

Islamic Relief, Bangladesh (IR,B)

Funded by Islamic Relief Worldwide

**Auditor's Report and Consolidated Financial Statements
for the period from 01 January 2019 to 31 December 2019**



S. F. AHMED & CO.

Chartered Accountantssince 1958

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Independent Auditor's Report
to
The Country Director of Islamic Relief, Bangladesh (IR,B)

Opinion

We have audited the Consolidated Financial Statements of the Islamic Relief, Bangladesh, which comprise the Consolidated Statement of Financial Position as at 31 December 2019, and the Consolidated Statement of Comprehensive Income, and the Consolidated Statement of Receipts and Payments for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the organization as at 31 December 2019, and of its financial performance and its statement of receipts and payments for the year then ended in accordance with International Financial Reporting Standards (IFRS), the accounting policies summarized in Note- 1.3 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), the accounting policies summarized in Note- 1.3 and internal control system as management determines is necessary to enable the preparation of financial statements free from material misstatement, and free from fraud or error.

In preparing the financial statements, management is responsible for assessing IR,B'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Continued:



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, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Organization'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Dated, Dhaka;
20 June 2020

S. F. Ahmed & Co.


S. F. Ahmed & Co.
Chartered Accountants

Islamic Relief, Bangladesh (IR, B)
Consolidated Statement of Financial Position
As at 31 December 2019

	Notes	31-Dec-19		31-Dec-18	
		GBP	BDT	GBP	BDT
ASSETS :					
Non-current assets		152,723	16,663,766	96,194	10,663,506
Current assets		2,146,581	234,215,607	2,291,792	254,054,538
Cash and bank balances	2	2,019,888	220,392,001	2,130,602	236,185,973
Advances and prepayments	3	5,890	642,681	14,598	1,618,257
Other receivable	4	56,520	6,166,959	51,056	5,659,744
Staff loan against provident fund	5	64,306	7,016,478	93,560	10,371,464
Inter company balance	6	(23)	(2,512)	1,976	219,100
TOTAL ASSETS		2,299,304	250,879,373	2,387,986	264,718,044
FUND AND LIABILITIES :					
Donor unspent Fund	7	1,379,511	150,519,843	1,368,734	151,729,782
Current liabilities		919,793	100,359,530	1,019,252	112,988,262
Staff gratuity fund - unfunded	8	436,495	47,626,451	526,179	58,329,129
Staff medical fund - unfunded	9	17,058	1,861,190	15,546	1,723,379
Staff Provident Fund	10	422,547	46,104,473	459,964	50,988,944
Staff Welfare Fund	11	236	25,762	384	42,604
Provisions for expenses	12	10,866	1,185,622	6,333	702,011
Salary payable	13	833	90,906	565	62,638
Supplier security deposit	15	24,256	2,646,584	7,020	778,207
Accruals	16	7,502	818,542	3,260	361,350
TOTAL FUND AND LIABILITIES		2,299,304	250,879,373	2,387,986	264,718,044

The annexed notes form an integral part of these financial statements


Finance Manager
Islamic Relief, Bangladesh


Country Director
Islamic Relief, Bangladesh

Signed as per our annexed report of even date.



Dated, Dhaka;
20 June 2020


S. F. Ahmed & Co.
Chartered Accountants

Islamic Relief, Bangladesh (IR, B)
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	2019		2018	
		GBP	BDT	GBP	BDT
GRANTS & INCOME:					
Foreign grants		4,156,656	438,579,592	4,252,077	447,564,684
Grant income during the year	17	4,156,656	438,579,592	4,252,077	447,564,684
Local grants and others		41,870	4,417,775	825	86,865
Bank profit (IR, B)	18	230	24,244	485	51,017
Other income	18.1	1,503	158,605	-	-
Income from sale of Assets	19	40,137	4,234,926	341	35,847
TOTAL		4,198,526	442,997,367	4,252,902	447,651,549
EXPENDITURE:					
Personnel costs	20	815,389	86,033,856	827,718	87,121,754
Project running costs	21	162,988	17,197,308	173,827	18,306,885
Project deliverable cost	22	3,219,365	339,683,600	3,251,268	342,213,241
Non capital expenditure	23	748	78,975	26	2,700
Tax expense for bank profit		34	3,628	63	6,969
TOTAL		4,198,526	442,997,367	4,252,902	447,651,549

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Finance Manager
Islamic Relief, Bangladesh


Country Director
Islamic Relief, Bangladesh

Signed as per our annexed report of even date.



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20 June 2020


S. F. Ahmed & Co.
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