

# Howladar Yunus & Co.

**“Woori Eco Leadership School Project  
plemented By: Management and Resou  
Initiative (MRDI)  
Funded by: Korea Green Foundati**

**Chartered Accountants**

Correspondent firm of Grant Thornton International Ltd.

**“Woori Eco Leadership School Project in Dhaka”**  
**Implemented By: Management and Resources Development**  
**Initiative (MRDI)**  
**Funded by: Korea Green Foundation (KGF)**

**Auditor's Report, Audited Financial Statements and FD-4 Certificate**  
**For the period from June 01, 2016 to November 30, 2016**

**Submitted by-**  
**Howladar Yunus & Co.**  
**Chartered Accountants**

**January 08, 2017**

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## **FIRST PART**

### **Auditor's Report and Audited Financial Statements**

## Independent Auditor's Report on the Financial Statements

We have audited the accompanying Financial statements of "Woori Eco Leadership School Project in Dhaka" implemented by Management and Resources Development Initiative (MRDI) funded by Korea Green Foundation (KGF) which comprise the balance sheet as at November 30, 2016, the Statement of Income and Expenditure and Statement of Receipts and Payments for the period from June 01, 2016 to November 30, 2016 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.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of "Woori Eco Leadership School Project in Dhaka" implemented by Management and Resources Development Initiative (MRDI) funded by Korea Green Foundation (KGF) as at November 30, 2016 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  
January 08, 2017



**Woori Eco Leadership School Project in Dhaka**  
**Implemented By: Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Balance Sheet**  
**As at November 30, 2016**

	<u>Notes</u>	<u>Taka</u>
<b><u>Assets:</u></b>		
Cash at Bank	3	18,344
Receivables from Donor	4	143,651
<b>Total Asset</b>		<b>161,995</b>
<b><u>Fund &amp; Liabilities</u></b>		
Outstanding liabilities	5	161,995
<b>Total Fund &amp; Liabilities</b>		<b>161,995</b>

The annexed notes (1 to 12) form an integral part of these financial statements

  
Finance Manager

  
Executive Director

Signed as per our annexed report of even date

  
Chartered Accountants

**Dated: Dhaka**  
January 08, 2017

**Woori Eco Leadership School Project in Dhaka**  
**Implemented By: Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Statement of Income & Expenditure**  
**For the period ended June 01, 2016 to November 30, 2016**

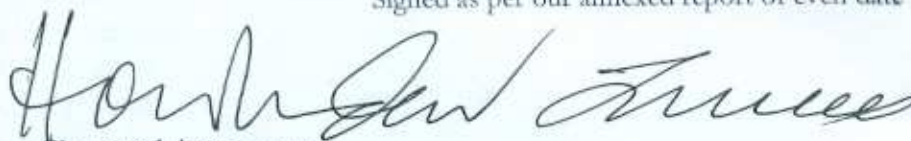
	<u>Notes</u>	<u>Taka</u>
<b>Income:</b>		
Grants Income		1,755,406
<b>Total Income</b>		<u><u>1,755,406</u></u>
<b>Expenditure:</b>		
Programme Team	7	486,000
Content and material development	8	83,780
Volunteer Recruitment & Orientation	9	254,325
School program	10	531,910
Award Ceremony	11	228,046
Programme Management Cost	12	171,345
<b>Total Expenditure</b>		<u><u>1,755,406</u></u>

The annexed notes (1 to 12) form an integral part of these financial statements

  
**Finance Manager**

  
**Executive Director**

Signed as per our annexed report of even date

  
**Chartered Accountants**

**Dated: Dhaka**  
**January 08, 2017**

**Woori Eco Leadership School Project in Dhaka**  
**Implemented By: Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Statement of Receipts and Payments**  
**For the period ended June 01, 2016 to November 30, 2016**

	<u>Notes</u>	<u>Taka</u>
<b>Opening Balance</b>		
Cash in Hand		-
Cash at bank		-
<b>Receipts:</b>		
Grants Received	6	1,611,755
Loan from MRDI		55,000
<b>Total Receipts</b>		<u>1,666,755</u>
<b>Total</b>		<u>1,666,755</u>
<b>Payments:</b>		
Programme Team		405,000
Content and material development	8	83,780
Volunteer Recruitment & Orientation	9	254,325
School program	10	531,910
Award Ceremony	11	228,046
Programme Management Cost		90,350
Loan from MRDI		55,000
<b>Total Payment</b>		<u>1,648,411</u>
<b>Closing Balance</b>		
Cash in Hand		-
Cash at Bank		18,344
<b>Total</b>		<u>18,344</u>
<b>Total</b>		<u>1,666,755</u>

  
**Finance Manager**

  
**Executive Director**





**Woori Eco Leadership School Project in Dhaka**  
**Implemented By: Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Notes to the Financial Statements**  
**For the period from June 01, 2016 to November 30, 2016**

**1 Back ground Material Information:**

**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 20.09.2019.

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 Korea Green Foundation (KGF) awarded the project grant to MRDI through an Agreement. The title of the project is "Woori Eco Leadership School Project in Dhaka" effective from 01 June 2016 to 30 November 2016.

