

# Howladar Yunus & Co.

areness and Understanding of Nutrition Issues in Bang  
upported by: Family Health International (FHI 360)  
: Management and Resources Development Initiative (  
he Period from 15 February 2014 to 15 March 2014

**Chartered Accountants**

Correspondent firm of Grant Thornton International Ltd.

**Independent Auditor's Report on Financial Audit of  
"Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"  
Supported by: Family Health International (FHI 360)  
Implemented by: Management and Resources Development Initiative (MRDI)  
For the Period from 15 February 2014 to 15 March 2014**

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

**July 13, 2014**

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First Part  
Audited Financial Statements

# Howladar Yunus & Co.

Gulshan Office

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## Transmittal Letter

13<sup>th</sup> July 2014

The Executive Director  
Management and Resources Development Initiative (MRDI)  
8/19 (3<sup>rd</sup> floor), Sir Syed Road, Block-A, Mohammadpur,  
Dhaka -1207.

**Independent Auditor's report and Management letter on audit of the financial statement of "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh" for the period from 15 February 2014 to 15 March 2014.**

Dear Sir,

We have pleasure in informing you that we have completed the audit of the financial statements of the aforesaid project implemented by MRDI, for the period from 15 February 2014 to 15 March 2014.

We have conducted the audit in accordance with Bangladesh Standards on Auditing (BSA). In planning and performing the audit we reviewed and assessed the internal control environment of MRDI with a view to establish a basis for placing reliance on such control system of the entity and also to determine the scope and extent of our work in connection with the said audit.

The accompanying memorandum includes our auditors' report, financial statements, FD-4, TOR of NGOAB, audit observations and suggestions for improvement of accounting procedures and internal controls that came to our attention as a result of our examination of the financial statements of "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh" project implemented by MRDI.

We take this opportunity to express our appreciation for the courtesies and cooperation extended to our representatives during the course of our audit. We would be pleased to discuss further our suggestions, comments, and assist in their implantation if you consider appropriate.

Yours faithfully,

  
Chartered Accountants



# Howladar Yunus & Co.

Gulshan Office

## Howladar Yunus & Co.

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### Independent Auditor's Report

We have audited the accompanying financial statements of "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh" a no cost extension project of Management And Resources Development Initiative (MRDI) which comprise the balance sheet as at March 15, 2014 the Statement of Incomes and Expenditures and Statement of Receipts and Payments for the period from February 15, 2014 to March 15, 2014 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 Bangladesh Financial Reporting Standards, 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 "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh" a project of Management And Resources Development Initiative (MRDI) as at March 15, 2014, and its financial performance and its cash flows for the period in accordance with Bangladesh Financial Reporting Standards.

  
Chartered Accountants

Dated, Dhaka  
July 13, 2014

Project Title: "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"

Funded By: Family Health International (FHI 360)

Implemented by: Management And Resources Development Initiative (MRDI)

**Balance Sheet**  
**As at 15 March 2014**

Particulars	Notes	Taka
<b>Property &amp; Assets:</b>		
Cash at Bank	3	28,116
Receivable from Donor	4	320,322
Total Assets		<u><u>348,438</u></u>
<b>Fund and Liability:</b>		
Account payable	5	314,400
Reserve fund (Interest on Bank Deposit)	6	34,038
Total Fund & Liability		<u><u>348,438</u></u>

The annexed notes form an integral part of this financial statements

  
Manager, Finance  
MRDI

  
Executive Director  
MRDI

Signed as per our annexed report of even date

  
Chartered Accountants

Dated: Dhaka  
July 13, 2014

Project Title: "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"

Funded By: Family Health International (FHI 360)

Implemented by: Management And Resources Development Initiative (MRDI)

Statement of Incomes and Expenditures  
for the Period from 15 February 2014 to 15 March 2014

Particulars	Notes	Taka
Income		
Grant Income		918,565
Total Income		<u>918,565</u>
Expenditure:		
Publication of Handbook	8	737,000
Newsroom Leaders Meeting in Dhaka	9	181,505
Bank Charges		60
		<u>918,565</u>

