

Voter Awareness and Active Citizenry

**Implemented by
The Hunger Project Bangladesh**

**Audit Report & Audited Financial Statements
For the year ended December 31, 2023.**

Khan Wahab Shafique Rahman & Co.

CHARTERED ACCOUNTANTS

SINCE 1968



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**Independent Auditor's Report
To the Management
Of
The Hunger Project Bangladesh
Project of Voter Awareness and Active Citizenry
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of the project **"Voter Awareness and Active Citizenry"** (Project) of the NGO, financed by **European Union (EU)** and implemented by **The Hunger Project Bangladesh** which comprise the statement of financial position as at 31 December 2023 and statement of comprehensive income and statement of receipts & payments for the period ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the period then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of **"Voter Awareness and Active Citizenry"** (Project) financed by **European Union (EU)** & implemented by **The Hunger Project Bangladesh** as at 31 December 2023 and of its financial performance and its 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 Project 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.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.



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.

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 IFRSs 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.

Those charged with governance are responsible for overseeing the Project'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 Project's internal control.



- Evaluate the overall presentation, structure and content of the Project'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

We also report the following:

- 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 accounts as required by law have been kept by the Project so far as it appeared from our examination of those books; and
- c) The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dated, Dhaka 19 SEP 2024

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co. *lt*
Chartered Accountants
Signed by: Md. Abu Sina FCA
Senior Partner
Enrolment No.: 619
Firm's Registration No: 11970 E.P.
DVC: 2409190619A0219454



The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
Funded By: European Union (EU)
Statement of Financial Position
As at 31 December 2023

PARTICULARS	Notes	Amount in BDT
		31.12.2023
ASSETS:		
NON-CURRENT ASSETS:		444,687
Property, Plant and Equipment (PPE)	3.00	444,687
CURRENT ASSETS:		12,726,225
Cash & Cash Equivalents	4.00	12,726,225
Advance to staff for project implementation	9.00	20,146
Total Assets		13,191,058
LIABILITIES & FUND		
CURRENT LIABILITIES :		
FUNDS:		13,131,058
Fund Account	5.00	13,131,058
Provision for Audit fee	6.00	60,000
Total Funds and Liabilities		13,191,058

The annexed notes form an integral part of the financial statement.

Radial A. Majumdar
Country Director

[Signature]
Director (Finance & Admin)

Subject to our separate report of even date.

Dated, Dhaka 19 SEP 2024

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Abu Sina FCA
Senior Partner
Enrolment No.: 619
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The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
Funded By: European Union (EU)
Statement of Comprehensive Income
For the Year ended December 2023

PARTICULARS	Notes	Amount in BDT
		31.12.2023
INCOME:		
Fund received from donor	7.00	20,292,904
Bank Interest	8.00	42
Total Income		20,292,946
EXPENDITURE:		
Project staff Salaries and allowances	10.00	3,333,382
Others (Program cost)	11.00	3,163,398
Administrative Overhead	13.00	635,462
Depreciation	3.00	29,646
Total Expenses		7,161,888
Excess / (Deficit) of Income Over Expenditure		13,131,058

The annexed notes form an integral part of the financial statement.

Badrul A. Nazemdar
Country Director

M. Wahab
Director (Finance & Admin)

Subject to our separate report of even date.

Dated, Dhaka **19 SEP 2024**

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Abu Sina FCA
Senior Partner
Enrolment No.: 619
Firm's Registration No: 11970 E.P.
DVC: 2409190619A0219454



The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
Funded By: European Union (EU)
Statement of Receipts and Payments
For the period form 1 January 2023 to 31 December 2023

PARTICULARS	Note	Amount in BDT
		31.12.2023
RECEIPTS:		
Opening Balance		-
Cash in Hand		-
Cash at Bank		-
		20,292,946
Fund received from Donor	7.00	20,292,904
Bank Interest	8.00	42
Total Received		20,292,946
PAYMENTS		
Project staff Salaries and allowances	10.00	3,333,382
Others (Program cost)	11.00	3,163,398
Equipment and supplies	12.00	474,333
Administrative Overhead	13.00	575,462
Advance to staff for program implementation	9.00	20,146
Total Payments		7,566,721
Closing Balance		
Cash at Bank		12,701,357
Cash at Hand		24,868
		12,726,225
Total		20,292,946

Basil A. Magremda
Country Director

M. H. H.
Director (Finance & Admin)



The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
Notes to the Financial Statements

For the period form 1 January 2023 to 31 December 2023

01. Introduction:

01.01 About the Organization

The Hunger Project Bangladesh is a United States of America (USA) based international non-profit, non- government voluntary development organization. The Hunger Project Bangladesh is registered with NGO Affairs Bureau of the People's Republic of Bangladesh vide Registration No. 557 dated 12 November 1991 (under the Foreign Donations Regulation Ordinance 1978) and subsequently the organization has renewed the permission and latest renewal was taken from NGO Affairs Bureau on November 29, 2017 for ten years from 12 November 2016 to 11 November, 2026.