**1.03 The goals & Objectives of the Project:**

**A. Overall objective:**

- To pursue sustainable waste management programme in the Schools;
- To Create an eco-friendly environment in the schools;

**B. Specific Objectives:**

- i Developing audio visual content and materials
- ii Initiate eco club in school
- iii Create awareness among school students on cleanliness and waste management
- iv Initiate leadership practice among school students by facilitating a school club
- v Tree plantation programme in respective schools

**C. Program Activities**

- i Developing audio visual content and teaching materials
- ii Recruitment & orient volunteers
- iii School Programme
- iv Award ceremony



**Woori Eco Leadership School Project in Dhaka**  
**Implemented By: Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Notes to the Financial Statements**  
**For the period from June 01, 2016 to November 30, 2016**

**2 Significant Accounting policies:**

**2.01 Basis of Accounting:**

The financial statements of the project have been prepared in accrual basis of accounting.

**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. Accordingly accounting adjustments and effects for the prior years have been considered in these accounts.

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". Grant amount used for project expenses has been recognized as income to the extent of expenses incurred.

**2.03 Allocation of Common Costs**

As per decision of the board & practice of the organization, staff salaries and common cost like-utilities, printing and stationaries are allocated based on number of existing projects implemented by the organization.

**2.04 General**

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



Woori Eco Leadership School Project in Dhaka  
Management and Resources Development Initiative (MRDI)  
Funded By: Korea Green Foundation (KGF)  
Notes to the Financial Statements  
For the period ended June 01, 2016 to November 30, 2016

Note	Particulars	Taka
3	<b>Cash in Hand &amp; Cash at Bank</b>	
	Cash in Hand	-
	Cash at Bank	18,344
	<b>Total</b>	<b>18,344</b>
	(Cash at bank is held in A/C # 13831020032445 with Prime Bank Ltd., Asad Gate Branch)	
4	<b>Unutilized Fund (Receivables from Donor)</b>	
	Fund receive during the period	1,611,755
	<b>Fund Available for use</b>	<b>1,611,755</b>
	Less: Transfer to Revenue Expenditure	1,755,406
	<b>Total</b>	<b>(143,651)</b>
5	<b>Outstanding Liabilities:</b>	
	<b>Program team</b>	
	Team Leader	25,000
	Project Officer	36,000
	Finance officer	20,000
	<b>Sub-total</b>	<b>81,000</b>
	<b>Programme Management Cost</b>	
	Utility	6,500
	Office Stationery	5,000
	Conveyance, communication and photo documentation	6,500
	Bank Charges	2,995
	Audit Fees	60,000
	<b>Sub-total</b>	<b>80,995</b>
	<b>Total</b>	<b>161,995</b>
6	<b>Fund from Korea Green Foundation (KGF)</b>	
	1st Installment on 07.09.2016 (USD 9,185 @ BDT 79)	725,615
	2nd Installment on 17.11.2016 (USD 11,530 @ BDT 79)	910,870
		<b>1,636,485</b>
	Less: Exchange Loss	24,730
	<b>Total received during the period</b>	<b>1,611,755</b>
7	<b>Program team</b>	
	Team Leader	150,000
	Project Officer	216,000
	Finance officer	120,000
	<b>Total</b>	<b>486,000</b>





**Woori Eco Leadership School Project in Dhaka**  
**Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Notes to the Financial Statements**  
**For the period ended June 01, 2016 to November 30, 2016**

