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Organization as at 31 December, 2021 and of the financial performance for the year 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our 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 fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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. The Foreign Donation (Voluntary Regulation Ordinance and Rules 1978 require the Management to ensure effective internal audit, internal control and risk management functions of the Organization.

In preparing the financial statements, management is responsible for assessing the Organization's 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 Entity or to cease operations, or has no realistic Alternative but to do so. Those charged with governance are responsible for overseeing the Organization'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.
- \* 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 Group's and the Organization's 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.
- \* Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- \* Obtain sufficient appropriate audit evidence regarding the financial information of the entities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.


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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on other Legal and Regulatory Requirements

In Accordance with the Foreign Donation (Voluntary Regulation Ordinance and Rules 1978 and MRA Act, & Rules, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the organization so far as it appeared from our examination of those books;
- c) the Organization's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Organization's business.

  
Auditor's Signature :  
Name of Engagement Partner / Proprietor :  
Enrolment No. :  
Firm's Name :  
Document Verification Code (DVC) :

: Gouranga Prosad Biswas FCA  
: 388  
: G. Biswas & Co. Chartered Accountants  
: 2210160388A0519153



Dated : Dhaka  
16 October 2022



**Volunteers Association for Bangladesh (VAB)**

Project : VAB Education & Training Project

Implemented by Volunteers Association for Bangladesh (VAB)

**Statement of Financial Position**

As at December 31, 2021

**ASSETS :**

**Non-current assets :**

Property, plant and equipments

4

17,163,586

1,334,965

**Current assets :**

Cash in hand at bank

5

188,497

5,415,697

**Total**

**17,352,083**

**6,750,662**

**FUND & LIABILITIES :**

Fund Balance

6

17,352,083

6,750,662

**Total**

**17,352,083**

**6,750,662**

*The annexed notes form an integral part of these Financial Statements*

*Billah*  
Country Director

*malik*  
Treasurer

Signed in terms of our report of even date annexed

Dated, Dhaka;  
October 16, 2022



*Gouranga Prosad Biswas*  
Gouranga Prosad Biswas FCA, Enrl.# 0388

Principal

G. Biswas & Co.

Chartered Accountants

NGOAB Memo No. 03.07.2666.657.43.253.17-619

Dated: 31.01.2022, Serial No. 37



**Volunteers Association for Bangladesh (VAB)**

Project : VAB Education & Training Project

Implemented by Volunteers Association for Bangladesh (VAB)

**Statement of Comprehensive Income**

For the period from January 1, 2021 to December 31, 2021.

	Notes	Amount in BDT	
		31-Dec-2021	31-Dec-20
<b>A. Income :</b>			
Donation Received:			
<b>VAB, USA:</b>			
US(\$60,000@83.50)	9	-	4,869,100.00
		-	<b>4,869,100.00</b>
<b>Local Donation</b>	10		
(A) Donation from Local Donor (BDT Amount)		1,090,388.00	1,328,533.00
(B) Donation from foreign Donor (BDT Amount)		940,000.00	-
<b>Total Donation</b>		<b>2,030,388.00</b>	<b>6,197,633.00</b>
<b>Others Receipts:</b>			
Miscellaneous Income	8	-	-
Bank Interest		32,710.00	90,171.00
		<b>32,710.00</b>	<b>90,171.00</b>
<b>Total Income</b>		<b>2,063,098.00</b>	<b>6,287,804.00</b>
<b>B: Expenditure:</b>			
<b>Program Cost:</b>			
Education Fair		-	-
School Repair & Furniture		-	-
Staff Salary		2,708,861.00	2,964,121.00
Student Technical Education		-	60,000.00
Audit Fees		22,305.00	22,305.00
VAB Registration Renewal		521,800.00	-
Computer/ Vocational Materials		-	-
Corona Relief		717,620.00	74,495.00
News Letter & Publicity		104,684.00	20,690.00
Special Scholarship Program		430,115.00	390,000.00
Program Monitoring		16,899.00	23,060.00
VAB Staff Incidental Fund		42,400.00	40,000.00
Parents Teachers Meeting		-	8,870.00
School Inspirational Award		-	185,000.00
Group - Based Learning Method		22,750.00	33,778.00
Doner Visit		-	-
Scholarship Program (Cash)		300,000.00	272,500.00
Scholarship Program (materials)		-	3,170,738.00
Teachers Training & Workshop		-	17,733.00
Volunteers Training		-	3,491.00
Documentory & Promotions		74,250.00	-
School Tiffin Program		-	-
Student Computer Training		-	90,342.00
Student Debate Training		600.00	-
Student Math Olympiad Compition		27,650.00	108,660.00





**Volunteers Association for Bangladesh (VAB)**

Project : VAB Education & Training Project  
Implemented by Volunteers Association for Bangladesh (VAB)

**Statement of Comprehensive Income**  
For the period from January 1, 2021 to December 31, 2021.

	Notes	Amount in BDT	
		31-Dec-2021	31-Dec-20
Student Sports Training		-	209,476.00
Volunteer Club & Character Training		-	34,245.00
Student English Competition		14,635.00	269,461.00
Student English Training		217,429.00	-
Book for Libray		-	-
Office Equipment		-	-
Seminar/Workshop		6,996.00	-
E-Learning Program		1,532,532.00	65,698.00
School health Awareness		-	18,845.00
		<b>6,761,526.00</b>	<b>8,083,508.00</b>
<b>Administrative Cost:</b>			
CD Conveyance Allowance		-	60,000.00
Bank Charge	7	9,050.97	13,872.00
Gas/ Water/ Electricity		20,613.00	19,101.00
Land Phone/Mobile/Internet		52,579.00	47,762.00
Postage/Courier/Photocopy		26,410.00	20,743.00
Meeting & Entertainment		29,357.00	23,314.00
Miscellaneous		28,881.00	14,718.00
Office Supply/Stationery		24,304.00	33,481.00
Local Conveyance		40,670.00	42,605.00
VAT & TAX		116,307.00	37,337.00
Office Service Charge		138,000.00	130,000.00
Depreciation		137,756.50	148,329.00
		<b>623,928.47</b>	<b>591,262.00</b>
		<b>7,385,454.47</b>	<b>8,674,770.00</b>
<b>Total Expenditure</b>			
Excess/(Deficit) of Income Over Expenditure for the year		(5,322,356.47)	(2,386,966.00)
<b>Total</b>		<b>2,063,098.00</b>	<b>6,287,804.00</b>

The annexed notes form an integral part of these Financial Statements

*Bilal*  
Country Director

*Mahesh*  
Treasurer

Signed in terms of our report of even date annexed

Dated, Dhaka;  
October 16, 2022



*Gouranga Prosad Biswas*  
Principal  
G. Biswas & Co

Chartered Accountants  
NGOAB Memo No. 03.07.2666.657.43.253.17-619  
Dated: 31.01.2022, Serial No. 37



**Volunteers Association for Bangladesh (VAB)**  
**Project : VAB Education & Training Project**  
**Implemented by Volunteers Association for Bangladesh (VAB)**