The annexed notes form an integral part of this financial statements

  
Manager, Finance  
MRDI

  
Executive Director  
MRDI

Signed as per our annexed report of even date

  
Chartered Accountants

Dated: Dhaka  
July 13, 2014



**Project Title: "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"**

**Funded By: Family Health International (FHI 360)**

**Implemented by: Management And Resources Development Initiative (MRDI)**

**Statement of Receipts and Payments  
for the Period from 15 February 2014 to 15 March 2014**

Particulars	Notes	Taka
Opening Balance		5,841
<b>Receipts:</b>		
Grant Received	7	1,081,054
<b>Total Receipts</b>		<b>1,086,895</b>
<b>Payments:</b>		
Publication of Handbook	8	500,000
Newsroom Leaders Meeting in Dhaka	9	171,605
Payment against Account payable	10	387,114
Bank Charges		60
<b>Total Payment</b>		<b>1,058,779</b>
<b>Closing Balance</b>		
Cash at Bank (A/C#13831010022819, with Prime Bank Ltd.)	3	28,116
		<b>1,086,895</b>

The annexed notes form an integral part of this financial statements

  
**Manager, Finance  
MRDI**

  
**Executive Director  
MRDI**

Signed as per our annexed report of even date

  
**Chartered Accountants**

**Dated: Dhaka  
July 13, 2014**

**Management and Resources Development Initiative (MRDI)**

**Project: Raise media awareness and understanding of nutrition issues in Bangladesh**  
**Supported by: FHI360**

**Notes to the Financial Statements for the period from 15 February 2014 to 15 March 2014**

**1.00 Back ground Material Information:**

**1.01 About the Organization**

Management and Resources Development Initiative (MRDI) established in the year 2003, registered with the office of the Register of Joint Stock Companies and Firms. Government of the Peoples Republic of Bangladesh under Companies Act 1994 videos certificate of Incorporation No. C-544(57)/2003 dated 13 May 2003. It is also registered with the NGO Affairs Bureau having registration # 1962 dated 21.09.2004 under the Foreign Donation Regulation Ordinance 1978 which was renewed on 19 November, 2009.

Management and Resources Development Initiative (MRDI) a multi disciplinary, not for profit, non government organization, as well as a company limited by guarantee is engaged to wide spectrum of social development activities and seeks to render consultancy and technical assistance to national organizations, both in the public and private sectors

The development objectives of MRDI include upholding and strengthening standards of mass media professionals. Developing modern event management services. Enhancing physical and mental well being of the people, especially those who need them most. Augmenting empowerment of women, adolescents' children, minority and other vulnerable/marginalized section of the population, development of people's education and skill.

**1.02 About the Project:**

Family Health International (FHI 360) awarded the project grant to MRDI through a Sub agreement. The title of the project is "**Raise media awareness and understanding of nutrition issues in Bangladesh**" effective from 15 February 2013 to 15 February 2014. An extension of one month up to 15 March 2014 has been approved by the donor which is duly approved by the NGOAB.

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

**A. Overall objective:**

- Raise media awareness and understanding of nutrition issues in Bangladesh.
- Build consensus among media gatekeepers on the importance of accurate and in depth reporting of nutrition issues.
- Strengthen the investigative reporting skills of Journalists to improve accuracy and depth in reporting of nutrition issues.
- Improve the quality, accuracy and frequency of reporting on nutrition issues in Bangladesh.



**B. Program Activities**

- Baseline Media Monitoring
- Continuous Media Monitoring
- Training content development meeting for in-house training for Journalists
- Develop reference handbook for health reporters
- In-house training for journalists
- Fellowship for Journalists
- Newsroom leaders meeting in Dhaka

**2.00 Significant Accounting policies:**

**2.01 Basis of Accounting:**

The financial statements of the project have been prepared in accordance with Bangladesh Accounting Standards.

