

**PRIVATE & CONFIDENTIAL**

**AUDITORS' REPORT**

**AND**

**FINANCIAL STATEMENT**

**OF**

**PROJECT # 1**

**Transformation Center PROJECT**

**OF**

**SOCIETY FOR INTERNATIONAL MINISTRIES (SIM)  
BANGLADESH**

**FOR THE YEAR ENDED 30 JUNE 2021**

**SUBMITTED BY**

**ATA KHAN & CO.**

CHARTERED ACCOUNTANTS

67, Motijheel C/A, Dhaka-1000.

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**ATA KHAN & CO.**

Chartered Accountants

A PARTNERSHIP FIRM

.....since 1959

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**INDEPENDENT AUDITORS' REPORT  
TO  
THE COUNTRY DIRECTOR OF SOCIETY FOR INTERNATIONAL MINISTRIES (SIM)  
BANGLADESH**

**Report on the Financial Statements**

We have audited the financial statements of "Transformation center project" of Society for International Ministries (SIM) Bangladesh, which comprise Balance sheet as at 30 June 2021, Statement of Income & Expenditure, Statement of Receipts and Payments for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the Balance sheet of the "Transformation center project" of Society for International Ministries (SIM) Bangladesh as at 30 June 2021, and of its financial performance and its Receipts & Payments for the year then ended in accordance with international financial reporting standards and other applicable rules and regulation.

**Basis for opinion**

We conducted our audit in accordance with international Standards on Auditing. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Organization in accordance with the international ethics Standards board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

**Other Information:**

Management of SIM Bangladesh is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The executive committee is responsible for the other information.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management of SIM Bangladesh is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and other applicable rules and regulations 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.





In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process

### **Auditors' Responsibilities for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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





From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other Legal and Regulatory Requirements:**

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

Dated: Dhaka,  
16 September 2021

**ATA KHAN & CO.**  
Chartered Accountants



**Society for International Ministries (SIM) Bangladesh**  
**Transformation Center Project # 1**  
Balance Sheet  
As of 30.06.2021

Particulars	Notes	Amount in Taka	
		30.06.2021	30.06.2020
<b>Assets</b>			
Fixed assets	3.00	109,044	95,274
Cash & Bank Balance	4.00	2,196,045	425,602
		<b>2,305,090</b>	<b>520,876</b>
<b>Fund and Liabilities</b>			
Fund Account	6.00	2,081,955	(989,449)
Loan form Proj 2	6.01	-	1,328,723
Gratuity	7.00	223,135	181,602
		<b>2,305,090</b>	<b>520,876</b>

The accompanying notes form an integral part of these financial statements.

Director (Finance & Accounts )  
SIM Bangladesh

Director  
SIM Bangladesh

SIGNED AS PER OUR ANNEXED REPORT OF EVEN DATE.

Dated : Dhaka,  
16 September 2021

**ATA KHAN & CO.**  
Chartered Accountants



**Society for International Ministries (SIM) Bangladesh**  
**Transformation Center Project # 1**  
**Statement of Income & Expenditure**  
**For the year ended 30.06.2021**

Particulars	Notes	Amount in Taka	
		2020-2021	2019-2020
<b>Income</b>			
Foreign Donation Projects		8,588,085	3,546,855
Local Income Projects	8.00	58,770	176,798
		<b>8,646,855</b>	<b>3,723,653</b>
<b>Expenditure</b>			
Furniture & fixture repairing		47,654	50,060
Supplies	9.00	37,857	53,694
Curriculum		-	3,597
Salary and honorarium	10.00	3,795,350	3,768,955
Educational instrument		97,127	144,084
Office instrument		9,100	2,325
Training		14,898	19,931
Seminar/Conferences		5,265	111,131
Entertainment		60,599	99,818
Travelling Cost		40,657	38,025
Contingency	11.00	12,068	11,122
Accommodation (Office Institution)	12.00	983,965	948,950
Head Office Service Charges		-	-
Communication		27,871	20,931
Utility		57,167	54,843
Write Off		11,109	-
Depreciation		36,350	31,758
VAT & IT	05.00	201,461	200,505
Other Expense	13.00	136,954	246,995
<b>Total Expense</b>		<b>5,575,452</b>	<b>5,806,724</b>
<b>Surplus/(Deficit)</b>		<b>3,071,403</b>	<b>(2,083,070)</b>
		<b>8,646,855</b>	<b>3,723,653</b>

The accompanying notes form an integral part of these financial statements.



Director (Finance & Accounts )  
SIM Bangladesh



Director  
SIM Bangladesh

SIGNED AS PER OUR ANNEXED REPORT OF EVEN DATE.

Dated : Dhaka,  
16 September 2021



  
**ATA KHAN & CO.**  
Chartered Accountants

**Society for International Ministries (SIM) Bangladesh**  
**Transformation Center Project # 1**  
**Statement of Receipts & Payments**  
**For the year ended 30.06.2021**

Particulars	Notes	Amount in Taka	
		2020-2021	2019-2020
<b>Opening Balance:</b>			
Cash in Hand		106,852	50,671
Cash at Bank		318,750	1,070,729
		<b>425,602</b>	<b>1,121,400</b>
<b>Receipts</b>			
Foreign Donation		8,588,085	3,546,855
Local Income	8.00	58,770	176,798
Loan from Proj 2	6.01	-	1,328,723
Gratuity	7.00	72,530	65,792
		<b>8,719,385</b>	<b>5,118,168</b>
<b>Total Receipts</b>		<b>9,144,987</b>	<b>6,239,568</b>
<b>Payments</b>			
Furniture & fixture repairing		47,654	50,060
Equipment		61,229	39,000
Supplies	9.00	37,857	53,694
Curriculum		-	3,597
Salary and honorarium	10.00	3,795,350	3,768,955
Educational instrument		97,127	144,084
Office instrument		9,100	2,325
Training		14,898	19,931
Seminar/Conferences		5,265	111,131
Entertainment		60,599	99,818
Travelling Cost		40,657	38,025
Gratuity	7.00	30,997	
Accommodation (Office Institution)	12.00	983,965	948,950
Loan Refund to Proj 2		1,328,723	-
Communication		27,871	20,931
Utility		57,167	54,843
VAT	5.00	201,461	200,505
Other Expense	13.00	136,954	246,995
Contingency	11.00	12,068	11,122
<b>Total Payment</b>		<b>6,948,942</b>	<b>5,813,966</b>
<b>Closing Balance:</b>			
Cash in Hand		148,535	106,852
Cash at Bank		2,047,510	318,750
		<b>2,196,045</b>	<b>425,602</b>
<b>Total Payments</b>		<b>9,144,987</b>	<b>6,239,568</b>

The accompanying notes form an integral part of these financial statements.

  
**Director (Finance & Accounts )**  
**SIM Bangladesh**

  
**Director**  
**SIM Bangladesh**

SIGNED AS PER OUR ANNEXED REPORT OF EVEN DATE.

Dated : Dhaka,  
16 September 2021





**ATA KHAN & CO.**  
Chartered Accountants

**Society for International Ministries (SIM) Bangladesh  
Transformation Center Project (Project # 1)  
Notes to the Financial Statements  
As at and for the year ended 30 June 2021**

**01.00 Legal Status and Background of the NGO:**

**01.01 Legal Status:**

**Society for International Ministries (SIM), Bangladesh** a Non-Government voluntary organization is registered under the Foreign Donations (Voluntary Activities) Regulation ordinance 1978 vide registration No. DSW/FDO/R-105 dated 3 September 1981 with NGO affairs Bureau, Bangladesh.

**01.02 Background:**

SIM Bangladesh began their work in Bangladesh in 1958. They came with desire to assist in the overall uplift of the country through development works with people of any race or creed in the context of the community where they live. It seeks to build people's capacity to improve their quality of life physically, socially and morally, with the goal of helping people to become all that they were created to be.