**Statement of Receipts and Payments**  
**For the period from January 1, 2021 to December 31, 2021.**

	Notes	Amount in BDT	
		31-Dec-2021	44,196.00
<b>A. Opening Balance:</b>			
Cash in Hand (Local Fund)		210,306.00	122,214.00
Cash at Bank (Local Fund)		5,205,391.00	7,653,471.00
		<b>5,415,697.00</b>	<b>7,775,685.00</b>
<b>B. Donation Received:</b>			
VAB, USA: US(\$60,000@83.50)		-	4,869,100.00
		-	<b>4,869,100.00</b>
<b>C. Local Donation</b>	10		
(A) Donation from Local Donor (BDT Amount)		1,090,388.00	1,328,533.00
(B) Donation from foreign Donor (BDT Amount)		940,000.00	-
		<b>2,030,388.00</b>	<b>1,328,533.00</b>
<b>D. Others Receipts:</b>			
Miscellaneous Income		-	-
Bank Interest	8	32,710.00	90,171.00
		<b>32,710.00</b>	<b>90,171.00</b>
<b>E. Total Received (A + B+C+D)</b>		<b>7,478,795.00</b>	<b>14,063,489.00</b>
<b>F. Payments:</b>			
<b>Program Cost:</b>			
Education Fair		-	-
School Repair & Furniture		-	-
Staff Salary		2,708,861.00	2,964,121.00
Student Technical Education		-	60,000.00
Audit Fees		22,305.00	22,305.00
VAB Registration Renewal		521,800.00	-
Computer/ Vocational Materials		-	-
Corona Relief		717,620.00	74,495.00
News Letter & Publicity		104,684.00	20,690.00
Special Scholarship Program		430,115.00	390,000.00
Program Monitoring		16,899.00	23,060.00
VAB Staff Incidental Fund		42,400.00	40,000.00
Parents Teachers Meeting		-	8,870.00
School Inspirational Award		-	185,000.00
Group - Based Learning Method		22,750.00	33,778.00
Doner Visit		-	-
Furniture & Fixture		42,600.00	1,350.00
Scholarship Program (Cash)		300,000.00	272,500.00
Scholarship Program (materials)		-	3,170,738.00
Teachers Training & Workshop		-	17,733.00
Volunteers Training		-	3,491.00
Documentory & Promotions		74,250.00	-
School Tiffin Program		-	-
Student Computer Training		-	-





**Volunteers Association for Bangladesh (VAB)**  
 Project : VAB Education & Training Project  
 Implemented by Volunteers Association for Bangladesh (VAB)

**Statement of Receipts and Payments**  
 For the period from January 1, 2021 to December 31, 2021.

Student Debate Training	600.00	90,342.00
Student Math Olympiad Compition	27,650.00	-
Student Sports Training	-	108,660.00
Volunteer Club & Character Training	-	209,476.00
Student English Compition	14,635.00	34,245.00
Student English Training	217,429.00	269,461.00
Book for Libray	-	-
Office Equipment	-	120,000.00
Seminar/Workshop	6,996.00	65,698.00
E-Learning Program	1,532,532.00	-
School health Awareness	-	18,845.00
	<b>6,804,126.00</b>	<b>8,204,858.00</b>

**Administrative Cost:**

CD Conveyance Allowance	-	60,000.00
Bank Charge	9,050.97	13,872.00
Gas/ Water/ Electricity	20,613.00	19,101.00
Land Phone/Mobile/Internet	52,579.00	47,762.00
Postage/Courier/Photocopy	26,410.00	20,743.00
Meeting & Entertainment	29,357.00	23,314.00
Miscellaneous	28,881.00	14,718.00
Office Supply/Stationery	24,304.00	33,481.00
Local Conveyance	40,670.00	42,605.00
VAT & TAX	116,307.00	37,337.00
Office Service Charge	138,000.00	130,000.00
Office equipment purchase	-	-
	<b>486,171.97</b>	<b>442,933.00</b>

**G. Total Payments :**

**7,290,297.97**      **8,647,791.00**

**H. Closing Balance (C - E):**

**188,497.03**      **5,415,698.00**

**Represented By (Closing Balance):**

Cash in hand	99,544.94	210,306.00
Cash at Bank	88,952.09	5,205,391.00
	<b>188,497.03</b>	<b>5,415,697.00</b>

*The annexed notes form an integral part of these Financial Statements*





## **Volunteers Association for Bangladesh (VAB)**

Project : VAB Education & Training Project

Implemented by Volunteers Association for Bangladesh (VAB)

### **Accounting policies and explanatory notes**

For the period from January 1, 2021 to December 31, 2021.

#### **1. Background of the Organization:**

Volunteers Association for Bangladesh (VAB) is a non profit organization vide Registration No. 2041 dated 17 January, 2006 of The NGO Affairs Bureau under the Foreign Donation (Voluntary Activities) Registration Ordinance, 1978. The VAB education and Training Project is scheduled to continue up to December 31, 2021.

#### **2. Project's Aims and Principal Objectives:**

##### **2.1 Project's Aims:**

Create human resource by giving proper education, training and motivational activities who are poor but meritorious.

##### **2.2 Principal Objectives:**

Providing financial and other relevant assistances to the rural poor about meritorious student into secondary level education become a productive human being along with developing library and science laboratory and computer facilities.

#### **3. Scope of Audit:**

We confirm that our examination was made in accordance with generally accepted auditing standards and accordingly included such test of accounting records and such other auditing procedures as were considered necessary in the circumstances and especially the instructions given by the Donor Agency. Our audit systems were designed and carried out strictly within the books and records maintained and made available by the Organization at its corporate office and field visits of project site.

#### **4. Components of the Financial Statements:**

- i) Statement of Financial Position as at 31st December 2021.
- ii) Statement of Comprehensive Income for the year ended 31st December 2021.
- iii) Statement of Receipts & Payments for the year ended 31st December 2021.
- iv) Comparison Statement of Budgeted Expenditure with actual amount Spent for the year ended 31st December 2021.
- v) Accounting policies and explanatory notes for the year ended 31st December 2021.





## 5. Significant Accounting Policies:

### i) Financial Statements:

The Accounts have been prepared under historical cost convention based on the generally accepted accounting principles consistently applied and international accounting standard as adopted by ICAB and to comply with the Bangladesh Accounting Standard.

### ii) Reporting Currency and level of precision:

The figures in the Financial Statement represent are shown in Bangladeshi Taka. The Foreign Currency Donations have been converted into Bangladeshi Taka at the rate of prevailing time of transaction.

### iii) Internal Control:

The internal control systems in operation in the organization are found to be satisfactory & symmetrical.

### iv) Accounting System:

The Books of Accounts of the organization have been maintained on cash basis for the recording of the accounts; besides, they have also developed a computerized accounting system.

### v) Grants:

Bangladesh Accounting Standard (BAS) 20 " Accounting for Government Grants and Disclosure of Government Assistance" has been followed during the period from **1st January 2019 to 31st December, 2019** under audit for recognition of grant income. As per BAS 20 grants received are initially recorded as liability. Grant amount used to acquire fixed assets has been shown as "Fixed Assets Fund" and subsequently recognized as income equivalent to depreciation expenses. Grant amount used for programme expenses has been recognized as income to the extent of expenses incurred.

The foreign donation was received by Volunteers Association for Bangladesh (VAB) for the project "**VAB Education & Training Project**."

