

Private & Confidential

**Auditor's Report
&
Audited Financial Statements
of
Prova Society
For the Year Ended June 30, 2022**

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**Independent Auditors' Report
to the Members of General Body of
Prova Society**

Report on the Audit of the Financial Statements:

Opinion

We have audited the financial statements of **Prova Society** which comprise the statement of financial position as at June 30, 2022 and along with the statement of income & expenditure, statement of receipts and payments, statement of changes in equity and statement of cash flows 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 statement of financial position of **Prova Society** as at June 30, 2022 and of its financial performance and its statement of receipts and payments for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 NGO in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and comply with the NGO Affairs Bureau terms and conditions and other applicable laws 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 NGO's ability to continue as a 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 NGO or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the NGO's internal control.
- 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 NGO's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the NGO to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the NGO's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


Report on other Legal and Regulatory Requirements:

In accordance with International Financial Reporting Standards (IFRSs) and comply with the MRA terms and conditions and other applicable laws and regulations, we also report the following:

- i) 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;
- ii) in our opinion, proper books of accounts as required by law have been kept by the NGO so far as it appeared from our examination of these books; and
- iii) the statements of financial position and statements of income and expenditure dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka
Date: September 25, 2022




Md. Hafiz Ahmed FCA
Hafiz Ahmed & Co.
Chartered Accountants



Prova Society
Statement of Financial Position
As At June 30, 2022

Property & Assets	Note	30-Jun-22	30-Jun-21
Non Current Assets			
Fixed Assets at Cost	6	390,607	377,608
Total Non Current Assets		390,607	377,608
Current Assets			
Advance Deposit	7	126,000	126,000
Cash & Bank Balance	8	5,887	6,670
Total Current Assets		131,887	132,670
Total Properties & Assets		522,494	510,278
Capital Fund & Liabilities			
Capital Fund			
Cumulative Surplus	9	(5,390,838)	(3,956,556)
Total Capital Fund		(5,390,838)	(3,956,556)
Current Liabilities			
Loan from Others	10	123,625	123,625
Loan from EC	11	2,027,000	2,365,500
Loan from General Secretary	12	3,376,288	1,634,788
Loan from Chairman	13	67,000	67,000
Accumulated Depreciation	14	319,419	275,921
Total Current Liabilities		5,913,332	4,466,834
Total Capital Fund & Liabilities		522,494	510,278

The accompanying notes form integral part of these financial statements



Accounts Officer


Executive Director

Signed as per our report of even date

Date: September 25, 2022




Md. Hafiz Ahmed FCA
Hafiz Ahmed & Co.
Chartered Accountants

Prova Society
Consolidated Statement of Comprehensive Income
For the year ended June 30, 2022

Income	FY 2021-2022
Donation from Department of Social Services	25,000
Donation from Taiwan Foundation for Democracy (TFD)	253,531
Donation from Ministry of Labor & Employment	2,381,334
Donation from BNFE	1,429,200
Donation from Bangladesh NGO Foundation	275,000
Bank Interest	20
Received from EHCLBP	200,000
Member subscription	8,500
Local Donation & ADAB	200,000
Total	4,772,585

Expenditure	FY 2021-2022
Salary and Honorarium	408,900
Eid Bonus	12,500
Courier	11,958
Stationery	7,607
Printing	6,530
Newspaper Bill	1,000
Entertainment	12,565
Mobile Bill	533
Internet	3,400
Office Rent	89,200
Converyance	36,615
NGO Renewal	30,500
Photocopy	4,252
Cox's Bazar Office Expenses	641,965
Local donation	2,400
Tree Plantation	1,500
Computer Accessories purchase	5,270
Banner	3,700
Eleccctric Bill	5,670
PP writing fee	95,000
Bank Charge	3,798
Fuel	1,700
Audit Fee	3,000
Transfer to EHCLBP	2,583,286
Transfer to Handicraft Production Training Program	24,000
Transfer to TFD Program	250,000
Transfer to BNF Program	275,000
Transfer to BLP Program	1,429,200
Transfer to Suicide & Early Marriage Program	125,000
Transfer to Covid-19 Program Cost	75,000
Miscellaneous	12,320
Depreciation	43,498
Total Expenditure	6,206,867
Excess of Income over Expenditure	(1,434,282)
Total	4,772,585



Prova Society
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	455
Cash at Bank	6,215
Loan from General Secretary	1,741,500
Donation from Department of Social Services	25,000
Donation from Taiwan Foundation for Democracy (TFD)	253,531
Donation from Ministry of Labor & Employment	2,381,334
Donation from BNFE	1,429,200
Donation from Bangladesh NGO Foundation	275,000
Received from EHCLBP	200,000
Bank Interest	20
Member subscription	8,500
Local Donation & ADAB	200,000
Total Receipts	6,520,755

