

**AUDITORS' REPORT**

We have audited the annexed Balance Sheet of D.Net- Development Research Network, Dhaka as at 30<sup>th</sup> June, 2005, together with the Income and Expenditure & Receipts and Payments Accounts for the year ended on that date, with books, vouchers and other relevant papers as were maintained and produced before us by the Trust Authority and we report that :

- i. We have obtained all the information and explanations which we have required for the purpose of our audit ;
- ii. In our opinion, the annexed Balance Sheet, Income & Expenditure and Receipts & Payments Accounts have been drawn up in conformity with the law;
- iii. Such Balance Sheet exhibits a true and correct view of the state of affairs of the Organization as on 30<sup>th</sup> June, 2005, according to the best of our information and explanations given to us and as shown by the books of the Organization and ;
- iv. In our opinion, the books of account have been kept as per law.

Dated, Dhaka  
The 22 SEP 2005



  
G. BISWAS & CO.  
Chartered Accountants

## D. Net-Development Research Network

Miraj Tower (3rd Floor),  
25, Adarsha Chhaya Neer  
Ring Road, Shyamoli  
Dhaka-1207.

### BALANCE SHEET As at June 30,2005

<b>FUND &amp; LIABILITIES</b>	<b>Note</b>	<b>2004-2005 Taka</b>	<b>2003-2004 Taka</b>
Fund Account	B-4.00	5,879,435.03	39,643.00
Provision for Depreciation	B-5.00	464,875.50	79,275.00
Loan	B-6.00	459,846.00	306,500.00
Outstanding Liabilities	B-7.00	274,998.00	65,419.00
Internal Project Loan	B-8.00	591,291.68	-
		<b>7,670,446.21</b>	<b>490,837.00</b>
<b>ASSETS &amp; PROPERTY</b>			
Fixed Assets ( At Cost )	B-9.00	1,544,222.00	336,170.00
<b>Current Assets:</b>			
Cash and Bank Balance	B-10.00	5,689,950.21	54,697.00
Advance and Prepayment	B-11.00	436,274.00	99,970.00
		<b>7,670,446.21</b>	<b>490,837.00</b>
Accounting Policies (Note A-3)			

The notes are an integral part of the financial Statement

Executive Director

Director (Operation)

Dated, Dhaka

The 22 SEP 2005



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**D. Net-Development Research Network**

Miraj Tower (3rd Floor),  
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**Income & Expenditure Account for the year ended June 30, 2005.**

PARTICULARS	Notes	2004-2005 Taka	2003-2004 Taka
<b><u>Income</u></b>			
Institutional Membership fees		-	9,500.00
Project Income	C-12.00	934,197.00	826,783.00
Donation		907,055.00	9,980.00
D.Net-Pallitathya		5,631,719.00	595,230.00
D.Net-Helpline		758,681.00	-
D.Net-Abolombon		1,623,336.00	7,150.00
Gunijan Program (CD Sales Moharaaz)		5,762.00	-
Sales-BORN Prepaid Card		6,150.00	
AIIRL(RIB)		614,283.00	
Computer Literacy Program		2,233,361.00	
Surplus in Project		22,750.00	4,000.00
Bank Interest		24,596.62	1,560.00
Email and Internet Discounted			8,000.00
Picnic Subscription		7,500.00	
Levy		77,500.00	-
		<b><u>12,846,890.62</u></b>	<b><u>1,462,203.00</u></b>
<b><u>Expenditure</u></b>			
Salaries		3,635,453.00	528,596.00
Allowances (TA/DA)		-	52,973.00
Office Rent		318,302.00	130,000.00
Honorarium		406,750.00	244,488.00
Office Supply and Stationery		178,372.00	51,343.00
Photocopy, Printing and Stationery		175,067.00	56,085.00
Email and Internet/Communication		300,764.00	38,513.00
Phone, Fax & Mobile		-	31,500.00
Postage and Courier Service		-	5,754.00
Local Conveyance		50,913.00	16,166.00
Domain Registration		5,000.00	5,000.00