### vi) General:

a) Separate Cash Book and Ledger were maintained for the project.

b) Funds received for the organization was deposited in a Bank A/C earmarked for the

c) Contract provision concerning procurement of capital goods was complied with.





**Volunteers Association for Bangladesh (VAB)**

Project : "VAB Education & Training Project"

Funded By Volunteers Association for Bangladesh (VAB)

Implemented by Volunteers Association for Bangladesh (VAB)

**Notes to the accounts of financial statement**

For the period from January 1, 2021 to December 31, 2021.

	Amount in BDT	
	31-Dec-21	31-Dec-20
<b>4 Property, Plant &amp; Equipment:</b>		
Opening Balance	1,334,965.00	1,361,944.00
Add: Purchase during the year	15,966,377.00	121,350.00
	17,301,342.00	1,483,294.00
Less: Depreciation Charged During the year	137,756.50	148,329.00
	<b>17,163,585.50</b>	<b>1,334,965.00</b>
<b>5. Cash in hand, at bank and advance :</b>		
Cash in Hand	99,544.94	210,306.00
Cash at Bank :		
Prime Bank: (A/C- 2162315014140)	23,792.50	-
DBBL (A/C-1481200005550)	65,159.59	5,205,391.00
	<b>188,497.03</b>	<b>5,415,697.00</b>
<b>6. Fund :</b>		
Opening Balance	6,750,662.00	9,137,628.00
Add: Excess/ (Deficit) of Income over Expenditure	(5,322,356.47)	(2,386,966.00)
Add: Corresponding value of asset transferred from VAB Flat Purchase Project (Closed)	15,923,777.00	-
	<b>17,352,082.53</b>	<b>6,750,662.00</b>
<b>7. Bank Charge :</b>		
Excise Duty	3,000.00	13,372.00
Account Maintenance Fee	6,050.97	500.00
	<b>9,050.97</b>	<b>13,872.00</b>
<b>8. Bank Interest :</b>		
Duch - Bangla Bank. A/C:1481200005550	32,710.00	90,171.00
	<b>32,710.00</b>	<b>90,171.00</b>
<b>9. Foreign Donation(USA) :</b>		
This is consisting of the followings:		
US(\$60,000@83.50)	-	4,869,100.00
	-	<b>4,869,100.00</b>





**Volunteers Association for Bangladesh (VAB)**  
**Project : "VAB Education & Training Project"**  
 Funded By Volunteers Association for Bangladesh (VAB)  
 Implemented by Volunteers Association for Bangladesh (VAB)

**Notes to the accounts of financial statement**  
 For the period from January 1, 2021 to December 31, 2021.

**10. Local Donation :**

- (A) Donation from Local Donor  
 (B) Donation from foreign Donor in BDT Amount

1,090,388.00	1,328,533.00
940,000.00	-
<b>2,030,388.00</b>	<b>1,328,533.00</b>

(A) This is consisting of the followings:

Sl. No.	Receive Date	Name of Donors	Amount
01	04.04.2021	Mr. Kazi Mohiuddin	5,000.00
02	30.05.2021	Mr. Amin Rahman	380,000.00
03	21.08.2021	Eng. A.S.M. Quasem	200,000.00
04	20.08.2021	Dr. Nazma Zaman	100,000.00
06	14.09.2021	Rotary Club of Banani Dhaka	33,125.00
10	23.12.2021	VAB Endowment Fund	352,263.00
11	28.12.2021	Dr. Mohammad Haroonur Rashid	20,000.00
<b>Total</b>			<b>1,090,388.00</b>

(B) This is consisting of the followings:

Sl. No.	Receive Date	Name of Donors	Amount
01	05.09.2021	Mr. Tanveer Kawnain Hoque	425,000.00
02	21.09.2021	Dr. A.T.R. Rahman	425,000.00
03	22.11.2021	Mr. A.N.M Mostafa Khandaker	30,000.00
04	15.12.2021	Mrs. Farida Amin Khan	60,000.00
<b>Total</b>			<b>940,000.00</b>





Volunteers Association for Bangladesh (VAB)  
Name of Project Volunteers Association for Bangladesh (VAB)

Schedule of Property, Plant and Equipment  
As at December 31, 2021

Annexure-A

Particulars	C O S T				DEPRECIATION				Written Down Value as on 31.12.2021	
	Balance as at 01.01.2020	During the year		Total as at 31.12.2021	Rate %	Balance as at 01.01.2020	During the year			Total as at 31.12.2020
		Addition/Rev.	Sales/Adj.				Charged	Adjust		
	1	2	3	4=(1+2-3)	5	6	7	8	9=(6+7-8)	10=(4-9)
Furniture & Fixture	1,433,130	-	-	1,433,130	10%	484,862	94,827	-	579,689	853,441
Office Equipment	534,300	42,600	-	576,900	10%	147,603	42,930	-	190,533	386,367
Apartment transferred from VAB	-	15,923,777	-	15,923,777		-	-	-	-	15,923,777
Flat Purchase Project (Closed)	-	-	-	-		-	-	-	-	-
<b>Total as on 31.12.21</b>	<b>1,967,430</b>	<b>15,966,377</b>	<b>-</b>	<b>17,933,807</b>		<b>632,465</b>	<b>137,757</b>	<b>-</b>	<b>770,222</b>	<b>17,163,586</b>
<b>Total as on 31.12.20</b>	<b>1,846,080</b>	<b>121,350</b>	<b>-</b>	<b>1,967,430</b>		<b>484,136</b>	<b>148,329</b>	<b>-</b>	<b>632,465</b>	<b>1,334,965</b>





#### AUDITORS' CERTIFICATE (FD - 4)

We have audited the accounts of **VAB Education & Training Project**, a project of Volunteers Association for Bangladesh (VAB), House No-806 (4<sup>th</sup> floor) Road-03, Baitul Aman Housing Society, Adabor, Dhaka-1207, bearing Registration No.2041 dated 17.01.2006, Renew date: 17.01.2021 for the period from 17.01.2021 to 16.01.2031 and examined all relevant books and vouchers and certify that according to the audited accounts:

- 01.00 The brought forward Foreign Donation at 01.01.2019 was Taka Nil.
- 02.00 Foreign Donation amounting to Taka Nil has been received by the organization during the period from January 01, 2021 to December 31, 2021.
- 03.00 The balance of unutilized Foreign Donations by the organization at December 31, 2021, was Taka Nil.
- 04.00 Foreign Donations amounting to Taka Nil have been utilized as shown in the Annexure A1.

Name of the Project: **VAB Education & Training Project.**

Head of Expenditure	Amount as per approved Budget	Amount actually spent	Difference if any with reason
As per approved budget of the project (Annexure A/1)	7,263,273.00	Foreign Nil Local -7,286,869.00	Difference with reasons are shown in the Annexure- A-1

- 05.00 Certified that the organization has maintained the accounts of Foreign Donations and records relating thereto in the manner specified in section 12 of the Foreign Donations (Voluntary Activities) Regulations Ordinance 2016.
- 06.00 The information furnished above is correct and checked by us.