**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.

**2.03 General:**

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





Notes	Particulars	Taka
<b>3.00</b>	<b>Cash in Hand and Bank Balance</b>	
	Cash in Hand	-
	Cash at Bank (A/C#13831010022819, with Prime Bank Ltd.)	28,116
	<b>Total</b>	<b>28,116</b>
<b>4.00</b>	<b>Receivable from Donor</b>	
	Opening Balance	482,811
	Grant Expenses for the period	918,565
	Less: Fund Received from FHI 360 during the year	(1,081,054)
		<b>320,322</b>
<b>5.00</b>	<b>Accounts payable</b>	
	Administrative Cost (Notes- 5.1)	67,500
	Publication of Handbook (Notes- 5.2)	237,000
	Newsroom Leaders Meeting in Dhaka (Notes- 5.3)	9,900
		<b>314,400</b>
<b>5.01</b>	<b>Administrative Cost</b>	
	Audit fees	67,500
		<b>67,500</b>
<b>5.02</b>	<b>Publication of Handbook</b>	
	Fee for writer	200,000
	Fee for Reviewer	25,000
	Distribution of Handbook	12,000
		<b>237,000</b>
<b>5.03</b>	<b>Newsroom Leaders Meeting in Dhaka</b>	
	Information Kit	2,400
	Photo documentation	1,500
	Equipment Rental	6,000
		<b>9,900</b>
<b>6.00</b>	<b>Reserve fund (Interest on Bank Deposit)</b>	
	Interest on Bank Deposit	34,038
		<b>34,038</b>
<b>7.00</b>	<b>Fund Received from FHI 360</b>	
	Received on 16.02.2014	1,081,054
		<b>1,081,054</b>



Notes	Particulars	Taka
<b>8.00</b>	<b>Publication of Handbook</b>	
	Fee for Reviewer	25,000
	Translator	100,000
	Editor	100,000
	Graphics Designer	30,000
	Printing	245,000
		<u>500,000</u>
	Add: Outstanding (5.02)	237,000
		<u><b>737,000</b></u>
<b>9.00</b>	<b>Newsroom Leaders Meeting in Dhaka</b>	
	Fee for moderator	15,000
	Information Kits	18,750
	Venue	12,000
	AV System	3,000
	Food & refreshment	38,528
	Banner	4,327
	Time cost for gatekeepers	80,000
		<u>171,605</u>
	Add: Outstanding (5.03)	9,900
		<u><b>181,505</b></u>
<b>10.00</b>	<b>Payment against Account payable</b>	
	Personnel (Notes- 10.1)	300,114
	Administrative Cost (Notes- 10.2)	87,000
		<u><b>387,114</b></u>
<b>10.01</b>	<b>Personnel</b>	
	Team Leader	107,598
	Programme Coordinator	64,887
	Training officer	44,100
	Finance personnel	31,029
	Salary for monitoring experts (Full time)	52,500
		<u><b>300,114</b></u>



Notes	Particulars	Taka
10.02	<b>Administrative &amp; office expenses cost</b>	
	Office Rent (20%)	45,000
	Telephone, Mobile phone, Internet, Postage etc. (Partial)	7,500
	Stationeries & office supplies (Partial)	7,500
	Utilities (Electricity, Gas, Water & maintenance, Assistance) (Partial)	12,000
	Local Transportation	15,000
		<u>87,000</u>



Manager, Finance  
MRDI



Executive Director  
MRDI

Second Part

FD-4

**FORM FD – 4**

We have audited the Accounts of the project titled: "**Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh**", supported by FHI360 implemented by Management and Resources Development Initiative (Registration No. 1962 dated 21-09-2004, Renewed on 19.11.2009), 8/19 Sir Syed Road (Third Floor), Block A, Mohammadpur, Dhaka-1207 under foreign Donations Regulation Ordinance 1978 for the period ending 15 March, 2014 and examined all relevant books and vouchers and certify that according to the audited accounts;

- (1) The brought forward Foreign Donations at the beginning of the period was Nil.
- (2) The Foreign Donations amounting to Taka 1,081,054 were received by the organization during the period 15 February 2014 to 15 March 2014.
- (3) The Balance of unutilized Foreign Donations by the organization was Taka 22,275.
- (4) Foreign Donations amounting to Taka 1,058,779 have been utilized for the following purposes "Annexure-A/1".

