

Private & Confidential

**Auditor's Report
&
Audited Financial Statements
of
Prova Society
For the Year Ended June 30, 2023**

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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, 2023 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, 2023 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: August 10, 2023


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





Prova Society
Statement of Financial Position
As At June 30, 2023

Property & Assets	Note	30-Jun-23	30-Jun-22
Non Current Assets			
Fixed Assets at Cost	6	411,807	390,607
Total Non Current Assets		411,807	390,607
Current Assets			
Advance Deposit	7	110,000	126,000
Cash & Bank Balance	8	466,197	5,887
Total Current Assets		576,197	131,887
Total Properties & Assets		988,004	522,494
Capital Fund & Liabilities			
Capital Fund			
Cumulative Surplus	9	(2,596,760)	(5,390,838)
Total Capital Fund		(2,596,760)	(5,390,838)
Current Liabilities			
Loan from Others	10	123,625	123,625
Loan from EC	11	1,027,000	2,027,000
Loan from General Secretary	12	2,002,102	3,376,288
Loan from Chairman	13	67,000	67,000
Accumulated Depreciation	14	365,037	319,419
Total Current Liabilities		3,584,764	5,913,332
Total Capital Fund & Liabilities		988,004	522,494

The accompanying notes form integral part of these financial statements

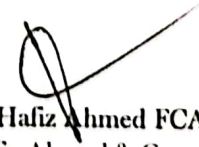

Accounts Officer


Executive Director

Signed as per our report of even date

Date: August 10, 2023




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

Prova Society
Consolidated Statement of Comprehensive Income
For the year ended June 30, 2023

Income	FY 2022-2023
Donation	55,174
Donation from Executive Committee	21,572
Donation from Taiwan Foundation for Democracy (TFD)	500,366
Donation from Ministry of Labor & Employment	13,451,131
Members Subscription	5,000
Donation from BNFE	2,433,878
Donation from Bangladesh NGO Foundation	327,000
Donation from Czech Republic	1,132,672
Total	17,926,793

Expenditure	FY 2022-2023
Salary and Honorarium	1,540,400
PP Development	60,000
Courier	32,315
Stationery	17,480
Newspaper Bill	1,700
Entertainment	7,655
Mobile Bill	100
Internet	9,300
Office Rent	82,200
Converyance	76,445
Office Maintenance	29,950
Photocopy	7,228
Eleccetrick Bill	5,450
Tax & VAT	100,000
Bank Charge	4,686
Fuel	4,250
Audit Fee	10,000
Expenses EHCLBP	10,878,636
Expenses TFD Program	314,400
Expenses BNF Program	27,000
Transfer to BLP Program	105,000
Expenses Suicide & Early Marriage Program	1,256,660
Expenses Rohingya Project	516,242
Depreciation	45,618
Total Expenditure	15,132,715
Excess of Income over Expenditure	2,794,078
Total	17,926,793



Prova Society
General Account
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	1,084
Cash at Bank	4,803
Loan from General Secretary	125,814
Office Rent Advance	16,000
Donation	55,174
Donation from Executive Committee	21,572
Donation from Taiwan Foundation for Democracy (TFD)	500,366
Donation from Ministry of Labor & Employment	13,451,131
Members Subscription	5,000
Donation from BNFE	2,433,878
Donation from Bangladesh NGO Foundation	327,000
Donation from Czech Republic	1,132,672
Total Receipts	18,074,494
Payments	
Salary and Honorarium	1,540,400
PP Development	60,000
Courier	32,315
Stationery	17,480
Newspaper Bill	1,700
Entertainment	7,655
Mobile Bill	100
Internet	9,300
Office Rent	82,200
Converyance	76,445
Office Maintenance	29,950
Photocopy	7,228
Eleccctric Bill	5,450
Tax & VAT	100,000
Bank Charge	4,686
Fuel	4,250
Audit Fee	10,000
Expenses EHCLBP	10,878,636
Expenses TFD Program	314,400
Expenses BNF Program	27,000
Transfer to BLP Program	105,000
Expenses Suicide & Early Marriage Program	1,256,660
Expenses Rohingya Project	516,242
Furniture Purchase	21,200
Loan Refunded to EC	1,000,000
Loan Refunded to General Secretary	1,500,000
Closing Balance	
Cash in Hand	1,135
Cash at Bank	465,062
Total Payments	18,074,494