**01.03 Project background and its activities:**

**i) Transformational Education Centers**

Based on our assessment of the overall needs in Bangladesh, human resource development continues to be one of the primary needs in the urban communities. Based on our working knowledge and field surveys of several Districts in Bangladesh, we believe that community education is one of critical ways in which human resource development can be provided to the urban communities. We envision setting up Transformational Education Centers (TEC) in several urban locations around Bangladesh. These centers will provide both formal and non-formal educational opportunities to community members. Based on our community surveys to date – we have identified Computer Training and Language Training as 2 educational needs in our target Districts. We anticipate that other training needs will be identified as we open the centers at each location. Training may be conducted at both our centre locations as well as community or government offices where the need for training is evident.

**ii) West Dhaka Urban Renewal Program**

Through our long association with Dhaka District we have become very familiar with the development needs of this urban area. The needs for the development of the community in Dhaka city are different from the development needs in other urban areas. We are proposing to start the West Dhaka Urban Renewal Program (WDURP) to help meet some of the development needs in West Dhaka. The Project aims to provide assistance, training and resource development in a variety of areas that will enable and encourage the further development of the West Dhaka. We will be opening a central office location in the West Dhaka community and then up to 1 branch location in another geographical area of greatest need.





#### **01.04 Area Director**

This person acts as the Chief Executive of SIM Bangladesh, and is responsible for all Projects of the NGO in this country, and is the legal representative of SIM International in Bangladesh. He is responsible for the overall direction and oversight of all the projects and programs of SIM Bangladesh. He needs to be experienced in development work, able to communicate with donors, interface with other SIM offices outside of Bangladesh, and liaise with government officials. He needs a good understanding of Bangladesh and its development issues. He has primary supervisory responsibility over the expatriates in SIM Bangladesh.

#### **01.05 Language and Cultural Advisor**

This person is responsible for providing linguistic and cultural advice, awareness and consultation as needed to all the projects and programs of SIM Bangladesh, as well as other individuals and organizations as time allows. A large part of his responsibility will be advising and assisting other expatriates in reaching their language and culture learning goals. This is a crucial support role that equips and enables the expatriates within SIM Bangladesh to be effective and efficient in reaching their programs goals.

#### **02.00 Significant Accounting Policies:**

- (a) The financial statements have been prepared on generally accepted accounting principles under historical cost convention.
- (b) Donor grants received are initially recorded as Income.
- (c) SIM Bangladesh only records fixed assets if they have a value when purchased or obtained of Ten thousand taka or more. Depreciation on fixed assets are charged on Reducing Balance Method.
- (d) Figures have been rounded off to nearest taka and previous year's figures have been rearranged whenever became necessary in conformity with current year presentation.



Notes	Particular	Amount in Taka	
		30.06.2021	30.06.2020
3.00	<b>Fixed assets</b>		
	Opening balance (Cost)	185,500	146,500
	Add: Addition during the year	61,229	39,000
	Adjust During the year	23,000	-
	<b>Closing Balance</b>	<b>223,729</b>	<b>185,500</b>
	Opening Balance (Accumulated Dep)	90,226	58,469
	Less: Depreciation charged for the year	36,350	31,757
	Adjust During the year	11,891	-
	<b>Closing balance</b>	<b>114,685</b>	<b>90,226</b>
	<b>Written Down Value</b>	<b>109,044</b>	<b>95,274</b>
4.00	<b>Cash &amp; Bank Balance</b>		
	Cash in hand	148,535	106,852
	Cash at bank	2,047,510	318,750
		<b>2,196,045</b>	<b>425,602</b>
4.01	<b>Cash In hand</b>		
	TCW/URP	9,197	4,540
	TCF/TEC	7,302	-
	TCC/E4S	-	43
	TCE/UNE	34,539	17,117
	TCS/Savar	36,829	9,444
	MCC	168	15,208
	TCE/UNE Security Diposit	26,000	26,000
	MCC Security Diposit	34,500	34,500
		<b>148,535</b>	<b>106,852</b>
4.02	<b>Cash at Bank</b>		
Details Shown in below:			
Location	Name of the Bank & A/C No.	Cash in Bank Taka	Cash in Bank Taka
Dhamondi	ABBL Ltd (Mother account) 4021-639699-000	906,490	-
Faridpur	Dutch Bangla Bank Ltd. 189-110-0005402	41,752	57,787
Dhaka	AB Bank Ltd. 4021-595024-000	876,620	85,984
Pragati Sarani	AB Bank Ltd. 4028-770176-430	21,380	138,813
Rajshahi	AB Bank Ltd.	201,269	36,166
	<b>Total</b>	<b>2,047,510</b>	<b>318,750</b>



Notes	Particular	Amount in Taka	
		30.06.2021	30.06.2020
<b>5.00 VAT &amp; IT</b>			
	TNWDC/ URP	72,661	67,800
	TCF/TEC	-	11,900
	TCC/E4S	3,600	22,505
	TCE/UNE	84,800	67,900
	TCS/ Savar	12,000	12,000
	MCC	28,400	18,400
		<b>201,461</b>	<b>200,505</b>
<b>6.00 Fund Account</b>			
	Opening balance	(989,449)	1,093,621
	Surplus / (Deficit) during the year	3,071,403	(2,083,070)
		<b>2,081,955</b>	<b>(989,449)</b>
<b>6.01 Loan From Project - 2</b>			
	Opening balance	1,328,723	-
	Add: Addition during the year	-	1,328,723
		<b>1,328,723</b>	<b>1,328,723</b>
	Less: Adjustment During the year	1,328,723	-
	Closing balance	-	<b>1,328,723</b>
<b>7.00 Gratuity</b>			
	Opening Balance	181,602	115,810
	Received	72,530	65,792
		<b>254,132</b>	<b>181,602</b>
	Payment	30,997	-
	Closing balance	<b>223,135</b>	<b>181,602</b>
<b>8.00 Local Income</b>			
	TCS	14,000	24,500
	TEC/TCF	3,000	39,590
	E4S/TCC	-	66,040
	URP/TCW	34,360	27,505
	UNE/TCE	7,410	2,698
	MCC	-	16,465
	<b>Total</b>	<b>58,770</b>	<b>176,798</b>
<b>9.00 Supplies</b>			
	URP- Stationary	2,430	6,149
	TEC-Stationary	-	1,240
	E4S -Stationary	280	1,935
	UNE-Stationary	1,600	-
	Savar TC-Stationary	1,032	1,270
	MCC-Stationary	7,526	23,132
	URP-photocopy	3,492	4,625
	UNE- photocopy	1,478	4,642
	E4S- photocopy	-	202
	Savar TC-photocopy	1,883	240
	TC-F photocopy	-	3,892
	MCC photocopy	6,742	2,789
	URP Other Consumables Store	2,830	-
	UNE Other Consumables store	2,064	-
	Savar TC Consumables Store	6,500	3,578
	<b>Total</b>	<b>37,857</b>	<b>53,694</b>



Notes	Particular	Amount in Taka	
		30.06.2021	30.06.2020
10.00	Salary and honorarium		
	URP-Pay of Project Personnel (Local)	1,950,421	1,752,037
	URP-All Allowances of Project Personnel	85,551	93,307
	TEC	-	10,000
	E4S	51,500	111,486
	UNE -Pay of Project Personnel (Local)	583,933	679,907
	UNE-All Allowances of Project Personnel	167,166	176,068
	Savar TC	531,700	488,400
	MCC	425,079	457,750
	<b>Total</b>	<b>3,795,350</b>	<b>3,768,955</b>
11.00	Contingency		
	Gift, Scholarship & Awareness	12,068	11,122
	<b>Total</b>	<b>12,068</b>	<b>11,122</b>
12.00	Accommodation		
	URP	339,965	342,450
	TEC	-	42,500
	E4S	18,000	72,000
	UNE	424,000	340,000
	Savar TC	60,000	60,000
	MCC	142,000	92,000
	<b>Total</b>	<b>983,965</b>	<b>948,950</b>
13.00	Other Expense		
	Other supplies and services	125,979	228,429
	Bank charges	7,555	7,648
	Medical	3,170	10,618
	Consultancy	250	300
	<b>Total</b>	<b>136,954</b>	<b>246,995</b>