01.02 Nature of work

Voter Awareness and Active Citizenry is a project of The Hunger Project Bangladesh. Since the 2014 elections, many Bangladeshi and international observers have pointed out serious democratic deficits and governance failures, and have expressed concern that citizens have lost confidence in democratic institutions and the electoral process, and their enthusiasm and participation in the electoral process have waned sharply in recent years. Therefore, Active Awareness and Active Citizenry project has been designed to promote and protect democracy in the country which ensures human freedom and a better life for the people. Improving public confidence in democratic processes in Bangladesh is critically important, without which human rights and the rule of law cannot be protected and the SDGs cannot be achieved. Therefore, THP intend to promote public awareness and engagement as active citizens to strengthen democracy in Bangladesh since the election is the prerequisite for a democratic polity.

01.03 Objectives

The specific objectives of the project are:

- (1) Empowerment of voters, political actors, and CSOs with information about the antecedents of candidates as a means of promoting free, fair and credible elections; and motivating them to demand a long-term political settlement; and
- (2) Make youths, particularly first-time voters, and women knowledgeable about the electoral and democratic process, and get them engaged in strengthening democracy in the country.

This requires a clearer understanding of Bangladesh's constitutional provisions concerning free and fair elections and citizens getting engaged and making informed choices in polling booths. In this regard, awareness creation and engagement of youths and women are particularly important, as they can be the true champions of fair elections in the current challenging political atmosphere.



02. Summary of significant accounting policies:

02.01 Basis of accounting

The financial statements have been prepared under historical cost convention following accrual basis of accounting whereby revenue is recognized when earned and expenses are recognized when incurred

02.02 Method of book-keeping

The Hunger Project Bangladesh maintains books of account for Voter Awareness and Active Citizenry Project by using accounting software online QuickBooks for recording and accounting of its financial transactions.

02.03 Contributions and grants

Funds received from Donor have been recognized under contributions and grants.

02.04 Property, plant and equipment

Fixed assets have been shown at cost value. Depreciation is charged on straight line method. Depreciation has been charged for the whole year on the fixed assets which were purchased during the 1st half of the year i.e. January to June of the accounting year and no depreciation has been charged on the assets which were purchased during the 2nd half of the year.

Estimated life and Rates of depreciation thereon:

<u>Name of Assets</u>	<u>Rate of Depreciation</u>
Furniture & Fixture	10%
Office Equipment	15%
Telephone Installation	15%
Vehicles	20%

02.05 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and cash at bank that are readily convertible to a known amount of cash and are subject to insignificant risk of change in value.

02.06 Reporting period

The reporting period of the Voter Awareness and Active Citizenry Project, The Hunger Project Bangladesh covers 12 months from 1st January 2023 to 31st December 2023 consistently.

02.07 General

Figures appearing in the financial statements have been rounded off to the nearest Taka. Previous year's figures has not been shown as this is the first year of the project.

02.08 Promises to give allowance for promise to give

The Project-Bangladesh has no promises to give and allowance for promise to give.



Notes	Particulars	Amount in Taka	
		31.12.2023	
3.0 PROPERTY, PLANT & EQUIPMENT:			
	A. Cost:		
	Opening balance		-
	Add: Addition during the year		474,333
			<u>474,333</u>
	Less: Adjustment during the year		-
			<u>474,333</u>
	B. Depreciation:		
	Opening balance		-
	Add: Charged during the year		29,646
			<u>29,646</u>
	Less: Adjustment during the year		-
			<u>29,646</u>
	Written down value (A-B)		<u>444,687</u>
	Details have been shown in "Annexure-A"		
4.0 Cash & Cash Equivalents			
	Cash at Bank		12,701,357
	Cash at Hand		24,868
			<u>12,726,225</u>
5.0 FUND ACCOUNT:			
	Opening balance		
	Add/Less: Excess / (Deficit) of Income Over Expenditure		13,131,058
	Closing balance		<u>13,131,058</u>
6.0 Provision for expenses:			
6.1	Provision for Audit fee		60,000
6.2	Vat Payable:		
	Vat Deducted	307,516	
	Less: Vat Deposited	307,516	-
6.3	Tax Payable:		
	Tax Deducted	287,123	
	Less: Tax Deposited	287,123	-
			<u>60,000</u>
FUND RECEIVED:			
7.0	Fund received from Donor		20,292,904
	During the Financial period from 01 January 2023 to 31 December 2023 the project has received Foreign Donation from European Union (EU) of " Voter Awareness and Active Citizenry Project . Through National Bank Ltd., Asad gate Branch, Dhaka, Acc. No.1147001944766		<u>20,292,904</u>
	Fund Received Details shown under this below:		

