

PRIVATE & CONFIDENTIAL
REPORT AND ACCOUNTS
OF

PATHWAY

Mohammadpur, Dhaka

Bangladesh.

Financial Statements

For the year ended 30 June 2016.

ANISUR RAHMAN & CO.
CHARTERED ACCOUNTANTS

70/C, PURANA PALTAN LINE, 3RD FLOOR, VIP ROAD, DHAKA-1000
PHONE : 8318179, RES. : 9884705, MOBILE: 01819-252656
E-mail: anisurfca@yahoo.com

AUDITOR'S REPORT

We have audited the accompanying Balance Sheet of **PATHWAY, Mohammadpur, Dhaka** as at June 30, 2016 and the related Income & Expenditure and Receipts & Payments Account for the period from 1 July, 2015 to 30 June, 2016. The preparation of these financial statements is the responsibility of the organization management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

Scope:

We conducted our audit in accordance with International Standard on Auditing (ISA) and Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significance estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:


In our opinion, the financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP), give a true and fair view of the project affairs as on June 30, 2016 and of the results of its operation for the period then ended and comply with applicable laws and regulations.

We also report that:

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

**Dated: Dhaka
August 28, 2016**




Anisur Rahman & Co.
Chartered Accountants

PATHWAY
House No.16/16,Block-F,Hazi Chinu Road, Mohammadpur, Dhaka-1207
Balance Sheet
As at 30th June, 2016

Particulars	Note	Project 2015-2016	Micro Credit 2015-2016	Total Amount 2015-2016
A. Fixed Assets:				
Furniture, Fixture and Mobile Set	5	32,156.00	32,401.00	64,557.00
B. Investment:				
C. Current Assets:				
Closing Balance		8,224.00	4,269,083.00	4,277,307.00
Cash in Hand		6,724.00	367,650.00	374,374.00
Cash at Bank		1,500.00	34,244.00	35,744.00
Loan Due with Beneficiaries	1	-	3,867,189.00	3,867,189.00
D. Current Liabilities:				
Savings at Office	2	-	3,408,669.00	3,408,669.00
Loan Payable	4	-	3,408,669.00	3,408,669.00
E. Net Current Assets: (C-D)				
		8,224.00	860,414.00	868,638.00
F. Total Assets: (A+B+E)				
		<u>40,380.00</u>	<u>892,815.00</u>	<u>933,195.00</u>
Represented By				
Capital Fund	3	<u>40,380.00</u>	<u>892,815.00</u>	<u>933,195.00</u>
		<u>40,380.00</u>	<u>892,815.00</u>	<u>933,195.00</u>

As per our Report of date Annexed

Executive Director

Accounts Officer

Dated, Dhaka
28 August, 2016

Anisur Rahman & Co.
Chartered Accountants



70/C, PURANA PALTAN LINE, 3RD FLOOR
VIP ROAD, DHAKA-1000
PHONE NO. OFF: 8318179
RES: 8311582, MOB: 0191 6670082.

আনিছুর রহমান এন্ড কোং
ANISUR RAHMAN & CO.
CHARTERED ACCOUNTANTS

PATHWAY
House No.16/16,Block-F,Hazi Chinu Road, Mohammadpur, Dhaka-1207
Consulted Income and Expenditure Account
For the year ended 30th June, 2016

Income:	Note	Project Exp. 201-2016	Micro Credit 2015-2016	Total Amount
Service Charge Received			567,565.00	567,565.00
Fine on Loan			3,452.00	3,452.00
Admission Fee			890.00	890.00
Pass Book Sales			565.00	565.00
Loan Form Sales			6,782.00	6,782.00
Fine on Savings			25.00	25.00
Bank Interest			342.00	342.00
Contribution of Executive Member		55,600.00		55,600.00
Project Support:				
HEED Bangladesh		195,000.00		195,000.00
Bangladesh Nazarene Mission		657,000.00		657,000.00
World Vision-Bangladesh		346,700.00		346,700.00
NGO Foundation		270,000.00		270,000.00
Henry-USA		42,923.00		42,923.00
Excess of Expenditure Over Income			8,159.00	8,159.00
Total Taka		1,567,223.00	587,780.00	2,155,003.00