Repair and Maintenance	144,167.00	12,749.00
Audit Fee	9,000.00	10,000.00
Books and Periodicals	-	8,380.00
Entertainment	30,238.00	8,379.00
Utilities( Water, Gas and Electricity)	44,182.00	14,694.00
Meeting, seminar, Exhibition and Training	211,723.00	4,000.00
Advertisement	51,640.00	600.00
Tender and Bidding	-	1,629.00
Travelling and Transportation	223,011.00	6,228.00
Bank charges and commission	15,087.84	2,706.00
Insurance	2,011.00	-
PC collection charge	108,851.00	-
Audio Visual Materials	2,500.00	-
CD Gunjian	255.00	-
Picnic Expense	26,700.00	-
Project Monitoring	246,314.00	-
Training Expense	148,185.00	-
Newspaper	5,906.00	-
Office General Expense	84,359.00	-
Over Head	78,085.00	-
Income Tax	1,650.00	-
Fund Transfer	117,012.25	-
Depreciation	385,600.50	46,933.00
Excess of Income over Expenditure	5,839,792.03	185,487.00
	<u>12,846,890.62</u>	<u>1,462,203.00</u>

Accounting Policies (Note A-3)

The notes are an intregal part of the financial Statement

Executive Director

Director (Operation)

Dated, Dhaka  
The **22 SEP 2005**



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**Cash Flow Statement for the year ended on 30 June 2005.**

Sl.No.	PARTICULARS	2004-2005 Taka.
<b>A.</b>	<b>Cash flow from operating activities</b>	
1	Net Income/(Expenditure) for the year	5,839,792.03
2	Previous year's adjustment	-
3	Depreciation & Written off	-
4	Preliminary Expenses Written Off	-
5	Proposed Dividend	-
6	(Increase)/Decrease in net Current Assets	258,875.50
	Net Cash flows from Operating Activities (1+2+3+4+5+6)	<u>6,098,667.53</u>
<b>B.</b>	<b>Cash flow from investing activities:</b>	
1	Addition to Fixed Assets	(1,208,052.00)
2	Preliminary Expenses	-
	Net Cash flows from Investing Activities(1+2)	<u>(1,208,052.00)</u>
<b>C.</b>	<b>Cash flow from Financial Activities :</b>	
1	Loan	153,346.00
2	Internal Project Loan	591,291.68
3	Sale of Old Machine	-
	Net Cash flows from Financial Activities(1+2+3)	<u>744,637.68</u>
<b>D.</b>	<b>Cash Surplus/(Deficit) for the year (A+B+C)</b>	5,635,253.21
<b>E.</b>	<b>Opening Cash &amp; Bank Balance</b>	54,697.00
<b>F.</b>	<b>Closing Cash &amp; Bank Balance (D+E)</b>	<u><u>5,689,950.21</u></u>

Accounting Policies (Notes A-3).

Figure in bracket indicates deduction.

The notes are an intregal part of the financial statements.

Executive Director

Director (Operation)

Dated, Dhaka

The 22 SEP 2005



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**D. Net-Development Research Network**

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**Receipts & Payments Account for the year ended June 30, 2005.**