Date:	Amount BDT	
10.08.2023	20,292,904	
Total	20,292,904	-



Notes	Particulars	Amount in Taka
		31.12.2023
	Bank Interest	
8.0	Opening Balance	Nil
	Add: Current year	42
	Total	<u>42</u>
	ADVANCE ACCOUNT :	
9.0	Opening balance	Nil
	Current year	559,200
	Less: Advance Adjustment	539,054
	Closing balance	<u><u>20,146</u></u>
	Salaries and Benefit	
10.0	Project staff Salaries and allowances	3,333,382
		<u><u>3,333,382</u></u>
	Others (Program cost)	
11.0	Orientation to local CSOs Chapter	315,897
	Orientation to local YEH Chapter	347,439
	Collect candidates' antecedents and insert into votebd.org of all constituencies	94,171
	Orientation for formalising Votebd to Journalists	193,219
	Roundtable discussion on election issues	112,704
	Hold workshops at Divisional level to promote National Charter	762,386
	Hold election/democracy Olympiad with Youth/Student	407,814
	Publishing newspaper reports on electoral process and violence	775,091
	. Citizenship workshop flipchart	123,626
	Project staff orientation and training	31,051
		<u><u>3,163,398</u></u>
	Equipment and supplies	
12.0	Computer/Laptop	426,678
	Printer	47,655
	Total equipment and supplies	<u><u>474,333</u></u>
13.0	Administrative Overhead	
	Transportation/Daily allowance	503,933
	Office supplies, printing, stationery, refreshments etc	13,299
	Tell/fax, internet, electricity/heating, courier, staff recruitment etc.	31,475
	Bank service	16,285
	Fuel, gas	10,470
	Total Administrative Overhead	<u><u>575,462</u></u>
	Provision for Audit fee	<u>60,000</u>
	Total	<u><u>635,462</u></u>



The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
Funded By: European Union (EU)
Property Plant & Equipment
For the Year ended December 2023

Annexure-A

Sl. No.	Particulars	COST				Rate of Dep.	DEPRECIATION				Written down value as on 31.12.2023
		Balance as on 31..12.2022	Addition during the year	Adjustment during the year	Balance as on 31.12.2023		Balance as on 31.12..2022	Charged during the year	Adjustment during the year	Balance as on 31.12.2023	
1	Laptop Computer	-	426,678	-	426,678	15%				26,667	400,011
2	Printer	-	47,655	-	47,655	15%				2,978	44,677
	Total	-	474,333	-	474,333	-				29,646	444,687



Khan Wahab Shafique Rahman & Co.

CHARTERED ACCOUNTANTS

SINCE 1968



A Top 20 ranked international network and association of independent audit, tax, accounting and consulting firms

The Hunger Project Bangladesh

Project Name: Voter Awareness and Active Citizenry.

Funded by: European Union (EU).

Form – FD 4

Certificate in respect of foreign donation receipt and utilization

For the year ended 31st December, 2023

By the Auditors

We have audited the Financial Statements of “Voter Awareness and Active Citizenry” implemented by The Hunger Project Bangladesh (Registration # 557, dated 12 November, 1991), is located at 2/2 Mirpur Road (Level-4), Block- A, Mohammadpur, Dhaka, Bangladesh for the year ended 31 December 2023 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 year was **BDT Nil**
- (2) The Foreign Donations amounting to **BDT 20,292,904** were received by the organization through National Bank Ltd. A/C No. 1147001944766 during the year from 01 January 2023 to 31st December 2023 for **Voter Awareness and Active Citizenry**.
- (3) The balance of unutilized Foreign Donations by The Hunger Project Bangladesh was amounting to **BDT 1,27,46,329** (Refer to note to the FD-4)
- (4) During the year ended 31st December, 2023 the Foreign Donations amounting to **BDT. 75,46,575.00** been utilized for the following purposes:

Project Name: Voter Awareness and Active Citizenry.

Head of Expenditure	Amount as per Approved budget (Taka)	Amount actually spent (Taka)	Difference (Taka)
Foreign Donation (As per Annexure-A/1)	21,283,596.00	7,546,575.00	13,737,021.00
Foreign Donation received locally (As per Annexure-A/1)	-	-	-
Local Contribution	-	-	-
Total	21,283,596.00	7,546,575.00	13,737,021.00

- (5) Certified that the project has maintained the accounts of Foreign Donation and records relating thereto in the manner specified as in section 5 of the Foreign Donations (Voluntary Activities) Regulations Act, 2016 of rule 8.
- (6) The information furnished above is correct and checked by us.

Dated, Dhaka **19 SEP 2024**



Md. Abu Sina
Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Signed by: Md. Abu Sina, FCA

Senior Partner

Enrolment No.: 619

Firm Registration No.: 11970 E.P.

DVC: **24091906190219454**

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ANNEXURE: A/I

**The Hunger Project Bangladesh
Voter Awareness and Active Citizenry
European Union (EU)**

Implementing Agency:
Name of project:
Funded by:

Approval Letter No. & Date: File No. 03.07.2666.664.68.051.2022-273 Date: 10 August 2023
Fund Clearance Letter : File No. 03.07.2666.664.68.051.2022-273 Date: 10 August 2023
Project Period: 01 January 2023 to 30 June 2024 (Revised proposal submitted to Bureau for extension upto 31 December, 2024)
Audit Period: 01 January 2023 to 31 December 2023