Expenditure:	Note	Project Exp. 201-2016	Micro Credit 2015-2016	Total Amount
Salary and Allowances		267,543.00	165,700.00	433,243.00
Printing and Stationery		7,865.00	77,500.00	85,365.00
Office Rent		120,000.00	256,300.00	376,300.00
Telephone, Mobile etc.		4,678.00	28,671.00	33,349.00
Bank Charge		234.00	378.00	612.00
Conveyance		8,965.00	8,967.00	17,932.00
Meeting and Entertainment		4,321.00	19,876.00	24,197.00
Audit Fee		6,000.00	9,000.00	15,000.00
Elctricity Bill			15,670.00	15,670.00
				-
Program Expenses:				-
Pre-School Education Program		198,765.00		198,765.00
Health Program		387,987.00		387,987.00
Skill Development Training Program		89,754.00		89,754.00
Nature Conservation Program		34,897.00		34,897.00
Institution Building		4,765.00		4,765.00
Water Sanitation and Arsenic Mitigation Project		167,543.00		167,543.00
Good Governance and Advocacy Including		6,754.00		6,754.00
Human Rights to the Women and Children		45,643.00		45,643.00
Relief and Rehabilitation Project		76,543.00		76,543.00
Community Development, Early Childhood Dev. Health		98,760.00		98,760.00
Sanitation & Training on Traders Project		28,976.00		28,976.00
				-
Depreciation	5.00		5,718.00	5,718.00
				-
Excess of Income Over Expenditure		7,230.00		7,230.00
Total Taka		1,567,223.00	587,780.00	2,155,003.00

As per our Report of date Annexed

Executive Director

Accounts Officer

Dated, Dhaka
28 August, 2016

Anisur Rahman & Co.
Chartered Accountants



70/C, PURANA PALTAN LINE, 3RD FLOOR
 VIP ROAD, DHAKA-1000
 PHONE NO. OFF: 8318179
 RES: 8311582, MOB: 0191 6670082.

আনিছুর রহমান এন্ড কোং
ANISUR RAHMAN & CO.
 CHARTERED ACCOUNTANTS

PATHWAY
 House No.16/16,Block-F,Hazi Chinu Road, Mohammadpur, Dhaka-1207
 Consolidated Receipts and Payments Account
 For the year ended 30th June, 2016

Receipts:	Note	Project Exp. 2015-2016	Micro Credit 2015-2016	Total Amount
Opening Balance				
Cash in Hand			6,754.00	6,754.00
Cash at Bank		994.00	69,681.00	70,675.00
Savings Collection (Share Collection)	2.00		45,400.00	45,400.00
Loan Realization	1.00		5,887,000.00	5,887,000.00
Service Charge Received			567,565.00	567,565.00
Fine on Loan			3,452.00	3,452.00
Admission Fee			890.00	890.00
Pass Book Sales			565.00	565.00
Loan Form Sales			6,782.00	6,782.00
Fine on Savings			25.00	25.00
Bank Interest			342.00	342.00
Contribution of Executive Member		55,600.00		55,600.00
Project Support:				
HEED Bangladesh		195,000.00		195,000.00
Bangladesh Nazarene Mission		657,000.00		657,000.00
World Vision-Bangladesh		346,700.00		346,700.00
NGO Foundation		270,000.00		270,000.00
Henry-USA		42,923.00		42,923.00
				-
Total Taka		1,568,217.00	6,588,456.00	8,156,673.00