Note	Particulars	Taka
8	<b>Content and material development</b>	
	Fee for Team leader	15,000
	Fee for team member	9,000
	Food, venue & material for meeting	9,780
	AV teaching Material development	50,000
	<b>Total</b>	<b>83,780</b>
9	<b>Volunteer Recruitment &amp; Orientation</b>	
	Venue & sound	49,000
	T-shirts for volunteers	162,675
	Food & Refreshment	26,250
	ID Cards	7,200
	Certificate	7,000
	Banner	2,200
	<b>Total</b>	<b>254,325</b>
10	<b>School program</b>	
	Banner	27,000
	Badge for Students	63,000
	Certificate (30 school x 20 students)	14,000
	Projector and Sound	180,000
	Conveyance and Communication for school program	10,760
	Coordinator for school programs	14,400
	Conveyance and Communication for follow-up school programs	6,000
	Coordinator for follow-up	9,000
	Waste Bin (3 for each schools)	141,750
	Tree plantation Package	66,000
	<b>Total</b>	<b>531,910</b>
11	<b>Award Ceremony</b>	
	Venue and sound	47,000
	Backdrop Banner	3,900
	X banner	5,760
	Hanging Banner	3,240
	Projector and screen (3 unit)	18,000
	Gifts for champion and 2 runners up	4,830
	Gift for other schools	26,880
	Food	39,936
	Documentary	55,000
	Venue decoration	23,500
	<b>Total</b>	<b>228,046</b>



**Woori Eco Leadership School Project in Dhaka**  
**Management and Resources Development Initiative (MRDI)**  
**Funded By: Korea Green Foundation (KGF)**  
**Notes to the Financial Statements**  
**For the period ended June 01, 2016 to November 30, 2016**

Note	Particulars	Taka
12	<b>Programme Management Cost</b>	
	Utility	42,345
	Office Stationery	30,000
	Conveyance, communication and photo documentation	39,000
	Auditor's fee	60,000
	<b>Total</b>	<b>171,345</b>

  
 Finance Manager

  
 Executive Director





## **SECOND PART**

**FD-4 Certificate and  
Report as per requirement of  
NGO Affairs Bureau, GOB**

## FORM FD - 4

We have audited the Financial Statement of "Woori Eco Leadership School Project in Dhaka", project of Management and Resources Development Initiative funded by Korea Green Foundation (KGF), 8/19 Sir Syed Road (Third Floor), Block A, Mohammadpur, Dhaka-1207 (NGO Bureau 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 upto 20.09.2019) for the period from June 01, 2016 to November 30, 2016 and examined all relevant books and vouchers and certify that according to the audited financial statements:

- (1) The brought forward Foreign Donations at the beginning of the period June 01, 2016 was Nil.
- (2) The Foreign Donations amounting to Taka 1,611,755 were received by the organisation during the period June 01, 2016 to November 30, 2016
- (3) The Balance of unutilized Foreign Donations by the organisation was Nil.
- (4) Foreign Donations amounting to Taka 1,755,406 have been utilized for the following purposes "Annexure-A/1".

### **Name of the Project: "Woori Eco Leadership School Project in Dhaka "**

Head of Expenditure Differences	Amount as per Approved budget (Taka)	Amount actually spent (Taka)	Differences (Taka)
As per Annexure - A/1.	1,817,000	1,755,406	61,594

(For budget variance, please refer Annexure-A/1 and for foreign donation reconciliation, please refer notes to FD-4)

- (5) Certified that the organization has maintained the accounts of Foreign Donations and records relating thereto in the manner specified as in section 5 of the Foreign Donations (Voluntary Activities) Regulations Ordinance, 1978 read with rule 6 and 7 to the said Ordinance.
- (6) The information furnished above is corrected and checked by us.

  
Chartered Accountants

Date: Dhaka  
January 08, 2017

**Annexure- A/1**

Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
 Name of project: Woori Eco Leadership School Project in Dhaka  
 Project Approval Memo No. and date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
 Project Extension Memo no. and date: N/A  
 Fund release Memo no. and Date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
 Project Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000  
 Current Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000

Particulars	Approved Budget	Actual Expenditures	Variance in Taka	Variance in %	Reason of Variance
<b>Program team</b>					
Team Leader	150,000	150,000	-	0%	
Project Officer	216,000	216,000	-	0%	
Finance officer	120,000	120,000	-	0%	
<b>Sub-total</b>	<b>486,000</b>	<b>486,000</b>	<b>-</b>	<b>0%</b>	
<b>Content and material development</b>					
Fee for Team leader	15,000	15,000	-	0%	
Fee for team member	9,000	9,000	-	0%	
Food, venue & material for meeting	10,000	9,780	220	2%	
AV teaching Material development	50,000	50,000	-	0%	
<b>Sub-total</b>	<b>84,000</b>	<b>83,780</b>	<b>220</b>	<b>0%</b>	
<b>Volunteer Recruitment &amp; Orientation</b>					
Venue & sound	50,000	49,000	1,000	2%	
T-shirts for volunteers	240,000	162,675	77,325	32%	Actual expenditure needed which is less than the approved budgeted.
Food & Refreshment	26,250	26,250	-	0%	
ID Cards	7,200	7,200	-	0%	