<b>PARTICULARS</b>	<b>2004-2005 Taka</b>	<b>2003-2004 Taka</b>
<b>Receipts</b>		
Opening Balance		
Cash in hand	2,066.00	889.00
Cash at Bank	52,631.00	1,849.00
Institutional Membership Fees	-	9,500.00
Donation	907,055.00	1,500.00
D.Net-Help Line	758,681.00	-
Computer Literacy Program	2,233,361.00	-
D.Net- Pallitathya	5,631,719.00	-
D.Net- Abolombon	1,623,336.00	-
AIIRL(RIB)	614,283.00	595,230.00
Sales-BORN Prepaid Card	6,150.00	7,150.00
Sales- Gunijan CDs	5,762.00	-
<b>ICTID Accounts:</b>		
BGMEA Web Portal Project(datasoft System Ltd)	-	15,840.00
PKSF_CBDB Project (Datasoft System Ltd)	25,000.00	80,000.00
Oxfam Study Project	-	134,995.00
Mis Development Project (ASK)	-	52,000.00
FBCCI Study Project	-	30,000.00
Leather Sector (Uniconsult Int. Ltd)	380,000.00	100,000.00
Census on leather Sector (Uniconsult Int; Ltd)	-	100,000.00
APD Trading Project	71,296.00	42,000.00
IMED Data Entry Project	10,945.00	131,653.00
Website Development	-	4,000.00
Katalyst	393,201.00	-
Samunnay	16,000.00	-
Soft Expo	73,700.00	-
Bank OD	52,592.68	-
<b>Loan:</b>		
Dr. Ananya Raihan	25,000.00	389,000.00
Mahamud Hasan	6,500.00	-
Dr. Taufic Ahmad Chowdhury	-	20,000.00
Mr. Ajoy Kumar Bose	-	118,371.00
Mrs.Urmi Lohani	-	25,000.00
Mr. Mridul Chowdhury	400,000.00	4,500.00
Mr Abus Salam	1,000.00	-
<b>Project Loan:</b>		
CLP Program	20,000.00	-
DDF A/C	517,699.00	-
Core A/C	1,000.00	-
Bank Interest	24,596.62	1,560.00
Surplus in Project	22,750.00	-
Levy	77,500.00	-
Picnic Subscription	7,500.00	-
	<b>13,961,324.30</b>	<b>1,865,037.00</b>

**Payments**

Salaries	3,399,235.00	528,596.00
Allowances (TA/DA)	-	52,973.00
Honorarium	455,154.00	196,084.00
Office Rent	279,552.00	130,000.00
Office Supply and Stationery	178,372.00	51,343.00
Photocopy, Printing	180,067.00	51,085.00
Phone, fax and Mobile	-	34,498.00
Internet & Communication	294,654.00	31,500.00
Postage and Courier Service	-	5,754.00
Repairs and Maintenance	144,167.00	12,749.00
Local Conveyance	50,913.00	16,166.00
Entertainment	30,238.00	8,379.00
Furniture and Fixture	976,101.00	64,000.00
Machinery and Equipment	85,195.00	102,100.00
Computer	121,651.00	-
<b>Loan &amp; Advance:</b>		
Dr. Ananya Raihan	214,000.00	299,000.00
Mr. Ajoy Kumar Bose	28,000.00	30,594.00
Dr. Taufic Ahmad Chowdhury	-	20,000.00
Prof. Roushan Ara Rashid	-	20,000.00
Mrs. Urmi Lohani	-	25,000.00
Mr. Mridul Chowdhury	15,000.00	4,500.00
Mahamud Hasan	6,500.00	-
Audit Fee	16,000.00	3,000.00
Utilities( Water, Gas and Electricity)	32,077.00	13,694.00
Meeting, seminar, Exhibition and Training	211,723.00	4,000.00
Fees and Regisraition	-	5,000.00
Books and Periodicals	25,105.00	8,380.00
Advertisment	51,640.00	600.00
Tender and Bidding	-	1,629.00
Travelling and Transportation	223,011.00	6,228.00
Advance for office rent	-	24,000.00
Advance to Mr. Naimul Haque Joardar	-	7,200.00
Advance for Email and Inernet	-	1,500.00
Bank charges and commission	15,087.84	2,706.00
Mr. Ajoy Kumar Bose	-	20,000.00
Mr. Mahbub Jamil	-	10,000.00
Mr. Shirajul Islam	-	6,000.00
Ms. Maksuda Ahmed	-	5,032.00
Mr. Shuvo Ahmed	-	2,500.00
Telephone	-	4,550.00
Income Tax	1,650.00	-
Employee Loan	16,500.00	-
Domain Registration	5,000.00	-
Picnic expenses	26,700.00	-
Audio Visual Materials	2,500.00	-
Project Monitoring	246,314.00	-
Gunijan CD	255.00	-
Advance to Staff	268,460.00	-
Chowdury G Hasan	15,654.00	-
Soft Expo Project	12,000.00	-