**Name of the Project: Needs Assessment Study of the Bangladesh Media in Disaster Reporting**

Head of Expenditure	Amount as per approved budget Taka	Amount actually Spent Taka	Difference Taka
As per Annexure - A/1.	1,380,853	1,058,779	322,074

(For budget variance, please refer Annexure-A/1)

- (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 with rule 6 and 7 to the said Ordinance.
- (6) The information furnished above is corrected and checked by us.

  
Chartered Accountants

Date: Dhaka  
13 July, 2014



NOTES TO THE FD - 4

Notes - 1: Reconciliation between Cash and Bank Balances and Unutilized Fund as at March 15, 2014.

	Foreign Donation	Other Adjustment	Total Taka
Opening Balance as at February 15, 2014	-	5,841	5,841
Fund received from Donor	1,081,054		1,081,054
<b>A Total Funds Available</b>	<b>1,081,054</b>	<b>5,841</b>	<b>1,086,895</b>
Expenditure	1,058,779		1,058,779
<b>B Total Payments</b>	<b>1,058,779</b>	<b>-</b>	<b>1,058,779</b>
<b>A - B Unutilized Fund as at March 15, 2014</b>	<b>22,275</b>	<b>5,841</b>	<b>28,116</b>



Annexure- A/1

Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
Name of project: Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh  
Project Approval Memo No. and date: Letter No. 03.09.0000.665.68.033.13-323, dated 28.03.2013 and Letter No. 03.09.0000.665.68.033.13-161, dated 16.02.2014  
Project period: February 15, 2013 to March 15, 2014  
Audit period: February 15, 2014 to March 15, 2014

Particulars	Budget Surplus of Initial period of 12 months	Expenses BDT	Variance in Taka	Variance in %	Reason for variance
<b>Personnel</b>					
Team Leader	107,607	107,598	9	0%	Paid at actual
Programme Coordinator	64,928	64,887	41	0%	Paid at actual
Training officer	44,188	44,100	88	0%	Paid at actual
Finance personnel	31,073	31,029	44	0%	Paid at actual
Salary for monitoring experts (Full time)	52,575	52,500	75	0%	Paid at actual
<b>Sub-total:</b>	<b>300,371</b>	<b>300,114</b>	<b>257</b>	<b>0%</b>	
<b>Publication of Handbook</b>					
Fee for writer	200,000	-	200,000	100%	Yet to be paid
Fee for Reviewer	50,000	25,000	25,000	50%	Yet to be paid
Translator	100,000	100,000	-	0%	Paid at actual
Editor	100,000	100,000	-	0%	Paid at actual
Graphics Designer	30,000	30,000	-	0%	Paid at actual
Cartoonist	50,000	-	50,000	100%	Not required
Printing	206,250	245,000	(38,750)	-19%	Cost increased due to increase of volume & price of materials
Distribution of handbook	12,000	-	12,000	100%	Yet to be paid
<b>Sub-total</b>	<b>748,250</b>	<b>500,000</b>	<b>248,250</b>	<b>33%</b>	
<b>Newsroom Leaders Meeting in Dhaka</b>					
Fee for moderator	15,000	15,000	-	0%	Paid at actual
Information Kits	18,750	18,750	-	0%	Paid at actual
Venue	15,000	12,000	3,000	20%	Needed less than approved budget
AV System	3,000	3,000	-	0%	Paid at actual
Food & refreshment	37,500	38,528	(1,028)	-3%	Paid as per actual bill
Photo documentation	1,500	-	1,500	100%	Yet to be paid
Banner	4,500	4,327	173	4%	Paid at actual
Equipment Rental	6,000	-	6,000	100%	Yet to be paid
Time cost for gatekeepers	75,000	80,000	(5,000)	-7%	Number of participants increased
<b>Sub-total</b>	<b>176,250</b>	<b>171,605</b>	<b>4,645</b>	<b>3%</b>	
<b>Administrative Cost</b>					
Office Rent (20%)	45,000	45,000	-	0%	Paid at actual
Telephone, Mobilephone, Internet, Postage etc.	7,500	7,500	-	0%	Paid at actual
Stationeries & office supplies	7,500	7,500	-	0%	Paid at actual
Utilities	12,000	12,000	-	0%	Paid at actual
Local Transportation	16,482	15,000	1,482	9%	Paid at actual
Audit Fees	67,500	-	67,500	100%	Yet to be paid
Bank Charges		60	(60)		
<b>Sub-total:</b>	<b>155,982</b>	<b>87,060</b>	<b>68,922</b>	<b>44%</b>	
<b>Grand Total</b>	<b>1,380,853</b>	<b>1,058,779</b>	<b>322,074</b>	<b>23%</b>	