Annexure- A/1

Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
Name of project: Woori Eco Leadership School Project in Dhaka  
Project Approval Memo No. and date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Extension Memo no. and date: N/A  
Fund release Memo no. and Date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000  
Current Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000

Particulars	Approved Budget	Actual Expenditures	Variance in Taka	Variance in %	Reason of Variance
Certificate	7,000	7,000	-	0%	
Banner	6,000	2,200	3,800	63%	Actual expenditure needed which is less than the approved budgeted.
Sub-total	336,450	254,325	82,125	24%	
School program					
Banner	30,000	27,000	3,000	10%	Actual expenditure needed which is less than the approved budgeted.
Badge for Students	75,050	63,000	12,050	16%	Actual expenditure needed which is less than the approved budgeted.
Certificate (30 school x 20 students)	14,000	14,000	-	0%	
Projector and Sound	180,000	180,000	-	0%	
Conveyance and Communication for school program	15,000	10,760	4,240	28%	Actual expenditure needed which is less than the approved budgeted.
Coordinator for school programs	15,000	14,400	600	4%	



**Annexure- A/1**

**Name of Implementing Agency:** Management and Resources Development Initiative (MRDI)  
**Name of project:** Woori Eco Leadership School Project in Dhaka  
**Project Approval Memo No. and date:** Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
**Project Extension Memo no. and date:** N/A  
**Fund release Memo no. and Date:** Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
**Project Period and Budget:** June 01, 2016 to November 30, 2016; Taka 1,817,000  
**Current Period and Budget:** June 01, 2016 to November 30, 2016; Taka 1,817,000

Particulars	Approved Budget	Actual Expenditures	Variance in Taka	Variance in %	Reason of Variance
Conveyance and Communication for follow-up school programs	6,000	6,000	-	0%	
Coordinator for follow-up	9,000	9,000	-	0%	
Waste Bin (3 for each schools)	90,000	141,750	(51,750)	-58%	Approved budget was less than the actual requirement for purchasing quality and durable waste bin which is presentable to the school children. So obtaining approval from the donor for the requirement of the excess expenditure.
Tree plantation Package	60,000	66,000	(6,000)	-10%	Approved budget was less than the actual market price for purchasing tree for distributing among the
<b>Sub-total</b>	<b>494,050</b>	<b>531,910</b>	<b>(37,860)</b>	<b>-8%</b>	
<b>Award Ceremony</b>					
Venue and sound	50,000	47,000	3,000	6%	





Annexure- A/1

Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
Name of project: Woori Eco Leadership School Project in Dhaka  
Project Approval Memo No. and date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Extension Memo no. and date: N/A  
Fund release Memo no. and Date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000  
Current Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000

Particulars	Approved Budget	Actual Expenditures	Variance in Taka	Variance in %	Reason of Variance
Backdrop Banner	7,500	3,900	3,600	48%	Actual expenditure needed which is less than the approved budgeted.
X banner	8,000	5,760	2,240	28%	Actual expenditure needed which is less than the approved budgeted.
Hanging Banner	3,000	3,240	(240)	-8%	Actual expenditure needed more than the approved budgeted.
Projector and screen (3 unit)	18,000	18,000	-	0%	
Gifts for champion and 2 runners up	7,500	4,830	2,670	36%	Actual expenditure needed which is less than the approved budgeted.
Gift for other schools	27,000	26,880	120	0%	
Food	52,500	39,936	12,564	24%	Actual expenditure needed which is less than the approved budgeted.



Annexure- A/1

Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
Name of project: Woori Eco Leadership School Project in Dhaka  
Project Approval Memo No. and date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Extension Memo no. and date: N/A  
Fund release Memo no. and Date: Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016  
Project Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000  
Current Period and Budget: June 01, 2016 to November 30, 2016; Taka 1,817,000

Particulars	Approved Budget	Actual Expenditures	Variance in Taka	Variance in %	Reason of Variance
Documentary	50,000	55,000	(5,000)	-10%	Actual expenditure needed more than the approved budgeted.
Venue decoration	25,000	23,500	1,500	6%	
Sub-total	248,500	228,046	20,454	8%	
Programme Management Cost					
Utility	39,000	42,345	(3,345)	-9%	
Office Stationery	30,000	30,000	-	0%	
Conveyance, communication and photo documentation	39,000	39,000	-	0%	
Audit Fees	60,000	60,000	-	0%	Auditors fees remain outstanding
Sub-total	168,000	171,345	(3,345)	-2%	
Grand Total :	1,817,000	1,755,406	61,594	3%	



Woori Eco Leadership School Project in Dhaka  
 Funded By: Korea Green Foundation (KGF)  
 Management and Resources Development Initiative (MRDI)  
 For the period ended June 01, 2016 to November 30, 2016

