

Confidential Financial Report

MOSTAFA KAMAL & CO.
CHARTERED ACCOUNTANTS
87, PURANA PALTAN LINE, SUITE NO - 706
PALTAN TOWER, DHAKA-1000

AUDITOR'S REPORT

OF

EFFORTS FOR RURAL ADVANCEMENT (ERA)

FOR THE YEAR ENDED 30TH JUNE, 2022

87, Purana Paltan Line, Paltan Tower (7th Floor), Suite No - 706, Dhaka-1000

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MKC

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Chartered Accountants

Ref: MKC/ERA/09/156

Date :

Independent Auditor's Report

To the Governing Body of EFFORTS FOR RURAL ADVANCEMENT (ERA)

We have audited the accompanying financial statements of **EFFORTS FOR RURAL ADVANCEMENT (ERA)**. Which comprise the Financial Position as at 30 June 2022, Statement of Comprehensive Income, Receipts and Payments Account for the year ended 30 June 2022 and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Project management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Scope Limitation: This Audit report shall be use to provide information relating to financial position to Internal management of the company and Not to provide other than the above stakeholders or legal authority of the organization.

Opinion

In our opinion, the Financial Statements present fairly, in all material respect, the financial position of **EFFORTS FOR RURAL ADVANCEMENT (ERA)**, as at 30 June 2022 and its Statement of Comprehensive Income and its Receipts and Payments Account for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and applicable laws.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- Proper books of accounts as required have been kept and other applicable laws have been followed by the organization so far as it appeared from examination of those books.
- In our opinion, the financial statement dealt with by the report is in agreement with the books of accounts.

Mostafa Kamal & Co.
Chartered Accountants



OUR SERVICE : Audit & Assurance Services, Accounts Preparation & Outsourcing taxation services, value Added tax, Fund arrangement from Bank & Financial institutions, Corporate Services, All Regulatory authority Compliance Services, Management Consultancy, Other advisory Services related to business

EFFORTS FOR RURAL ADVANCEMENT (ERA)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

Particulars	Notes	Amount(Tk.) <u>6/30/2022</u>	Amount (Tk.) <u>6/30/2021</u>
PROPERTY AND ASSETS:			
Fixed Assets	4	1,701,551	1,701,551
CURRENT ASSETS:			
Revolving Loan Fund	5	-	196,350
Advance and Security Money		165,127	165,127
Advance Income Tax (AIT)		2,796	2,796
Cash and Bank Balance	6	9,488,621	994,601
Total Taka:		<u><u>11,358,095</u></u>	<u><u>3,060,425</u></u>
FUND AND LIABILITIES:			
Fund Account	7	11,358,095	3,060,425
Total Taka:		<u><u>11,358,095</u></u>	<u><u>3,060,425</u></u>

- 1.00 Figures have been rounded off to the nearest taka.
2.00 Annexed notes form part of the financial statements.


(Md. Serajul Islam)
 Executive Director

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
28-Dec-22


Mostafa Kamal & Co.
 Chartered Accountants



EFFORTS FOR RURAL ADVANCEMENT (ERA)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022


Particulars	Notes	Amount <u>2021-2022</u>	Amount <u>2020-2021</u>
Income:			
Fund Received from Donor	8	32,184,926	22,655,292
Bank Interest		23,896	71,363
Other Receipts		915,655	6,280,022
Total Income		<u>33,124,477</u>	<u>29,006,677</u>
Expenditure:			
Pay and Salary	9	14,150,641	5,370,463
Administrative Expenses	10	2,142,256	8,544,022
Traveling Allowance	11	77,285	460,308
Program Cost	12	8,244,205	16,890,933
Program support Cost		-	45,928
Total Expenditure:		<u>24,614,387</u>	<u>31,311,654</u>
Surplus/(Deficit) of Income over Expenditure		8,510,090	(2,304,977)
Total Taka:		<u>33,124,477</u>	<u>29,006,677</u>