Particulars	FY 2021-2022
Payments	
Salary and Honorarium	408,900
Eid Bonus	12,500
Courier	11,958
Stationery	7,607
Printing	6,530
Newspaper Bill	1,000
Entertainment	12,565
Mobile Bill	533
Internet	3,400
Office Rent	89,200
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Transfer to BNF Program	275,000
Transfer to BLP Program	1,429,200
Transfer to Suicide & Early Marriage Program	125,000
Transfer to Covid-19 Program Cost	75,000
Tab Purchase	12,999
Loan Refunded to EC	338,500
Miscellaneous	12,320
Closing Balance	
Cash in Hand	1,084
Cash at Bank	4,803
Total Payments	6,520,755



Prova Society
Notes to the Financial Reports
for the year ended June 30, 2022

1.00 INTRODUCTION

Prova Society a local non-government organization (NGO) was established by some local youths on 1997 in order to enhance quality of life of the under-privileged section of people by undertaking different community responsive programs.

Prova Society 's head office is located in Sadar Upazila of Jhenaidah district. It is working at 03 upazillas of Jhenaidah district.

The organization developed various required policies including Constitution, Human Resource Policy, Gender Policy, Finance and Administrative Policy, Program Management Policy, Staff Welfare Policy (ie: Contributory Provident Fund, General Provident Fund & Gratuity). Each and every staff of the organization has a well defined Job description.

Prova Society's Executive Committee consists of 07 members. Over the years, it has expanded its development activities. Through different activities of the organization, Prova Society has strengthened its capacity to manage and implement challenges of projects. Activities of the projects are managed and implemented by a team of well qualified staff. The staffs are classified as top management, mid-level management, program, field and support staff. Prova Society also has volunteers. Board members and regular staffs have participated in training courses on leadership, management, project planning, supervision and monitoring, Advocacy Training for Democracy Partnership, communication and counseling, community participation, training of trainers, organizational sustainability, etc.

To ensure legal involvement Prova Society is registered with the following government bodies:

Name of Registration Authority	No.	Date
Department of Social Services, Jhenaidah	106/94	20/12/1994
NGO Affairs Bureau	2474	20/01/2016

Members of Executive Committee are as follows:

Sl.	Name	Designation	Profession	Present Address
01	Md. Emdadul Islam	Chairman	Social Worker	Kabi Shukanta Road, Jhenaidah
02	Toufiqur Rahman	Vice-Chairman	Social Worker	Bagha Zatin Road, Jhenaidah
03	Enamul Kabir	Secretary	Social Worker	Kabi Shukanta Road, Jhenaidah
04	Shahin Ara	Joint Secretary	Social Worker	Kabi Shukanta Road, Jhenaidah
05	Md. Mohsin Mia	Treasurer	Social Worker	Khandakarpara, Jhenaidah
06	Ms. Jannatul Ferdous	Member	Social Worker	Kanchan Nagar, Jhenaidah.
07	Md. Golam Nabi Biswas (Rabiul)	Member	Social Worker	Khajura, Jhenaidah.

2.00 OBJECTIVE & SCOPE OF AUDIT

The main objective of the Audit is:

- To form an independent opinion on the financial statements.
- To provide management letter highlighting the weakness in the financial management system.

Scope of Audit:

We conducted our audit in accordance with the International Standards of Auditing (ISA) as adopted in Bangladesh as BSA. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.



3.00 BRIEF SUMMARY OF AUDIT REPORT:

(i) Fund Accountability Statement (FAS):

Our report on the Financial Statements expresses an unqualified opinion.

(ii) Internal Control Structure:

Our study and evaluation of the systems of internal control of Prova Society made as part of the audit of the Financial Statement (FS) revealed no reasonable conditions representing any material weakness.

(iii) Follow up on prior year Audit Findings:

So we could not furnish any comments regarding last year audit observations.

4.00 ACCOUNTING SYSTEM

(a) Accounts Manual:

Accounts manual are introduced by head office for the projects of Prova Society accordingly books of accounts are maintained. Financial statements have been prepared under the cash basis of accounting.

(b) Bank Account Operation:

(i) The organization is maintaining several Bank Accounts. Among them 01 account is for head office (General Account) and the rest are project accounts. The signatories are the Executive Director, the Treasurer & the Project Personnel For Project Account the Concerned Officials of Prova Society are the signatories.

(ii) Fund from donor is deposited into Mother Account. Subsequently it is transferred to project account.

(iii) Payments above Tk. 20,000.00 are being made through cheque.

(iv) Salaries to staff and officers are paid through bank account.

(v) Bank Accounts are regularly reconciled.

