

Auditor's Report on the Financial Statements of
Project Title: Livelihood Programme for the Women and Health Clinic for the
Community
Funded by: Mutual Trust Bank Ltd.
Implemented By: Management and Resources Development Initiative (MRDI)
In cooperation with Unnayan Dhara Trust (UDT)
For the year ended July 31, 2017

Submitted by-
Howladar Yunus & Co.
Chartered Accountants

October 30, 2017

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Independent Auditor's Report

We have audited the accompanying financial statements of "Livelihood Programme for the Women and Health Clinic for the Community" project implemented by Management and Resources Development Initiative (MRDI) funded by Mutual Trust Bank Ltd. which comprise the balance sheet as at July 31, 2017, the statement of income and expenditure and statement of receipts and payments for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Basis of Preparation as described in Note- 2.01., 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Chartered Accountants

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of "Livelihood Programme for the Women and Health Clinic for the Community" implemented by Management and Resources Development Initiative (MRDI) funded by Mutual Trust Bank Ltd. as at July 31, 2017 and its financial performance and its cash flows for the period then ended in accordance with Basis of Preparation described in Note- 2.01.


Chartered Accountants

Dated: Dhaka
October 30, 2017

Project Title: Livelihood Programme for the Women and Health Clinic for the Community
Implemented by: Management and Resources Development Initiative (MRDI)

In cooperation with Unnayan Dhara Trust (UDT)

Funded by: Mutual Trust Bank Ltd.

Balance Sheet

As at July 31, 2017

	Notes	Taka
Assets		
Cash and cash equivalent	3	857,567
Advance for program expenditure	4	200,000
Receivables	5	11,152
Fixed Assets	6	10,710
Construction work in progress	8.01	4,503,053
Total Assets		5,582,482
Fund and Liabilities		
Unutilized Fund	7	1,018,719
Outstanding Audit Fees		50,000
Fixed asset fund		10,710
Construction work in progress fund	8	4,503,053
Total Fund and Liabilities		5,582,482

The annexed notes form an integral part of the Balance Sheet


Manager, Finance


Executive Director

Signed as per our annexed report of even date


Chartered Accountants

Dated: Dhaka
October 30, 2017

Project Title: Livelihood Programme for the Women and Health Clinic for the Community
Implemented by: Management and Resources Development Initiative (MRDI)
In cooperation with Unnayan Dhara Trust (UDT)
Funded by: Mutual Trust Bank Ltd.
Statement of Income and Expenditure
For the period ended July 31, 2017

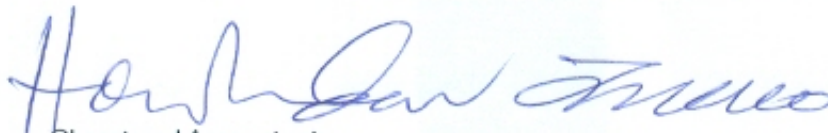
	<u>Notes</u>	<u>Taka</u>
Income		
Grant Income	9	2,713,451
Total Income		<u><u>2,713,451</u></u>
Expenditure		
Project Management Cost	10	1,122,501
Clinic Management and Expenditure	11	262,653
Survey and Reporting by MRDI	12	100,000
Field Monitoring & Supervision by MRDI	13	230,220
Programme Support Cost	14	43,110
Inauguration Programme	15	6,990
Audit and Financial Services	16	52,982
Operational & Coordination Fee	17	894,995
Total Expenditure		<u><u>2,713,451</u></u>

The annexed notes form an integral part of the Statement of Income and Expenditure.


 Manager, Finance


 Executive Director

Signed as per our annexed report of even date


 Chartered Accountants

Dated: Dhaka
 October 30, 2017

Project Title: Livelihood Programme for the Women and Health Clinic for the Community
 Implemented by: Management and Resources Development Initiative (MRDI)
 In cooperation with Unnayan Dhara Trust (UDT)
 Funded by: Mutual Trust Bank Ltd.
 Statement of Receipts and Payments
 For the period ended July 31, 2017