1.00 Figures have been rounded off to the nearest taka.
2.00 Annexed notes form part of the financial statements.


(Md. Serajul Islam)
Executive Director

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
28-Dec-22


Mostafa Kamal & Co.
Chartered Accountants



EFFORTS FOR RURAL ADVANCEMENT (ERA)
CONSOLIDATED STATEMENTS OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Particulars	<u>Amount</u> <u>2021-2022</u>	<u>Amount</u> <u>2020-2021</u>
Opening Balance:		
Cash in Hand	5,000	-
Cash at Bank	989,601	3,335,389
Receipts		
Bank Interest	23,896	71,363
Fund Received from Donor	32,161,030	22,655,292
Other Receipts	2,369,235	6,613,320
Total Receipts	<u>35,548,762</u>	<u>32,675,364</u>
Payments:		
Pay and Salary	14,150,641	5,370,463
Administrative Expenses	2,142,256	8,544,022
Traveling Allowance	77,285	460,308
Program Cost	8,244,205	16,890,933
Program support Cost	-	45,928
Others Payment	1,445,754	-
Fixed Assets	-	369,109
Total Payments	<u>26,060,141</u>	<u>31,680,763</u>
Closing Balance:		
Cash in hand	-	5,000
Cash at Bank	9,488,621	989,601
	<u>9,488,621</u>	<u>994,601</u>
Total	<u>35,548,762</u>	<u>32,675,364</u>

- 1.00 Figures have been rounded off to the nearest taka.
2.00 Annexed notes form part of the financial statements.



(Md. Serajul Islam)

Executive Director

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
28-Dec-22




Mostafa Kamal & Co.
Chartered Accountants

EFFORTS FOR RURAL ADVANCEMENT (ERA)

Notes to the Financial Statement
FOR THE YEAR ENDED 30 JUNE 2020

1. BACKGROUND OF THE ORGANIZATION:

Efforts for Rural Advancement (ERA) is a development, humanitarian, non-profit, non-government organization (NGO) established in July 1997 with a group of local social development workers under the leadership of present Executive Director. It was registered with Department of Social Service, Government of the People Republic of Bangladesh vide registration No. Sunam-289/99, Dated: 24 February 1999 and with NGO Affair Bureau, Government of the People's Republic of Bangladesh vide registration No. 2276, Dated: 11 October 2007. It has been implementing integrated development activities in the district of Sunamgonj, the northern eastern part of Bangladesh. The head office ERA is located in the district headquarters of Sunamgonj.

The district of Sunamgonj is located at the northeastern part of Bangladesh under Sylhet division. It is located in the bank of river the Surma. India bound the North border, Sylhet district is located in the East, Habigonj & Kishorgonj district is on the South and Netrokona district is on the west.

Sunamgonj district is the one of the low-lying, disaster and poverty prone area in Bangladesh. Natural disaster like flash flood, heavy rain, sometimes earthquake is a common phenomenon in the district. River and soil erosions are one of the major disasters and natural water flow is disrupted due to situation of river and canal. Flash flood damages crops just before the harvesting period and it is a normal phenomenon. Different water bodies bound most of the Upazilas, communication is very difficult. In the rainy season, country boat becomes the only mode of transport. During the dry season people have to walk and ride on boat (only main river way) to cross miles of distances. More than half of the year most of the areas goes under water during the rainy season.

95% of the total population are poor and among them 48% population are living under extreme poverty line and they are landless. Government services are very poor especially in education, health and employment generation. Literate rate is very below, high drop out rate from primary school, unemployment rate is very high, maternal and child mortality is comparatively very high any other district of Bangladesh. Safe water and sanitation is a burning issue in the low-lying areas.

Basic rights of poor people are violated due to poverty and lack of awareness. They are also exploited by waterload (lease of haor). The livelihood situations of women are most vulnerable due to very limited scope of involvement in IGAs and they have no power in decision making process in a family. Religious binding is another barrier of women empowerment.

ERA dedicated to reduction of suffering of the underprivileged people and the ultimate elimination of extreme poverty.

