

AUDITORS' REPORT

AND

AUDITED FINANCIAL STATEMENTS

OF

**Partners in Health and Development (PHD)
General Fund**

**Auditors' Report and Audited Financial Statements
For the period 01 January 2016 to 30 June 2016**



AZIZ HALIM KHAIR CHOUDHURY

Chartered Accountants

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AZIZ HALIM KHAIR CHOUDHURY
CHARTERED ACCOUNTANTS
EXCLUSIVE CORRESPONDENT FIRM OF PKF INTERNATIONAL

Auditors' Report

We have audited the accompanying Statement of Financial Position of Partners in Health and Development (PHD) which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Receipts and Payments and Statement of Income & Expenditure for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), and other applicable laws and regulation. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances.

Auditors' 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 (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free of material misstatement.

An audit involves performing procedures to obtaining 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 the fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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 polices 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.

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as at 30 June 2016 and of the results of its operations and its Statement of Receipts and Payments for the year then ended and other applicable laws and regulations.

We also report that:

- a) 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;
- b) in our opinion, proper books of account as required by laws have been kept by the company so far as it appeared from our examination of these books;
- c) the Financial Position dealt with by the report are in agreement with the books of account returns;

Dhaka,
20 March 2017



Aziz Halim Khair Choudhury
Chartered Accountants

Partners in Health and Development (PHD)
Statement of Financial Position
As on 30 June 2016

Notes	30.06.2016 Taka	31.12.2015 Taka
ASSETS		
A. Non-current Assets	3,203,313	3,574,300
B. Current Assets	18,438,584	16,011,109
Cash and Bank Balance	03.00 1,586,514	209,429
FDR	04.00 9,626,398	9,561,469
Investment to PHD HDC	2,588,371	2,588,371
Loan and Advances	05.00 2,860,835	1,920,403
Advance Income Tax	1,776,467	1,731,437
C. Total Assets (A+B)	21,641,897	19,585,409
D. Current Liabilities	8,581,055	4,836,274
Income Tax Provision	06.00 1,672,116	1,626,507
Liability for Expenses	08.00 555,519	386,446
Loan Payable	09.00 2,850,000	1,550,000
Grants Payable	10.00 2,206,533	-
Provision for Audit Fees	153,300	102,200
Other Liability	11.00 1,143,587	1,171,121
Net Current Assets (B-D)	9,857,529	11,174,835
Total Net Assets	13,060,842	14,749,135
FUNDS		
General Funds	12.00 13,060,841	14,749,136
Total Funds	13,060,841	14,749,136


The annexed notes form an integral part of these Financial Statements.


Senior Finance Officer
Partners in Health and Development


Managing Director
Partners in Health and Development

This is the Financial Position referred to in our separate report of even date.

Dhaka
20 March 2017



Aziz Halim Khair Choudhuray
Chartered Accountants

Partners in Health and Development (PHD)
Statement of Comprehensive Inome
For the period ended 30 June 2016

	Notes	30.06.2016 Taka	31.12.2015 Taka
Income			
FDR Interest		76,533	868,647
Bank Interest		27,624	34,575
Vehicle Rent		-	315,000
Capital gain		-	236,240
Project Income	13.00	13,240,675	5,700,405
Training, Evaluation and Consultancy Income	14.00	1,858,225	26,929,068
		15,203,057	34,083,935
Expenditure			
Personnel Cost	15.00	12,655,457	20,889,987
Office Expenses	16.00	1,102,610	2,630,218
Transportation Expenses	17.00	243,698	389,353
Repair and Maintenance	18.00	414,161	897,750
Project Expenses	19.00	1,351,711	4,519,593
Training, Evaluation and Consultancy Expense	20.00	592,711	3,312,734
Audit fee provision		51,100	102,200
Bank Charge		12,983	10,865
Vat		50,325	180,148
Depreciation		370,987	316,222
Income Tax provision		45,609	244,955
		16,891,353	33,494,024
Net Surplus/(Deficit)		(1,688,295)	589,910
		15,203,057	34,083,935

The annexed notes form an integral part of these Financial Statements.


Senior Finance Officer
Partners in Health and Development


Managing Director
Partners in Health and Development

This is the Statement of Comprehensive Inome referred to in our separate report of even date.