SL. No	Head of Expenses	Approved Budget		Actual Expenditure		Variance Short/Excess		Reasons of Variation
		Taka	BDT	Taka	BDT	Taka	%	
1.0	Salaries and Benefit							
1.1	Project staff Salaries and allowances	8,870,910		3,333,382		5,537,528	62%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
	Sub total Salaries and Benefit	8,870,910		3,333,382		5,537,528	62%	
2.0	Others (Program cost)							
2.1	Orientation to local CSOs Chapter	356,250		315,897		40,353	11%	Due to cost control
2.2	Orientation to local YEH Chapter	356,250		347,439		8,811	2%	Due to cost control
2.3	Collect candidates' antecedents and insert into votebd.org of all constituencies	513,000		94,171		418,829	82%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
2.4	Print comparative statement of the candidates' antecedents of 30 constituencies and distribute among the voters	1,635,900		-		1,635,900	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
2.5	Orientation for formalising Votebd to Journalists			193,219		(193,219)	-100%	Due to strategy change and revised budget submitted
	Roundtable discussion on election issues	117,420		112,704		4,716	4%	Due to cost control
2.6	Press conference pre and post election	117,420		-		117,420	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
2.7	Hold 'Meet the Candidate' public forums (candidate voter face to face meeting)	712,500				712,500	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted



SL. No	Head of Expenses	Approved Budget		Actual Expenditure		Variance Short/Excess		Reasons of Variation
		Taka		Taka		Taka	%	
2.8	Collect candidates' interview for preparing video message for public sharing	356,250		-		356,250	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.10	Vedio message boosting to social media	132,525		-		132,525	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.11	Hold workshops at divisional level to promote National Charter	705,375		762,386		(57,011)	-8%	Due to cost control
2.12	Talk shows in electronic media focusing on issues of political settlement and credible election	1,371,800		-		1,371,800	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.13	Citizenship workshop with first time voter	427,500		-		427,500	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.14	Hold election/democracy Olympiad with Youth/Student	798,000		407,814		390,186	49%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.15	Orientation on the use of "Ushahidi" platform and continued support	883,500		-		883,500	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.16	Publishing newspaper reports on electoral process and violence monitoring	59,850		775,091		(715,241)	-1195%	Due to strategy change and revised Budget submitted.
2.17	. Citizenship workshop flipchart	79,800		123,626		(43,826)	-55%	Due to price hike
2.18	Outcome monitoring visit	59,280		-		59,280	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.19	Lessons learned meeting	74,195		-		74,195	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted
2.20	Project staff orientation and training	74,195		31,051		43,144	58%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023. and revised budget submitted



SL. No	Head of Expenses	Approved Budget		Actual Expenditure		Variance Short/Excess		Reasons of Variation
		Taka		Taka		Taka	%	
2.22	Studies, research on election issue	285,000		-		285,000	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
2.23	Material for student to make them aware on election	201,096		-		201,096	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
	Sub total Other	9,317,106		3,163,398		6,153,708	66%	
3.0	3. Equipment and supplies							
3.1	Computer/Laptop	368,125		426,678		(58,553)	-16%	Due to price hike
3.2	Printer	57,000		47,655		9,345	16%	AS market price
3.3	Desk	39,900		-		39,900	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
3.4	Scanner	59,375		-		59,375	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
	Sub total Equipment and supplies	524,400		474,333		50,067	10%	
4.0	Administrative Overhead							
4.1	Transportation/Daily allowance	603,060		503,933		99,127	16%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
4.2	Office supplies, printing, stationery, refreshments etc	85,500		13,299		72,201	84%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
4.3	Tell/fax, internet, electricity/heating, courier, staff recruitment etc.	427,500		31,475		396,025	93%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
4.4	Bank service	5,700		16,285		(10,585)	-186%	Revised Budget submitted
4.5	Fuel, gas	57,000		10,470		46,530	82%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted



SL. No	Head of Expenses	Approved Budget		Actual Expenditure		Variance Short/Excess		Reasons of Variation
		Taka		Taka		Taka	%	
4.7	Indirect cost	1,392,420		-		1,392,420	100%	Due to delay in project approval. Project supposed to start from January 2023 but Bureau approved on 10 August 2023 and revised budget submitted
	Sub total Admin . Overhead	2,571,180		575,462		1,995,718	78%	
	Grant Total	21,283,596		7,546,575		13,737,021	65%	



Voter Awareness and Active Citizenry
Funded by: European Union (EU)
Implemented by: The Hunger project Bangladesh
Report for NGO Affairs Bureau

In addition to our audit report, we also herewith confirm and report specially on the following points in terms of TOR issued by NGO Affairs Bureau vide their circular No. 03.7.2666.657.43.253.17-2458 (Serial number 86) dated 24.12.2023.. This compliance Report is made on the basis of our examination of the books and Records of Project name “**Voter Awareness and Active Citizenry**” implemented **The Hunger project Bangladesh** funded by **European Union (EU)** for the period from **1 January 2023 to 31 December 2023**.

Our reports on the specific points, as mentioned in above TOR are outlined as under:

TOR-1:

In course of audit of NGOs, the audit firm should perform their duties independently and with utmost care and diligence.

Compliance:

We confirm that the audit of financial statements of “**Voter Awareness and Active Citizenry**” of **The Hunger project Bangladesh** for the period from **1 January 2023 to 31 December 2023** was carried out by us with due diligence and utmost care maintaining the independency.

TOR-2:

The audit firm should conduct the audit of NGOs keeping in view whether the project has been implemented in compliance with the Foreign Donation (Voluntary Activities) Regulation Act, 2016 and FD-06 related to project approval rules and regulations enacted for the NGOs and the terms & conditions relating to project approval.

