

**Hoda Vasi
Chowdhury & Co**

To
Executive Director
Manusher Jonno Foundation (MJF)
House # 47, Road # 35/A (old)
Gulshan-2, Dhaka -1212

Audited Financial Statements and Management Report
of
"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development
Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
For the period ended from 01 October 2014 to 30 September 2015

Hoda Vasi Chowdhury & Co
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Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditors' Report

We have audited the accompanying financial statements of the "Promoting Citizens' Access to Information (PCAI)", Project Implemented by MRDI funded by Manusher Jonno Foundation (MJF), which comprise the Statement of Financial Position as at 30 September 2015, Statement of Income and Expenditure, Statement of Receipts and Payments and a summary of significant accounting policies and other explanatory notes thereto for the year the ended 30 September 2015.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies described in the respective note of these financial statements and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud and 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 (BSA). Those standards require that we comply with ethical requirements and plan and perform our audit in order 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 disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not organization'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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the project "Promoting Citizens' Access to Information (PCAI)", implemented by MRDI as at 30 September 2015 and its financial performance for the year then ended and comply with other applicable laws and regulations.

Dhaka, 31 MAR 2016


Chartered Accountants



"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by - Manusher Jonno Foundation (MJF)
Statement of Financial Position
As at 30 September 2015

	<u>Notes</u>	2015 (12 Months) BDT	2014 (14 Months) BDT
Assets			
Cash and bank balances	3	738,395	402,481
Advance	4	136,600	133,600
Total Assets		874,995	536,081
Liabilities			
Due to MJF	5	874,995	536,081
Total Liabilities		874,995	536,081

These Financial Statements should be read in conjunction with the Annexed notes


Accounts Coordinator


Manager Finance


Executive Director

*Auditors Report
See annexed report of date*

Dhaka, **31 MAR 2016**


Chartered Accountants

**"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by-Management and Resources Development Initiative (MRDI)
Funded by-Manusher Jonno Foundation (MJF)
Statement of Income & Expenditure
For the year from 01 October 2014 to 30 September 2015**

	<u>Notes</u>	2015 (12 Months) BDT	2014 (14 Months) BDT
Income			
Grant income	2.2	8,470,918	7,197,766
Total income		8,470,918	7,197,766
Expenditure			
Salaries & Benefits	7	2,908,666	2,923,798
Office Rent	8	781,536	720,408
Utilities	9	124,734	74,074
Repair, Maintenance and Cleaning Materials	10	50,858	35,689
Stationeries, Printing & Supplies	11	34,151	54,554
Recruitment & Audit Fees	12	-	21,178
Furniture Fixture & Equipment	13	27,320	273,272
Travel, Lodging & per diem	14	646,398	960,338
Training, Meeting & Material for Beneficiaries	15	3,784,619	1,826,361
Evaluation, Survey, Assessment	16	-	166,961
Overhead & Contingency	17	112,636	141,133
Total Expenditure		8,470,918	7,197,766

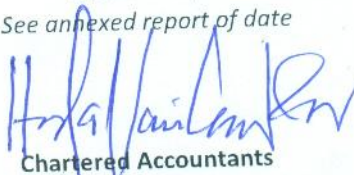
These Financial Statements should be read in conjunction with the Annexed notes


Accounts Coordinator


Manager Finance


Executive Director

Auditors Report
See annexed report of date


Chartered Accountants

Dhaka, **31 MAR 2016**

Hoda Vasi Chowdhury & Co

**"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by-Management and Resources Development Initiative (MRDI)
Funded by-Manusher Jonno Foundation (MJF)
Statement of Receipts and Payments**

For the year from 01 October 2014 to 30 September 2015

	<u>Notes</u>	2015 (12 Months) BDT	2014 (14 Months) BDT
Receipts			
Opening balance			
Cash in hand	3	5,000	-
Cash at bank	3	397,481	-
		402,481	-
Advance	4	133,600	-
Fund received from MJF	5.1	8,773,581	7,710,534
Loan received from General Fund	6	-	5,000
Bank interest	5	36,251	23,313
Total Receipts		<u>9,345,913</u>	<u>7,738,847</u>
Payments			
Salaries and benefits	7	2,908,666	2,923,798
Office rent	8	781,536	720,408
Utilities	9	124,734	74,074
Repair, Maintenance and Cleaning Materials	10	50,858	35,689
Stationeries, Printing & Supplies	11	34,151	54,554
Recruitment & Audit Fees	12	-	21,178
Furniture Fixture & Equipment	13	27,320	273,272
Travel, Lodging & per diem	14	646,398	960,338
Training, Meeting & Material for Beneficiaries	15	3,784,619	1,826,361
Evaluation, Survey, Assessment	16	-	166,961
Overhead cost	17	112,636	141,133
Loan Repayment to General Fund	6	-	5,000
		<u>8,470,918</u>	<u>7,202,766</u>
Closing balance			
Cash in hand		5,000	5,000
Cash at bank		733,395	397,481
Advance	4	136,600	133,600
		874,995	536,081
Total Payments		<u>9,345,913</u>	<u>7,738,847</u>