Dated, Dhaka;  
October 16, 2022



Gouranga Prasad Biswas FCA, Enrl.# 0388

Principal

G. Biswas & Co

Chartered Accountants

NGOAB Memo No. 03.07.2666.657.43.253.17-619

Dated: 31.01.2022, Serial No. 37



**Project : "VAB Education & Training Project"**

Implemented by Volunteers Association for Bangladesh (VAB)

**Annexure-A-1**

**Budget Variance for the period from January 1, 2021 to December 31, 2021.**

1. Name of Implementation Agency	: VOLUNTEERS ASSOCIATION FOR BANGLADESH (VAB)
2. Name of Project	: "VAB Education & Training Project"
3. Name of Donor	: Volunteers Association for Bangladesh (VAB)
4. Project Approval Letter Ref	: 03.07.0000.666.68.002.19-283, dated : 03.03.2019 (Main approval) : 03.07.2666.666.68.002.19-117, dated : 24.02.2022 (Revised )
5. Audit Period	: For the period from January 1, 2021 to December 31, 2021.

SL NO	Head of Expenditure	Budget	Expenditure	Variance:		Remarks
				Taka	%	
A	B	C	D	E = C - D	F = E ÷ C	G
<b>1.</b>	<b>1. STAFFING COSTS</b>					
	Deputy Program Director	680,718	680,718	-	0%	
	Program Manager-1	545,319	545,319	-	0%	
	Program Manager-2	412,773	412,773	-	0%	
	Sr. Accountant	375,271	375,271	-	0%	
	Program Officer-1	339,469	339,469	-	0%	
	Program Officer-2	178,953	178,953	-	0%	
	Office Assistant	176,358	176,358	-	0%	
	<b>Sub Total</b>	<b>2,708,861</b>	<b>2,708,861</b>	-	0%	
<b>2</b>	<b>2. PROGRAM COSTS</b>					
	Student Technical Education	-	-	-	0%	
	Audit Fees	22,305	22,305	-	0%	
	Donor Visit	-	-	-	0%	
	News letter & Publicity	104,684	104,684	-	0%	
	Special Scholarship Program	430,115	430,115	-	0%	
	Documentary and Promotion	74,250	74,250	-	0%	
	Program Monitoring	16,899	16,899	-	0%	
	Library Book for School	-	-	-	0%	
	Parents Teachers Meeting	-	-	-	0%	
	Project Inception	-	-	-	0%	
	Conference	-	-	-	0%	
	School Inspirational Award/ Teacher	-	-	-	0%	
	School Health Awareness	-	-	-	0%	
	Tiffin Program/School	-	-	-	0%	
	Computer/Vocational Materials	-	-	-	0%	
	Group Based Learning Method	23,500	22,750	750	3%	
	Round Table	-	-	-	0%	
	Scholarship Program (Materials)	-	-	-	0%	
	Scholarship Program (Cash)	300,000	300,000	-	0%	
	Education Fair	-	-	-	0%	
	Teachers Training & Workshop	-	-	-	0%	
	Registration Renewal	521,800	521,800	-	0%	
	Volunteers Training	-	-	-	0%	
	Sports, Debate, Volunteers Club & Character Education Training	600	600	-	0%	
	English, Math Olympiad, Computer Training & Competition	260,004	259,714	290	0%	
	School Inspiration Award	-	-	-	0%	





SL NO	Head of Expenditure	Budget	Expenditure	Variance:		Remarks
				Taka	%	
A	B	C	D	E = C - D	F = E ÷ C	G
	Program Publicity//Media Coverage	-	-	-	0%	
	Seminar/ Workshop	6,996	6,996	-	0%	
	School Repair & Maintenance	-	-	-	0%	
	VAB Staff Incidental Fund	42,400	42,400	-	0%	
	E-Learning Program	1,506,582	1,532,532	(25,950)	-2%	
	Corona Relief	717,620	717,620	-	0%	
	<b>Sub Total:</b>	<b>4,027,755</b>	<b>4,052,665</b>	<b>(24,910)</b>	<b>-1%</b>	
<b>3</b>	<b>3. Fixed Assets:</b>					
	Furniture & Fixtures	-	-	-	0%	
	Office Equipment	42,600	42,600	-	0%	
	<b>Sub Total:</b>	<b>42,600</b>	<b>42,600</b>	<b>-</b>	<b>0%</b>	
<b>4</b>	<b>4. Administrative Cost:</b>					
	Gas/ Water/ Electricity	20,613	20,613	-	0%	
	Land Phone/ Mobile/ Internet	52,579	52,579	-	0%	
	Postage/ Courier/Photocopy	26,410	26,410	-	0%	
	Meeting/ Entertainment	29,357	29,357	-	0%	
	Office Supply & Stationery	24,304	24,304	-	0%	
	Travel/ Conveyance	40,670	40,670	-	0%	
	CD Conveyance allowance	-	-	-	0%	
	Miscellaneous	28,881	28,881	-	0%	
	VAT&TAX	116,307	116,307	-	0%	
	Bank Charge	6,936	5,622	1,314	19%	
	Office Service Charge	138,000	138,000	-	0%	
	<b>Sub Total:</b>	<b>484,057</b>	<b>482,743</b>	<b>1,314</b>	<b>0%</b>	
	<b>Total Cost : (1+2+3+4)</b>	<b>7,263,273</b>	<b>7,286,869</b>	<b>(23,596)</b>	<b>(0)</b>	
7	Indirect Costs	-	-	-		
8	Total Budget Requested (1+2+3+4)	7,263,273	7,286,869	(23,596)	0%	
	Less: Liability for Expenses	-	-	-		
	Amount Actually Spent	7,263,273	7,286,869	(23,596)	0%	





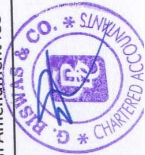
**Object : "VAB Education & Training Project"**

Project of Volunteers Association for Bangladesh (VAB)

Statement of VAT & AIT Deductibles, Deducted at Source & deposited to Govt. in the period from January 1, 2021 to December 31, 2021.