2. OBJECTIVES OF THE ORGANIZATION:

The objectives of the organization are:

- ✦ To mobilize and organize rural poor women and men.
- ✦ To establish deprived people's rights on local resources.
- ✦ To improve the health and nutrition status through providing health education and ensure health rights through access to local health services and raise awareness to prevent HIV/AIDS, TB and Malaria.
- ✦ To generate income and employment through providing livelihood skill development training and micro finance.
- ✦ To reduce illiteracy through non-formal and adult education.
- ✦ To reduce disaster risk through life skill development, protection of mound and emergency response.
- ✦ To improve the environment condition at haor region (low lying area) through providing education on the sustainable environment, household waste management and tree plantation and open water fisheries management etc.

3. BASIS OF ACCOUNTING:

3.1 Accounts have been prepared in Bangladesh Accounting Standards (BAS) except on cash basis under historical cost convention except depreciation on fixed assets. Depreciation on fixed assets has been provided based on the concept of diminishing balance method at the rates shown in the schedule of fixed assets based on the life expectancy of the assets. Generally half year's depreciation is charged on addition to fixed assets irrespective of date of acquisition or put into use, while no depreciation is charged during the year of disposal.

3.02 Additional information on financial statements:

Comparative:

a. Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements.

b. Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS-8 Accounting Policies, Changes in Accounting estimates and Errors.

4. Fixed Assets

The above balance has been arrived at as under:

	Amount(Tk.) <u>6/30/2022</u>	Amount (Tk.) <u>6/30/2021</u>
Written down value as at 01.07.2021	1,701,551	1,332,442
Add: Purchase during the year	-	369,109
Less: Depreciation charged during the year	-	-
	<u>1,701,551</u>	<u>1,701,551</u>



5 Revolving Loan Fund

The above balance has been arrived at as under:

Opening Balance		196,350	196,350
Add: Loan disbursed during the year		-	-
		196,350	196,350
Less: Adjusted with fund account		196,350	-
Closing Balance	Taka:	-	196,350

6 Cash and Bank Balances

Breakup of the above amount is given below:

Cash in Hand	6.01	-	5,000
Cash at Bank	6.02	9,488,621	989,601
	Total Taka:	9,488,621	994,601

6.01 Cash in Hand: Taka. Nil

Breakup of the above amount is given below:

Wash in Health		-	-
	Total Taka:	-	-

Note: The management through balance confirmation certificate has confirmed the above balance as on 30 June 2020..

6.02 Cash at Bank: Taka

Breakup of the above amount is given below:

Account Name	Account No.	6/30/2022	6/30/2021
ERA Mother	SB-0210101093607/5910100016847	5,360,904	91,659
ERA-NFPE	STD-0210102025910	-	7,511
ERA-CBSMTHP (IUCN)	STD-6201203321797001	-	781
ERA-EHSP Project	STD-5911110000076	-	-
ERA-LHDP	STD-204.120.2429	-	-
WASH in Institution	STD-5911110000074	33,061	34,462
ERA-Feasibility Study Project	STD-5910502002100	-	4,138
ERA-Nakshi Katha Project	STD-5910503000103	-	5,793
ERA -Y Moves Project	STD-5910503000112	9,880	28,042
ERA Covid-19 Response	STD-5910503000113	-	16,456
ERA BLP (Dharmapasa)	STD-5910503000111	16,862	220,467
ERA BLP (South Sunamgonj)	STD-5910503000109	1,474	124,492
ERA BLP (Duoara Bazar)	STD-5910503000110	8,786	239,690
ERA MLIHNS Project	STD-5910503000108	102,842	10,933
ERA-VGD Project	STD-5910503000107	3,245	1,495
Bangladesh Flash Foold 2022	STD-5910503000124	3,739,933	-
Out of School Children (OOSC) Program	STD-5810702000911	26,252	-
ERA Gratuity Fund	STD-620120336753001	62	62
ERA Staff Welfare Fund	STD-62012033667512001	86,452	44,799
ERA Provident Fund	STD-6201203272941001	98,868	158,821
		9,488,621	989,601

7 Fund Account

The above balance has been arrived at as under:

Opening Balance		3,060,425	5,032,104
Add: Surplus/(Deficit) of Income over Expenditure		8,510,090	(2,304,977)
		11,570,515	2,727,127
Add: Fund Collection		516,058	333,298
Less: Advance AIT adjustment		-	-
Less: Adjustment Revolving loan Fund		196,350	-
Less: Payment to Employee		532,128	-
		11,358,095	3,060,425