These Financial Statements should be read in conjunction with the Annexed notes


Accounts Coordinator


Manager Finance


Executive Director



**Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
Notes to the Financial Statements
For the period from 01 October 2014 to 30 September 2015**

1. Background of the Project and the Implementing Agency

1.1 "Promoting Citizens' Access to Information (PCAI) - The project"

MJF and MRDI entered into an agreement on 01 August 2013 to implement a project titled "Promoting Citizens' Access to Information (PCAI)". The latest amendment of that agreement was made on 01 August 2014. However, this amendment of DoA is retrospectively effected 01 July 2014.

Goal of the project

The goal is to promote access to information for the people by keeping the demand – supply chain of information rolling.

Project implementing areas

The project is being implemented in two districts namely Barisal and Jessore, twelve Upazillas (Covering 12 unions of these Upzillas) and twelve unions to reach 1,135 direct beneficiaries.

Estimated cost of the project

The latest approved budget for the project is BDT 21,857,394. The actual disbursement to the MRDI is limited to BDT 21,752,394. The remaining balance of BDT 105,000 is supposed to be spent by MJF for project evaluation and audit purposes.

Project duration

The total duration of the project is 36 months starting from 01 August 2013 and ending on 31 July 2016.

1.2 Management and Resources Development Initiative (MRDI) – The implementing Partner

Management and Resources Development Initiative (MRDI) is a non-profit, non-Government and voluntary organization based in Dhaka city and was established in the year 2003. MRDI is registered, duly registered with NGO affairs Bureau, Government of the Republic of Bangladesh vide registration no. 1962 dated September 21, 2004 and renewed on November 12, 2014.

1.3 Manusher Jonno Foundation (MJF)-The Donor

MJF, an organization being registered with NGO Affairs Bureau bearing registration no 2175 renewed dated 28 December 2011, Government of Bangladesh. MJF provides funding and capacity building support to organizations working on human rights and governance. MJF works in partnership with different stakeholders such as civil society organizations, NGOs, CBOs, government and private sector research organizations etc. MJF through its partners assists to ensure entitlements of people by building their capacity to demand basic services and raise voice against human rights violation.

2. Basis of preparation and significant accounting policies

2.2 Accounting for grant income

Bangladesh Accounting Standards (BAS) 20 "Accounting for Government Grants and Disclosure of Government Assistance" has been followed. Grants received during the period from 01 October 2014 to 30 September 2015 by MRDI for implementing the project is initially recorded as liability under the head "Donor grants due to/ (from)". For the utilization of funds for accomplishing program activities, income is recognized to the extent of the expenditure incurred for the project during the reporting period.

2.3 Accounting for Fixed Assets

Fixed assets bought for the purpose of the project are as revenue expenditure. Details have been shown in Annexure-D.

2.4 Reporting Period

These financial statements covered from 01 October 2014 to 30 September 2015.

2.5 Reporting currency

The financial statements are presented in Bangladeshi Taka, which is the organization's functional currency.

2.6 General

- i. Figures in the financial statements have been rounded off to the nearest BDT.
- ii. Previous year phrases and figures have been re-arranged, whenever necessary to confirm to the presentation of financial statements for the year under reviewed.



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	2015 (12 Months) BDT	2014 (14 Months) BDT
3. Cash and Bank balances		
Cash in hand	5,000	5,000
Cash at bank (Prime Bank Ltd, Asad Gate, Dhaka. SND ACC #	733,395	397,481
	738,395	402,481
4. Advance		
Md. Hamidul Islam (PC)	113,600	126,600
SM Arifuzzaman	14,000	-
Syed Habibur Rahman (Land Lord)	6,000	6,000
Imon	3,000	-
Excess payment against Overhead	-	1,000
	136,600	133,600
5. Due to MJF		
Opening balance	536,081	-
Fund received from MJF (Note 5.1)	8,773,581	7,710,534
Bank interest	36,251	23,313
Fund available for use	9,345,913	7,733,847
Transfer to the statement of income and expenditure	(8,470,918)	(7,197,766)
Closing balance	874,995	536,081
5.1 Fund received from MJF		
During the year, MRDI Bangladesh received fund from MJF through Prime Bank Ltd (SND ACC # 13831060024716) Asad Gate Branch, Dhaka by the following installments:		
<u>Date of received</u>		
1-Oct-13	-	881,306
11-Nov-13	-	1,732,053
10-Feb-14	-	1,197,099
28-Apr-14	-	1,962,216
23-Jul-14	-	1,937,860
29-Oct-14	2,493,388	-
29-Jan-15	1,996,248	-
4-May-15	2,126,603	-
20-Jul-15	2,157,342	-
	8,773,581	7,710,534
6. Loan received from General Fund		
Opening Balance	-	-
Addition During the period	-	5,000
	-	5,000
Adjustment during the year	-	(5,000)
Closing balance	-	-
7. Salaries & Benefits		
Administrative Purpose (Note-7.1)	290,762	264,011
Programmatic Purpose (Note-7.2)	2,617,904	2,659,787
	2,908,666	2,923,798



