

PRIVATE & CONFIDENTIAL

**AUDIT REPORT AND ACCOUNTS
OF**

**LIBRARY ASSOCIATION
OF BANGLADESH**

For the period from 1st Jan to 15th Dec, 2006

**RAZZAQUE & CO
CHARTERED ACCOUNTANTS
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AUDITOR'S REPORT
On the Financial Statements of
LIBRARY ASSOCIATION OF BANGLADESH
For the period ended 15th December 2006

In pursuance of our appointment, we have audited the accompanying financial statements, namely, Balance Sheet of Library Association of Bangladesh as of 15th December 2006 and related statement of income and expenditures and statement of Receipts and payments and notes there on for the year from 1st January 2006 to 15th December 2006, the preparation of these financial statements is the responsibility of LAB management. Our responsibility is to express an opinion on these financial statements based on our audit.

◆ **Vital Information:**

- (a) During the period the organization holds an investment in FDR for the amount of Tk. 500,000.00
- (b) The organization faced excess of expenditure over income for an amount of Tk. 318,320.00 during the period under review.
- (c) The organization has closing bank balance of Tk. 112,829.00 in Shahbag branch of Pubali Bank.

◆ **Base of Opinion:**

We conducted our audit in accordance with international standards on Auditing 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 a test basis, evidence supporting the financial values of transactions and their disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.



◆ **Opinion:**

In our opinion, the financial statements, as referred to above, in accordance with Bangladesh Accounting Standards (BAS), which are consistent in all material respects with International Accounting Standards (IAS), give a true and fair view of the state of the Organization's affairs as of 15th December 2006 and of the results of its operations for the period then ended and comply with the applicable laws and regulations.

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 purposes of our audit, and made due verification thereof.
- * The Balance sheet, Income and Expenditure Account and Receipts and Payments Account exhibit a true and fair view of the organization's affairs as at 15th December 2006.
- * Proper books of account as required by law were maintained by the organization so far as appeared from our examination.
- * The Balance sheet, Income and Expenditure Account and Receipts and Payments Account are in agreement with the books of accounts maintained by the organization and examined by us.
- * The Balance sheet, Income and Expenditure Account and Receipts and Payments Account have been drawn up in conformity with the required provisions of law.

Dated the Dhaka
The 19 December 2006




Razaque & Co.
Chartered Accountants

LIBRARY ASSOCIATION OF BANGLADESH
Balance Sheet
As on 15th December 2006

| Details | Schedule | (Amount in Taka) |
|-----------------------------------|----------|--------------------------|
| Property & Assets: | | |
| A. Investment | | |
| FDR | 2.00 | 500,000.00 |
| B. Current Assets: | | |
| Cash & Bank Balances | 3.00 | 119,947.00 |
| Total (A+B) | | <u><u>619,947.00</u></u> |
| C. Fund & Liabilities: | | |
| Fund Account | 4.00 | 938,267.00 |
| Excess of Expenditure over Income | | (318,320.00) |
| Total | | <u><u>619,947.00</u></u> |

Notes: The accompanying notes are an integral part of the financial statements .

Sign in terms of our reports of even date annexed.

Dated the Dhaka
The 19th December, 2006




RAZZAQUE & CO.
Chartered Accountants

LIBRARY ASSOCIATION OF BANGLADESH
Income & Expenditure Accounts
For the period from 1st January to 15th December 2006


| Detail | Amount (Taka) |
|---|--------------------------|
| A. Income: | |
| Tution & Examination fees | 303,910.00 |
| Admission fees | 174,000.00 |
| Original & Provisional Certificate issued fees | 36,167.00 |
| Testimonial issued fees | 1,750.00 |
| Life Membership fees | 19,200.00 |
| Advertisement Income | 39,322.00 |
| Marksheet issued fees | 1,620.00 |
| Misc. Income | 6,700.00 |
| Interest | 18,434.00 |
| Total | <u>601,103.00</u> |
| B. Expenditure : | |
| Entertainment | 29,474.00 |
| Conveyance | 13,875.00 |
| Honorarium | 97,715.00 |
| Stationary & Printing | 50,118.00 |
| Telephone & Mobile | 24,865.00 |
| Salary & Wages | 70,780.00 |
| Photocopy | 18,847.00 |
| Postage | 17,758.00 |
| Repair & Maintenance | 33,498.00 |
| Audit fee | 7,000.00 |
| Misc. Expenses | 80,629.00 |
| Expense for Exam. | 15,260.00 |
| Advertisement | 9,400.00 |
| Golden Jubile Celebration | 449,777.00 |
| Bank Charge | 427.00 |
| Total | <u>919,423.00</u> |
| C. Excess of Expenditure over Income (A - B) | (318,320.00) |

Notes: The accompanying notes are an integral part of the financial statements .

Sign in terms of our reports of even date annexed.

Dated the Dhaka
The 19th December, 2006




RAZZAQUE & CO.
Chartered Accountants

LIBRARY ASSOCIATION OF BANGLADESH

Notes to the Financial Statements For the period ended 15th December 2006

1.00 Significant Accounting Policies

1.01 Basis of Accounting

The annexed financial statements have been prepared under historical cost convention basis. The organization maintains accounting on cash basis i.e. all incomes actually received are taken as income and all payments/expenditures actually paid during the period are considered as expenditures.

1.02 Maintenance of Books of Accounts

The organization maintains the books of accounts, ledger and voucher properly and keeps proper accounts of money received.

1.03 Internal Expenditure Control

The organization usually follows strict expenditure control.

2.00 FDR: Tk. 500,000.00

| The break up: | Amount (in Tk.) |
|-----------------|--------------------------|
| Opening balance | 650,000.00 |
| Less: Withdrawn | 150,000.00 |
| Total | <u>500,000.00</u> |

Only the principal amount of the remaining FDR has been included in the accounts.

3.00 Cash and Bank: Tk. 119,947.00

| The break up: | Amount (in Tk.) |
|---------------|--------------------------|
| Cash in hand | 7,118.00 |
| Cash at Bank | 112,829.00 |
| Total | <u>119,947.00</u> |



3.01 Cash in hand: Tk. 7,118.00

We could not physically verify the cash in hand as on 15th December 2006 as our audit was post dated. However, we have obtained a cash custody certificate from the management confirming the above balance as at 15th December 2006. Moreover the same has been checked with the balance in cashbook.

3.02 Cash at Bank: Tk. 112,829.00

Cash at bank amounting to Tk. 112,829.00 was lying with Pubali Bank, Shahbag Branch, Dhaka, CD A/C No. 43149. We have verified the cash at Bank amount shown in the Balance Sheet with the bank statement.

4.00 Fund Account: Tk. 619,947.00

| | Amount (in Taka) |
|---|--------------------------|
| Opening balance | 938,267.00 |
| Less: Excess of Expenditure over Income | 318,320.00 |
| Total | <u>619,947.00</u> |

5.00 Misc. Expenses: Tk. 80,629.00

An amount of Tk. 21,985.00 represented as suspense account has been included in Misc. expenses.

6.00 Golden Jubilee Celebration: Tk. 449,777.00

The organization celebration it's Golden Jubilee during the period under review. Aforesaid amount as cash payment was spent for celebrating it.

7.00 Interest Income: Tk. 18,434.00

The break up:

Bank Interest

FDR Interest

Total

Amount (in Tk.)

| |
|-------------------------|
| 2,047.00 |
| 16,387.00 |
| <u>18,434.00</u> |

Dated the Dhaka
The 19 December, 2006

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