	Notes	Taka
Opening Balance		
Cash in hand		-
Cash at bank		-
		<u>-</u>
Receipts		
Grant received from Mutual Trust Bank Ltd.	7.01	8,211,819
Interest on Bank Deposit	7.02	34,114
Total Receipts		<u>8,245,933</u>
Total		<u>8,245,933</u>
Payments		
Construction work in progress	8.01	4,503,053
Project Management Cost	10	1,122,501
Clinic Management and Expenditure	11	262,653
Purchase of Digital Camera		10,710
Survey and Reporting by MRDI	12	100,000
Field Monitoring & Supervision by MRDI	13	230,220
Programme Support Cost	14	43,110
Inaguration Programme	15	6,990
Bank Charges		2,982
Operational & Coordination Fee	17	894,995
Advance	4	200,000
Receivable	5	11,152
Total Payments		<u>7,388,366</u>
Closing Balance		
Cash in Hand		-
Cash in Bank	3	857,567
		<u>857,567</u>
Total		<u>8,245,933</u>

The annexed notes form an integral part of the Statement of Receipts and Payments


 Manager, Finance


 Executive Director

Signed as per our annexed report of even date


 Chartered Accountants

Dated: Dhaka
 October 30, 2017

Project Title: Livelihood Programme for the Women and Health Clinic for the Community
Implemented by: Management and Resources Development Initiative (MRDI)
In cooperation with Unnayan Dhara Trust (UDT)
Funded by: Mutual Trust Bank Ltd.
Notes to the Financial Statements
For the period ended July 31, 2017

1 Introduction

1.01 About the Organization

Management and Resources Development Initiative (MRDI) is a multidisciplinary, Not for Profit, Non-Government Organization engaged to a wide spectrum of social development activities and seeks to render services to national and international organizations, both in the public and the private sector. MRDI is registered with the office of the Registrar of the Joint Stock Companies and Firms, Government of the People's Republic of Bangladesh under Section 28 of the Companies Act 1994 having incorporation # C-544 (57)/2003 dated May 13, 2003 as a Company limited by guarantee. It is also registered with the NGO affairs Bureau having registration # 1962 dated September 21, 2004 under the Foreign Donations Regulation Ordinance 1978 which was renewed on November 12, 2014 for a period of 5 years up to September 20, 2019.

The objective of the organization is to endeavor for developing the standards of media, skills and ethics of media professions, physical and mental health and well-being of the people and empowerment of women, adolescents, children, minority and other marginalized sections of the population.

1.02 About the Project:

The Mutual Trust Bank Limited (MTB) awarded the project grant to MRDI through an Agreement. The title of the project is "Livelihood Programme for the Women and Health Clinic for the Community" effective from August 01, 2016 to July 31, 2019.

1.03 The goals & Objectives of the Project:

A. Overall objective:

The main purpose of this project is to work for development of the standard and quality of the media, enhancing physical and mental well-being of the people and empowerment of women, adolescents, children, minority and other marginalized sections of the population at Char Kukri Mukri of Bhola District by facilitating the local community with livelihood opportunities and health services.

B. Program Activities:

- i Construction of Training centre and health clinic.
- ii Construction of deep tubewell and solar panel.
- iii Providing tailoring training to women.
- iv Providing training to 2 paramedics for health clinic.

1.04 Reporting period

The reporting period of the project covers from August 01, 2016 to July 31, 2017.

1.05 Location of the project

The project area covers Char Kukri Mukri of Bhola District.



2 Significant Accounting policies:

2.01 Basis of Accounting:

The financial statements have been prepared applying accrual basis of accounting under the historical cost convention.

2.02 Accounting for Grant

Bangladesh Accounting Standard (BAS) 20 "Accounting for Government Grants and Disclosure of Government Assistance" has been followed during the year under audit for recognition of grant income.

As per BAS 20, grants received are initially recorded as liability. Grant amount used for project expenses has been recognized as income to the extent of expenses incurred.

2.03 Allocation of Common Staff Salary

As per policy and practice of the organization, common staff salaries have been allocated based on staff's working time utilized in different project.

2.04 General

The financial Statements are presented in Bangladesh currency, which has been rounded off to the nearest Taka.