Note: Since the project was extended one month, there was no budget for the extended period, the surplus of the project's budget for 12 month is treated as the budget for the extended period.



**Additional report required  
By 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 # 03.09.0000.658.74.01.12.2087 dated 31-12-2013, 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 whether 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 Bureau only for receipts & expenses of foreign donations. All information of foreign donation has been shown in cash basis not accrual basis. Total amount has been mentioned in case of approved budget, actual expenditures & difference between two. 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. Separate audit report has been prepared for the project for 01 month. There are no local income earned/ donations received of the project during our audit period.
5. A brief description of the goal, object, main programs activities and other required information are mentioned below:

1	<b>Name of the project</b>	<b>Raise media awareness and understanding of nutrition issues in Bangladesh</b>
2	<b>Duration of the project</b>	<b>15 February, 2013 to 15 March, 2014</b>
3	<b>Approval letter Reference</b>	03.09.0000.665.68.033.13-323, dated 28.03.2013 and 03.09.0000.665.68.033.13-161, dated 16.02.2014
4	<b>Approval letter Reference for amount released by NGO Bureau</b>	03.09.0000.665.68.033.13-323, dated 28.03.2013
5	<b>Released amount with no. of installment</b>	<b>Taka 8,395,694, No installment mentioned.</b>
6	<b>Amount of foreign donation receipt</b>	<b>Taka 1,081,054 in one installment</b>
7	<b>Whether foreign donation has been deposited to the mother</b>	<b>Yes</b>



	<b>account before disbursement</b>	
8	<b>Audit year</b>	<b>16 February, 2014 to 15 March, 2014</b>
9	<b>Project Area</b>	<b>Dhaka</b>
10	<b>No. of beneficiaries</b>	<b>1933</b>
11	<b>Date of appointment of the auditor</b>	<b>22<sup>nd</sup> April, 2014</b>
<b>Main Program Activities</b> <ul style="list-style-type: none"> <li>• Baseline Media Monitoring</li> <li>• Continuous Media Monitoring</li> <li>• Training content development meeting for in-house training for Journalists</li> <li>• Develop reference handbook for health reporters</li> <li>• In-house training for journalists</li> <li>• Fellowship for Journalists</li> <li>• Newsroom leaders meeting in Dhaka</li> </ul>		

6. Balance Sheet, Statement of Income & Expenditure and Statement of Receipts & Payments have been incorporated in audit report and signed by respective NGO management. 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 gross expenses are enclosed to notes.
7. Each page of the audit report of NGO contains initials of the competent authority of us and 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.

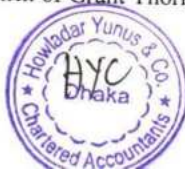
**First Part:**

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

**Second Part:**

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

8. Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh is a project of Management and Resources Development Initiative (MRDI). The project period is 13 months i.e. from the 15 February, 2013 to 15 March, 2014. NGO submitted the 1<sup>st</sup> year audit report to NGOAB. This is 2nd year audit report.