**Annexure : B -1**

Sl. No.	Expenses (Main Head & Sub Head)	Expenditure Taka	VAT able Amount (Tk.)	Deductible		Deducted		Deposited		Due		Treasury challan no & date	
				VAT	AIT	VAT	AIT	VAT	AIT	VAT	AIT	VAT	AIT
1	VAB Education & Training Project - 2020 Arrear VAT & TAX of Audit fees Tk. 22,305 x vat 15% & tax 10%	22,305.00	22,305.00	3,346.00	2,231.00	3,346.00	2,231.00	3,346.00	2,231.00	-	-	Chal-80&82	23.09.2021
2	VAB Education & Training Project - 2020 Arrear VAT& TAX = Teachers Training & Workshop Tk. 13,583 x vat & tax diff. rates for multiple items.	13,583.00	13,583.00	1,105.00	248.00	1,105.00	248.00	1,105.00	248.00	-	-	Chal-22&23	05.10.2021
3	VAB Education & Training Project - 2020 Arrear VAT & TAX = Audit fees Tk. 22,305 x 15% vat & 10% tax. = 3,346/-	22,305.00	22,305.00	3,346.00	2,231.00	3,346.00	2,231.00	3,346.00	2,231.00	-	-	Chal-22&23	05.10.2021
4	VAB Education & Training Project - 2020 Arrear VAT = Newsletters & Publicity Tk. 20,690 x 5% vat	20,690.00	20,690.00	1,035.00	-	1,035.00	-	1,035.00	-	-	-	Chal-22	05.10.2021
5	VAB Education & Training Project - 2020 Arrear VAT = Seminar & Workshop Tk. 42,558 x vat diff. rates for multiple items.	42,558.00	42,558.00	3,192.00	-	3,192.00	-	3,192.00	-	-	-	Chal-22	05.10.2021
6	VAB Education & Training Project - 2020 Arrear VAT = Office Supply & Stationery Tk. 33,481 x 5% vat	33,481.00	33,481.00	1,674.00	-	1,674.00	-	1,674.00	-	-	-	Chal-22	05.10.2021
7	VAB Education & Training Project - 2020 Arrear VAT = Postage/ Courier/Photocopy Tk. 20,743 x 5% vat	20,743.00	20,743.00	1,037.00	-	1,037.00	-	1,037.00	-	-	-	Chal-22	05.10.2021
8	VAB Education & Training Project - 2018 Arrear VAT & TAX = Volunteers training Tk. 11,939 x 15% vat & 10% tax.	11,939.00	11,939.00	1,791.00	1,194.00	1,791.00	1,194.00	1,791.00	1,194.00	-	-	Chal-25&26	24.10.2021
9	VAB Education & Training Project - 2018 Arrear VAT = Publicity & News letter Tk. 26,530 x 3% tax.	26,530.00	26,530.00	-	796.00	-	796.00	-	796.00	-	-	Chal-25	24.10.2021
10	VAB Education & Training Project - 2018 Arrear VAT&TAX = Seminar & Workshop Tk. 6,055 x vat 7.5% & 3% tax.	6,055.00	6,055.00	454.00	182.00	454.00	182.00	454.00	182.00	-	-	Chal-25&26	24.10.2021
11	VAB Registration Renewal fee	508,800.00	508,800.00	76,320.00	-	76,320.00	-	76,320.00	-	-	-	Chal-39	14.06.2021
12	VAB Constitution Amendment fee	13,000.00	13,000.00	1,950.00	-	1,950.00	-	1,950.00	-	-	-	Chal-39	14.06.2021





Sl No	Expenses (Main Head & Sub Head)	Expenditure Taka	VAT able Amount (Tk.)	Deductible		Deducted		Deposited		Due		Treasury challan no & date	
				VAT	AIT	VAT	AIT	VAT	AIT	VAT	AIT	VAT	TAX
13	Staff salary	2,708,861.00	1,211,037.00	-	10,008.00	-	10,008.00	-	10,008.00	-	-	Chal-14,39,64, 81,24,33&10	11.03.2021, 06.04.2021, 08.06.2021,23.09.2021,24 10.2021,24.11.2021,20.12 2021
14	Meeting & Entertainment	29,357.00	29,357.00	2,202.00	-	-	-	-	-	2,202.00	-	-	-
15	News letter & Publicity	104,684.00	104,684.00	10,468.00	1,047.00	333.00	34.00	333.00	34.00	10,135.00	1,013.00	Cha-17 & 18	07.11.2021
16	Office Equipment	42,600.00	40,000.00	3,000.00	800.00	3,000.00	800.00	3,000.00	800.00	-	-	Cha-32 & 34	24.11.2021
17	Seminar/ Workshop	6,996.00	6,996.00	525.00	210.00	-	-	-	-	525.00	210.00	-	-
18	Office Supply & Stationery	24,304.00	24,304.00	1,215.00	-	-	-	-	-	1,215.00	-	-	-
19	Postage/ Courier/Photocopy	26,410.00	7,179.00	1,077.00	-	-	-	-	-	1,077.00	-	-	-
	<b>Total</b>	<b>3,685,201.00</b>	<b>2,165,546.00</b>	<b>113,737.00</b>	<b>18,947.00</b>	<b>98,583.00</b>	<b>17,724.00</b>	<b>98,583.00</b>	<b>17,724.00</b>	<b>15,154.00</b>	<b>1,223.00</b>		

Note:-1. Provisions relating VAT & AIT in applicable cases have been complied with by the Organization/Project as much as practicable.





**REPORT IN COMPLIANCE  
WITH TERMS OF REFERENCE PRESCRIBED BY  
NGO AFFAIRS BUREAU, GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF BANGLADESH**

**Name of the Organization: Volunteers Association for Bangladesh (VAB)**

**Name of the Project : "VAB Education & Training Project"  
For the year ended December 31, 2021**

**01.00 TOR-1: RESPONSIBILITY AND INDEPENDENCE OF AUDITORS:**

**01.01 Requirements:**

In course of audit of NGOs, the audit firm should perform their duties with utmost responsibility remaining fully independent.

**01.02 Compliance:**

We have conducted the audit in accordance with Bangladesh Standards on Auditing (BSA) and discharged our obligations with utmost responsibility remaining fully independent.

**02.00 TOR-2: COMPLIANCE OF RULES AND REGULATIONS ENACTED FOR THE NGOS AND THE TERMS & CONDITIONS RELATING TO PROJECT APPROVAL:**

**02.01 Requirements:**

The audit firm should conduct the audit of NGOs keeping in view whether the project has been implemented in compliance with the following rules and regulations framed for NGOs:

- a. The Foreign Donation (Voluntary Activities) Regulation Ordinance, 2016;
- b. The Foreign Donations (Voluntary Activities) Regulation Rules, 2016;
- c. The Foreign Contributions (Regulation) Ordinance, 1982;
- d. Working procedures contained in Circular (Paripatra) No. 07.07.022.03.00.013.2010-90(500), Dated 12.04.2012 issued by the office of the Prime Minister;
- e. FD-6, FD-7, FD-8 or FC-1 related to project approval (where project objectives, aims and budgets are stated in details) Circular (Paripatra) ) No. 07.07.022.03.00.013.2010-90(500), Dated 12.04.2012 issued by the office of the Prime Minister; and
- f. Terms and Conditions relating to project approval.

**02.02 Compliance:**

In course of our audit we observed from our test verification that the NGO has followed the rules and regulations framed for the NGOs as applicable and the project has been implemented and the expenditure have been incurred in accordance with the provisions of FD-6 referred in Annexure A/1of FD-4 and the terms and conditions contained in the project approval.





**03.00 TOR-3: AUDIT CERTIFICATION IN FORM FD-4 AND ANNEXURE-A/1:**

**03.01 Requirements:**

The audit firm, along with their audit report, should issue audit certificate as per format FD-4 and Annexure A-1 attached there to prescribe by NGO Affairs Bureau, relating to foreign donation receipts and expenditure incurred. All the information regarding foreign donation in FD-4 should be on cash basis not on accrual basis. That means there should not be any receivable amount against foreign donations. In case of writing the amount in FD-4 against approved budget, actual expenditure and variance between the two and total amounts in taka should be shown. The details of these, viz. head-wise approved budget, actual expenditure, variances and reasons of variances should be disclosed in Annexure-A/1. The heads/sub-heads in Annexure-A/1 and budget provisions there-against should be stated as per approved project (as stated in Annexure-C).

**03.02 Compliance:**

Format FD-4 and Annexure-A/1 as prescribed by NGO Affairs Bureau in respect of foreign donations have been prepared and enclosed herewith and the audit certification has been issued accordingly. Form FD-4 regarding FD-4 have been prepared on cash basis. The heads/sub-heads in Annexure-A/1 and budget provisions there-against have been stated as per approved project.