**Society for International Ministries (SIM) Bangladesh**  
**Transformation Center Project # 1**  
Fixed Asset Schedule  
As on 30 June 2021

Particulars	COST			DEPRECIATION			Written Down Value as on 30.06.2021
	Balance as on 01.07.2020	Add. During the year	Adjust During the year	Balance as on 01.07.2020	Charged for the year	Adjust During the year	
Computer (URP)	41,000	-	-	23,704	4,324	-	12,972
Computer (URP)	41,000	-	-	23,704	4,324	-	28,028
Refrigerator (URP)	13,000	-	13,000	7,516	-	7,516	28,028
Laptop (UNE)	21,500	-	-	12,430	2,268	-	-
AC (UNE)	20,000	-	-	8,750	2,813	-	14,697
Printer (UNE)	10,000	-	10,000	4,375	-	4,375	11,563
Sofa Set (UNE)	14,000	-	-	3,500	2,625	-	-
IPS (MCC)	25,000	-	-	6,250	4,688	-	6,125
Sewing Machine (URP)	-	29,200	-	-	7,300	-	10,938
Epson Printer (URP)	-	18,000	-	-	4,500	-	14,063
Chair (URP)	-	14,029	-	-	3,507	-	10,900
Total	185,500	61,229	23,000	90,228	36,350	11,891	4,500
							3,507
							10,522
							109,044

As on 30 June 2020

Particulars	COST			DEPRECIATION			Written Down Value as on 30.06.2020
	Balance as on 01.07.2019	Add. During the year	Adjust During the year	Balance as on 01.07.2019	Charged for the year	Adjust During the year	
Computer (URP)	41,000	-	-	17,938	5,766	-	17,297
Computer (URP)	41,000	-	-	17,938	5,766	-	23,704
Refrigerator (URP)	13,000	-	-	5,688	1,828	-	23,704
Laptop (UNE)	21,500	-	-	9,406	3,024	-	7,516
AC (UNE)	20,000	-	-	5,000	3,750	-	12,430
Printer (UNE)	10,000	-	-	2,500	1,875	-	8,750
Sofa Set (UNE)	-	14,000	-	-	3,500	-	4,375
IPS (MCC)	-	25,000	-	-	6,250	-	4,375
Total	146,500	39,000	-	58,470	31,758	-	3,500
							6,250
							6,250
							90,228
							95,273

**Form FD – 4**  
Auditors Certificate

We have audited the Accounts of the “Transformation Center Project” Project No. 1 of Society for International Ministries (SIM)-Bangladesh for the year ended 30 June 2021 Registered under Foreign Donation (Voluntary Activities) Regulation Ordinance 1978 vide Registration No. DSW/FDO/R – 105 Dated 3 September 1981 and examined all relevant books and vouchers on test basis and certify that according to the audited accounts.

1. The brought forward Foreign Donation at the beginning of the year was **Tk. 425,602**
2. The Foreign Donation amounting to **Tk. 8,588,085** was received by the project during the year.
3. The Balance of unutilized Foreign Donation of the Project was **Tk. 2,196,045**
4. Foreign Donation amounting to **Tk. 6,817,641** have been utilized for the following purposes.

Head of expenditure	Amount as per approved budget	Amount Actually Spent	Difference if any
As per Approved Budget of the program (Annexure A/1)	<b>10,055,518</b>	<b>6,817,641</b>	<b>3,237,876</b>
<b>Total</b>	<b>10,055,518</b>	<b>6,817,641</b>	<b>3,237,876</b>

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

*ata Khan*

Dated: Dhaka,  
16 September 2021

Signature of the Chartered Accountant  
Name: Maqbul Ahmed  
Address: 67, Motijheel C/A.  
Enlistment Number-19  
Date: 16.01.2021



**TRANSFORMATION CENTER PROJECT**  
Details of Estimated Cost of the Project  
Cost in Bangladesh Taka  
Financial Year-3

Head of Expenditure				Total
(i) Civil Construction, If any	:			Nil
(ii) Other material inputs including Furniture and Fixtures	:			Nil
(iii) Personnel	:	Number	Man Month	
		28	336	3,795,350
(a) Chief Executive(Please Specify: Whether Foreign Or Local)	:			
(b) Other Managerial	:			
(i) Foreign	:	06	72	
(ii) Local	:	02	24	
(c) Skilled	:			
(i) Foreign	:	03	36	
(iii) Local	:	14	168	
(d) Unskilled	:	03	36	
Total (a+b+c)	:	28	336	
(iv) Consultants	:			
(a) Foreign	:	Nil		
(b) Local	:	Nil		
Total (a+b)	:	Nil		
(v) Revolving loan fund	:			Nil
(vi) Training	:			14,898
Field duration				
Number of Trainees				
(vii) Seminar/Workshop/Conferences	:			5,265
(viii) Office Accommodation	:			983,965

**Cost in Bangladesh Taka  
Financial Year-3**

(ix)	Office equipment	:	61,229
(x)	Vehicles (Details of office equipment and vehicles are to be given in the format at Annexure-B)	:	Nil
(xi)	Travelling allowances and daily allowances (TA & DA) for Consultant and project personnel)	:	40,657
(xii)	Custom duty/VAT and Sales Tax (CDST)	:	201,461
(xiii)	Head Office and Branch Office's expenses charged, if any on this project (Please specify item-wise)	:	Nil
(xiv)	Contingency	:	12,068
(xv)	Others	:	136,954