Notes to FD-4

	Taka
Opening Balances as on June 01, 2016	-
Fund received from donor	1,611,755
Receivables from Donor	-
<b>A Total funds available for utilization</b>	<b>1,611,755</b>
Expenditure (As per Annexure-A-1)	1,755,406
Provision for outstanding Expenses	-
<b>B Total expenditures</b>	<b>1,755,406</b>
<b>A-B Unutilized Fund (Receivables from Donor)</b>	<b>(143,651)</b>





**Report as per requirement of  
NGO Affairs Bureau, GOB**

In addition to our auditors' report, we also report on the specific points required by the NGO Affairs Bureau, vide its circular Ref. # 03.09.0000.658.74.01.12-2147 dated- 22 December 2015 and Amendment Circular Ref. # 03.09.0000.658.74.01.12- 649 dated- 26 May 2016, which is made on the basis of our examination of the books and records of the concerned NGO as follows:

1. We have conducted the audit with due responsibility and we kept ourselves fully independent while conducting the audit.
2. The NGOs' has complied with the rules and regulation of The Foreign Donations (Voluntary Activities) Regulation Ordinance, 1978; The Foreign Donations (Voluntary Activities) Regulation Rules, 1978; The Foreign Contributions (Regulation) Ordinance, 1982 and the guidelines of circulars nos. 07.070.022.03.00.013.2010-90 (500) issued on dated 12/04/2012 by the office of the Prime Minister and the project has been implemented and expenses incurred properly as per terms of approval of the FD-6, FD-7, FD-8 or FC-1 and as per the conditions of the approved contract.
3. We have issued a certificate in separate format FD-4 and have enclosed Annexure A/1 as prescribed by the Bureau only for receipts & expenses of foreign donations. All information of foreign donation has been shown in cash basis not in accrual basis. Total amount of approved budget, actual expenditures & difference between these two is mentioned in the FD-4 certificate. Details of these, such as approved budget, actual expenditures, variances and explanation of variances has been mentioned in Annexure-A/1. Budget line item/sub-line item of Annexure-A/1 has been presented as per approved project.
4. The period of the project is 06 months. There is no local income earned / donations under this project.
5. A brief description of the goal, object, main programs activities and other required information are mentioned below:

Name of the project	:	Woori Eco Leadership School Project in Dhaka
Project period	:	June 01, 2016 to November 30, 2016
Project Approval Memo number and date	:	Letter no. 03.09.0000.665.68.086.16-716 dated 16.08.2016
Fund Release with Memo number and date	:	Letter no. 03.09.0000.665.68.086.16-716, dated 16.08.2016
Amount of Fund released Approved	:	Taka 1,817,000
Amount of Foreign donation received	:	Taka 1,611,755
Whether the Foreign Donation Fund has been received through mother account before released	:	No
Audit period	:	June 01, 2016 to November 30, 2016
Area of the project	:	Dhaka
Number of Beneficiaries	:	300 Volunteer, 6000 Students, 600 Eco club members
Date of appointment of CA Firm to perform the audit work	:	December 10, 2016



### The goals & Objectives

#### **A. Overall objective:**

- To pursue sustainable waste management programme in the Schools;
- To Create an eco-friendly environment in the schools;

#### **B. Specific Objectives:**

- Developing audio visual content and materials
- Initiate eco club in school
- Create awareness among school students on cleanliness and waste management
- Initiate leadership practice among school students by facilitating a school club
- Tree plantation programme in respective schools

#### **C. Program Activities**

- Developing audio visual content and teaching materials
- Recruitment & orient volunteers
- School Programme
- Award ceremony

6. Balance Sheet, Statement of Income & Expenditure and Statement of Receipts & Payments have been incorporated in audit report and signed by respective NGO authority. Statement of Receipts & Payments has been prepared in conformity with the Receipts & Payments line items of the ledger maintained by the NGO. Break-up of expenses are enclosed to notes.
7. Each page of the audit report of NGO contains initials of the competent authority of us with Common Seal and numbered properly. Auditor certification at the beginning of report, balance sheet, accounts statements, FD-4 certificate & report as per requirement of TOR of NGO Bureau contained full signature of auditor with mentioning FCA/ACA, full name and designation. Audit report of NGO is presented in the following sequential form.

#### **First Part:**

Certificate of Auditor mentioning scope, opinion etc  
Balance Sheet  
Income and Expenditure Account  
Receipts and Payments Account  
Notes to Financial Statements

#### **Second Part:**

FD-4 Certificate  
Annexure A/1  
Notes to FD-4  
Report as per requirement of NGO Bureau (condition of the TOR shall be mentioned as per sequential serial number of TOR).