Dhaka
20 March 2017



Aziz Halim Khair Choudhury
Chartered Accountants

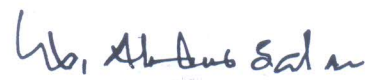
Partners in Health and Development (PHD)
Statement of Receipts and Payments
For the period from 01 January 2016 to 30 June 2016

	Notes	30.06.2016 Taka	31.12.2015 Taka
Opening Balance		2,099,832	2,712,094
Cash and Bank Balance		209,429	854,118
Advance received from Staff and Others		1,890,403	1,857,976
Receipts			
Interest Receipt		27,624	34,575
Vehicle Rent		-	315,000
Project Income	13.00	13,240,675	5,700,405
Grant Received for Project	10.01	82,911,693	174,425,449
Assets sale			1,100,000
Loan received		1,300,000	1,600,000
Training, Evaluation and Consultancy Income	27.00	1,774,350	26,635,278
		101,354,174	212,522,801
Payments			
Personnel Cost	21.00	12,143,129	20,071,903
Office Expenses	22.00	1,056,523	2,550,177
Transportation Expenses	23.00	243,698	389,353
Repair and Maintenance	24.00	413,444	885,185
Project Expenses	25.00	1,351,711	4,517,279
Training, Evaluation and Consultancy Expense	26.00	592,711	3,266,835
Audit Fee		-	80,000
Bank Charge		12,858	10,865
Grant Transferred to Project	10.02	80,705,160	174,425,449
Purchase of Non-current Assets		-	2,435,323
VAT payment		-	13,333
Tax payable payment		417,593	677,267
Loan refund		1,000,000	1,100,000
		97,936,827	210,422,969
Closing balance			
Cash and bank balance		1,586,514	209,429
Advance to Staff and Others		1,830,835	1,890,403
		101,354,176	212,522,801

The annexed notes form an integral part of these Financial Statements.


Senior Finance Officer

Partners in Health and Development


Managing Director

Partners in Health and Development

This is the Statement of Income and Expenditure referred to in our separate report of even date.



Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka
20 March 2017

Partners in Health and Development (PHD)
Notes to the Financial Statements
For the period ended 30 June 2016

01.00 About the organization

01.01 About Partners in Health and Development (PHD)

Partners in Health and Development (PHD) is a not-for-profit Bangladeshi non-government organization registered under Companies Act (Reg. # 524(37) 2002 and NGO Affairs Bureau (Reg. # 2567 dated 29.04.2010). PHD is an ancestral organization of DFID supported implementing agency 'Bangladesh Population and Health Consortium' (BPHC) that was established in 1988 to support the national health and population sector program of the Government of Bangladesh and managed over seventy million dollars (US\$ 70m) worth of grants. It has subsequently worked for the Canadian International Development Agency, the Royal Netherlands Embassy, Swedish International Development Agency and other international and national organizations both in public as well as in private health, nutrition and population sector programme. BPHC was transformed into PHD in 2002.

01.02 Vision

PHD envisions for an inclusive and empowered society with equal opportunity.

01.03 Mission

PHD is a not-for-profit organization that supports development actors in managing development process for sustainable development; and enhances quality of life of the people with particular emphasis to marginalized and less privileged through improving access to livelihood opportunities.

01.04 Overall Objective

The objectives of the project are:

PHD has long experience in implementing health and development projects for the poor and disadvantaged communities across the country. PHD implemented projects include primary health care, adolescents' health, safe motherhood, HIV/AIDS, community clinic pilot project, essential new-born care (saving new-born lives) and so on. At presents, PHD implements MNH project jointly with GoB and UN in Moulvibazar, Bagerhat and Patuakhali districts with financial support from UNICEF, Community Midwifery Development Program (CMDP) in Khulna in partnership with James P Grant School of Public Health and provides technical assistance to 18 partner NGOs of CLP in 5 northern districts to provide PHC-FP services.

02.00 Significant Accounting Policies

02.01 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounting policies applied by Partners in Health and Development (PHD) are consistent with those used in the previous year. Revenues and expenditures have been accounted for on accrual basis.

02.02 Non-current Assets**a) Recognition**

Property, plant and equipment have been valued at written down value.

b) Depreciation

Depreciation on Non-current Assets is provided on a reducing balance method.

02.03 Provident Fund

Provident fund was introduced in Partners in Health and Development (PHD) in 1 January 2012 where employee and employer contribute 10% of the basic salary. Approval was taken from National Board of Revenue (NBR) as recognized provident fund for the PHD staff's provident fund.

02.04 Reporting period

This financial statements have been prepared for the period from 1 January 2016 to 30 June 2016 as per finance act 2016. This audit report covered six month transaction of fraction period. Next audit report will be covered July -2016 to June 2017. Previously PHD followed its accounting year January to December. PHD management has decide to change its accounting year July to june instead of January to December

02.05 Comparative financial information

Disclosure of last year's comparative information as required in accordance with International Accounting Standard-1 is given.

02.06 Functional and presentation currency

The financial statements are presented in Taka which is both functional currency and presentation currency of the organization.

02.07 General

- a) Figures in the Financial Statements have been rounded off to the nearest Taka.
- b) Previous years Presentation has been rearranged and adjusted to confirm with present years presentation where applicable.

02.08 Project Income

Project income is the receive of money by PHD as a result of assisting a project. There are four projects from which PHD can receive money through helping the continuation of project activity: MNCS Project, MNH project. CMD/BRAC JPGS, Save MaMoni HSS project, PHD CLP Health Project