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	2015 (12 Months) BDT	2014 (14 Months) BDT
7.1 Administrative Purpose		
Executive Director (partial)	126,837	108,750
Accounts Coordinator	127,498	119,948
Support staff (fulltime)	36,427	35,313
	290,762	264,011
7.2 Programmatic Purpose		
Executive Director (Partial)	380,490	326,238
Technical Expert (Partial)	145,000	484,516
Programme Coordinator	573,730	585,893
Training & Monitoring Coordinator (75% Working time)	429,361	319,351
Accounts Coordinator	509,986	479,784
Support staff	85,003	82,398
Field Intervention Coordinator	494,334	381,607
	2,617,904	2,659,787
8. Office Rent		
Administrative Purpose	65,400	60,350
Programmatic Purpose (Note-8.1)	716,136	660,058
	781,536	720,408
8.1 Programmatic Purpose		
Rent for head office	588,600	543,150
Rent for field office	127,536	116,908
	716,136	660,058
9. Utilities		
Administrative Purpose (Note-9.1)	9,600	5,400
Programmatic Purpose (Note:9.2)	115,134	68,674
	124,734	74,074
9.1 Administrative Purpose		
Electricity, Service charge, gas bill, water	3,600	2,250
Telephone, Mobile, Internet	6,000	3,150
	9,600	5,400
9.2 Programmatic Purpose		
Electricity, Service charge, gas bill, water	32,400	20,250
Telephone, Mobile, Internet	54,000	28,350
Mobile phone Expenses for field coordinator	6,000	5,850
Internet bill for field coordinator	2,633	3,795
Field office utility Bills (Electricity & water)	9,301	7,429
Staff Mobile Expenses	10,800	3,000
	115,134	68,674
10. Repair, Maintenance and Cleaning Materials		
Administrative Purpose (Note-10.1)	11,725	10,078
Programmatic Purpose (Note-10.2)	39,133	25,611
	50,858	35,689



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2015 (12 Months) BDT	2014 (14 Months) BDT
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10.1 Administrative Purpose

Office maintenance	1,049	705
Cleaning materials	1,020	933
Furniture & Equipment Maintenance	9,656	8,440
	11,725	10,078

10.2 Programmatic Purpose

Office maintenance	9,031	9,166
Cleaning materials	8,544	8,281
Furniture & Equipment Maintenance	6,328	8,164
Field Office maintenance	14,238	-
Field office Cleaning materials	992	-
	39,133	25,611

11. Stationeries, Printing & Supplies

Administrative Purpose	3,600	3,726
Programmatic Purpose (Note-11.1)	30,551	50,828
	34,151	54,554

11.1. Programmatic Purpose

Office Stationery and supplies	24,688	38,258
Field office Stationery & Supply	5,863	12,570
	30,551	50,828

12. Recruitment & Audit Fees

	-	21,178
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There is a budget allocated for audit fee under the head of Recruitment & Audit fees but as per Deed of Agreement (clause 1.2) between MJF and Uttaran, the audit fees will be paid directly by MJF.

13. Furniture Fixture & Equipment

Laptop and Zoom for field office	-	176,288
Printer	23,000	16,300
Table, Chair, Fan & File cabinet	4,320	80,684
	27,320	273,272

14. Travel, Lodging & perdiem

Travel (Note-14.1)	374,722	569,082
Lodging (Note-14.2)	108,100	178,241
Perdiem (Note- 14.3)	110,760	166,690
Local Conveyance (Note-14.4)	52,816	46,325
	646,398	960,338

14.1 Travel

Travel-Baseline survey (Vehicle rent)	-	47,912
Travel-Perception survey on Section 7 (Vehicle rent)	-	210,031
Travel-2-day training for govt.officials-(Vehicle rent)	-	75,415
Travel-Preintervention Meeting at Upozila	-	66,402
Travel-Inception Meeting at Upozila & formation of Citizen forum	-	56,480
Travel-Day-long orientation of Forum Member at district level	-	60,031