8. "Woori Eco Leadership School Project in Dhaka" is a project of Management and Resources Development Initiative (MRDI). This is a six-month project. We have audited the financial statements of the six month period and have submitted the audit report to NGOAB.
9. After completion of audit one copy (main copy) of audit report under sealed envelope sent directly to Deputy Director (Inspection & Audit) NGO Affairs Bureau, Dhaka.





10. The NGO's first registration No. 1962, dated 21-09-2004, under the Foreign Donation (Voluntary Activities) Regulation Ordinance, 1978.
11. The organization maintains one bank account to receive all foreign donations as per section 7 of the Foreign Donations (Voluntary Activities) Regulation Rules 1978.
12. Details of approved bank account:

**A. Mother Account by NGO Affairs Bureau to receive foreign donations:**

Name of the Bank: South East Bank Limited.  
 Name of the Bank Branch: Dhanmondi Branch  
 Bank A/C Number: 01211100006616  
 Name of the Donor: Korea Green Foundation (KGF)  
 Received amount with date:

Particulars	Taka
Grant Received from Korea Green Foundation (KGF)	
As on 07.09.2016	711,838
As on 17.11.2016	899,917
<b>Total</b>	<b>1,611,755</b>

**B. Details of separate bank accounts for the project and closing balance held with them:**

Name of Account	Name of Bank & Branch	Account Number	Closing Balance
MRDI-KGF	Prime Bank Limited., Asadgate Branch	13831020032445	18,344

All the above balances have been reconciled and confirmed with bank certificates.

13. The organization has not received any goods in kind for the project as grant.
14. There is an exchange loss amounting Taka 24,730 from USD 20,715 received and no bank interest was recognized during the period.
15. As per rules 6 of The Foreign Donations (Voluntary Activities) Regulation Rules 1978, the organization has maintained its accounts according to the double entry system and books of accounts like Cash Book or Bank Book, Ledger Book, Stock register, Assets Register and others are maintained properly.
16. The NGO has not operated the Micro Credit Program with the Foreign Donation Fund.
17. The NGO was not listed with micro credit regulatory authority.
18. Organization has not incurred any expenditure in foreign currency during the period under audit.
19. On the basis of the information available to us, and the results of our review of the books of accounts which was conducted on a sample basis, during the period under audit, the project expenditures were not adjusted to avoid budget overrun in one line item with surplus budget in another line item.
20. All salary and benefits of the staff, and other expenses exceeding Taka 10,000 has been paid through the bank account as per the books and records maintained by the Management and Resources Development Initiative, and provided to us for our verification.



21. The project has taken non-interest temporary loan amounting to Tk. 55,000 from MRDI core fund for smooth running of the activities until fund received from the donor. The amount has been repaid after receiving the donor fund. Loan receipt and repayment was approved by Executive Director.
22. No member of the Board of Directors of the NGO has received any pay and allowances or honorarium from project fund. As per article 34 of articles of association of MRDI the Executive Director shall be appointed by the board for a period of 2 years on such terms & conditions as set under the article 52 of the articles of association of MRDI. The Executive Director is eligible for re-appointment for further additional terms on mutual agreement. The salary & benefits of the appointed Executive Director determined by the MRDI board. The Executive Director receives of monthly honorarium Taka 25,000 as the team leader of the project which is approved by the board.
23. Internal Control System of the NGO is satisfactory.
24. No fund has been refunded to the Donor Agency during the period.
25. Based on the results of our audit of transactions, carried out on a sample basis, in our opinion, Income Tax and VAT have been deducted at source from payments against bills/vouchers and have been duly deposited into the Treasury. Revenue stamps have also been affixed in applicable cases. During the period, the NGO deposited Taka 36,538 for tax and Taka 71,192 for VAT to the Government Treasury. Details are referred to **Annexure-B**.
26. As a legal entity, NGO has submitted income tax return to NBR for the income year ended 2015-2016 as per Income Tax Ordinance 1984.
27. The project "Woori Eco Leadership School Project in Dhaka" of Management and Resources Development Initiative (MRDI) has no Income Generating Activities (IGA).
28. During the period under audit, members of the Board of Director and project staff have not taken travel abroad with funds/tickets from foreign donations as per the books and records maintained by the NGO and produced to us for our verification.
29. There is no fixed asset under this project. The list of fixed asset of the organization for the year ended June 30, 2016 is given in **Annexure-C**. There is no such asset for which registration is required.
30. No fixed assets /moveable property were sold/ transferred during the audit period under this project.
31. The irregularities/ineligible expense/unapproved expenditures found during our audit has been informed to top management of the organization through a management letter and a copy of Management letter has been sent to Deputy Director (Inspection & Audit) of NGOAB with the Auditor's report.
32. We conducted the audit of "Woori Eco Leadership School Project in Dhaka" Project for the first time i.e. this is our first year as auditor of the project.