8 Fund Received from Donor:

Breakup of the above amount is given below:

Fund Received from Basic Literacy Project (BLP)		15,563,000	-
Bangladesh Health Watch (BHW)		412,488	-
ERA-WASH in Institution		4,336,738	11,381,241
IUCN Bangladesh (CBSMTHP)		-	6,184,407
ERA-Y Moves Project		1,227,537	1,123,045
ERA-COVID 19 Response		-	1,604,006
Bangladesh Flash Foold 2022		4,500,000	-
Out of School Children (OOSC) Program		805,409	-
ERA MLIHNS Project		5,001,965	1,656,148
ERA-VGD Project		337,789	706,445
		32,184,926	22,655,292



9 **Pay and Salary**

Breakup of the above amount is given below:

ERA	10,064,160	1,145,885
ERA-BLP (Dharampasha)		75,000
ERA-BLP (South Sunamgonj)		145,000
ERA-BLP (Doara Bazar)		45,000
Out of School Children (OOSC) Program	1,354,391	114,524
ERA-CBSMTHP (IUCN)	-	-
Staff Welfare Fund		22,000
Provident Fund		58,487
ERA-SHARIQUE	-	-
ERA-EHSP Project	-	-
ERA-LHDP	-	-
ERA-WASH in Institution	1,858,790	1,472,575
ERA -Y Moves Project	620,100	585,000
ERA MLIHNS Project	-	1,088,792
ERA-VGD Project	253,200	538,200
	14,150,641	5,290,463

10 **Administrative Expenses**

Breakup of the above amount is given below:

ERA	388,586	5,409,449
ERA-NFPE	781	1,686
ERA-CBSMTHP (IUCN)	-	8,960
ERA-BLP (Dharampasha)	1,078	179,193
ERA-BLP (South Sunamgonj)	1,074	195,328
ERA-BLP (Doara Bazar)	1,109	149,192
Out of School Children (OOSC) Program	73,461	23,523
ERA-COVID 19 Response	16,456	24,176
Staff Welfare Fund	1,265	1,840
Provident Fund	1,460	152,390
Gratuity Fund	-	1,840
ERA-Feasibility Study Project	4,138	504
ERA-Nakshi Katha Project	-	1,683
ERA-LHDP	5,793	3,728
ERA-WASH in Institution	561,343	1,132,650
ERA -Y Moves Project	47,293	125,241
ERA MLIHNS Project	954,643	1,049,660
Bangladesh Flash Foold 2022	898	-
ERA-VGD Project	82,878	82,979
	2,142,256	8,544,022
Less: AIT	-	-
Refer to I&E	-	-
	2,142,256	8,544,022

11 **Traveling Allowances**

Breakup of the above amount is given below:

ERA	-	204,548
ERA MLIHNS Project	77,285	123,650
WASH in Institution	-	12,060
ERA -Y Moves Project	-	33,480
ERA-VGD Project	-	86,570
	77,285	460,308

12 **Program Cost**

Breakup of the above amount is given below:

ERA	255,866	10,665,611
ERA-COVID 19 Response	-	1,459,608
Out of School Children (OOSC) Program	56,442	56,442
Bangladesh Flash Foold 2022	760,000	
ERA-WASH in Institution	1,923,446	3,574,274
ERA-Y Moves Project	508,097	371,100
ERA BLP (Dharmapasa)	203,845	
ERA BLP (South Sunamgonj)	339,500	
ERA BLP (Douara Bazar)	231,580	
ERA MLIHNS Project	3,965,429	763,898
	8,244,205	16,890,933

Project wise details in Annex -1



Efforts For Rural Advancement (ERA)