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Travel-Field Supervision visit of PC
Travel-Field Intervention Coordinator Dhaka visit (Bus)
Travel-Field visit of Executive Director
Follow up Support to Govt Official (Vehical rent)
Travel RTI Camp (Veical rent)
Public Event on RTI awareness
Travel Orientation for Teachers on RTIA

2015 (12 Months) BDT	2014 (14 Months) BDT
21,500	20,731
6,920	11,480
101,305	20,600
27,285	52,816
103,390	-
30,180	-
84,142	-
374,722	569,082

14.2 Lodging

Lodging -Baseline survey
Lodging -Perception survey on Article 7
Lodging -2-day training for govt.officials
Lodging -Preintervention Meeting at Upozila
Lodging -Inception Meeting at Upozila & formation of Citizen forum
Lodging -Day-long orientation of Forum Member at district level
Lodging -Field Supervision visit of PC
Lodging -Field Intervention Coordinator Dhaka visit
Lodging -Field visit of ED
Lodging Follow up Support to Govt Official
Lodging RTI Camp
Lodging Public Event on RTI awareness
Lodging Orientation for Teachers on RTIA

-	9,945
-	74,771
-	14,400
-	21,750
-	18,915
-	17,220
26,040	17,710
800	1,250
20,980	2,280
6,840	-
29,640	-
5,500	-
18,300	-
108,100	178,241

14.3 Perdiem

Perdiem -Baseline survey
Perdiem -Perception survey on Article 7
Perdiem -2-day training for govt.officials
Perdiem -Preintervention Meeting at Upozila
Perdiem -Inception Meeting at Upozila & formation of Citizen forum
Perdiem -Day-long orientation of Forum Member at district level
Perdiem -Field Supervision visit of PC
Perdiem -Field Intervention Coordinator Dhaka visit
Perdiem-Field visit of ED
Perdiem Follow up Support to Govt Official
Perdiem RTI Camp
Perdiem Public Event on RTI awareness
Perdiem Orientation for Teachers on RTIA

-	13,440
-	51,710
-	18,800
-	18,640
-	15,840
-	18,160
28,880	20,720
3,600	7,140
16,400	2,240
6,960	-
33,640	-
4,880	-
16,400	-
110,760	166,690

14.4 Local Conveyance

Local Conveyance for MRDI Dhaka office
Local Conveyance for field office (Fuel cost for Motor cycle)

33,005	30,477
19,811	15,848
52,816	46,325

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2015 (12 Months) BDT	2014 (14 Months) BDT
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15. Training, Meeting & Material for Beneficiaries

Perception survey on Section 7	-	648,678
Day Observation & report launching	592,975	23,940
Training Content on " RTI Act for Govt. officials"	-	15,677
2-day training for gov.t.officials focusing RTI Act	-	296,423
Technical Assistance provided to Ministries to develop Information disclosure	323,600	233,876
Training Content for " ToT on RTI "	220,470	16,805
Day observance at upazilla level	284,897	144,362
Pre-intervention Meeting at Upzilla	-	54,589
Inception Meeting at Upzilla and formation of Citizen forum	-	6,728
Day-long orientation of Citizen forum members on RTI at District Level	-	273,662
Meeting of Citizen forum on RTI	54,511	7,975
Project Presentation Meeting with DC & NGOs	-	103,646
Follow up Support to Govt Official	281,625	-
Public Event on RTI awareness	89,888	-
RTI Camp	619,209	-
Training Content for designated officers of five ministry & divisions	16,867	-
Training for designated officers of five ministry & divisions	484,926	-
Orientation for Teachers on RTIA	501,475	-
Cultural groups formation	36,653	-
View exchange Meeting & IDP handover to Cabinet division	277,523	-
	3,784,619	1,826,361

16. Evaluation, Survey, Assessment

Venue & snacks for FGD	-	27,461
Conveyance/Wage compensation for participants	-	37,500
Fee for Local Coordinator	-	90,000
Interviewer for baseline assessment	-	12,000
	-	166,961

17. Overhead & Contingency

As per 'Manusher Jonno Foundation Revised Project Budget' overhead should be calculated at the rate of two percent (2%) on the total amount of 'Admin and Program cost' which should be BDT 167,166 for current audit period. But during the course of our audit we revealed that BDT 54,530 has been undercharged as overhead for the current period.