9. After completion of audit we will send one copy (main copy) of audit report under sealed envelope to Deputy Director (Inspection & Audit) NGO Affairs Bureau Dhaka.
10. NGO's first registration No. 1962 dated 21-09-2004 under the Foreign Donation (Voluntary Activities) Regulation Ordinance, 1978 and renewed on dated 19-11-2009.
11. 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 (Mother Account by NGO Affairs Bureau to receive foreign donations:  
Name of the Bank: Southeast Bank Ltd.  
Name of the Bank Branch: Dhanmondi Branch, Dhaka  
Bank A/C Number: 001211100006616  
Name of the Donor: Family Health International (FHI 360)  
Received amount with date: Taka 1,081,054 dated: 16-02-2014  
  
Details of bank account for the project "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"  
Name of the Bank: Prime Bank Ltd.  
Name of the Bank Branch: Asad Gate Branch, Dhaka  
Bank A/C Number: 13831010022819  
  
The closing balance is Taka 28,116 as on 15 March, 2014.
13. Organization has not received any goods in kind for the project as grant.
14. There was no bank interest gain by the project 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, Assets Register and others are maintained properly.
16. The NGO have not any revolving loan fund (RLF).
17. The NGO has not conducted any micro credit activity and does not have any license from Micro Credit Regulatory Authority.
18. Organization has not incurred any expenditure in foreign currency during the period under audit.
19. Expenditure under the sub-head printing under the head Publication of Handbook is Taka 245,000 has been exceeded the approved budget which is Taka 206,250 by Taka 38,750 and no approval was taken from NGOAB.
20. All salary and benefits of the staff, and other expenses exceeding Taka. 10,000 have been paid through the bank account as no cash in hand maintained for the project.
21. The project has not taken any loan during the period.



22. No member of the General Body or Executive Committee has taken any salary & allowances or honorarium from MRDI except Mr. Hasibur Rahman, Executive Director and Mr. Farid Hossain, Director.
- Salary amounting to Taka 107,598 has been paid to Mr. Hasibur Rahman, Executive Director from the project under audit for performing as the Team Leader, Mr. Hasibur Rahman has received Taka 252,462 from MRDI and other projects vide approval of the Board of Directors as per decision in the 10<sup>th</sup> AGM
- Taka 15,000 has been paid to Mr Farid Hossain, Director from the project under audit for his technical service as the Moderator. He has not received any salary from MRDI other than from the said project.
23. Internal Control System of the NGO is satisfactory except for instances stated in the management letter.
24. No fund has been refunded to the Donor Agency during the year.
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 year, the NGO deposited the following amounts to the Treasury **Annexure-A**
26. As a legal entity, NGO has submitted income tax return to NBR for the assessment year 2013-14 as per Income Tax Ordinance-1984.
27. Management and Resources Development Initiative (MRDI) has no income generating activities under this project.
28. No foreign visit was conducted under this project during the reporting period.
29. There is no fixed asset under this project for the period. The fixed assets schedule of Management and Resources Development Initiative (MRDI) as on June 30, 2013 are shown as **Annexure-B**. It is also mentioned that all movable and immovable assets shown in the **Annexure-B** are registered in the name of Management and Resources Development Initiative (MRDI) (when registration required).
30. There was no fixed asset /moveable property during the audit period under this project.
31. The irregularities/ineligible expense/unapproved expenditures found during our audit will be informed to top management of the organization through a management letter and a copy of Management letter will be sent to Deputy Director (Inspection & Audit) of NGOAB with the Auditor's report.
32. We confirm that we have carried out the audit of "**Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh**" for the second time.
33. The name of the members of the Board of MRDI is as follows:





Sl. No.	Name of the Board Member	Designation
01	Inam Ahmed	Chairman
02	Hasibur Rahman	Executive Director
03	Rokia Afzal Rahman	Director
04	Farid Hossain	Director
05	Sakiul Millat Morshed	Director
06	Md. Abdur Rahim	Director
07	M. Emamul Haque	Director
08	Syed Ishtiaque Reza	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# 48 vide their memo ref. 03.09.0000.658.74.01.12-2087 dated 31 December, 2013.