Payments:	Note	Project Exp. 2015-2016	Micro Credit 2015-2016	Total Amount
Loan Disbursement	1.00		5,210,500.00	5,210,500.00
Savings Refund (Final Settlement)	2.00		198,500.00	198,500.00
Savings Refund	2.00		195,500.00	195,500.00
Salary and Allowances		267,543.00	165,700.00	433,243.00
Printing and Stationery		7,865.00	77,500.00	85,365.00
Office Rent		120,000.00	256,300.00	376,300.00
Telephone, Mobile etc.		4,678.00	28,671.00	33,349.00
Bank Charge		234.00	378.00	612.00
Conveyance		8,965.00	8,967.00	17,932.00
Meeting and Entertainment		4,321.00	19,876.00	24,197.00
Audit Fee		6,000.00	9,000.00	15,000.00
Electricity Bill			15,670.00	15,670.00
Savings Interest Paid			-	-
			-	-
			-	-
			-	-
Program Expenses:				
Pre-School Education Program		198,765.00		198,765.00
Health Program		387,987.00		387,987.00
Skill Development Training Program		89,754.00		89,754.00
Nature Conservation Program		34,897.00		34,897.00
Institution Building		4,765.00		4,765.00
Water Sanitation and Arsenic Mitigation Project		167,543.00		167,543.00
Good Governance and Advocacy Including		6,754.00		6,754.00
Human Rights to the Women and Children		45,643.00		45,643.00
Relief and Rehabilitation Project		76,543.00		76,543.00
Community Development, Early Childhood Dev. Health		98,760.00		98,760.00
Sanitation & Training on Traders Project		28,976.00		28,976.00
Loan Refund	4.00			-
Closing Balance				
Cash in Hand		6,724.00	367,650.00	374,374.00
Cash at Bank		1,500.00	34,244.00	35,744.00
Total Taka		1,568,217.00	6,588,456.00	8,156,673.00

As per our Report of date Annexed

Executive Director

Accounts Officer

Dated, Dhaka
28 August, 2016

Anisur Rahman & Co.
Chartered Accountants



Scope of the Audit:

1.00 We confirm that our examination was made in accordance with generally accepted auditing standard and according included such test of the accounting records and such other auditing procedures as were considered necessary in the circumstances.

2.00 The books of accounts have been maintained on a cash basis. The scope of our audit was restricted to the checking of cash transactions and verification of balance arises out of cash transaction only.

Internal Control:

We have studied the existing internal control system introduced by the organization and observed that there is sound internal control in almost all areas of recording transaction.

Background of the Organization:

PATHWAY came into being in 1992 after a long cherished desire and dream of few dedicated staff members of Pathway. During its past involvement, assisted about 4900 people in various ways such as Child Education, Health Care Services to the Children and their families, Formation of Savings and Credit Group, Education of adolescent girls, Income generation activities and social and spiritual development of children and their families.

PATHWAY is a Non-Government, Non-profitable, Non-political, Humanitarian Development agency working on Education, Women empowerment, Health Care, Agriculture, Income Generation, Gender aspect, Training, Nature Conservation program and Emergency Relief and Rehabilitation program.

Legal Status of the Organization:

PATHWAY is registered with Department of Social Welfare, Govt. of People's Republic of Bangladesh vide registration No. DHA-02851 dated 21.12.1992 and registered with Registered of Joint Stock Companies and Firms Registration No. S-1496 (56) – 92 Dated: 15/9/1992 and also registered with NGO Affairs Bureau Registration No. 778 Dated: 28/11/1993 and it is also close relationship with some donor and similar minded organization like Bangladesh Nazarene Mission, Community Health Care Project, Bangladesh Auxiliary Services for Social Advancement, World-Vision Dhaka Shishu, HEED-Bangladesh.

Mission and Objectives of the Organization:

PATHWAY mission is to offer opportunity to the oppressed, isolated, widow and poorest of the poor people in the community context in order to release their hidden potentiality and thus become valuable and contributing members of the society.

- Offer opportunity to the children in the family setting to have better education.
- Implementation of PHC Programs in cooperation with the community and the government.
- Take special care of patients suffering from leprosy and other vulnerable diseases.
- Create community structures through formation savings and credit societies.
- Impart skill development training that led to business development.
- Build awareness of the people against the unjust social structures and behaviors.
- Take special care of the need of minor children and women in the society.
- Development program that ensures environmental sanitation.