Note	Particulars	August 01, 2016 to July 31, 2017 Taka
3.00	Cash and cash equivalent	
	Cash in Hand	-
	Cash at Bank	857,567
	Total	857,567
	Cash at bank is held in A/C # 00430320000789 with Mutual Trust Bank Ltd., Mohammadpur Branch, Dhaka	
4.00	Advance for program expenditure	
	Advance to Unnayan Dhara Trust	200,000
	Total	200,000
5.00	Receivables	
	Receivable from MTB representative	11,152
		11,152
6.00	Fixed Assets	
	Digital Camera	10,710
		10,710
7.00	Unutilized Fund	
	Grant received from Mutual Trust Bank Ltd. (Note 7.01)	8,211,819
	Add : Interest on bank deposit (7.02)	34,114
		8,245,933
	Less : Transferred to revenue expenditure	2,713,451
	Less : Transferred to capital work in progress	4,503,053
	Less: Transfer to capital expenditure	10,710
	Unutilized Fund	1,018,719
7.01	Grant from Mutual Trust Bank Ltd.	
	1st Installment	5,828,128
	2nd Installment	2,000,000
	Balance of Previous project	383,691
	Total	8,211,819
7.02	Interest on Bank Deposit	
	Gross Interest	37,904
	Less : Tax on Interest	(3,790)
	Total	34,114
8.00	Construction work in progress fund	
	Construction of Training Centre & Health Clinic (Note 8.01)	4,503,053
		4,503,053



August 01, 2016 to July
31, 2017
Taka

Note	Particulars	Taka
8.01	Capital work in progress	
	Land measurement, plan, design & supervision	93,402
	Land development with Soil & Sand	268,940
	Brick & brick chips	981,249
	Tok & Silicon Sand	306,300
	Cement	590,816
	Rod	906,947
	Centering, Mason & labour	830,034
	Door, window & grill	253,200
	Bathroom fittings	51,375
	Miscellaneous Expenses	53,392
	Deep Tubewell	110,012
	Solar Panel	57,386
	Total	4,503,053
9.00	Grant Income	
	Transferred from Grant for revenue expenditure (Note-2.00)	2,713,451
	*Total	2,713,451
10.00	Project Management Cost	
	Field Coordinator Salary	104,000
	Night Guard	26,000
	Monitoring Officer and Programme Officer	644,425
	Manager, Finance From MRDI	348,076
	Total	1,122,501
11.00	Clinic Management and Expenditure	
	Training for 2 Paramedics	162,198
	Conveyance, Communication & Incidental Cost	55,480
	Salary for Paramedics During Training	30,000
	MBBS Doctor Visit	14,975
	Total	262,653
12.00	Survey and Reporting by MRDI	
	Survey and Reporting by MRDI	100,000
	Total	100,000
13.00	Field Monitoring & Supervision by MRDI	
	Field Monitoring & Supervision by MRDI	230,220
	Total	230,220
14.00	Programme Support Cost	
	Postage & Communication	910
	Phone/Mobile	7,200
	Conveyance	24,000
	Office Stationery	11,000
	Total	43,110



Note	Particulars	August 01, 2016 to July
		31, 2017 Taka
15.00	Inauguration Programme	
	Inauguration Programme	6,990
	Total	6,990
16.00	Audit and Financial Services	
	Bank Charges	2,982
	Audit Fees	50,000
	Total	52,982
17.00	Operational & Coordination Fee	
	Operational & Coordination Fee for MRDI	621,209
	Operational & Coordination Fee for Unnayan Dhara Trust	273,786
	Total	894,995


Finance Manager


Executive Director



Project Title: Livelihood Programme for the Women and Health Clinic for the Community
 Implemented by: Management and Resources Development Initiative (MRDI)
 In cooperation with Unnayan Dhara Trust (UDT)
 Budget Variance
 For the period ended July 31, 2017