(c) Status of Staff Employment:

There are 02 types of staffs recruited to Prova Society such as Core Staffs & Project Staffs Core staffs are serving themselves at Head Office based as Head of Section while the project staffs are engaged to project. The project staffs are employed on keeping in view subject to the tenure of the project.

(d) Fixed Assets

Fixed assets were purchased from the general account & project account. The assets which were received by the project from donor, the value of these were accounted for in the project accounts. The depreciation is charged as per the organizational financial policy & project agreement and that is also shown in the Statement of Financial Position.

(e) Source of Income

Most of the Projects of the organization have no own sources of income except grants received from donor agencies. But some projects have the opportunity to receive service charge as income. As the fund is deposited to bank account so bank interest is received as income of the organization.

5.00 BOOKS OF ACCOUNTS MAINTAINED:

Following books of accounts were maintained by head office & project office of Prova Society a) Cash Book

b) Ledger Book

c) Control Ledger

d) Subsidiary Register such as Cheque register, advance register, asset register etc.

Books of Accounts are being satisfactorily maintained and found updated. Prova Society has introduced operational guideline in respect of administration & finance. We have studied the operational manual / operational guidelines. In our opinion, the operational guideline is profound & found satisfactory.



06.00 Fixed Assets	30-Jun-22
<i>Cost</i>	
Balance as on 01-07-2021	377,608
Add: Purchased During the year	12,999
Less: Adjustment During the Year	-
Balance as on 30-06-2022	390,607
<i>Depreciation</i>	
Balance as on 01-07-2021	275,921
Add: Charged During the year	43,498
Balance as on 30-06-2022	319,419
Net Book Value as on 30-06-2022	71,188
07.00 Advance Account	30-Jun-22
Balance as on 01-07-2021	126,000
Add: Advance During the year	-
	126,000
Less: Realized During the year	-
Balance as on 30-06-2022	126,000
08.00 Cash & Bank Balance	30-Jun-22
Cash in Hand	1,084
Cash at Bank	4,803
Balance as on 30-06-2022	5,887
09.00 Cumulative Surplus	30-Jun-22
Opening Balance as on 01-07-2021	(3,956,556)
Add: Excess of Expenditure Over Income	(1,434,282)
Less: Adjustment During the year	-
Balance as on 30-06-2022	(5,390,838)
10.00 Loan from Others	30-Jun-22
Opening Balance as on 01-07-2021	123,625
Add: Received During the year	-
	123,625
Less: Refunded During the Year	-
Balance as on 30-06-2022	123,625
11.00 Loan from EC	30-Jun-22
Opening Balance as on 01-07-2021	2,365,500
Add: Received During the year	-
	2,365,500
Less: Refunded During the Year	338,500
Balance as on 30-06-2022	2,027,000
12.00 Loan from General Secretary	30-Jun-22
Opening Balance as on 01-07-2021	1,634,788
Add: Received During the year	1,741,500
	3,376,288
Less: Refunded During the Year	-
Balance as on 30-06-2022	3,376,288
13.00 Loan from Chairman	30-Jun-22
Opening Balance as on 01-07-2021	-
Add: Received During the year	67,000
	67,000
Less: Refunded During the Year	-
Balance as on 30-06-2022	67,000
14.00 Depreciation Reserved Fund	30-Jun-22
Opening Balance as on 01-07-2021	275,921
Add: During the year	43,498
	319,419
Less: Adjusted During the Year	-
Balance as on 30-06-2022	319,419



Prova Society
Schedule of Fixed Assets
As at June 30, 2022

Sl No.	Particulars	Cost			Rate	Depreciation		Net Book Value
		As at 01 July 2021	Addition during the year	As at 30 June 2022		As at 01 July 2021	Charged during the year	
1	Furniture	178,549	-	178,549	10%	116,227	17,855	44,467
2	Computer	55,097	12,999	68,096	10%	41,395	6,810	19,891
3	Bicycle	12,862	-	12,862	5%	5,803	643	6,416
4	Motor Cycle	81,600	-	81,600	15%	77,774	12,240	(8,414)
5	Television	20,000	-	20,000	10%	15,027	2,000	2,973
6	Almira	9,500	-	9,500	10%	7,136	950	1,414
7	Multimedia	20,000	-	20,000	15%	12,559	3,000	4,441
	Total	377,608	12,999	390,607		275,921	43,498	71,188