  
Muhammad Farooq FCA  
Managing Partner

Dated: 13 July 2014



Name of Implementing Agency: Management and Resources Development Initiative (MRDI)  
 Name of the Project: "Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh"  
 Project Approval Memo No. and Date: 03.09.0000.665.68.033.13-323, dated 28.03.2013 and 03.09.0000.665.68.033.13-161, dated 16.02.2014  
 Fund Clearance Memo No. and Date: 03.09.0000.665.68.033.13-323, dated 28.03.2013  
 Project Period: 15 February 2013 to 15 March 2014, Audit Period: 15 February 2014 to 15 March 2014

Statement of Tax & Vat deduction and deposit

SL	Head of Expenditure Differences	Amount actually Spent (Tk.)	Deductable Amount		Deducted Amount		Deposited to Govt. Treasury Amount		Amount Due		Annexure- A Treasury Challan No. with Date			
			VAT	TAX	VAT	TAX	VAT	TAX	VAT	TAX	VAT		TAX	
											Challan No.	Date	Challan No.	Date
1	Handbook for Journalists	390,000	15,000	9,375	15,000	9,375	15,000	9,375	-	-	31	25.02.2014	61228	03.03.2014
2	Fee & honorarium	120,000	-	12,000	-	12,000	-	12,000	-	-	-	-	99-108	09.03.2014
3	Training Kit	19,500	750	469	750	469	750	469	-	-	35	13.03.2014	109	09.03.2014
4	Banner	4,500	173	108	173	108	173	108	-	-	36	13.03.2014	123	16.03.2014
5	Venue & food for training	61,557	8,029	536	8,029	536	8,029	536	-	-	37	13.03.2014	125	13.03.2014
			23,952	22,488	23,952	22,488	23,952	22,488						

NBR approved VAT Coupon issued to vendors by the donor





**Management and Resources Development Initiative (MRDI)**  
**Schedule of Property, Plant & Equipment as at 30 June 2013**