Compliance:

We have observed that the project has been implemented in accordance with the Foreign Donations (Voluntary Activities) Regulation Act, 2016 and FD-7 is not applicable for this project. However, FD-6 related to project approval and conditions for project approval is also checked.

TOR-3:

The audit firm along with their audit report, should issue audit certificate as per format FD-4 and Annexure A-1 attached thereto as prescribed by NGO Affairs Bureau, relating to foreign donation received and expenditure incurred, duly filled in by the audit firm. Foreign Donations reported in FD-04 shall be on cash basis and not on accrual basis. The total amount shall have to be show reported separately for approved budget, actual expenditure and variance thereon in the FD-04. Details of these figures (Head wise budget, actual expenditure, variance and reasons for variance) to be given in annexure A/1 and all heads & sub heads of annexure A/1 and amount of budget there against will be in accordance with the approved project.



Compliance:

Foreign grant has been taken into accounts on cash basis. **Form FD-4** and **Annexure A/1** as prescribed by the NGO Affairs Bureau in respect of foreign grant have been prepared and duly certified and signed by us and enclosed herewith.

TOR – 4:

Separate audit report shall have to be prepared for each and every project and the report shall be based on project year basis (Maximum 12 months). Local income/grant related to the project should be shown separate column and opinions should be drawn on the source of local grants, (If any) in accordance with the provisions made in the foreign grants (Voluntary Activities) Regulation Act, 2016. Incomplete opinion would be considered a violation of the terms.

Compliance:

This audit report has been prepared for the project that covers 12 months from **1 January 2023 to 31 December 2023**. Local donation hasn't been received during the period.

TOR -5:

The summarized project briefing with aims and objects and main activities of the project should have to be mentioned in the audit report as follows:

1. **Date of Audit Appointment**
2. **Name of the project**
3. **Total Project Period**
4. **Project approval with memo no. and date**
5. **Fund released with memo no. and date**
6. **Released Amount (Installment Wise)**
7. **Foreign Donation received**
8. **Donation received in Mother Account before fund released by NGOAB, local**
9. **Donation received through in Mother Account.**
9. **Audit period (Project Year)**
10. **Project working area**
11. **Number of Beneficiaries**

Compliance:

The Objectives and information of the project are as follows:

- (1) Empowerment of voters, political actors, and CSOs with information about the antecedents of candidates as a means of promoting free, fair and credible elections and motivating them to demand a long-term political settlement.
- (2) Make youths, particularly first-time voters, and women knowledgeable about the electoral and democratic process, and get them engaged in strengthening democracy in the country.
- (3) This requires a clearer understanding of Bangladesh's constitutional provisions concerning free and fair elections and citizens getting engaged and making informed choices in polling booths. In this regard, awareness creation and engagement of youths and women are particularly important, as they can be the true champions of fair elections in the current challenging political atmosphere



Information about the Project:

(a)	Date of our Appointment	:	12.08.2023
(b)	Name of the project	:	Voter Awareness and Active Citizenry.
(c)	Total project Period	:	1 January 2023 to 30 June 2024. However, proposal has been submitted for extension up to 31 December 2024
(d)	Project Approval Memo no. & Date	:	The project was approved by NGO Affairs Bureau vide their letter No. 03.07.2666.664.68.051.2022-273 Date:10.08.2023
(e)	Fund Clearance Memo No. & Date	:	Fund released by NGO Affairs Bureau vide their letter No. 03.07.2666.664.68.051.2022-273 Date:10.08.2023
(f)	Released Amount	:	Tk. 2,12,83,596.00
(g)	Foreign Donation received	:	Tk.2,02,92,904 : : : : : :
(h)	Whether the foreign Donation was received through mother account before Fund Clearance & Local Donation received through in Mother Account.	:	No foreign donation has been received in mother account before fund released. Local donation was not received during the period.
(I)	Audit Period	:	1 January 2023 to 31 December 2023
(j)	Project Area	:	30 Constituencies of National Parliament
(k)	Number of Beneficiaries	:	16,534

TOR – 6:

The audit report shall comprise of the Financial Position, Statement of Comprehensive Income and Statement of Receipts & Payments duly signed by NGO Authority. Proper explanation should be given where Financial Position has not been presented or applicable. Statement of Receipts and Payments should be prepared in accordance with the head of accounts maintained in the ledger book of the NGOs. Notes showing the detailed breakup of the expenditures under the consolidated head of accounts (such as Contingency and others) should be attached.

Compliance:

Audit report comprises of following financial statements:

- (i) Statement of Financial Position.
- (ii) Statement of Comprehensive Income.
- (iii) Statement of Receipts and Payments.



- (iv) Notes to the Financial Statements.
- (v) Budget with Variance.