**04.00 TOR-4: PROJECT-WISE AUDIT REPORT FOR EACH PROJECT YEAR:**

**04.01 Requirements:**

Separate audit report should be prepared for each project covering the project year/period. If there is any local income/grant related to the project should have to be shown separately.

**04.02 Compliance:**

Project wise separate audit report has been prepared. Local and foreign donation has been shown

**05.00 TOR-5: SUMMARIZED GOALS, OBJECTIVES AND MAIN ACTIVITIES OF THE PROJECT:**

**05.01 Requirements:**

The audit report should contain a brief description of the project, the aims and objectives and component of the project. The approval letter no., date, total project budget, project year and the amount released by the Bureau should clearly be mentioned.

**05.02 Compliance:**

The name, memo number of project approval with date, project locations, project period, project year, amount of budget, Finance approval letter number & date; Fund clearance amount with letter number; Grant received amount; Audit year; Mother Bank A/C ensured &

objectives of the project are given in the following table :

Name of the project:	Project: " VAB Education & Training Project "
Total duration of the project:	January 01, 2019 To December 31, 2023
Memo No.& Date of Project Approval	03.07.0000.666.68.002.19-283, dated : 03.03.2019
Memo number and date of fund release :	03.07.2666.666.68.002.19-117, dated : 24.02.2022 (Revised)
Approved Project Cost	7,263,273
Foreign Donation Received	Nil
Have Received any foreign donation prior fund release approval?	No





Audit period	January 01, 2021 to December 31, 2021.
Locations of project:	Narshindi, Chittagong, Kurigram, Jashore, Comilla, Narayangonj, Chandpur, Rajshahi, Satkhira, Barguna, Magura, Nilphamari, Pabna.
Number of Beneficiary	4,000 no. of beneficiaries
Date of Appointment of Audit Firm	April 20, 2022.

**06.00 TOR-6: FINANCIAL STATEMENTS:**

**06.01 Requirements:**

Balance Sheet, Income and Expenditure Statement and Receipts and Payments Statement should be the integral part of the audit report and the NGO authority should sign all these financial statements. If, in any case balances sheet is not required, due explanation should have to be given. It is to be ensured whether or not the Statement of Receipts and Payments are prepared in accordance with the heads of accounts maintained in the ledger book of the NGOs. Notes showing the detailed breakup of the expenditures under the consolidated heads of accounts (such as Contingency and Others) should be attached.

**06.02 Compliance:**

Balance Sheet, Income and Expenditure Statement and Receipts and Payments Statement have been prepared and attached with the audit report and the NGO authority has duly signed the same. The detailed break-up of the items has been given in the Notes to the Financial Statements.

**07.00 TOR-7: AUTHENTICATION AND SEQUENCE OF THE AUDIT REPORT:**

**07.01 Requirements:**

The competent authority of the audit firm should initial in each page (page number should have to be given) of the audit report and invariably there should be common seal. But, in the audit report at the beginning, Balance sheet, Statements of accounts, FD-4 certificate and report as per TOR the auditor must give full signature. Full name and designation of the FCA/ACA should be given below with full signature of the auditor.

In case of audit reports for the NGOs the following sequence should have to be maintained

**First Part:**

Auditors Report containing scope, opinion etc.; Balance Sheet; Income and Expenditure Statement; Receipts and Payments Statement; Notes to the Financial Statements; Schedule/ Appendix/Others.

**Second Part:**

FD-4 Certificate; Annexure-A/1; Report as per TOR of NGO Affairs Bureau (the Conditions of TOR should be followed as it is).

**07.02 Compliance:**

The audit report has been duly prepared, signed and the common seal of the firm has been affixed as per provisions of the Terms of Reference. The Receipts and Expenditure statement with proper notes has been prepared as per rules.





**08.00 TOR-8: REPORT ABOUT EARLIER YEAR'S AUDIT:**

**08.01 Requirements:**

In case of multiple years' project, whether the audit of the earlier year has been done and audit report has been submitted to NGO Affairs Bureau or not, should have to be verified and mentioned in the audit report. In case of continuous project of same name/same type, whether the audit of the earlier year has been done and audit report has been submitted to NGO Affairs Bureau or not, should also to be verified and mentioned in the audit report.

**08.02 Compliance:**

We have audited the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> year of this project, previous year the same name audit report signed and submitted to NGOAB by G. Biswas & Co. Chartered Accountants of the year December 31, 2018, 2019, 2020.

**09.00 TOR-9: SUBMISSION OF AUDIT REPORT TO NGO AFFAIRS BUREAU:**

**09.01 Requirements:**

The audit firm on completion of the audit, should forward one copy of the audit report in a sealed cover directly to the Deputy Director (Inspection and Audit), NGO Affairs Bureau, Dhaka. The audit report directly submitted to Inspection and Audit Section of the Bureau shall only rank for verification by the section.

**09.02 Compliance:**

One copy of the audit report is being submitted directly to the Deputy Director (Inspection and Audit), NGO Affairs Bureau, Dhaka.

**10.00 TOR-10: REGISTRATION AND LAST RENEWAL OF THE NGO:**

**10.01 Requirements:**

The number of first registration of the concerned organization (NGO) with NGO Affairs Bureau along with the date of registration and the date of last renewal should be mentioned.

**10.02 Compliance:**

The particulars of registration of the concerned organization (NGO) with NGO Affairs Bureau, Government of the People's Republic of Bangladesh are as follows:

Registration Number:	2041
Date of Registration:	17.01.2006
Date of Renewal	17.01.2021

**11.00 TOR-11: RECEIPT OF FOREIGN DONATIONS IN A SINGLE BANK ACCOUNT:**

**11.01 Requirements:**

As per provision of Rule-7 of The Foreign Donations (Voluntary Activities) Rules 1978 the NGO is supposed to deposit all the foreign donations received into a single bank account. As per provisions of that Rule whether the NGO has received all the foreign donations through a single bank account or not; or, if the NGO received the foreign donations in different bank accounts deviating the provision of the that Rule the name of bank, account number and amount received should be mentioned in the audit report.





**11.02 Compliance:**

The NGO as per provisions of Rule 9 of The Foreign Donations (Voluntary Activities) Regulation Rules, 2016, has received all the foreign donations through a single bank account.

**12.00 TOR-12: PARTICULARS OF BANK ACCOUNTS:**

**12.01 Requirements:**

Bank account number approved by NGO Affairs Bureau to receive foreign donations (mother account), name of the bank and branch, amount of donation received during the project year with date, and name of the donor should be mentioned in the audit report. Related project bank account number, name of the bank and branch, bank balances should be mentioned. Reconciliation of mother account and project bank account should be done and whether the same is in order should be mentioned in the audit report.

**12.02 Compliance:**

Detailed description of both mother account and project bank accounts along with name of the bank and branch, amount of donation received and name of the donor are given below

Mother Bank Account:

1. Name of the bank:	Dutch-Bangla Bank Limited
2. Name of branch:	Ring Road Branch
3. Account number:	1481200005550

Details for foreign fund as follows:

Date	Name of the bank	Account number	Amount in Taka
	Dutch-Bangla Bank Limited.	1481200005550	Nil
<b>Total</b>			Nil

The Organization didn't have any project bank account. All transactions for the project were directly operated from mother account. Mother account has been reconciled every month.