Annexure- B

SI No.	PARTICULARS	COST				DEPRECIATION					WRITTEN DOWN VALUE
		Balance as on 01.07.2012	During the year		Balance as on 30.06.2013	Rate (%)	Balance as on 01.07.2012	During the year		Balance as on 30.06.2013	Balance as on 30.06.2013
			Addition	Adjustment /disposal				Charged	Adjustment /disposal		
1.0	FURNITURE & FIXTURE:										
1.1	Table	194,941	-	46,070	148,871	20%	188,875	6,065	46,070	148,870	1
1.2	Chair, Sofa etc.	135,163	15,931	7,873	143,221	20%	105,584	16,764	7,873	114,475	28,746
1.3	Shelf, Paper stand, Notice board etc.	253,149	-	13,500	239,649	20%	218,845	21,717	13,500	227,062	12,587
1.4	Interior Decoration	240,967	80,138	113,266	207,839	20%	157,007	31,769	113,266	75,510	132,329
	Sub-Total (A)	824,220	96,069	180,709	739,580		670,311	76,315	180,709	565,917	173,663
2.0	OFFICE EQUIPMENT:										
2.01	Photocopier	335,000	-	-	335,000	30%	198,499	58,500	-	256,999	78,001
2.02	Monitoring Set up	74,035	138,000	-	212,035	30%	74,034	10,200	-	84,234	127,801
2.03	Fax Machine, Scanner, TV, Recorder	107,107	10,000	21,027	96,080	30%	77,798	12,558	21,025	69,331	26,749
2.04	Power Generator (Honda)	102,250	-	-	102,250	30%	92,025	10,224	-	102,249	1
2.05	Electric Fans	56,775	-	26,500	30,275	30%	53,945	1,430	26,500	28,875	1,400
2.06	Air cooler	612,528	-	60,000	552,528	30%	411,200	77,059	60,000	428,259	124,269
2.07	Telephone & Internet Connectivity	113,667	9,000	-	122,667	30%	107,097	5,550	-	112,647	10,020
2.08	Refrigerator	10,000	-	-	10,000	30%	9,999	-	-	9,999	1
2.09	Camera	144,375	-	1,800	142,575	30%	141,475	2,899	1,800	142,574	1
2.10	Mobile & Telephone Set	247,094	62,746	57,800	252,040	30%	143,460	49,375	37,890	154,945	97,095
	Sub-Total (B)	1,802,831	219,746	167,127	1,855,450		1,309,532	227,795	147,215	1,390,112	465,338
3.0	COMPUTER, PRINTER,										
3.01	Tower Server	-	119,000	-	119,000	33%	-	39,270	-	39,270	79,730
3.02	Desktop Computer	927,374	7,000	198,550	735,824	33%	788,434	66,342	198,453	656,323	79,501
3.03	Laptop Computer	677,711	302,200	-	979,911	33%	574,540	85,694	-	660,234	319,677
3.04	Laser Printer	151,521	-	7,500	144,021	33%	115,975	16,041	7,425	124,591	19,430
3.05	UPS, IPS, Stabilizer	210,435	94,300	38,561	266,174	33%	167,721	29,819	34,474	163,066	103,108
3.06	Multimedia Projector	281,407	47,000	69,000	259,407	33%	220,062	35,985	69,000	187,047	72,360
3.07	Computer Networking	77,330	10,950	36,370	51,910	33%	36,369	13,517	36,369	13,517	38,393
	Sub-Total (C)	2,325,778	580,450	349,981	2,556,247		1,903,101	286,668	345,721	1,844,048	712,199
4.0	VEHICLES										
4.1	Bicycle	3,900	-	-	3,900	25%	3,899	-	-	3,899	1
6	Sub-Total (D)	3,900	-	-	3,900		3,899	-	-	3,899	1
5.0	OTHER ASSETS										
5.1	Tally ERP.9 Accounting Software	-	124,800	-	124,800	20%	-	-	-	-	124,800
5.2	Books	22,905	2,075	-	24,980	20%	17,937	3,130	-	21,067	3,913
	Sub-Total (E)	22,905	126,875	-	149,780		17,937	3,130	-	21,067	128,713
Balance as on 30.06.2013		4,979,634	1,023,140	697,817	5,304,957		3,904,780	593,908	673,645	3,825,043	1,479,914
Balance as on 30.06.2012		4,243,735	818,987	83,088	4,979,634		3,349,152	610,466	54,838	3,904,780	1,074,854

Correspondent Firm of Grant Thornton International Ltd.



Third Part  
Management Letter

**Detail Management Letter**

**On**

**Project Title: Raise Media Awareness and Understanding of Nutrition Issues in Bangladesh**

**Funded By: Family Health International (FHI 360)**

**Implemented by: Management and Resources Development Initiative (MRDI)**

**1. Financial report was not sent to the donor as per deed of agreement.**

**Fact:**

As per deed of agreement "MRDI will submit financial reports to FANTA on a monthly basis." But on our verification we observe that financial report was not sent to the donor as per deed of agreement. Details are as follows:

Report to be sent as per agreement	Actually report sent	Variance
13	6	7

**Recommendation:** Management should comply with the Deed of Agreement and send the donor reports as soon as possible.

**Management Response:**

As per agreement MRDI had to submit financial reports to FANTA on a monthly basis to reimburse programme cost on a monthly basis. But to run program activities smoothly and on-time, both parties agreed to transfer the fund as per program requirements. It was also discussed that whenever FANTA will request for financial SFR, MRDI will provide accordingly.

Considering the above, MRDI provided it 6 financial reports as per requirement. There have been no objections from FANTA in this regard.