Prova Society
General Account
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	455
Cash at Bank	6,215
Loan from General Secretary	1,741,500
Loan Realized from EHCLBP	200,000
Donation from Department of Social Services	25,000
Donation from Taiwan Foundation for Democracy (TFD)	253,531
Donation from Ministry of Labor & Employment	2,381,334
Donation from BNFE	1,429,200
Donation from Bangladesh NGO Foundation	275,000
Bank Interest	20
Member subscription	8,500
Local Donation & ADAB	200,000
Total Receipts	6,520,755
Particulars	FY 2021-2022
Payments	
Salary and Honorarium	408,900
Eid Bonus	12,500
Courier	11,958
Stationery	7,607
Printing	6,530
Newspaper Bill	1,000
Entertainment	12,565
Mobile Bill	533
Internet	3,400
Office Rent	89,200
Conveyance	36,615
NGO Renewal	30,500
Photocopy	4,252
Cox's Bazar Office Expenses	641,965
Local donation	2,400
Tree Plantation	1,500
Computer Accessories purchase	5,270
Banner	3,700
Eleccctric Bill	5,670
PP writing fee	95,000
Bank Charge	3,798
Fuel	1,700
Audit Fee	3,000
Transfer to EHCLBP	2,583,286
Transfer to Handicraft Production Training Program	24,000
Transfer to TFD Program	250,000
Transfer to BNF Program	275,000
Transfer to BLP Program	1,429,200
Transfer to Suicide & Early Marriage Program	125,000
Transfer to Covid-19 Program Cost	75,000
Tab Purchase	12,999
Loan Refunded to EC	338,500
Miscellaneous	12,320
Closing Balance	
Cash in Hand	1,084
Cash at Bank	4,803
Total Payments	6,520,755



Prova Society
Handicraft Training & Production
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	25,000
Total Receipts	25,000

Particulars	FY 2021-2022
Payments	
Cloth	12,500
Thread	1,730
Frame	2,270
Trainer Honorarium	6,500
Training Materials Purchased	1,000
Closing Balance	
Cash in Hand	1,000
Cash at Bank	-
Total Payments	25,000

Prova Society
Emergency Response for Covid-19 Pandemic
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	75,000
Total Receipts	75,000

Particulars	FY 2021-2022
Payments	
Mask purchase	20,000
Leaflet & Miking	10,000
Soap & Sanitizer	25,000
Food Distribution	20,000
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	75,000



Prova Society
Assessment of Basic Literacy Project
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars
Receipts
Opening Balance
Cash in Hand
Cash at Bank
Transferred from GA
Total Receipts

FY 2021-2022
-
-
1,429,200
1,429,200

Particulars
Payments
Salary
Tax & VAT
Conveyance
Food & Accomodation
Questionaire
Data Entry
Report Preparation
Office Rent
Stationery
Staff Training
Closing Balance
Cash in Hand
Cash at Bank
Total Payments

FY 2021-2022
400,000
385,884
260,000
140,000
39,720
45,000
50,000
40,000
20,596
48,000
-
-
1,429,200

Prova Society
Democratic Rights Education for Rural Women and Young Girls in Bangladesh
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars
Receipts
Opening Balance
Cash in Hand
Cash at Bank
Transferred from GA
Total Receipts

FY 2021-2022
-
-
253,531
253,531

Particulars
Payments
Mask
Soap
Seminar
Meeting
Closing Balance
Cash in Hand
Cash at Bank
Total Payments

FY 2021-2022
7,800
28,000
189,000
25,200
-
3,531
253,531



Prova Society
Goat Farming project
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	275,000
Total Receipts	275,000

Particulars	FY 2021-2022
Payments	
Baseline Survey	2,000
Information Board	7,000
Salary	21,000
Mobile Bill	3,000
Stationery	500
Conveyance	3,000
Closing Balance	
Cash in Hand	-
Cash at Bank	238,500
Total Payments	275,000

Prova Society
Suicide and Early Marriage Prevention
Receipts & Payments Statements
For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	125,000
Total Receipts	125,000

Particulars	FY 2021-2022
Payments	
School Meeting	60,000
Yard Meeting	50,000
Banner	10,000
Leaflet	5,000
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	125,000



Prova Society

Integrated Family Planning, Sexual Reproductive Health and Menstrual Hygiene Management (MHM)

Receipts & Payments Statements

For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	641,965
Total Receipts	641,965
Payments	
Salary	366,000
Entertainment	10,200
Conveyance	60,700
Furniture	21,375
Electricity Bill	21,925
Office Rent	138,000
Stationery	23,765
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	641,965

Prova Society

Eradication of Hazardous Child Labour (4th phase) project in Bangladesh

Receipts & Payments Statements

For the year ended June 30, 2022

Particulars	FY 2021-2022
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	2,581,334
Total Receipts	2,581,334
Payments	
Salary	620,000
Tax & VAT	285,760
Survey	145,000
Center Electricity Bill	36,000
Materials	901,410
Local Transport	10,000
Teacher Training	36,000
Center Rent	288,000
CMC	36,000
Office Rent	10,000
Photocopy Bill	4,000
Stationery	4,964
Mobile Bill	4,200
Loan Refunded	200,000
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	2,581,334