N. B: Others figures are as per annexure A/1 other than the figure mentioning above)





**Society For International Ministries**

Transformation Centre Project # 1

Date of Govt. Approval of Memo No. 03.07.2666.665.68.231.20-1374

Date of Govt. Approval of Memo No. 03.07.2666.665.68.231.20-729

Accounts for the Year ended 30.06.2021

Dated: 26-11-2020

Dated: 27-06-2021

Particulars	Main Code	Sub Code	TNWD/URP	TCF/TEC	TCC/EAS	TCE/UNE	TCS/Savar	MCC	Amount Actually Spent	Amount As Per Budget	Variance in amount	Vari. %	Reason for variance
<b>Pay &amp; Allowances</b>	<b>01</b>												
Pay of Project Personnel (Local)		1	1,950,421	-	51,500	583,933	531,700	425,079	3,542,633	4,947,078	1,404,445	28%	Minor Variance
All Allowances of Project Personnel		6	85,551	-	-	167,166	-	-	252,717	786,288	533,571	68%	Less Required
<b>Supplies and Services</b>	<b>02</b>												
Travel		1	18,375	2,105	-	12,097	2,490	5,590	40,657	88,446	47,789	54%	Mid Variance
Rent Office		3	339,965	-	18,000	424,000	60,000	142,000	983,965	1,579,022	595,057	38%	Minor Variance
Water		6	4,000	-	-	-	6,000	-	10,000	11,085	1,085	10%	Minor Variance
Electricity		7	10,292	-	1,156	10,186	2,000	608	24,242	55,821	31,579	57%	Mid Variance
Gas, cooking fuel		8	10,725	-	-	-	11,700	-	22,925	48,571	25,646	53%	Mid Variance
Research/Survey Expenses		10	-	-	-	-	-	-	-	12,695	12,695	100%	Not Used
Books and Periodicals		11	85	-	-	5,804	-	-	5,889	62,000	56,111	91%	Less Required
Advertising and publicity		13	-	-	-	-	-	-	-	23,520	23,520	100%	Not Used
Stationery, Seals and Stamps		15	2,430	-	280	1,600	1,032	7,526	12,868	110,044	97,176	88%	Less Required
Printing and Binding		16	320	-	500	-	-	-	820	9,500	8,680	91%	Less Required
Entertainment Expenses		17	12,424	-	-	7,707	420	11,306	31,857	110,695	78,838	71%	Less Required
Copying Charges		22	3,492	-	-	1,478	1,883	6,742	13,595	33,445	19,850	59%	Mid Variance
Computer Consumables		23	7,000	2,100	-	-	-	-	9,100	26,811	17,711	66%	Less Required
Functions/Ceremonies		24	-	-	-	-	-	28,742	28,742	67,100	38,358	57%	Mid Variance
Consumable Stores		26	2,830	-	-	2,064	6,500	-	11,394	20,085	8,691	43%	Mid Variance
Insurance/Bank Charges		28	2,846	1,035	-	2,776	-	898	7,555	17,100	9,545	56%	Mid Variance
Postage/Courier/Parcel		29	745	60	100	-	-	750	1,655	6,600	4,945	75%	Less Required
Telephone/Telegram/Teletypewriter		30	8,938	-	110	2,950	-	518	12,516	30,985	18,469	60%	Mid Variance
Telex/Fax/Internet		31	6,400	-	-	7,300	-	-	13,700	17,340	3,640	21%	Minor Variance
Custom Duty/VAT		34	72,661	-	3,600	84,800	12,000	28,400	201,461	307,000	105,539	34%	Minor Variance
Freight and Transport Charges		39	-	-	-	-	-	-	-	23,000	23,000	100%	Not Used
Education Materials		41	50,700	2,084	-	19,474	10,890	7,270	90,418	246,617	156,199	63%	Mid Variance
Scholarship/Stipend		42	-	-	-	-	-	1,200	1,200	5,500	4,300	78%	Less Required
Gift/Quibar/Subsistence		43	-	-	-	-	-	-	-	18,838	18,838	100%	Not Used
Awareness/Motivational/Sensitization Advocacy		47	-	-	-	10,868	-	-	10,868	90,500	79,632	88%	Less Required
Seminar/Conference Expenses		48	-	-	-	5,265	-	-	5,265	140,000	134,735	96%	Less Required
Training/TOI/Refreshes Expenses		49	10,231	-	-	-	-	4,667	14,898	63,238	48,340	76%	Less Required

Particulars	Main Code	Sub Code	TNWD/URP	TCF/TEC	TCC/E4S	TCE/UNE	TCS/ Savar	MCC	Amount Actually Spent	Amount As Per Budget	Variance in amount	Vari. %	Reason for variance
Raw Materials and Spares		50	-	-	-	-	-	-	-	7,695	7,695	100%	Not Used
Seeds and Plants		51	-	-	-	-	-	-	-	200	200	100%	Not Used
Vaccine and Medicines		59	-	-	-	2,820	-	-	2,820	5,000	2,180	44%	Mid Variance
Medical Expenses		61	350	-	-	-	-	-	350	28,000	27,650	99%	Less Required
Consultance (Doctor, Physiotherapy etc.)		65	250	-	-	-	-	-	250	6,200	5,950	96%	Less Required
Provisions and Foodstuff procurement		67	-	-	-	-	-	-	-	11,000	11,000	100%	Not Used
Other supplies and services		68	66,567	4,349	1,660	47,221	-	6,182	125,979	420,395	294,416	70%	Less Required
<b>Repairs, Maintenance &amp; Rehabilitation</b>	<b>03</b>												
Furniture and Fixture repairs		4	6,045	-	-	-	-	-	12,545	22,000	9,455	43%	Mid Variance
School Building repairs		7	3,500	-	-	6,500	-	4,269	7,769	10,000	2,231	22%	Minor Variance
Computer and Office Equipment repairs		11	8,300	-	-	11,440	-	-	19,740	53,200	33,460	63%	Mid Variance
Machineries and Equipment		12	-	-	-	-	-	-	-	10,000	10,000	100%	Not Used
Other		18	2,500	-	-	3,000	-	2,100	7,600	19,405	11,805	61%	Mid Variance
<b>Capital Expenditure</b>	<b>04</b>												
Other Building		6	-	-	-	-	-	-	-	10,000	10,000	100%	Not Used
Machinery and other equipment (Medical)		12	29,200	-	-	-	-	-	29,200	110,000	80,800	73%	Less Required
Computer Softwares		14	-	-	-	-	-	-	-	54,000	54,000	100%	Not Used
Office equipment		15	32,029	-	-	-	-	-	32,029	250,000	217,971	87%	Less Required
Electrical Installation		35	-	-	-	-	-	-	-	15,000	15,000	100%	Not Used
Others		36	-	-	-	-	-	-	-	64,500	64,500	100%	Not Used
<b>Sub Total</b>			<b>2,749,172</b>	<b>11,733</b>	<b>77,406</b>	<b>1,420,449</b>	<b>646,615</b>	<b>683,847</b>	<b>5,589,222</b>	<b>10,055,518</b>	<b>4,466,297</b>	<b>100%</b>	<b>Not Used</b>
Add: Gratuity Payment			-	-	-	-	-	-	30,997	-	-	-	-
Add: Loan Refund			-	-	-	-	-	-	1,328,723	-	-	-	-
<b>Total Expenditure</b>			<b>2,749,172</b>	<b>11,733</b>	<b>77,406</b>	<b>1,420,449</b>	<b>646,615</b>	<b>683,847</b>	<b>6,948,942</b>	<b>10,055,518</b>	<b>4,466,297</b>		
Less: Local Income			34,360	3,000	-	7,410	14,000	-	58,770	-	-	-	-
Less: Gratuity Received			-	-	-	-	-	-	72,530	-	-	-	-
<b>Expenses of F. Donation</b>			<b>2,714,812</b>	<b>8,733</b>	<b>77,406</b>	<b>1,413,039</b>	<b>632,615</b>	<b>683,847</b>	<b>6,817,641</b>	<b>10,055,518</b>	<b>3,237,877</b>		



**Society for International Ministries (SIM) Bangladesh  
Transformation Center Project (Project-1)  
Utilization of Foreign Donation and Local Receipts  
For the year ended 30 June 2021**

Particulars	Foreign Donation	Local Receipt	Total (Taka)
Balance brought forward from 01 July 2020	425,602	-	425,602
Add: Received during the year	8,588,085	131,300	8,719,385
	<b>9,013,687</b>	<b>131,300</b>	<b>9,144,987</b>
Less: Payments for the year	6,817,641	131,300	6,948,942
<b>Unutilized Balance as on 30 June 2021</b>	<b>2,196,045</b>	-	<b>2,196,045</b>



**Auditor's Comments as per the Terms of Reference (TOR) issued by the NGO Affairs Bureau, Government of the People's Republic of Bangladesh**

**Name of Organization: Society for International Ministries (SIM) – Bangladesh**  
**Name of the Project : Transformation Center Project (Project # 1)**

**Condition -1: Requirement-**

CA firm should maintain highest responsibility and impartial role in case of audit of NGOs.

**Observation and Comments:**

We have conducted the audit with due responsibility and kept ourselves fully independent while conducting the audit. We have also complied with the terms and conditions of the audit.

**Condition-2: Requirement-**

At the time of audit of accounts of NGOs each Firm will see if the following rules have been followed while implementing projects and the auditors will report accordingly:

- ❖ The Foreign Donations (Voluntary Activities) Regulation Ordinance, 1978;
- ❖ The Foreign Donations (Voluntary Activities) Regulation Rules 1978;
- ❖ The Foreign Contributions (Regulation) Ordinance 1982; and
- ❖ The Rules as per Circular No. 07.070.022.03.00.013.2010-90(500) dated 12-04-2012 issued by the Prime Minister's Office; and
- ❖ Project approval related FD-6, FD-7, FD-8 or FC-1 (where purpose and vision of the Project and detailed Head of Budget is mentioned); and
- ❖ Whether the Project has been implemented as per terms of the Project Approval Letter.