The financial statements have been duly countersigned by the management of NGO. We confirm that the above financial statement has been prepared on the basis of books of account as maintained by **The Hunger project Bangladesh.**

TOR – 7:

In each page of the audit report should be numbered sequentially and initialed with of common seal of the audit firm. Complete signature of the firm along with name and designation of FCA/ACA signing the report to be given on Auditors Report, Accounts Statement, Financial Position, FD-4 and Report as per TOR. The audit report of NGO should be prepared in the following sequence:

First Part:

- **Auditors Report along with Scope and opinion**
- **Statement of Financial Position**
- **Statement of Comprehensive Income**
- **Statement of Receipts and Payments.**
- **Notes to the Financial Statements**
- **Schedule/Annexure/others**

Second Part:

- **FD-4 Certificate**
- **Annexure A/1**
- **Notes to FD-4, if any**
- **Report as per TOR of NGO Affairs Bureau (TOR will be followed serially)**

Compliance:

It is confirmed that the audit report has been arranged as per instruction laid down in the TOR-7.

TOR-8:

In respect of multi-year project, opinion should be given on whether audit was done for the previous year and whether the report was submitted to NGO Affairs Bureau. In case of successive project carrying on in same name for consecutive year or in different name but of same nature manner and objective opinion should also give on whether the audit for these years and project were performed and whether the reports were submitted to NGOAB.

Compliance:

This is a one and half year long project starting from 1 January 2023 to 30 June 2024 Revised proposal submitted for extension up to 31 December 2024 and this is the first-year audit of the project covering a period from 1 January 2023 to 31 December 2023. Such type of project was not implemented in the past.



TOR-9:

On completion of the audit, the audit firm must forward one copy of the audit report in a sealed cover directly to the Deputy Director (Inspection and Audit), NGO Affairs Bureau, Dhaka Only this report will be considered for examination.

Compliance:

One copy audit report of the project sealed envelope will be submitted directly to the Deputy Director (Inspection and Audit) of NGO Affairs Bureau, Dhaka in due time.

TOR-10:

The number and date of first registration of NGO with NGO Affairs Bureau should be mentioned along with the latest date of renewal registration.

Compliance:

The particulars of registration of the concerned organization (NGO) with NGO Affairs Bureau, Government of the Peoples Republic of Bangladesh is given below:

Registration Number:	557
Date of Registration:	12-11-1991
Date of Last Renewal:	29.11.2017 (12.11.2016 to 11.11.2026)

TOR-11:

Whether all the foreign donations have been received by the NGO through a single bank account as per Foreign Donation (Voluntary Activities) Regulation Act, 2016 of Rule 9. If the foreign donations are received through more than one bank account the name of concerned bank, account number and the amount should have to be mentioned.

Compliance:

As per Rule 9 of the Foreign Donation (Voluntary Activities) Regulation Act, 2016. The Organization received its all-foreign donations through National Bank Limited, Asad Gate Branch, Dhaka, A/c no 1147001944766.

TOR-12:

Detailed description of the bank account approved by the NGO Affairs Bureau to receive foreign donations (Name of the bank and branch, amount of donation received with date and name of the donor) to be mentioned in the report. The Project account No., Name of the bank & branch and year end Bank Balance should also be mentioned. Transfer of amount from mother A/C to project A/C should be mentioned along with per date of in the Report. The Mother Bank account and Project Bank Account should be reconciled and comments to be given thereon.

Compliance:

Detailed description of both mother account and project bank Accounts along with the name of the bank and branch, amount of donation received and name of the donor is given below.



Details of Bank information are given below:

Mother Bank Account No.	A/C No.-1147001944766
Mother Bank Name & Branch	National Bank Ltd, Asad gate Branch, Mohammdpur.Dhaka 1207
Name of Donor	European Union (EU)

Funding Details Mother Account:

Name	Account No	Received Date	Received Amount	Donor Name
National Bank Ltd, Asad Gate Branch.	A/C No.- 1147001944766	28.08.2023	20,292,904	European Union (EU)
Total			20,292,904	
Balance as per bank statement as on 31 December 2023			Nil	
Balance as per cash book as on 31 December 2023			Nil	

Project Account:

Name of the Bank	Branch	Account Type	Account Number	Balance as on 31.12.2023
National Bank Limited	Dhanmondi, Dhaka	CD	1063000839330	127,01,356.00

Amount transfer from Mother A/C to project A/C

SL	Bank Name	Branch	Account No.	Transfer Date	Amount (Taka)
1	National Bank Limited	Dhanmondi, Dhaka	1063000839330	3.9.2023	20,292,904

Both mother and project Account has been reconciled

TOR-13:

In case of donations received in kinds, the valuation thereof should be included with grant shown in FD-4 (either separately or consolidated) and usage and balance of such kinds should be described in accordance with FD-5.

Compliance:

During the year under audit, the project did not receive any other donations in Kind/ Commodities, according to the information and explanations available to us, as such FD-5 need not to be submitted.



TOR-14:

Comments should be given or whether interest earned/exchange gain derived on foreign donations should have to be stated separately in the statement of accounts and whether permission/approval has been obtained from NGO Affairs Bureau for its use. The bank interest/ exchange gain cannot be refunded to the Donor. If needed, the NGOs have to spend/ use the amount on separate projects.

Compliance:

Bank interest amounting of Tk. 42 is earned by the project during the year under audit but not utilized. No exchange gain was derived on foreign donations received during the year under audit.

TOR-15:

Whether the NGO has maintained Cash Book/Bank Book, Ledger Book, Stock register, Asset register and other registers under double entry system of accounting as per requirement of Rule 12 of the Foreign Donation (Voluntary Activities) Regulation Act, 2016.