Fixed Assets (Micro Credit) Tk. 32,156.00

Fixed Assets (Project) Tk. 32,401.00

The above amount represents the written down value of the assets as on 30th June 2016. For details **Note-5** may be referred. Purchase of assets during the year have been vouched in full at the time of our audit and found in order and for details Receipts and Payments Account may be referred. Depreciation has been charged on reducing balance method as per rate indicated in the **Note-5**.

An asset register should be maintained by the management with the usual information available to them like date of purchase/construction, location, purchase price, quantity, identification number etc. for better control of assets.

Cash in Hand Tk. 374,374.00

We could not physically verify the cash in hand as on 30th June 2016 as the audit was postdated. However we have obtained a cash custody certificate from the management confirming the balance held by them as on that date.

Cash at Bank Tk. 35,744.00

The Above amount with Pubali Bank Ltd, Asad Avenue Branch, Mohammadpur, Dhaka. Account No.4658 & 47581 has been agreed with the balances shown in the bank pass book and certificate obtained from the concerned Bank. Bank account has been checked in details with the Bank passbook, deposit slips, cheque counter foils etc.

Loan Balance Lying with Beneficiaries (Principal) Tk. 3,867,189.00

The above balance is lying with the beneficiaries on 30th June 2016. We note that loan has been given to the beneficiaries in Mohammadpur Thana under Dhaka District through Income Generating Activities like small trades, fishing, poultry, cow and goat rearing, tailoring, block batiks, Vegetable business, rickshaw and van business grocery shop, small trade and black smith work etc. ranging from Taka 2,000.00-15,000.00

We note that these loans have been paid through agreement between beneficiaries and Our Vision for Welfare Service (OVWS) during the period under audit. The beneficiaries are mainly land less and destitute.

Savings at Office

Tk. 3,408,669.00

The above balance is arising from the savings collection from the beneficiaries on 30th June 2016. We note that savings have been collected from the beneficiaries in Mohammadpur Thana under Dhaka District. For details **Note-2 &** loan payable for note-4 may be referred.

Administrative and Program Expenses

For details Receipts and Payments Account may be referred, payments have been accepted by us on the strength of the authorization of vouchers by the Executive Director, supported by bills, memos, receipts etc.



PATHWAY

House No.16/16,Block-F,Hazi Chinu Road, Mohammadpur, Dhaka-1207

Notes to the Account

For the year ended 30th June, 2016

1.00 Loan Outstanding (Principal)

Opening Balance	4,543,689.00
Add: Disbursement During the year	5,210,500.00
	<u>9,754,189.00</u>
Less: Loan Realization During the year	5,887,000.00
	<u><u>3,867,189.00</u></u>

Taka

2.00 Saving

Opening Balance	3,757,269.00
Add: Savings Collection During the year	45,400.00
	<u>3,802,669.00</u>
Less: Savings Refund During the year	195,500.00
	<u>3,607,169.00</u>
Less: Savings Refund (Final Settlement)	198,500.00
	<u><u>3,408,669.00</u></u>

3.00 Capital Fund (Micro Credit)

Opening Balance	900,974.00
Less: Excess of Expenditure Over Income	8,159.00
	<u><u>892,815.00</u></u>

3.01 Capital Fund (Project)

Opening Balance	33,150.00
Add: Excess of Income Over Expenditure	7,230.00
	<u><u>40,380.00</u></u>

4.00 Loan Payable

Opening Balance	-
Add: Loan Receive During The Year	-
	<u>-</u>
Less: Loan Refund During The Year	-
	<u>-</u>
	<u><u>-</u></u>

5.00 Furniture, Fixture and Mobile Set.

Opening Balance	38,119.00
Add: Purchase During the year	-
	<u>38,119.00</u>
Less: Depreciation (15%) During the year	5,718.00
	<u><u>32,401.00</u></u>