33. List of the members of the Board of Directors are given below.

Sl. No.	Name	Designation
1	Mr. Inam Ahmed	Chairman
2	Mr. Hasibur Rahman	Executive Director
3	Ms. Rokia Afzal Rahman	Director
4	Mr. Farid Hossain	Director
5	Mr. Sakiul Millat Morshed	Director
6	Mr. M. Emamul Haque	Director
7	Mr. Syed Ishtiaque Reza	Director
8	Mr. Kajal Kanti Sengupta	Director
9	Mr. Md. Nazrul Islam	Director

34. All audit related expenses of the project was charged to the project.

35. We, Howladar Yunus & Co., Chartered Accountants are enlisted with NGOAB under Sl. No# 43 vide their memo ref. 03.09.0000.658.74.01.12-2147 dated December 22, 2015.

36. During our audit, nothing has come to our attention regarding the involvement of Management and Resources Development Initiative (MRDI) with money laundering or terrorist financing. However, some non-compliance was observed in the 'Guidelines on Prevention of Money Laundering and Terrorist Financing for NGO/NPO Sector' dated November 2013. The organization is in the process of developing the Guideline. For details please refer to Management Letter.



Muhammad Farooq FCA  
Managing Partner

Dated: Dhaka  
January 08, 2017

## Annexure-B

Woori Eco Leadership School Project in Dhaka  
 Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
 Funded By: Korea Green Foundation (KGF)  
 Project Period: June 01, 2016 to November 30, 2016  
 Statement of Tax & Vat deduction and deposit

SL	Head of Expenditure	Amount actually Spent (Tk.)	Deductible Amount		Deducted Amount		Deposited to Govt. Treasury Account		Amount Due		Treasury Challan No. with Date			
			VAT	TAX	VAT	TAX	VAT	TAX	VAT	TAX	VAT		TAX	
											Challan No.	Date	Challan No.	Date
1	Programme Team	486,000	-	4,000	-	4,000	-	4,000	-	-	-	-	41 & 226	05.10.2016 & 29.11.2016
2	Content and material development	83,780	10,928	2,186	10,928	2,186	10,928	2,186	-	-	T-9	04.12.2016	T-10	04.12.2016
3	Volunteer Recruitment & Orientation	254,325	20,433	9,567	20,433	9,567	20,433	9,567	-	-	105, T-6, 224 & 229	19.10.2016, 20.10.2016, 29.11.2016 & 29.11.2016	106, T-5, 225 & 230	19.10.2016, 20.10.2016, 29.11.2016 & 29.11.2016
4	School program	531,910	22,188	12,952	22,188	12,952	22,188	12,952	-	-	149, 224 & T-12	18.10.2016, 29.11.2016 & 04.12.2016	152, 225 & T-11	18.10.2016, 29.11.2016 & 04.12.2016
5	Award Ceremony	228,046	17,643	7,833	17,643	7,833	17,643	7,833	-	-	152, 224, 227, T-8, T-5, 69	15.11.2016, 29.11.2016, 29.11.2016, 04.12.2016, 04.12.2016 & 05.12.2016	225, 228, T-7, T-6, 65 & 72	29.11.2016, 29.11.2016, 04.12.2016, 04.12.2016, 05.12.2016 & 05.12.2016
6	Programme Management Cost	171,345	-	-	-	-	-	-	-	-	-	-	-	-
Total		1,755,406	71,192	36,538	71,192	36,538	71,192	36,538	-	-	-	-	-	-