**13.00 TOR-13: DONATION RECEIVED IN KINDS:**

**13.01 Requirements:**

In case the donations are received in kinds, making proper valuation thereof should be included with grants receipts shown in FD-4. Statement in respect of its use and description of closing balance should be given in prescribed form FD-5;

**13.02 Compliance:**

As reported by the management and from our verification, the NGO did not receive any donations in kind/commodities.

**14.00 TOR-14: BANK INTEREST AND EXCHANGE GAIN:**

**14.01 Requirements:**

Interest earned/exchange gain derived on foreign donations should be stated separately in the statement of accounts and whether permission/approval for its utilization has been obtained from NGO Affairs Bureau or not should be mentioned in the audit report.





**14.02 Compliance:**

In the course of our audit we found that, interest earned on donation which is stated separately in the statement of accounts.

**15.00 TOR-15: MAINTENANCE OF BOOKS OF ACCOUNTS AND RECORDS:**

**15.01 Requirements:**

Whether the NGO has maintained Cash/Bank Book, Ledger Book, Stock Register, Assets Register, Salary Register and Other Registers under double entry system of accounting as per requirement of Rule 9 of The Foreign Donation (Voluntary Activities) Regulation Rules, 2016 should be mentioned in the report.

**15.02 Compliance:**

The NGO has maintained Cash/Bank Book, Ledger Book, Stock Register, Assets Register and Other Registers under double entry system of accounting as per requirement of Rule 9 of The Foreign Donation (Voluntary Activities) Regulation Rules, 2016.

**16.00 TOR-16: MAINTENANCE OF ACCOUNTS FOR REVOLVING LOAN FUND:**

**16.01 Requirements:**

In case, where there is Revolving Loan Fund (RLF) against previously and currently implemented projects of the organization, whether separate project/donor-wise accounts are maintained or a consolidated accounts is maintained and whether it is audited separately in each and every year or not should be mentioned. If separate consolidated accounts are not maintained for Revolving Loan Funds (RLF) the amount of service charges received from the loan disbursed out of project fund under audit, it should be ensured that the service charge income has been shown as receipt.

**16.02 Compliance:**

The organization does not have any Revolving Loan Fund (RLF).

**17.00 TOR-17: REGISTRATION OF MICRO CREDIT REGULATORY AUTHORITY:**

**17.01 Requirements:**

In order to implement micro credit program with the fund from foreign donations, whether the concerned NGO possesses certificate from the Micro Credit Regulatory Authority should be mentioned.

**17.02 Compliance:**

The Organization does not work with micro-credit program, hence the NGO does not need to have certificate from the micro-credit Regulatory Authority.

**18.00 TOR-18: UTILIZATION OF FUND IN FOREIGN CURRENCY:**

**18.01 Requirements:**

Whether any amount of donation has been spent in foreign currency and if yes, details should be mentioned in the audit report.

**18.02 Compliance:**

As reported by management and it appeared from our verification the NGO did not incur expenditure in foreign currency.





**19.00 TOR-19: BUDGETARY CONTROL AND BUDGET VARIANCE:**

**19.01 Requirements:**

Whether excess expenditure over the budget has been incurred against particular head of expenditure or adjusted the expenditure of one head with another head or adjusted the expenditure of an unapproved head with an approved head, and if so, detailed description of the purpose of such excess expenditure along with the reasons should be mentioned in the audit report.

**19.02 Compliance:**

Budget wise actual expenditure is shown in Annexure-A/1 attached to the FD-6. As per International Standards on Auditing (ISA) as adopted in Bangladesh the audit of NGOs are conducted on test basis. As a result it is not possible to confirm each and every transaction of the project. To the best of our knowledge, no such instance came to our attention showing excess expenditure of one head adjusted with another head and unbudgeted expenditure adjusted with budgeted expenditure.

**20.00 TOR-20: PAYMENT OF SALARY THROUGH BANK ACCOUNT:**

**20.01 Requirements:**

In the Paripatra necessary instruction has been given to pay salary-allowances of officers/staffs through bank account if exceeds Tk. 10,000 per month. Deviating the instruction if payments have been made in cash should be mentioned in the audit report.

**20.02 Compliance:**

From our verification we have observed that all the salary and allowances of the officers/ staff are paid by bank cheque/bank transfer.

**21.00 TOR-21: RECEIPT OF LOAN TO IMPLEMENT THE PROJECT:**

**21.01 Requirements:**

If the project is implemented by receiving loan, necessary data relating to the source of loan and approval of the Executive Committee should be given in the audit report.

**21.02 Compliance:**

No Loan was taken.

**22.00 TOR-22: PAYMENT OF SALARY-ALLOWANCE MEMBER OF GB AND EC OR CHIEF EXECUTIVE:**

**22.01 Requirements:**

Whether any member of the General Body and Executive Committee received salary-allowance or any sorts of honorarium and if so, details including approval of Executive Committee should be provided. Moreover, if the Chief Executive of the NGO receives full/part salary-allowances/honorarium out of project fund under audit or other project's fund details of such payment should be given.

**22.02 Compliance:**

There is no provision to give honorarium to executive committee or general body or executive body members out of project fund. As such no expenditure have been incurred on this account.





**23.00 TOR-23: INTERNAL CONTROL SYSTEM OF THE NGO:**

**23.01 Requirements:**

Whether the Internal Control System of the organization is satisfactory or not should be mentioned.

**23.02 Compliance:**

We have verified the Internal Control System of the organization through Internal Control Questionnaire and observed that the overall Internal Control System of the organization is found to be satisfactory.

**24.00 TOR-24: REFUND OF FUND TO THE DONOR:**

**24.01 Requirements:**

Whether any amount has been refunded to the donor agency without prior approval of the NGO Affairs Bureau, and if so, details should be given in the audit report.

**24.02 Compliance:**

From our verification we observed that the organization has not refunded any amount to the donor agency during the period under audit.

**25.00 TOR-25: USE OF REVENUE STAMP AND DEDUCTION OF VAT AND INCOME TAX AT SOURCE:**

**25.01 Requirements:**

Auditors' comments are to be given whether in compliance with the rules and regulation of the Government whether revenue stamp has been affixed, whether VAT/income tax has been deducted at source from bill/voucher or not where applicable and whether deducted VAT/income tax has been duly deposited into Government exchequer or not. The amount of VAT/income tax deposited into Government exchequer should be shown separately.

**25.02 Compliance:**

Revenue stamps were affixed on vouchers, where applicable. On the basis of vouchers produced and checked by us on test basis, Deductible, Deducted, Deposit to Govt. Treasury, Outstanding VAT/IT and Treasury/Mushak challan no. is given in Annexure: B-1, at pages 15 of the report. Volunteers Association for Bangladesh(VAB) maintains project-wise record of VAT and Income Tax deducted at source in line with NGOAB approved budget head.

**26.00 TOR-26: SUBMISSION OF INCOME TAX RETURN:**

**26.01 Requirements:**

Whether the concerned NGO as a separate legal entity files income tax returns to the concerned authority of National Board of Revenue in accordance with the provisions of The Income Tax Ordinance 1984 is to be mentioned.