112,636	141,133
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Accounts Coordinator


Manager Finance


Executive Director



Hoda Vasi Chowdhury & Co

Annexure-A

"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
Statement of Budget Variance
For the period 01 October 2014 to 30 September 2015

Sl. No	Major Expenditures	Total Approved Budget	Actual Expenditure	Variance		Remarks
				Amount BDT	%	
A	Administrative Cost					
	Salaries & Benefits	291,230	290,762	468	0%	
	Office Rent	65,400	65,400	-	0%	
	Utilities	9,900	9,600	300	3%	
	Repair, Maintenance & Cleaning Materials	13,034	11,725	1,309	10%	
	Stationeries, Printing & Supplies	3,600	3,600	-	0%	
	Recruitment & Audit Fees	-	-	-		
	Total administrative cost	383,164	381,087	2,077	1%	
B	Programatic Cost					
	Salaries & Benefits	2,639,459	2,617,904	21,555	1%	
	Office Rent	720,252	716,136	4,116	1%	
	Utilities	117,584	115,134	2,450	2%	
	Repair, Maintenance & Cleaning Materials	39,037	39,133	(96)	0%	
	Stationeries, Printing & Supplies	37,614	30,551	7,063	19%	Expeses incurred as per requirement.
	Furntiture, Fixture & Equipment	43,400	27,320	16,080	37%	As the furntiture of Jessore office are yet to purchase.
	Travel, Lodging & Perdiem	669,727	646,398	23,329	3%	
	Training, Meeting & Material for Beneficieries	4,075,696	3,784,619	291,077	7%	
	Total Program Cost	8,342,769	7,977,195	365,574	4%	
C	Overhead & Contingency					
	Overhead & Contingency	207,120	112,636	94,484	46%	We did not transfer overhead as it is reserved for process documentation if required.
	GRAND TOTAL COST(A+B+C)	8,933,053	8,470,918	462,135	5%	


Accounts Coordinator


Manager Finance


Executive Director



**"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by-Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)**

Statement of Fund Reconciliation

As at 30 September 2015

	2015 (12 Months) BDT	2014 (14 Months) BDT
Opening balance	536,081	-
Fund received from MJF (Note 5.1)	8,773,581	7,710,534
Bank interest	36,251	23,313
Fund available for use	8,809,832	7,733,847
Transfer to the statement of income and expenditure	9,345,913	7,733,847
Closing balance as per the book of MRDI	(8,470,918)	(7,197,766)
Unadjusted last quarter expenditure (July to September 2015)	874,995	536,081
Unrecorded bank interest received in 4th quarter	2,895,775	2,049,617
Closing balance as per the book of MJF	3,770,770	2,570,000


Accounts Coordinator


Manager Finance


Executive Director



"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
Statement of Bank Reconciliation
As at 30 September 2015

Name of the Bank:

Prime Bank Ltd, Asad Gate, Dhaka

Bank A/C No

13831060024716

Name of Bank A/C

MFDI-PCAI

Particulars	Amount BDT	Amount BDT
Balance as per bank statement as at 30 September 2015		746,575
Less: Outstanding Cheque		
<u>Date</u>	<u>Cheque No</u>	<u>Description</u>
18-Aug-2015	9747139	Mohammed Farooq
30-Sep-2015	0756784	Sk. Shaniaz Ahmed-Petty cash
		(13,180)
Balance as per bank book as at 30 September 2015		733,395


Accounts Coordinator


Manager Finance


Executive Director

"Promoting Citizens' Access to Information (PCAI)" Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
List of Furniture, Fixture and Equipments
As at 30 September 2015

Assets procured during the period from 01 August 2013 to 30 September 2015

Sl. No.	Name of the Asset	Asset ID. No.	Purchase Date	Cost (BDT)	Location	Current Condition		
						Sold	Write Off	Status
1	GP Modem	MRDI-433/OE/Zoom-6	11-Nov-13	2,144	Dhaka Office			Good
2	Laptop	MRDI-440/CPM/Laptop-16	19-Nov-13	43,000				Good
3	Laptop	MRDI-441/CPM/Laptop-17	19-Nov-13	43,000				Good
4	Printer	MRDI-444/CPM/Printer-10	19-Nov-13	16,300				Good
5	Table	MRDI-460/FF/ Table-40	17-Dec-13	9,859	Jessore Office			Good
6	Chair	MRDI-461/FF/ Chair-99	17-Dec-13	3,941				Good
7	Chair	MRDI-462/FF/ Chair-100	17-Dec-13	3,942				Good
8	Chair	MRDI-463/FF/ Chair-101	17-Dec-13	3,942				Good
9	File Cabinet	MRDI-464/FF/ File Cabinet-02	17-Dec-13	15,590				Good
10	Laptop	MRDI-442/CPM/Laptop-18	19-Nov-13	43,000	Barisal Office			Good
11	Cilling Fan	MRDI-452/OE/C.Fan-36	5-Dec-13	2,808				Good
12	Laptop	MRDI-443/CPM/Laptop-19	19-Nov-13	43,000				Good
13	GP Modem	MRDI-434/OE/Zoom-7	11-Nov-13	2,144				Good
14	Cilling Fan	MRDI-451/OE/C.Fan-35	5-Dec-13	3,328				Good
15	Table	MRDI-453/FF/ Table-39	10-Dec-13	9,859				Good
16	Chair	MRDI-454/FF/ Chair-96	10-Dec-13	3,941				Good
17	Chair	MRDI-455/FF/ Chair-97	10-Dec-13	3,942				Good
18	Chair	MRDI-456/FF/ Chair-98	10-Dec-13	3,942				Good
19	File Cabinet	MRDI-457/FF/ File Cabinet-01	10-Dec-13	15,590				Good
Sub Total (a)				273,272				