**Observation and Comments:**

From our verification, we observed that the SIM Bangladesh has complied with rules and regulations and procedures mentioned as above. SIM Bangladesh has also implemented the project and incurred expenses properly as per terms of approval of the FD-6, FD-7 or FC-1.

**Condition-3: Requirement-**

The CA Firm will have to submit along with audit report, the Audit Certificate as per the Bureau approved Form FD-4 and Annexure A-1 annexed there to regarding foreign donation receipts and expenditure. In FD-4 all information regarding foreign donation will be on cash basis, not on accrual basis. That means, no amount relating to foreign donation can be shown as negative or receivable. While writing the difference between approved budget as per FD-4, and actual expenditure total amount will have to be mentioned. In Annexure A/1 details of all these, i.e. head wise approved budget, actual expenditure, variance in terms of percentage and reason for variance will have to be described. Head/Sub-Head described in Annexure A/1 and budget against it shall be as per approved project (Annexure-C).



**Observation and Comments:**

Format FD-4 & Annexure-A/1 as prescribed by Bureau in respect of foreign donations are enclosed herewith Expenditure was incurred for the purpose of the project as mentioned in FD-6.

**Condition-4: Requirement-**

Separate audit report will have to be prepared for each project and the report shall be on the basis of project year (maximum for a period of 12 months). If there is any local income/donation in the project that has to be shown separately in separate column.

**Observation and Comments:**

Separate audit report is prepared for each project and the report is based on project year. The project accounts cover a period of 12 months from 1 July 2020 to 30 June 2021. Local income earned/donations received during the year have been shown separately.

**Condition-5: Requirement**

Mission, vision, objects of the project and main program and correct information about following matters will have to be mentioned in explained column:

01	Name of the project	:	Transformation Center Project		
02	Total period of the project	:	5 years (01 July 2017 to 30 June 2022).		
03	Number and date of the project approval memo	:	03.09.0000.666.68.069.17-381 Dated :24/09/2017 03.09.0000.666.68.069.17-21 Dated: 26/11/2019		
04	Number, date and amount of the & fund releasing memo	:	03.07.2666.665.68.231.20-1374 Dated: 26/11/2020		
05	(giving details of installments)	:	TAKA: 46,48,660 03.07.2666.665.68.231.20-729 Dated: 27/06/2021 TAKA: 46,48,660		
06	Amount of foreign donation received	:	85,88,085		
07	Whether the foreign donation amount was received in mother account before release of fund	:	N/A		
08	Audit year (project year)	:	Year ended 30 June 2021.		
09	Project area (District, Upazilla):	:	Sl. No	Name of Districts	Name of Upazilla
			i.	Dhaka	Mohammadpur , Vatara, Savar
			ii.	Cumilla	Sadar
			iii.	Faridpur	Sadar, Charvodrason, Nagarkanda.
			iv.	Rajshahi	Sadar
10	Number of beneficiaries	:	2430		
11	Date of appointment of audit firm for conducting audit	:	10 June 2021		

## **Observation and Comments:**

### **Goal, object and main Programs:**

The overall objective of this Project is the development of community people, through which SIM as an NGO aims to assist the Government in meeting its objectives as set out in the document, 'Unlocking the Potential: A National Strategy for Accelerated Poverty Reduction.' (October 2005). This states that 'the principal goal of the Bangladesh Government's economic policy is to reduce poverty so as to gradually lift the vast majority of the people above the poverty line and improve the quality of life for the average citizen.' (1.1) The program and personnel of the Community Resources Development Project have been developed to assist the Government of Bangladesh in meeting this overall objective of poverty reduction and improved quality of life for all of the citizens of Bangladesh.

In addition to the specific program objectives mentioned in this section, SIM Bangladesh seeks to enter informal, mutually supportive relationships with other organizations and people involved in the development of Bangladesh. This project seeks to encourage and assist other organizations by providing technical services according to the specialized knowledge, skills, qualifications and credentials of our personnel.

### **I. Transformational Education Centers**

The main objective of the Transformational Education Centre's (TECs) is to provide assistance, training and resource development in a variety of areas that will enable and encourage the further development of several urban communities. The TECs will empower people with skills and knowledge in the present in order to give them greater access to productive employment opportunities in the future.

#### **Specific program objectives of the TECs include the following:**

- Providing greater access to high quality relevant adult education to those living in our target communities who have the necessary ability but may lack the financial resources to obtain training at the more expensive private training institutes.
- To provide basic training in computer skills relating to the areas of word processing, spreadsheets, and databases. Particular emphasis will be given to both theoretical & 'hands on' approach to training.
- To provide additional specialized training in particular computer related areas such as Computer Aided Design, Desktop Publishing, E-commerce, Website Design and Programming Languages currently being used in the industry.
- To provide training in the area of foreign language development by native language speakers. An emphasis will be given to develop practical speaking ability in the various trade languages applicable to Bangladesh including English, Chinese, Korean, Arabic and other languages as appropriate.



to provide site specific training courses in other areas such as secretarial skills, tailoring, business start-up skills, adult literacy, teacher training and electronics and house wiring.

- To promote the development of staff and students in technical, personal, and moral areas. This will include the formation of site-specific support groups for staff and community members in a wide variety of interest areas and need.
- To provide other relevant training through occasional seminars that will allow participants to enhance their skills in the job market both at home and abroad.
- To conduct a variety of short-term camps for our community participants. These camps will focus on the needs of the community youth for development in sports and music. These camps will focus on the needs of community women and families, such as those with physical or mental disabilities.
- To maintain contact with former students to aid in their further development in regards to small business finances/accounting, family life, adult education, and various personal needs.

## **II. West Dhaka Urban Renewal Program**

This Project aims to provide assistance, training and resource development in a variety of areas that will enable and encourage the further development of West Dhaka. Our objective is to improve the livability of West Dhaka by the implementation of a variety of community based activities. These activities will provide for the development of human resources in a variety of areas.

Specific program objectives for human resource development within West Dhaka include the following:

- Provide for the development and uplift of community residents through both men's and women's Adult Literacy Groups.
- Provide for improved health care delivery to community residents through Primary Health Care Centers and Training.
- Provide for improved access to clean water, proper sanitation, adequate nutrition and assistance with special needs through the training and support of Community Health and Support Groups.
- Provide for improved quality of life and freedom from chronic pain for those needing Physiotherapy and Occupational Therapy assistance in our target areas.
- Providing a second chance to those West Dhaka children who have either not enrolled or dropped out of primary school through our Single Class Primary Schools in the community.
- Encouraging the educational, physical and moral development of the children in our target areas through community based Children's Coaching Centers.





### Condition-6: Requirement-

Balance Sheet, Income & Expenditure Account and Receipts & Payments Account will be part of audit report and these will bear signature of the authority of the NGO. If at any particular case balance sheet is not required, reason for such non requirements will have to be explained. Whether Receipts and Payments Account has been prepared as per head of accounts maintained in the ledger book of the NGO is to be ensured. In the head of accounts (i.e. contingencies and others) where total expenditure has been shown, break up is to be attached in the notes.

### Observation and Comments:

Balance sheet, Income & Expenditure Account and Receipts and Payments Account have been incorporated in audit report. Receipts and Payments Account has been prepared in conformity with the head of accounts maintained in the ledger book of the NGO. Break-up of the gross expenditure is given below:

### Contingencies:

There are no expenses incurred on contingency in this year.