Compliance:

All the required books of account are maintained by the entity under the double-entry book keeping system as per Section 12 of the Foreign Donations (Voluntary Activities) Regulation Act, 2016.

TOR-16:

Whether separate project/donor-wise accounts are maintained or a consolidated account is maintained in respect of Revolving Loan Fund (RLF) against previously and currently implemented Foreign aided projects of the organization, whether separate project/donor-wise accounts are maintained or a consolidated account is maintained and separate audit was done every year.

If a separate consolidated account is not maintained for Micro Credit Funds out of foreign donation, the amount of service charges received from the loan disbursed out of project fund should be shown as receipts.

Compliance:

The project has no Micro Credit program or Revolving Loan Fund (RFL) and the organization not run any micro credit program.

TOR – 17:

Whether the NGO got Certificate from Micro Credit Regulatory Authority (MRA) for implementing Micro Credit Program out of Foreign Donation.

Compliance:

The NGO does not conduct any micro credit program and does not have any license from Micro Credit Regulatory Authority.



TOR – 18:

Whether the amount of donation has been spent in foreign currency. If spent, the details thereof should have to be described.

Compliance:

No expenditure in foreign currency has been incurred from donation. All expenditures are made in local currency.

TOR – 19:

Comments should be given on whether any expenditure incurred in excess than thereof in the budgeted heads have been adjusted with other budgeted heads or expenditures incurred under unapproved heads have been adjusted within the budgeted heads. If so, detailed description of the purpose of each excess expenditure along with the reason should have to be mentioned along with the comment on whether approval of NGOAB has been taken.

Compliance:

On analysis of budget actual expenditure and budget variance report, it was found that overall expenditure was within limit of the approved budget but in some cases head wise expenditure exceed its limit and explanation is given to **Annexure A/1**. From our verification we observed that the expenditure of any head has not been adjusted with another head or the expenditure of an unapproved head has not been adjusted with an approved head. (Details in Annexure-A/1)

TOR-20:

Whether Salary and Allowances of officers & staff of any amount and other expenditure exceeding Tk. 10,000.00 (Ten Thousand) are paid by bank account.

Compliance:

It is confirmed that we have verified pay sheet and found that salary were regularly paid through bank account as per order of NGO Affairs Bureau. In case of expenses more than Tk. 10,000 is paid through cheque.

TOR-21:

The information about source of loan and approval of NGO Affairs Bureau should be mentioned, if the project is implemented by taking loan.

a. If the project has been implemented by taking loan from any sources, reasons and sources of the loans along with comment as prior approval of NGOAB and Executive Committee of the NGO should be mentioned.

b. As per letter Ref. No. 03.07.2666.557.43.253.17-619 Dated: 31.01.2022 as issued by NGOAB, furnish following information if the project is implemented by NGO by taking loan/ receiving loan and local donation:



Sl. No.	Particulars	Remarks
01.	Proof of communication regarding non receipt of donation from donor agencies;	
02.	Sources of own fund;	
03.	Bank Statement;	
04.	Proof of transfer of fund in the project & the decisions of Executive Committee;	
05.	Detailed sources of local donation;	

Compliance:

On our verification, it was found that no loan was taken for implementation of the project during the period of our audit.

TOR-22:

Whether any member of Executive Committee and General Committee is taking salary and allowances or Honorarium. If so, the detailed information along with approval of Executive Committee is to be reported. Similarly, detailed statement of full or part salary or honorarium taken by the Chief Executive from project under audit or other project to be given in the report.

Compliance:

There was no local general body or executive body of the organization as it's an international organization. However, the organization has a Global Board of Director. In Bangladesh, there is a Senior Management Team (SMT) consisting of Country Director and other Senior Directors/ staff members. They receive salary and benefits as per organizational rules & procedures.

TOR-23:

Whether the internal control system of the Organization is adequate and satisfactory.

Compliance:

We have verified the Internal Control System of the Organization through Internal Control Questionnaire and observed that the overall Internal Control System of the Organization is found to be satisfactory

TOR-24:

Whether any money was refunded to the Donor. If so, the details of such refund should have to be mentioned in the report along with comment on whether approval of NGOAB has been taken or not.

Compliance:

As per accounting record no amount has been refunded to the donor agency during the period under audit.



TOR-25:

Whether AIT and VAT was deducted from the bill as per Govt. rule (NBR) and whether this deducted AIT and VAT were properly deposited to Govt. Treasury and revenue stamp was affixed on Bill/Voucher in respect of transactions of the project. The amount of deductible AIT and VAT, actual deduction, deposit amount and arrear, if any should be presented as per following format.

SL. No.	Head of Expenditure as per Annexure -A/1	Amount of Expenditure	Deductible Amount		Deducted Amount		Deposited Amount		Due / Outstanding		Challan Number, Date, Bank Name & Branch
			4 VAT	5 IT	6 VAT	7 IT	8 VAT	9 IT	10 VAT	11 IT	
1	2	3									
Total											

Compliance:

SL. No.	Head of Expenditure as per Annexure-A/1	Amount of Expenditure	Deductible Amount		Deducted Amount		Deposited Amount		Due / Outstanding		Challan Number, Date, Bank Name & Branch
			4 VAT	5 IT	6 VAT	7 IT	8 VAT	9 IT	10 VAT	11 IT	
1	2	3									
Total		7546575	307516	287123	307516	287123	307516	287123			

From our verification, we observed that the organization has affixed revenue stamp where applicable, Income Tax and VAT are deducted at source and deposited into Govt. Exchequer in time. Details of deducted IT and VAT is shown in Annexure-B/1 . However, details of deductible and deducted amount of VAT/AIT of this project are given in Annexure-B/1.