Assets procured during the period from 01 October 2014 to 30 September 2015

Sl. No.	Name of the Asset	Asset ID. No.	Purchase Date	Cost (BDT)	Location	Current Condition		
						Sold	Write Off	Status
20	Presenter	MRDI-475/CPM/Presenter - 01	7-Mar-15	7,200	Dhaka Office			Good
21	Printer	MRDI-479/CPM/Printer -11	28-Jun-15	23,000				Good
22	Plastic Chair	MRDI-482/FF/ Chair-102	10-Sep-15	720	Barisal Office			Good
23	Plastic Chair	MRDI-483/FF/ Chair-103	10-Sep-15	720				Good
24	Plastic Chair	MRDI-484/FF/ Chair-104	10-Sep-15	720				Good
25	Plastic Chair	MRDI-485/FF/ Chair-105	10-Sep-15	720				Good
26	Plastic Chair	MRDI-486/FF/ Chair-106	10-Sep-15	720				Good
27	Plastic Chair	MRDI-487/FF/ Chair-107	10-Sep-15	720				Good
Sub Total (b)				27,320				
Total (a+b)				300,592				

N.B: Presenter amounting to BDT 7,200 is not included under Note no: 13 "Furniture Fixture & Equipment" but the expenditures were incurred from "Repair, Maintenance and Cleaning Materials" and "Overhead".


Accounts Coordinator


Manager Finance


Executive Director



MANAGEMENT REPORT

Of

“Promoting Citizens' Access to Information (PCAI)” Project

Implemented by- Management and Resources Development Initiative (MRDI)

Funded by- Manusher Jonno Foundation (MJF)

For the period from 01 October 2014 to 30 September 2015

Hoda Vasi Chowdhury & Co

BTMC Building (Level-8)

7-9 Kawran Bazar

**“Promoting Citizens' Access to Information (PCAI)” Project
Implemented by- Management and Resources Development Initiative (MRDI)
Funded by- Manusher Jonno Foundation (MJF)
For the period from 01 October 2014 to 30 September 2015**

Executive Summary

Project Name	:	“Promoting Citizens' Access to Information (PCAI)”
Duration of the project	:	01 August 2013 to 31 December 2016 (36 months)
Total budget	:	BDT 21,857,394
Fund received during the audit period	:	BDT 8,773,581
Expenditure during the audit period	:	BDT 8,470,918
Expenditure to date	:	BDT 15,668,684 (71.68 % of Total budget)
Period covered under audit	:	01 October 2014 to 30 September 2015
Audit time frame	:	Field visit - 5 to 11 November 2015

About the Project

Manusher Jonno Foundation (MJF) and Management and Resources Development Initiative (MRDI) entered into an agreement on 01 August 2013 to implement a project titled ‘Promoting Citizens' Access to Information (PCAI). The latest amendment of that agreement was made on 01 July 2014. The goal is to promote access to information for the people by keeping the demand – supply chain of information rolling.

The latest approved budget for the project is BDT 21,857,394. The actual disbursement to the MRDI is limited to BDT 21,752,394. The remaining balance of BDT 105,000 is supposed to be spent by MJF for project evaluation and audit purposes. The total duration of the project is 36 months starting from 01 October and ending on 30 September 2015. Against the current year budget of BDT 8,933,053, an aggregated amount of BDT 8,470,918 has been spent during the period under review.

Major Project Objectives

- To sensitize authorities and beneficiaries about demand for and supply of information;
- To develop capacity of information seekers and providers under the RTI Act.

Summary Audit Findings

In the course of our audit, we have identified some significant weaknesses in the financial and internal controls; deviations from MRDI’s policy and procedures; operational inefficiencies those are preventable and controllable by the management; and compliance of local laws and donor’s conditions. We also developed recommendations concerning matters which have been discussed with the management of MRDI.



Summary of the issues identified are as follows:

1. Fixed asset amounting to BDT 7,200 was procured for which there was no budget allocation and subsequently charged to different budget line item.
2. Comparative bidding for venue selection was not found for which an aggregated amount of BDT 61,662 was spent.