### Other expenses:

Sl. No.	Particulars	Amount (Taka)
(1)	Other supplies and services	125,979
(2)	Bank charges	7,555
(3)	Medical	3,170
(4)	Consultancy	250
	<b>Total</b>	<b>136,954</b>

### Condition-7: Requirement-

Each page of NGO's audit report page number should be given. Initial of competent authority of the CA Firm and common seal should be given on each page. However full signature of the auditor should be given on Auditors' Report, Balance Sheet, Account Statement, FD-4 Certificate and on report as per TOR. Below the full signature full name of the FCA/ACA with designation should be written. In the audit reports of NGOs following sequence should be maintained:

#### First Part:

- Certificate of the auditor mentioning scope, opinion etc.
- Balance Sheet
- Income & Expenditure Account/Statement
- Receipts & Payments Account/Statement
- Notes to Financial Statements
- Schedule/Appendix/Other Statements







**Second Part:**

- FD-4 Certificate
- Annexure A/1
- Notes to FD-4 (if any)
- TOR of NGO Bureau. Report is to be submitted as per Requirements of TOR (Conditions of TOR are to be followed exactly).

**Observation and Comments:**

Each page of the NGO audit report contains page number, initial of authorized person of CA firm and common seal and Auditor's certificate, balance sheet, accounts statements, FD-4 certificate and report as per TOR contain full signature of the Auditor. Moreover, NGO audit reports have the above-mentioned sequence.

**Condition-8: Requirement-**

In case of multi-years project, if audit was conducted in previous year, if so, if audit report was sent to NGO Bureau is to be mentioned in the audit report. If audit was done in previous year and if report was sent to the Bureau is to be mentioned, in case of continuous project, i.e. if the project was continuing in previous year in same name/in same nature.

**Observation and Comments:**

We confirm that we have not carried-out the audit continuously for more than 5 years of this project.

**Condition-9: Requirement-**

After completion of audit one copy (original copy) of audit report in sealed envelope should be sent directly to Deputy Director (Inspection & Audit) NGO Affairs Bureau Dhaka.

**Observation and Comments:**

One copy of audit report in sealed envelope sent directly to Deputy Director (Inspection & Audit) NGO Affairs Bureau Dhaka.

**Condition-10: Requirement-**

Mention the first registration date, registration number and renewal date of the NGO with NGO Affairs Bureau.

**Observation and Comments:**

The registration number of SIM Bangladesh with NGO Affairs Bureau is 105. The first registration was on 03.09.1981 and renewed on **16.01.2020**.



**Condition-11: Requirement-**

Whether NGO has complied clause 7 of Foreign Donation (voluntary Activities) Regulation Rules, 1978 in regard to foreign donation received through a single Bank Account. If foreign money has been received in more than one Bank Account, mention related Bank name, and Account Number & donation amount.

**Observation and Comments:**

The NGO has received all foreign donations through a single Bank Account.

**Condition-12: Requirement-**

Mention the NGO Bureau approved bank account (mother account) number, bank name, branch name, amount of donation with date & donor name for the related project year. Mention project bank account number, bank name, branch name, amount of bank balance. Mention whether bank reconciliation of mother bank account & project bank account has been done and found correct.

**Comments:**

Details of approved bank account by NGO Affairs Bureau to receive foreign donations:

Amount of donation with Date: 14 February 2021	:	Taka 4,642,435.00
Date: 30 June 2021	:	Taka 3,945,650.00
Amount of Bank Balance	:	Taka 2,047,510.00
Name of the Bank (Mother account)	:	AB Bank Ltd
Bank Branch	:	Dhanmondi Branch
Bank Account No.	:	4021-639699-000
Amount of Bank Balance	:	Taka 906,490.00
Name of the Bank (Project Accounts)	:	AB Bank Ltd
Bank Branch	:	Dhanmondi Branch
Bank Account No.	:	4021-595024-000
Amount of Bank Balance	:	Taka 876,620.00
Name of the Bank (Project Accounts)	:	AB Bank Ltd
Bank Branch	:	Pragati Sarani Branch
Bank Account No.	:	4028-770176-430
Amount of Bank Balance	:	Taka 21,380.00
Name of the Bank (Project Accounts)	:	Dutch Bangla Bank Ltd
Bank Branch	:	Faridpur Branch
Bank Account No.	:	189110000-5402
Amount of Bank Balance	:	Taka 41,752.00

Name of the Bank : AB Bank Ltd  
(Project Accounts)  
Bank Branch : Rajshahi Branch  
Bank Account No. : 4202-778366-300  
Amount of Bank Balance : Taka 201,269.00

Name Of The Donor	: SIM International USA
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**Condition-13: Requirement-**

Details of goods in kind (if any received by NGO) shall be mentioned in FD-4 separately or cumulatively with proper valuation & submission of statement of its uses & balances as per FD-5.

**Comments:**

As reported by Concern SIM Bangladesh no Donation in the form of goods were received during the period under audit.

**Condition-14: Requirement-**

Separately mention the bank interest earned/exchange gain received on donation in accounts statement and mention NGO Affairs Bureau approval for its utilization.

**Comments:**

The Organization has not received interest/exchange gain on foreign donation amount.

**Condition-15: Requirement-**

Mention whether NGO has followed section 6 of Foreign Donations (Voluntary Activities) Regulation Rules, 1978 to maintain double entry system of accounting in regard to cashbook/bankbook, ledger book, stock register, asset register & other register.

**Comments:**

The accounts of SIM Bangladesh are maintained under double entry system of book-keeping and ledger book and other registers have been maintained properly for "Transformation Center Project". And they have followed all required conditions of section 6 of the Foreign Donations (Voluntary Activities) Regulation Rules, 1978 in the above matter.

**Condition-16: Requirement-**

Mention whether NGO has for Foreign Aided Project (with previous project) maintains separate or consolidated accounts for Revolving Loan Fund (RLF) for on going and completed project and whether get the separate accounts audited independently. If the NGO not maintained separate set of accounts for consolidated RLF by the foreign donation money, the received service charge shall be mentioned as income from the loan disbursed from project.



**Comments:**

The project has no revolving loan fund.

**Condition-17: Requirement-**

Mention whether NGO has obtained certificate from Micro Credit Regulatory Authority for implementing micro credit program from the foreign donation money.

**Comments:**

Not applicable.

**Condition-18: Requirement-**

Mention whether NGO has incurred any expenditure in foreign currency, if yes, mention details.

**Comments:**

No expenditure was made in foreign currency by the organization out of the receipt of foreign donation of the project during the period under audit.

**Condition-19: Requirement-**

Whether excess expenditure over budget has been incurred or adjusted with other budget line items or unapproved budget line items adjustments with approved budget line. If yes, mentioned the details of the purpose of making the excess expenditure with reason.

**Comments:**

Budget variance with comments has been given in Annexure-A/1 enclosed with the report.

**Condition-20: Requirement-**

The salaries and allowances of officer/staff and any other expenses above Taka 10,000 are to be paid by bank cheque and bank transfer as per instruction in relevant circular. If the NGO has non-compliance with that and paid in cash, that should be mentioned in the report.

**Comments:**

The salaries and allowances of officer/staff of the organisation are made through bank transfer and expenses above Taka 10,000 are paid through bank transfer by SIM Bangladesh.

**Condition-21: Requirement-**

Given the detail information about the sources of the loan if, money has been borrowed to implement the project activities and concern approval of the executive committee of NGO.

**Comments:**

Not applicable.



**Condition-22: Requirement-**

Whether any member of General Committee or Executive Committee has received salary allowances & honorarium in any form, if yes, give the details with Executive Committee approval. Mention the details of the full/part salary-allowances/honorarium received from the project/other projects by the Executive Head of the Audited Project.

**Comments:**

No salary-allowances/honorarium has been paid out to the member of the General Committee and Executive Committee during the Audit Period.