Prova Society
Notes to the Financial Reports
for the year ended June 30, 2023

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-23
<i>Cost</i>	
Balance as on 01-07-2022	390,607
Add: Purchased During the year	21,200
Less: Adjustment During the Year	
Balance as on 30-06-2023	411,807
<i>Deprcciation</i>	
Balance as on 01-07-2022	319,419
Add: Charged During the year	45,618
Balance as on 30-06-2023	365,037
Net Book Value as on 30-06-2023	46,770
07.00 Advance Account	30-Jun-23
Balance as on 01-07-2022	126,000
Add: Advance During the year	-
	126,000
Less: Realized During the year	16,000
Balance as on 30-06-2023	110,000
08.00 Cash & Bank Balance	30-Jun-23
Cash in Hand	1,135
Cash at Bank	465,062
Balance as on 30-06-2023	466,197
09.00 Cumulative Surplus	30-Jun-23
Opening Balance as on 01-07-2022	(5,390,838)
Add: Excess of Expenditure Over Income	2,794,078
Less: Adjustment During the year	-
Balance as on 30-06-2023	(2,596,760)
10.00 Loan from Others	30-Jun-23
Opening Balance as on 01-07-2022	123,625
Add: Received During the year	-
	123,625
Less: Refunded During the Year	-
Balance as on 30-06-2023	123,625
11.00 Loan from EC	30-Jun-23
Opening Balance as on 01-07-2022	2,027,000
Add: Received During the year	-
	2,027,000
Less: Refunded During the Year	1,000,000
Balance as on 30-06-2023	1,027,000
12.00 Loan from General Secretary	30-Jun-23
Opening Balance as on 01-07-2022	3,376,288
Add: Received During the year	125,814
	3,502,102
Less: Refunded During the Year	1,500,000
Balance as on 30-06-2023	2,002,102
13.00 Loan from Chairman	30-Jun-23
Opening Balance as on 01-07-2022	-
Add: Received During the year	67,000
	67,000
Less: Refunded During the Year	-
Balance as on 30-06-2023	67,000
14.00 Depreciation Reserved Fund	30-Jun-23
Opening Balance as on 01-07-2022	319,419
Add: During the year	45,618
	365,037
Less: Adjusted During the Year	-
Balance as on 30-06-2023	365,037



Prova Society
Enhancing Livelihoods & Self Reliance Among Rohingya
Refugees & Host Communities at Cox's Bazar
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Grant from Prova Society	123,988
Project Grant from Czech Republic	1,132,672
Total Receipts	1,256,660

Particulars	FY 2022-2023
Payments	
Dress Making Training Rohingya	
Trainer Salary	93,950
Materials & Equipments	823,835
Communication / Travel	15,750
Food & Others	83,275
Dress Making Training Host	
Trainer Salary	48,000
Materials & Equipments	154,350
Food & Others	37,500
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	1,256,660



Prova Society
Assessment of Basic Literacy Project
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	-
Cash in Hand	2,808
Cash at Bank	2,433,878
Fund from BNFE	366
Bank Interest	
Total Receipts	2,437,052
Payments	
Assessment Evaluator	660,000
Assessment Team Leader	80,000
Data Entry Operator	40,000
Travel Perdiem	662,400
Questioner	240,000
Certificate	640,000
Photocopy	9,637
Reporting	100,000
Bank Charges	4,592
Closing Balance	-
Cash in Hand	423
Cash at Bank	
Total Payments	2,437,052

Prova Society
Democratic Rights Education for Rural Women and Young Girls in Bangladesh
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	-
Cash in Hand	3,531
Cash at Bank	1,186
Prova Donation	499,180
Grant from TFD	
Total Receipts	503,897
Payments	
Snacks	45,000
Lunch	100,000
Conveyance	125,000
Computer	42,400
Meeting	5,531
Closing Balance	-
Cash in Hand	185,966
Cash at Bank	
Total Payments	503,897



Prova Society
Goat Farming project
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	27,000
Project Grant from BNF	300,000
Total Receipts	327,000

Particulars	FY 2022-2023
Payments	
Salary	21,000
Mobile Bill	3,000
Conveyance	3,000
Closing Balance	
Cash in Hand	-
Cash at Bank	300,000
Total Payments	327,000

Prova Society
Awareness Raising Suicide and Early Marriage Prevention
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Grant from Prova Society	105,000
Total Receipts	105,000

Particulars	FY 2022-2023
Payments	
Meeting with Rural Women	
Snacks	25,000
Meeting, Leaflet, Banner	52,500
Miking	2,500
Meeting with Girls	
Snacks	25,000
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	105,000

Prova Society
Integrated Family Planning, Sexual Reproductive Health and Menstrual Hygiene Management (MHM)
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Local Donation	5,174
Transferred from GA	511,068
Total Receipts	516,242

Particulars	FY 2022-2023
Payments	
Group Meeting	91,300
Project Materials	165,460
Seminar	14,400
Project Materials	161,782
Meeting on GBV Issue	28,800
PIC Meeting	54,500
Stationery	
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	516,242

Prova Society
Eradication of Hazardous Child Labour (4th phase) project in Bangladesh
Receipts & Payments Statements
For the year ended June 30, 2023

Particulars	FY 2022-2023
Receipts	
Opening Balance	
Cash in Hand	-
Cash at Bank	-
Transferred from GA	8,334,666
Total Receipts	8,334,666

Particulars	FY 2022-2023
Payments	
Salary	2,787,000
Tax & VAT	1,000,160
Materials	3,050,136
Local Transport	150,000
Conveyance	112,000
CMC	150,000
Office Rent	1,040,600
Stationery	34,770
Mobile Bill	10,000
Closing Balance	
Cash in Hand	-
Cash at Bank	-
Total Payments	8,334,666