Details of the above issues together with our recommendations and management responses have been given in the enclosed "Audit Findings, Recommendations and Management Responses". Minor issues which we have identified, discussed and resolved/adjusted during our audit were not incorporated in this report.

Follow-up of last year's audit findings

As this is the second year for this project, we have considered the findings from the previous year's audit report and have followed up their current status accordingly for which the details have been provided in Annexure-F.

The issues identified above, although, represent deviations from internal control policies and procedures, are not as material as to give rise to a need for modifications to our audit opinion.



**“Promoting Citizens’ Access to Information (PCAI)” Project
Implemented by- Management and Resources Development Initiative (MRDI)
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For the period from 01 October 2014 to 30 September 2015**

Audit Findings, Recommendations and Management Responses

Matters relating to Project Management

1. Fixed asset amounting to BDT 7,200 was procured for which there was no budget allocation and subsequently charged to different budget line item.

During the course of our verification, we observed that MRDI had procured a multimedia presenter costing BDT 7,200 (ref. BDV# 305, dated 05 May 2015). However, our scrutiny revealed that there was no allocation for purchasing Multimedia Presenter under the approved revised budget. Management of MRDI had charged the said amount to different budget line as per the following details without prior approval of MJF.

Date	Voucher Reference	Expenditure Charged to	Amount in BDT	Remarks
05/05/2015	BDV # 305	43.03 Furniture & Equipment Maintenance	3,000	No budget allocation was available for such a procurement
		53.03 Furniture & Equipment Maintenance	3,000	
		61.01 Overhead	1,200	
Total			7,200	

Recommendation

The organization should incur expenses in accordance to the approved budget.

Response by the management

As the mentioned item purchases from furniture and equipment maintenance and overhead also we did not treat it as asset. During the MJF financial visit to MRDI, they suggested to record it in the assets register and affixed ID number. We acted accordingly.



Matters relating to Internal Control

2. Comparative bidding for venue selection was not found for which an aggregated amount of BDT 61,662 was spent.

According to clause no 6.4 of 'Deed of Agreement', organization need to collect three quotations for the procurement of more than BDT 50,000. But our sample verification revealed that BDT 61,662 was expensed by MRDI for arranging a program titled 'ToT on RTI (Govt. official & NGOs)' at YWCA of Bangladesh for which we did not find any comparative quotations (*ref. BDV#233 dated 04/12/2014*).

Recommendation

The organization should follow the procurement policy.

Response by the management

During submission of the proposal and the budget we proposed the venue 'YWCA of Bangladesh' for the program 'ToT on RTI (Govt. official & NGOs)' which was agreed by MJF afterwards we signed the contract. So we didn't go for any competitive bidding for selecting the venue.



Minutes of Exit Meeting

Date of meeting : 11 November 2015
Place of meeting : Management and Resources Development Initiative (MRDI)
Name of project : Promoting Citizens' Access to Information (PCAI)
Audit period : 01 October 2014 to 30 September 2015
Period of visit : 05 November to 11 November 2015

The following observations are discussed and shared in the meeting and obtained responses from the NGO management¹:

Summary of observations	Observation details with reference	NGO management comments/response
1. Fixed asset procured where there was no budget allocation and was subsequently charged to different budget line item.	During the course of our verification we observed MRDI had procured a multimedia presenter for BDT 7,200. However, our scrutiny revealed that the said amount was not allocated under the revised budget line item 55.06 Multimedia Presenter, but the organization had charged the said amount to budget line item 43.03 Furniture & Equipment Maintenance, 53.03 Furniture & Equipment Maintenance and 61.01 Overhead respectively. [Ref: BDV#305 dated 05/05/15]	Agreed
2. Unadjusted advance.	During the course of verification we observed there was an unadjusted advance amounting to BDT. 113,600 which is a non-compliance of the Clause no. 10.7 of the MRDI Financial and Administrative Manual. [Ref: BDV#389 dated 17/09/15]	Documents to be provided
3. Overhead under charged.	Our substantial verification process revealed that Overhead was undercharged for BDT 54,530.	Agreed.

¹These findings are subject to partner's review

²At least ED or Representative of ED as part of NGO management, PC or Project Head and Accountant of the project should be participants from the NGO and all the auditors attended the meeting.