**Condition-23: Requirement-**

Mention whether the Internal Control System of the NGO is satisfactory.

**Comments:**

During our verification we observed that including the following policies/requirements Internal Control System of SIM Bangladesh is satisfactory.

1. Accounting Policy
2. Procurement/Purchase Policy
3. Asset Management Policy

**Condition-24: Requirement-**

Whether any money was refunded to the Donor Agency, if refunded whether NGO Bureau approval was taken, details are to be given.

**Comments:**

No money was refunded to the donor during the period under audit.

**Condition-25: Requirement-**

Mention whether of Revenue Stamp has been used and VAT/Tax has been deducted from bill/vouchers in appropriate cases and the same has been deposited into Government Treasury as per law of the country/Government Rules & Regulations. Mention, separately the deposited figure of VAT/Tax to Government Treasury

**Comments:**

Revenue Stamp has been used & tax has been deducted from bill/vouchers in appropriate cases. During the year VAT and Tax Taka 201,461.00 has been deducted and deposited into Government Treasury as per law of the country/Governments rules and regulations.

Sl. No	Head of expenses according to annexure-A/1(with subtitle)	Amount of expense (Taka)	Deductible amount		Deducted Amount		Deposited amount in Govt. Treasury (Taka)			Outstanding amount (Taka)		Treasury/ Mushok Challan No. & Date
			4	5	6	7	8	9	10	11		
		3	VAT	IT	VAT	IT	VAT	IT	VAT	IT		
2											12	
1	Rent (TCW) July-2020	30,000	4,500	-	4,500	-	4,500	4,500	-	-	Ch. 54 Date: 24-08-2020	
2	Rent (TCW) August-September-2020	43,500	6,525	-	6,525	-	6,525	6,525	-	-	Ch. 65 Date: 14-10-2020	
3	Rent (TCW) October-2020	26,500	3,975	-	3,975	-	3,975	3,975	-	-	Ch. 64 Date: 05-11-2020	
4	Rent (TCW) November-2020	28,500	4,275	-	4,275	-	4,275	4,275	-	-	Ch. 15 Date: 13-12-2020	
5	Rent (TCW) December-2020	30,500	4,575	-	4,575	-	4,575	4,575	-	-	Ch. 75 Date: 13-01-2021	
6	Rent (TCW) July-December-2020	159,000	-	7,950	-	7,950	-	-	7,950	-	Ch. 5 Date: 21-01-2021	
7	Rent (TCW) January-2020	30,500	4,575	1,525	4,575	1,525	4,575	4,575	1,525	-	Ch. 22, 24 Date: 03-02-2021	
8	Rent (TCW) February-2021	32,500	4,875	1,625	4,875	1,625	4,875	4,875	1,625	-	Ch. 3, 4 Date: 02-03-2021	
9	Rent (TCW) March-2021	32,500	4,875	1,625	4,875	1,625	4,875	4,875	1,625	-	Ch. 31, 32 Date: 07-04-2021	
10	Rent (TCW) April-2021	31,500	4,725	1,575	4,725	1,575	4,725	4,725	1,575	-	Ch. 49, 50 Date: 05-05-2021	
11	Rent (TCW) May-2021	31,500	4,725	1,575	4,725	1,575	4,725	4,725	1,575	-	Ch. 40, 41 Date: 06-06-2021	
12	Vat on Sewing Machine & Printer, May-2021	47,200	2,360	-	2,360	-	2,360	2,360	-	-	Ch. 42 Date: 06-06-2021	
13	Rent (TCW) June- 2021	30,500	4,575	1,525	4,575	1,525	4,575	4,575	1,525	-	Ch. 29, 30 Date: 23-06-2021	
14	Vat On Chair Purchase	14,029	701	-	701	-	701	701	-	-	Mushok 6.3 Date: 22-06-2021	
	<b>Sub Total</b>	<b>568,229</b>	<b>55,261</b>	<b>17,400</b>	<b>55,261</b>	<b>17,400</b>	<b>17,400</b>	<b>55,261</b>	<b>17,400</b>			



Sl. No	Head of expenses according to annexure-A /1(with subtitle)	Amount of expense (Taka)	Deductible amount		Deducted Amount	Deposited amount in Govt. Treasury (Taka)		Outstanding amount (Taka)	Treasury/ Mushok Challan No. & Date
01	Project Rent (TCE) July to Dec 20	168,000	25,200	8,400	25,200	8,400	25,200	8,400	Ch no-415,416 Date: 14.01.21
02	Office Rent (TCE) July to Dec 20	24,000	3,600	1,200	3,600	1,200	3,600	1,200	Ch no-417,418 Date: 14.01.21
03	Project Rent (TCE) January 21	28,000	4,200	1,400	4,200	1,400	4,200	1,400	Ch no-113,115 Date: 15.02.21
04	Office Rent (TCE) January 21	4,000	600	200	600	200	600	200	Ch no-114,116 Date: 15.02.21
05	Office Rent (TCE) Feb 21	4,000	600	200	600	200	600	200	Ch no-2,4 Date: 10.03.21
06	Project Rent (TCE) Feb 21	36,000	5,400	1,800	5,400	1,800	5,400	1,800	Ch no-1,3 Date: 10.03.21
07	Office Rent (TCE) March 21	40,000	6,000	2,000	6,000	2,000	6,000	2,000	Ch no- 94,93 Date: 12.4.21
08	Office Rent (TCE) April 21	40,000	6,000	2,000	6,000	2,000	6,000	2,000	Ch no- 116,117 Date: 11.05.21
09	Office Rent (TCE) May 21	40,000	6,000	2,000	6,000	2,000	6,000	2,000	Ch no-7,6 Date: 14.06.21
10	Office Rent (TCE) June 21	40,000	6,000	2,000	6,000	2,000	6,000	2,000	Ch no-127,126 Date: 27.06.21
	<b>Sub Total</b>	<b>424,000</b>	<b>63,600</b>	<b>21,200</b>	<b>63,600</b>	<b>21,200</b>	<b>63,600</b>	<b>21,200</b>	



Sl. No	Head of expenses according to annexure-A/1(with subtitle)	Amount of expense (Taka)	Deductible amount		Deducted Amount	Deposited amount in Govt. Treasury (Taka)		Outstanding amount (Taka)	Treasury/ Mushok Challan No. & Date
			750	250		750	250		
01	Office Rent (TCS) Jul 2020	5,000	750	250	750	250	750	250	Ch no- 06,07 Date: 26.07.20
02	Office Rent (TCS) Aug 2020	5,000	750	250	750	250	750	250	Ch no- 02,03 Date: 26.08.21
03	Office Rent (TCS) Sep 2020	5,000	750	250	750	250	750	250	Ch no-02,03 Date: 27.09.20
04	Office Rent (TCS) Oct 2020	5,000	750	250	750	250	750	250	Ch no- 01,02 Date: 21.10.20
05	Office Rent (TCS) Nov 2020	5,000	750	250	750	250	750	250	Ch no- 03,04 Date: 12.11.20
06	Office Rent (TCS) Dec 2020	5,000	750	250	750	250	750	250	Ch no- 01,02 Date: 21.12.20
07	Office Rent (TCS) Jan 2021	5,000	750	250	750	250	750	250	Ch no- 04,05 Date: 24.01.21
08	Office Rent (TCS) Feb 2021	5,000	750	250	750	250	750	250	Ch no- 15,16 Date: 24.02.21
09	Office Rent (TCS) Mar 2021	5,000	750	250	750	250	750	250	Ch no- 01,02 Date: 16.03.21
10	Office Rent (TCS) Apr 2021	5,000	750	250	750	250	750	250	Ch no- 04,05 Date: 29.04.21
11	Office Rent (TCS) May 2021	5,000	750	250	750	250	750	250	Ch no- 04,05 Date: 27.05.21
12	Office Rent (TCS) Jun 2021	5,000	750	250	750	250	750	250	Ch no- 02,03 Date: 22.06.21
	<b>Sub Total</b>	<b>60,000</b>	<b>9,000</b>	<b>3,000</b>	<b>9,000</b>	<b>3,000</b>	<b>9,000</b>	<b>3,000</b>	