Moreover, if any foreign employee works on the organization, whether he pays income tax regularly and the previous year's tax return has been cleared should be mentioned.

**26.02 Compliance:**

VAB as a legal entity as per Income Tax Ordinance 1984 has submitted income tax return accordingly.





**27.00 TOR-27: INCOME GENERATING ACTIVITIES-IGA:**

**27.01 Requirements:**

Information is to given with respect to whether there is any Income Generating Activities-IGA under the project implemented by the concerned organization (NGO), if yes, whether income tax is paid on the income earned by the IGA should be stated mentioning the name of the IGA or, whether income tax exemption certificate has been obtained from the National Board of Revenue authority.

**27.02 Compliance:**

The organization (NGO) does not have any Income Generating Activities-IGA under this project.

**28.00 TOR-28: TOURS IN ABROAD WITH FINANCING OF FOREIGN DONATED FUND:**

**28.01 Requirements:**

Whether any officer/staff/member of the Executive Committee or General Body has availed tour in abroad with the fund received from foreign sources in the form of air ticket/other facilities, if availed of, description of such tour, and in case of foreign tour whether due permission from NGO Affairs Bureau has been obtained or not. The details should be stated in the report.

**28.02 Compliance:**

There is no Tour in Abroad during the audit period from this project.

**29.00 TOR-29: DESCRIPTION OF FIXED ASSETS ALONG WITH VALUE:**

**29.01 Requirements:**

The description of fixed assets along with value held by the organization during the year of audit should have to be attached with the report; and whether the related fixed assets/deeds/house rent agreement/donated land/vehicles and other assets are in the name of the organization should be mentioned in the audit report.

**29.01 Compliance:**

From our test of verification we observed that related fixed assets are recorded in the name of organization.

**30.00 TOR-30: WHETHER MOVEABLE /IMMOVEABLE PROPERTY HAS BEEN SOLD/TRANSFERRED FROM PROJECT**

**30.01 Requirements:**

Whether moveable/ immoveable property bought from project fund has been sold/ transferred? If so, whether permission / Approval has been obtain from NGO Affairs Bureau.

**30.02 Compliance:**

Moveable / immoveable property was not sold/transferred from the project fund hence any permission / Approval is not required.

**31.00 TOR-31: MANAGEMENT LETTER/REPORT:**

**31.01 Requirements:**

At the end of the audit of accounts of the concerned project the audit firm should produce a management letter/report and submit to the management of the organization if the auditors observe any irregularity/illegal expenditure/unapproved expenditure/expenditure without budget approval, one copy of which should have to be forwarded to the Deputy Director (Audit & Monitoring) along with the audit report. Audit Report should mention if such type of letter was required to be issued.





**31.02 Compliance:**

In course our audit, we have not observed any such irregularity/illegal expenditure/ unapproved expenditure/expenditure without budget approval and no management letter/report has been issued for this particular project.

**32.00 TOR-32: AUDIT OF PROJECTS OF NGO FOR MORE THAN FIVE YEARS:**

**32.01 Requirements:**

An audit firm should not conduct audit of projects of an NGO continuously for more than Five years. For this reason the CA firm should certify that the NGO under audit has not been audited continuously for more than three years.

**32.02 Compliance:**

We do hereby certify that the projects of the NGO under audit have not been audited by us continuously for more than five years. Please, note that this is our 3<sup>rd</sup> year audit during the project period.

Audit for more than 05 (five) consecutive years were not conducted by the same CA firm.

**33.00 TOR-33: LIST OF MEMBERS OF EXECUTIVE COMMITTEE/GOVERNING BODY/ MANAGEMENT COMMITTEE OF THE NGO:**

**33.01 Requirements:**

A list containing the name of the members of the Executive Committee/Governing Body/ Management Committee should be given in the audit report.

**33.02 Compliance:**

List of Executive committee / Governing body / Management committee member's & their relationship disclose in the audit report:

SL No.	Name of the Board Members	Designation	Relationship
1	Dr. Sultan Hafeez Rahman	Chairperson	No relationship
2	Mr. Kazi Mahiuddin	Treasurer	No relationship
3	Professor Dara Shamsuddin	Member	No relationship
4	Mr. Neaz Ahmed	Member	No relationship
5	Dr. Golam Mostafa	Member	No relationship
6	Dr. M.M Zahid Hasan	Member	No relationship
7	Principal Hamida Ali	Member	No relationship
8	Prof. Dr. Manzoor Ahmed.	Member	No relationship
9	Prof. Dr. Mohammad Kaykobad	Member	No relationship
10	Dr. Mohammad Haroon-ur-Rashid	Member	No relationship
11	Prof. Dr. Jasimuz Zaman	Country Director	No relationship





**34.00 TOR-34: AUDIT RELATED EXPENSES:**

**34.01 Requirements:**

Whether, all the expenses relating to audit has been met out of fund of the concerned project or not, should be mentioned.

**34.02 Compliance:**

The expenses relating to audit will be paid from the project fund.

**35.00 TOR-35: MEMO NUMBER ALONG WITH DATE OF ENLISTMENT:**

**35.01 Requirement**

Memo number along with date of enlistment of the audit firm should be mentioned in the audit report.

**35.02 Compliance:**

The audit firm has been enlisted with NGO Affairs Bureau vide its Memo. No. 03.07.2666.657.43.253.17-619  
Dated: 31-Jan-2022 serial No. 37

**36.00 TOR-36: COMMENT ON MONEY LAUNDARING AND TERRORIST FINANCING:**

**36.01 Requirements:**

Whether, all the financial transactions are free from money laundering and terrorist financing should be mentioned by examining those.

**36.02 Compliance:**

So far we have audited, all the financial transactions are free from money laundering and terrorist financing.

**37.00 TOR-37: PROPER COMPLIANCE OF TERM & CONDITION OF PROJECT APPROVAL:**

**37.01 Requirements:**

Whether, the terms of the project approval have been followed properly; and the audit firm should have a detailed opinion, including proofs, of whether the local administration has been involved in the implementation of the project.

**37.02 Compliance:**

In course our audit, we were provided with the necessary evidence of involvement of local administration in execution of the project work.

**38.00 TOR-38: AUDIT TIME OF THE PROJECT:**

**38.01 Requirement**

Whether, the audit activities have been performed within the specified time; if not, it should specify a logical reason.





**38.02 Compliance:**

We are in the opinion that, the auditing the account of the project has been completed within a reasonable time.

**39.00 TOR-39: DVC (Data Verification Code) in the Audit Report:**

**39.01 Requirements:**

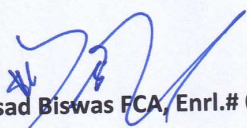
Does the include DVC (Data Verification Code) in the Audit Report?

**39.02 Compliance:**

The DVC (Data Verification Code) has been included in the audit report.

Dated, Dhaka,  
16-Oct-2022



  
Gouranga Prosad Biswas FCA, Enrl.# 0388  
Principal

**G. Biswas & Co.**

Chartered Accountants.

Ramna Bhaban (5<sup>th</sup> Floor), 45, B.B. Avenue, Dhaka-1000.  
Memo No. 03.07.2666.657.43.253.17-619, Date: 31-Jan-2022

Serial No. 37

**DVC: 2210160388AO519153**