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<p>5. Personal files not updated.</p>	<p>Our sample verification revealed that there was no acknowledgment or declaration of personal bank accounts from the respective employee to which salary is being transferred.</p>	<p style="text-align: center;">Agreed.</p>
<p>5. Distribution list of t-shirt and IDP guidebooks along with CDs was not available.</p>	<p>Our sample verification process revealed that MRDI had printed 1,500 pcs of t-shirts for BDT 167,250 for the purpose of "Right to Know" day observance.</p> <p>Furthermore, the organization had developed 1,000 copies of IDP guidebooks along with CDs for distributing amongst various ministries for BDT 206,960.</p> <p>However, we did not find any documents in support of the distribution of the above mentioned items to their targeted beneficiaries.</p> <p><i>[Ref: BDV# 392 dated 20/09/2015 and BDV# 295 dated 16/04/15]</i></p>	<p style="text-align: center;">Documents to be provided</p>
<p>6. Comparative bidding for venue selection was not found.</p>	<p>Our sample verification revealed that MRDI had organized two programs titled "View Exchange Meeting & IDP Handover to Cabinet Division" at BICC for BDT 87,370 and "ToT on RTI (Govt. official & NGOs)" at YWCA of Bangladesh for BDT 61,662.</p> <p>But we did not find any comparative bidding process in case of selecting the said venues.</p> <p><i>[Ref: BDV#363 dated 29/08/2015 BDV# 233 dated 04/12/14]</i></p>	<p style="text-align: center;">Agreed! only for YWCA.</p>

These findings are subject to partner's review
At least ED or Representative of ED as part of NGO management, PC or Project Head and Accountant of the project should be participants from the NGO and all the auditors attended the meeting.



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7. Activity details for RTI camp was not available	<p>We observed that MRDI organized RTI camp at Jessore field area for an amount of BDT 110,896. But we did not find any activity details about the program and only found food bills for the participants.</p> <p>[Ref: BDV#370 dated 01/09/2015]</p>	<p>Resolved.</p>
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Name and signature of the meeting participants ²:

Name	Designation with organization	Signature
Representatives of HVC		
Mr. Md. Navid Shahriar Khan	Audit Senior Hoda Vasi Chowdhury & Co	<i>Navid Shahriar Khan</i>
Ms. Nasrin Sultana	Auditor Hoda Vasi Chowdhury & Co	<i>Nasrin Sultana (HVC)</i>
Ms. Sadia Mahbub	Auditor Hoda Vasi Chowdhury & Co	<i>Sadia</i>

Name	Designation with organization	Signature
Representatives of MRDI		
Mr. Hasibur Rahman	Executive Director, MRDI	<i>Hasibur Rahman</i>
Mr. Md. Abdul Gofur	Manager Finance, MRDI	<i>Abdul Gofur</i>
Mr. Hamidul Islam	Senior Program Officer, MRDI	<i>Hamidul Islam</i>
Ms. Aktarun Naher	Senior Program Officer, MRDI	<i>Aktarun Naher</i>
Mr. Sk. Shaniaz Ahmed	Assistant Manager Finance, MRDI	<i>Shaniaz Ahmed</i>

These findings are subject to partner's review

At least ED or Representative of ED as part of NGO management, PC or Project Head and Accountant of the project should be participants from the NGO and all the auditors attended the meeting.



**“Promoting Citizens’ Access to Information (PCAI)” Project
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Follow-up of Last Year’s Audit Findings

Observation	Recommendation	Follow-Up Status
Full-time staffs are used for Baseline Survey instead of hiring experts	MRDI should comply strictly to the requirements of the DoA with MJF and ensure that professional people are engaged for survey to the project objective.	Implemented
Non-compliance with the Finance and Accounts manual of MRDI	The outcome of the training is shared through the activity and trip report and so the management should strictly comply with the Finance and Accounts Manual and prepare activity and trip reports accordingly.	Implemented
Meeting resolution minutes for meetings with Ministries were not maintained	Management of MRDI should take reasonable steps to keep the records of every meetings held for the beneficiaries to monitor that the project can achieve its goals and objectives.	Implemented
Position vacant during the audit period	MRDI should take initiative to hire appropriate human resource to fill in the above mentioned positions immediately to smoothly run the project to achieve the objectives.	Implemented
The reasonableness of expenditure under budget line item 59.03.04, 59.01.08 and 59.02.07 for information materials and information Kits amounting BDT. 39,150 could not be assessed	Expenditure against DV-161 incurred for purchasing of 25 pcs bag for 2-days Training for Govt. officials on RTI act 2009 in Barisal district and expenditure against DV-78 incurred for purchasing of paper folder for 7 programs of perception survey on article 7 of the RTI act 2009.	Implemented
Time sheet was not maintain for shared staff	MRDI should maintain properly time sheets and other supporting documents for shared staffs in the projects that will enable to evaluate the extent of time spent by the staffs in the project and the salary should be charged to the extent of effort given.	Not implemented

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7.	Personnel files were not updated	Personnel files should be maintained according to the service rules.	Implemented
8.	Cost sharing policy for some common expenses were not developed	MRDI should develop a complete cost sharing policy as early as possible to ensure proper utilization of project's fund.	Not implemented