SL	Particulars	As per Budget			% of Variance	Reason for Variance
		Budget	Actual	Variance		
A	Inaguration programme					
A	Inaguration programme	200,000	6,990	193,010	97%	Partial expenses for inaguration of construction work.
	Sub-total (A)	200,000	6,990	193,010	97%	
B	Quick assessment					
B.1	Survey and reporting by MRDI including field visit	100,000	100,000	-	0%	
	Sub-total (B)	100,000	100,000	-	0%	
C	Construction of Training Centre and community clinic					
C.1	Construction (Lump Sum for 1860 SFT) (training centre and health clinic)	4,800,000	4,335,655	464,345	10%	Construction work is yet to be completed
C.2	Deep Tubewell	120,000	110,012	9,988	8%	Cost incurred as per requirement
C.3	Solar panel	80,000	57,386	22,614	28%	
	Sub-total (C)	5,000,000	4,503,053	496,947	10%	
D	Livelihood Training + Training for Paramedics and Running Cost for Training and Clinic					To be implemented after completion of construction
D.1	Sewing machine (Including carrying cost, 20 machine)	180,000	-	180,000	100%	
D.2	Cutting Table & office table	20,000	-	20,000	100%	
D.3	Chair for office & training centre	56,000	-	56,000	100%	
D.4	Office Almira (steel)	35,000	-	35,000	100%	
D.5	Shelf for store room	40,000	-	40,000	100%	
D.6	Trainee allowance_Tailoring (4 batches x 20 persons x 100 days)	100,000	-	100,000	100%	
D.7	Trainee allowance- Hand Embroidary (4 Batch x 20 persons x 100 days)	100,000	-	100,000	100%	
D.8	Training materials	75,000	-	75,000	100%	
D.9	Embroidery Trainer Salary (1 person x 22 months including 2 month bonus)	120,000	-	120,000	100%	
D.10	Tailoring Trainer Salary (1 person x 22 months including 2 month bonus)	90,000	-	90,000	100%	
D.11	Centre Maintenance	18,000	-	18,000	100%	
	Subtotal (D)	834,000	-	834,000	100%	
E	Clinic Management and Expenditure					
E.1	Training for 2 paramedics (12 months long for 2 persons)	280,000	162,198	117,802	42%	Spent as per requirement
E.2	Conveyance, communication & incidental cost for trainee paramedics (2 persons X 12 months)	66,000	55,480	10,520	16%	Spent as per requirement
E.3	Salary for paramedics during training (2 person X 13 months including bonus)	46,000	30,000	16,000	35%	Spent as per requirement
E.4	Salary for paramedics (2 persons X 25 incl. bonus)	-	-	-		
E.5	Maintenance cost for clinic	-	-	-		

Sl	Particulars	As per Budget			% of Variance	Reason for Variance
		Budget	Actual	Variance		
E.6	Medicine for laboratory	-	-	-		
E.7	MBBS Doctors visit (12 month x 2 visit +12 visit for 24 months)	360,000	14,975	345,025	96%	Only one visit held, rest will be held after completion of centre
E.8	Furniture and fixtures and laboratory equipment (chair table tool, semi-double bed, mosquito net, sleeping mat, steel almira and others)	300,000	10,710	289,290	96%	Furniture & equipment will be purchased after completion of the clinic
	Sub-total (E)	1,052,000	273,363	778,637	74%	
F.	Project Management Cost					
F.1	Field Coordinator Salary (Tk. 8,000 X 13 months+ Tk.8,800 x 13 months+ Tk.9,680 x 13 months) including festival allowance	104,000	104,000	-	0%	
F.2	Center In-Charge Salary (Tk. 7,000 X 6.5 months+ Tk.7,500 x 13 months+ Tk.8,000 x 13 months) including festival allowance	45,500		45,500	100%	Centre in charge will be appointed after completion of the clinic
F.3	Night guard (Tk.4,000 X 13 months + Tk.4,500 x 13 months+Tk. 5000 x 13 months) including festival allowance	48,000	26,000	22,000	46%	Spent as per requirement
F.4	Monitoring officer and Programme officer (2 persons from MRDI) including festival allowance	480,000	644,425	(164,425)	-34%	Spent for the effective implementation & monitoring of the programme. Additional expenses managed from cost decreasing on F.5
F.5	Manager, Finance from MRDI (50% salary including festival allowance)	439,874	348,076	91,798	21%	Cost reduced to cover the excess cost on budget head F.4
	Sub-total (F)	1,117,374	1,122,501	5,127	0%	
G.	Program support cost					
G.1	Postage & Communication	2,400	910	1,490	62%	Spent as per requirement
G.2	Phone/Mobile	14,400	7,200	7,200	50%	Spent as per requirement
G.3	Conveyance	24,000	24,000	-	0%	
G.4	Office Stationery	12,000	11,000	1,000	8%	
G.5	Audit fees	50,000	50,000	-	0%	
	Sub-total (G)	102,800	93,110	9,690	9%	
H.	Field monitoring & supervision by MRDI					
H.1	Field monitoring & supervision by MRDI including travel accommodation local transportation for field visit and others	200,000	230,220	(30,220)	-15%	More field monitoring & supervision required as the construction work was running. As per Agreement MRDI will increase or decrease the fund 20%.
	Sub-total (H)	200,000	230,220	(30,220)	-15%	
	Total Programme Cost (A+B+C+D+E+F+G+H)	8,606,174	6,329,237	(2,276,937)	-26%	
J.	Operational & Coordination fees for the Implementing Organisation (15 % on Total Programme Cost)	1,290,926	894,995	395,931	31%	Operational & Coordination fee charged on Actual Expenditure
	GRAND TOTAL	9,897,100	7,224,232	2,672,868	27%	