TOR-26:

Whether the NGO has filed Income Tax Return each income year as a legal entity to the Income Tax Authority as per provisions of Income Tax Ordinance, 2023. Whether foreign employees working in the organization are paying Income Tax regularly and previous assessment year's Income Tax return has been filed and final assessment was done. This should be mentioned in the report.

Compliance:

The NGO duly submitted the Income Tax return to the NBR as per income tax ordinance 2023. No foreigner work in this project/organization. So submission of income tax return of the foreigner does

not arise under U/S-166 of the Income Tax Ordinance, 2023 for the assessment year 2023-2024. Tin Number is 271151356627 of the organization.

TOR-27:

Whether Income Generating Activities (IGA) is in operation under the concerned project of NGO? Whether income tax was paid on income derived from IGA? Or whether tax exemption certificate was obtained from NBR? The audit firm should give opinion on all the issues.

Compliance:

The NGO did not undertake any income-generating activities (IGA) under this project.

TOR-28:

Whether any member of Executive Committee and General Committee or any officers and staff of NGO have made Foreign Travel with the help of foreign fund/Air Ticket or any other way. If so, the details thereof along with permission from NGO Affairs Bureau regarding Foreign Travel should have to be mentioned.

Compliance:

During the year under audit, no members of the Executive committee/ General Body and project staff traveled abroad with funds/ tickets from foreign donations as per the books and records maintained by the NGO and produced to us for our verification.

TOR-29:

A statement of Fixed Assets under the ownership of NGO during the audit period should be annexed with the report along with value.

Whether Fixed Assets/Deed/Rent agreement/Donated land/Car and other assets are in the name of NGO.

Compliance:

The project fixed asset has been shown in the Annexure-A of audited financial statements of the report and all assets are in the name of the project. The project has no donated land and vehicle.

TOR-30:

Whether assets procured out of project fund were sold or transferred. If so, whether approval from NGOAB was obtained.

Compliance:

No Assets procured under this project has been sold or transferred during under audit period.

TOR-31:

Management letter stating the irregularities/unauthorized expenses/expenses without budget provision etc. observed during the audit of concerned project should be submitted by audit firm to the management authority of NGO and a copy thereof should also be submitted to the

Deputy Director (Inspection and Audit), NGO Affairs Bureau, Dhaka. If the management report is not required, this should be clearly stated.

Compliance:

During our audit there is no significant reportable observation. So submission of management letter or report to the deputy Director of NGO Affairs Bureau would not be needed.

TOR-32:

No audit firm is allowed to audit the project accounts of NGO for more than five consecutive years. Hence, the audit firm is required to certify that the project was not audited for more than five years.

Compliance:

We do hereby certified that the project of the NGO under audit have not been audited by us continuously for more than five years. We certified that this is first time audit for us of this project.

TOR-33:

Name of members of the Executive Committee/Governing Body/Management Committee should be mentioned in the report.

Compliance:

No local executive committee is available as The Hunger Project Bangladesh is the branch of The Global Hunger project and has a Global Board.

TOR-34:

Comments to be given on whether the NGO will bear the audit fee out of the respective project fund.

Compliance:

All expenditure related to the audit fee of the project will be paid from the project fund.

TOR-35

Reference number of enlistments of CA firm along with date should have to be mentioned in the audit report.

Compliance:

Our enlistment number with NGO Affairs Bureau vide their circular No. 3.7.2666.657.43.253.17-2458 (Serial number 86) dated 24.12.2023

TOR-36

Whether all financial transactions are free from money laundering and terrorist financing should need to be examined and mentioned in the report.



Compliance:

As per verification and examination of Financial Statements and other documents on a test basis, nothing has been come to our attention indicating that the organization is involved with terrorist financing and money laundering.

TOR-37

The audit firm should provide an evidential opinion on whether the terms and conditions of the project approval letter have been followed properly by the NGO and whether local administrative government was engaged in implementing the project.

Compliance:

In our opinion, conditions of project approval as set by the NGOAB has been met. In addition to this, prior approval of local authority as well as their presence where necessary has been ensured. Sufficient audit evidence has been collected to draw this opinion.

TOR-38

Whether the audit has been performed within the stipulated time, if not, describe the reasons.

Compliance:

The audit has been completed within specified time mentioned in project approval of NGOAB.

TOR-39

DVC (Data Verification Code) should be mentioned in the audit report.

Compliance:

DVC (Data Verification Code) has been mentioned in the audit report.

Dated, Dhaka 19 SEP 2024

Khan Wahab Shafique Rahman
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Md. Abu Sina FCA
Senior Partner
Enrolment No.: 619
Firm's Registration No: 11970 E.P.
DVC: 2409190619A0219454