## Management and Resources Development Initiative (MRDI)

## Schedule of Property, Plant and Equipment as at June 30, 2016

Sl No.	PARTICULARS	COST			DEPRECIATION					WRITTEN DOWN VALUE	
		Balance as on 01.07.2015	During the year		Balance as on 30.06.2016	Rate (%)	Balance as on 01.07.2015	During the year		Balance as on 30.06.2016	Balance as on 30.06.2016
			Addition	Adjustment /disposal				Charged	Adjustment/ disposal		
<b>1.0</b>	<b>FURNITURE AND FIXTURE:</b>										
1.1	Table	144,871	-	-	144,871	20%	144,870	-	-	144,870	1
1.2	Chair, Sofa etc.	169,623	-	8,200	161,423	20%	142,482	9,632	8,200	143,914	17,509
1.3	Shelf, Paper stand, Notice board etc.	247,194	8,398	-	255,592	20%	237,722	6,934	-	244,656	10,936
1.4	Interior Decoration	233,571	-	-	233,571	20%	132,540	46,711	-	179,251	54,320
	<b>Sub-Total (A)</b>	<b>795,259</b>	<b>8,398</b>	<b>8,200</b>	<b>795,457</b>		<b>657,614</b>	<b>63,277</b>	<b>8,200</b>	<b>712,691</b>	<b>82,766</b>
<b>2.0</b>	<b>OFFICE EQUIPMENT:</b>										
2.01	Photocopier	335,000	-	-	335,000	30%	334,999	-	-	334,999	1
2.02	Monitoring Set up	277,567	8,717	-	286,284	30%	185,246	65,365	-	250,611	35,673
2.03	Fax Machine, Scanner, TV, Recorder etc.	101,680	-	-	101,680	30%	93,755	4,680	-	98,435	3,245
2.04	Power Generator (Honda)	102,250	-	-	102,250	30%	102,249	-	-	102,249	1
2.05	Electric Fans	52,655	-	2,880	49,775	30%	42,063	6,050	1,728	46,385	3,390
2.06	Air cooler	778,528	-	-	778,528	30%	670,377	85,551	-	755,928	22,600
2.07	Telephone and Internet Connectivity	130,036	7,000	-	137,036	30%	114,638	10,210	-	124,848	12,188
2.09	Camera	166,952	-	-	166,952	30%	157,200	7,313	-	164,513	2,439
2.10	Mobile and Telephone Set	308,246	21,490	3,875	325,861	30%	228,599	51,885	3,875	276,609	49,252
	<b>Sub-Total (B)</b>	<b>2,252,914</b>	<b>37,207</b>	<b>6,755</b>	<b>2,283,366</b>		<b>1,929,126</b>	<b>231,054</b>	<b>5,603</b>	<b>2,154,577</b>	<b>128,789</b>
<b>3.0</b>	<b>COMPUTER, PRINTER,</b>										
3.01	Tower Server	119,000	-	-	119,000	33%	117,810	1,190	-	119,000	-
3.02	Desktop Computer	652,684	-	32,222	620,462	33%	614,107	21,991	32,222	603,876	16,586
3.03	Laptop Computer	952,411	-	-	952,411	33%	842,858	106,371	-	949,229	3,182
3.04	Laser Printer	172,871	-	-	172,871	33%	161,093	11,436	-	172,529	342
3.05	UPS, IPS, Stabilizer	287,306	102,872	168,395	221,783	33%	229,328	12,174	124,515	116,987	104,796
3.06	Multimedia Projector	142,407	-	-	142,407	33%	141,937	469	-	142,406	1
3.07	Computer Networking	89,630	-	-	89,630	33%	72,675	16,471	-	89,146	484
	<b>Sub-Total (C)</b>	<b>2,416,309</b>	<b>102,872</b>	<b>200,617</b>	<b>2,318,564</b>		<b>2,179,808</b>	<b>170,102</b>	<b>156,737</b>	<b>2,193,173</b>	<b>125,391</b>
<b>4.0</b>	<b>VEHICLES</b>										
4.1	Bicycle	3,900	-	3,900	-	25%	3,899	-	3,899	-	-
	<b>Sub-Total (D)</b>	<b>3,900</b>	<b>-</b>	<b>3,900</b>	<b>-</b>		<b>3,899</b>	<b>-</b>	<b>3,899</b>	<b>-</b>	<b>-</b>
<b>5.0</b>	<b>OTHER ASSETS</b>										
5.1	Books	25,930	-	-	25,930	20%	24,441	694	-	25,135	795
5.2	Paintings	40,000	-	-	40,000	20%	16,000	8,000	-	24,000	16,000
	<b>Sub-Total (E)</b>	<b>65,930</b>	<b>-</b>	<b>-</b>	<b>65,930</b>		<b>40,441</b>	<b>8,694</b>	<b>-</b>	<b>49,135</b>	<b>16,795</b>
<b>6.0</b>	<b>PROJECT ASSETS (PCAI)</b>	<b>303,472</b>	<b>-</b>	<b>-</b>	<b>303,472</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>303,472</b>
	<b>Sub-Total (E)</b>	<b>303,472</b>	<b>-</b>	<b>-</b>	<b>303,472</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>303,472</b>

Balance as on 30.06.2016	5,837,784	148,477	219,472	5,766,789	4,810,888	473,127	174,439	5,109,576	657,213
Balance as on 30.06.2015	5,759,604	78,180	-	5,837,784	4,081,530	726,778	2,580	4,810,888	1,026,896