Project Wise Receipts And Payments Accounts

Year: July 2021 to June 2022

Particulars	ERA Member	NFPE	WASH in Institution	Feasibility Study Project	Naksh Khatun Project	ERA-Y Moves Project	ERA-COVID 19 Response	ERA-VGD Project	ERA BLP (Dharmapasha)	ERA BLP (South Sunamganj)	ERA BLP (Dourahaur)	ERA-MLIH & NSI Project	Out of School Children (OOSC) Program	Bangladesh Fish Flood 2022	Gratuity Fund	Staff Welfare Fund	Provident Fund	Total July 2021- June 2022
RECEIPTS:																		
Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash at Hand	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000
Cash at Bank	91,659	781	34,463	4,138	5,793	28,042	16,456	1,494	220,467	124,492	239,690	10,933	7,511	-	62	44,799	158,821	989,601
Total	91,659	781	34,463	4,138	5,793	33,042	16,456	1,494	220,467	124,492	239,690	10,933	7,511	-	62	44,799	158,821	994,601
DONOR FUND																		
Received from VGD Project	-	-	-	-	-	-	-	337,789	-	-	-	-	-	-	-	-	-	337,789
Fund Received from WaterAid Bangladesh (Wash in Health Project)	-	-	4,336,738	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,336,738
Fund Received from Mutual Learning for Improving Health and Nutrition Scenario	-	-	-	-	-	-	-	-	-	-	-	5,001,965	-	4,500,000	-	-	-	5,001,965
Fund Received from ERA Bangladesh Fish Flood 2022 (Oxfam)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,500,000
Fund Received from Basic Literacy Project (BLP)	15,563,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,563,000
Fund Received from Plan Bangladesh (Y-Moves Project)	-	-	-	-	-	1,227,537	-	-	-	-	-	-	805,409	-	-	-	-	1,227,537
Fund Received from Our of School Children Education Program)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	805,409
Bangladesh Health Watch (BHW)	412,488	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	412,488
Total Donor Fund	15,975,488	-	4,336,738	-	-	1,227,537	-	337,789	-	-	-	5,001,965	805,409	4,500,000	-	-	-	32,184,926
OTHER																		
Bank Interest	340	-	5,439	-	-	2,076	-	40	1,318	1,556	1,785	10,016	-	831	-	-	495	23,896
Received from Y Moves Project (Office Rent & ED Honorarium)	361,646	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	361,646
Received from WASH in Health Project (Overhead & Accountant Salary)	454,009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	454,009
Received from Mutual Learning for Improving Health and Nutrition Scenario (Office Rent)	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Loan Received from ERA	-	-	-	-	-	-	-	-	-	216,000	-	-	-	-	-	-	-	216,000
Loan Received from ERA	-	-	-	-	-	-	-	-	-	-	-	-	697,626	-	-	-	-	697,626
All Project Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other	915,995	-	5,439	-	-	2,076	-	40	1,318	217,556	1,785	10,016	697,626	831	-	42,918	473,140	516,058
Total TAKA	16,983,142	781	4,376,640	4,138	5,793	1,262,655	16,456	339,323	221,785	342,048	241,475	5,022,914	1,510,546	4,500,831	62	87,717	632,456	35,548,762
PAYMENTS:																		
PAY & SALARY																		
Staffs Salary	162,971	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,971
Honorarium Executive Director	395,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	395,000
Remuneration of Technical Officer (Engineer)	-	-	271,264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	271,264
Remuneration of Advocacy Officer	-	-	459,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	459,250
Project Manager	-	-	739,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	739,250
Project Accountants (Part time)	-	-	253,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	253,500
Security & Support Service	-	-	135,526	-	-	-	-	-	-	-	-	-	-	-	-	-	-	135,526
Executive Director - 10%	-	-	-	-	-	137,800	-	-	-	-	-	-	-	-	-	-	-	137,800
Account Officer - 50%	-	-	-	-	-	137,800	-	-	-	-	-	-	-	-	-	-	-	137,800
Project Officers at local CSOs	-	-	-	-	-	344,500	-	-	-	-	-	-	-	-	-	-	-	344,500
Salary (VGD Project)	-	-	-	-	-	-	-	253,200	-	-	-	-	-	-	-	-	-	253,200
Staffs Salary	9,506,189	-	-	-	-	-	-	-	-	-	-	-	1,354,391	-	-	-	-	1,354,391
Teacher & Supervisor Salary (BLP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total TAKA	10,064,160	-	1,858,790	-	-	620,100	-	253,200	-	-	-	-	1,354,391	-	-	-	-	14,150,641