Sl. No	Head of expenses according to annexure-A /1(with subtitle)	Amount of expense (Taka)	Deductible amount		Deducted Amount	Deposited amount in Govt. Treasury (Taka)		Outstanding amount (Taka)	Treasury/ Mushok Challan No. & Date
01	House Rent (TCC) Jul 2020	10,000	1,500	-	1,500	1,500	-	-	Ch no- 88 Date: 10.09.20
02	House Rent (TCC) Aug 2020	8,000	1,200	-	1,200	1,200	-	-	Ch no- 90 Date: 10.09.20
03	House Rent (TCC ) Jul-Aug 2020	18,000		900	900		900		Ch no- 66 Date: 23.06.21
	Sub Total	36,000	2,700	900	2,700	2,700	900	-	



Sl. No	Head of expenses according to annexure-A /1(with subtitle)	Amount of expense (Taka)	Deductible amount		Deducted Amount	Deposited amount in Govt. Treasury (Taka)		Outstanding amount (Taka)	Treasury/ Mushok Challan No. & Date
01	Office Rent (MCC) Jul-20	11,500	1,725	575	1,725	575	1,725	575	Ch No. 04, 05 Date: 27/07/20
02	Office Rent (MCC) Aug-20	11,500	1,725	575	1,725	575	1,725	575	Ch No 01,02 Date 31/08/20
03	Office Rent (MCC) Sep-20	11,500	1,725	575	1,725	575	1,725	575	Ch No. 26, 27 Date: 29/09/20
04	Office Rent (MCC) Oct-20	11,500	1,725	575	1,725	575	1,725	575	Ch No. 21, 22 Date: 01/11/20
05	Office Rent (MCC) Nov-20	12,000	1,800	600	1,800	600	1,800	600	Ch No. 49, 50 Date: 29/11/20
06	Office Rent (MCC) Dec-20	12,000	1,800	600	1,800	600	1,800	600	Ch No. 29,30 Date: 27/12/20
07	Office Rent (MCC) Jan-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 24, 25 Date:31/01/21
08	Office Rent (MCC) Feb-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 23, 24 Date: 28/02/21
09	Office Rent (MCC) Mar-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 06, 07 Date: 01/04/21
10	Office Rent (MCC) Apr-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 01,02 Date: 29/04/21
11	Office Rent (MCC) May-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 09,10 Date: 27/05/21
12	Office Rent (MCC) Jun-21	12,000	1,800	600	1,800	600	1,800	600	Ch No. 59, 60 Date: 23/06/21
<b>Total</b>		<b>142,000</b>	<b>21,300</b>	<b>7,100</b>	<b>21,300</b>	<b>7,100</b>	<b>21,300</b>	<b>7,100</b>	





**Total VAT & IT Paid for "Transformation Center Project" During F/Y: 2019-2020**

Total VAT & IT Paid MCC	=	28,400
Total VAT & IT Paid TCC	=	3,600
Total VAT & IT Paid TCE	=	84,800
Total VAT & IT Paid TCW	=	72,661
Total VAT & IT Paid TCF	=	0
Total VAT & IT Paid TCS	=	12,000
<b>Total VAT &amp; IT PRO-1</b>	=	<b>201,461</b>

**Condition-26: Requirement-**

It should be reported whether the NGO, as a legal entity, submits income tax return to NBR as per Income Tax Ordinance 1984 for each year and whether there is any foreigner employee in the organization, if so whether he/she gives Income Tax Return of the previous year and if assessments were settled or not.

**Comments:**

SIM Bangladesh has submitted Income Tax Return as per Income Tax Ordinance 1984. The TIN number is: **8621-2236-4562/Circle 101**. The foreigner employees submitted their Income Tax Returns and the assessments were completed.

**Condition-27: Requirement-**

Mention whether NGO has any Income Generating Activities-IGA under the project. If yes, then give the name of IGA and if tax has been paid for the earned income or tax exemption certificate has been collected from NBR.

**Comments:**

There is no Income Generating Activities under the Project.

**Condition-28: Requirement-**

Give the details whether any officer/employee/any member of Executive Committee or General Committee of the NGO has visited foreign country with the money received from foreign sources/tickets/receiving other facilities in this case. Whether approval for such visit has been taken from NGO Bureau and given the details of it.

**Comments:**

There is no approved budget head for foreign travel and no officer/employee, member of executive committee or general committee availed foreign travel by using the project's fund during the year under audit.

**Condition-29: Requirement-**

Enclose statement of fixed assets owned by NGO during the time of audit. Whether fixed assets/deed/house rent contract/donated land/vehicle & other assets have been in the name of NGO.

**Comments:**

All Fixed Assets, vehicle and other Asset's list has been attached to the Financial Statement and such Assets are purchased/registered/rented on behalf of SIM Bangladesh.



**Condition-30: Requirement-**

If fixed/current assets transferred or sold in project which was purchased from project fund. If done was approval from NGO Affairs Bureau obtained.

**Comments:**

Fixed/current assets have not sold or transferred during this year.

**Condition-31: Requirement-**

Whether the audit firm submits management letter mentioning inconsistencies and irregularities to the NGO Management and one copy of the same shall be submitted to Deputy-Director (Inspection & Audit) with audit report. If this type of letter/report is not needed, it shall be mentioned.

**Comments:**

Not applicable.

**Condition-32: Requirement-**

One CA Firm cannot audit the same project of same NGO continuously for more than 5 years. This shall be confirmed by the CA Firm that the Firm has not carried out the Audit continuously for more than 5 years.

**Comments:**

We confirm that we have not carried-out the audit continuously for more than 5 years of this project.

**Condition-33: Requirement-**

Mention the names of Members of Executive Committee/Governing Body/ Management Committee of the NGO.

**Comments:**

List of Executive Committee Members are as follows:

Name	Designation
Neil Miller	Director
Jake Peter Martinson	Member
Laizu Akther	Treasurer
Edna Velasco	Personnel Coordinator
Hosanna Thomas	Member



**Condition-34: Requirement-**

Mention whether the NGO has incurred the audit fees from the project.

**Observation and Comments:**

SIM Bangladesh has incurred the audit fees from the following project.

Project Name	Portion of Audit Fees
Education and Training	90%
Beeztola Education Project	10%

**Condition-35: Requirement-**

Audit report shall contain the memo number, serial number with date of CA Firm's enlistment and renewal.

**Observation and Comments:**

Enlistment & Renewal: Serial No. 19, memo no. 03.07.2666.657.43.253.17-51 Dated: 16 January 2020.

**Condition-36: Requirement-**

Expression of an opinion after due examination whether all the financial transaction of the organization are free from money laundering and terrorist financing.

**Observation and Comments:**

After due examination, we opine that there were no indication of involvement of Society for International Ministries (SIM) Bangladesh with any money laundering and terrorist financing activities.

**Condition-37: Requirement-**

Conditions for project approval are followed accordingly and the audit firm should have a detailed opinion, including proof that the local administration has been involved in the implementation of the project.

**Observation and Comments:**

The project management has informed us that the local authority was involved, and they have applied to the local authority for obtaining certificate which is under process.



**Condition-38: Requirement-**

Whether audit activities have been performed within the stipulated time; if not, the justification for delay is to be mentioned.

**Observation and Comments:**

Audit activities have been done in delay due to pandemic of COVID-19.



Dated: Dhaka  
16 September 2021

(Maqbul Ahmed, FCA)  
Enrollment No.-587  
Managing Partner  
Ata Khan & Co.  
Chartered Accountants  
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