Help Line Project	20,000.00	-
Core A/C	3,545.00	-
D.Net-Development	1,000.00	-
Petty Cash	1,944.00	-
Computer Literacy Program	15,000.00	-
Pc Collection	108,851.00	-
Training Expense	148,185.00	-
Fund Transfer	117,012.25	-
Newspaper	5,906.00	-
Office General Expense	84,359.00	-
Insurance	2,011.00	-
Over Head	78,085.00	-
Prepaid office rent	57,000.00	-
Closing Balance:		
Cash in hand	4,209.00	2,066.00
Cash at Bank	5,685,741.21	52,631.00
	<u>13,961,324.30</u>	<u>1,865,037.00</u>

Accounting Policies (Note A-3)

The notes are an integral part of the financial Statement

Executive Director

Director (Operation)

Dated, Dhaka

The **22 SEP 2005**



**G. BISWAS & CO**  
Chartered Accountants



**D.Net Development Research Network.**  
Miraj Tower(3<sup>rd</sup> floor), 25 Adarsha Chhaya Neer,  
Ring Road , Shyamoli  
Dhaka-1207.

**Notes to the Financial Statements for the year ended on 30 June 2005.**

**A. Notes : General :**

**(1) The Domicile, Legal form, Address, Nature of Operational and Principal Activities of the Company.**

D.Net Development Research Network a non profit and Non Government Organization is established as a Research Institute under the registration no S-2601(14)/2001 dated 8 August 2001 of the Registrar of Joint Stock Companies, Bangladesh. Since inception, it has been rendering the valuable service to the society. This is also registered with NGO Bureau, Bangladesh under the registration no 1918.

The Registered office of the Organization is situated at, Miraj Tower, 3<sup>rd</sup> floor, 25,Adrasha Chhaya Neer, Ring road, Shyamoli, Dhaka-1207, Bangladesh.

The main activities of the organization are to promote Information and Communication Technology in economic development of the country.

**(2) Components of the Financial Statements :**

- (i) Balance sheet as at 30 June 2005;
- (ii) Income & Expenditure Account for the year ended on 30 June, 2005;
- (iii) Receipts & Payments Account for the year ended on 30 June, 2005;
- (iv) Cash Flow Statement for the year ended on 30 June, 2005;
- (v) Accounting policies and explanation notes for the year ended on 30 June 2005;

**(3) Accounting Policies:**

**(i) Financial Statements**

The financial statements of the Organization have been prepared on a going concern basis under Historical cost convention method based on Generally Accounting Principles being adopted by Institute of chartered Accountants of Bangladesh (ICAB).

**(ii) Fixed Assets :**

These are stated at original cost .The original cost of the assets are inclusive of cost paid to the vendors along with all incidental expenses to install the same assets.



(iii) **Depreciation**

Depreciation has been charged on all fixed Assets including addition on the basis of the mandatory of the Organization. The rates of depreciation on each class of Assets are as follows:

S I. No.	Name of Assets	Rate of Depreciation
1.00	Furniture & Fixture	20%
2.00	Office Equipment	30%
3.00	Computer	30%
4.00	Research Materials (Books)	10%

(iv) **Reporting Currency and level of precision:**

The figures in the financial statements represent Bangladeshi currency (Taka) except where indicate otherwise.

(v) **Reporting Period:**

The Financial Statements under report have been prepared covering one calendar year from 1<sup>st</sup> July 2004 to 30<sup>th</sup> June 2005.



### D. Net-Development Research Network

Miraj Tower (3rd Floor),  
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Ring Road, Shyamoli  
Dhaka-1207.

B	Notes to the Balance Sheet Items	Amount (Tk)	Amount (Tk)
4.00	<b>Fund Account</b>		
	Opening balance		39,643.00
	Add: Current Years Excess of Income Over Expenditure		5,839,792.03
	<b>Balance as on June 30, 2005</b>		<b>5,879,435.03</b>
5.00	<b>Provision for Depreciation</b> (As per Fixed Assets Schedule)		
	Opening balance		79,275.00
	Add: Addition of the year		385,600.50
	<b>Balance as on June 30, 2005</b>		<b>464,875.50</b>
6.00	<b>Loan:</b>		
	Opening balance		306,500.00
	Add: Addition of the year		
	Dr Ananya Raihan	25,000.00	
	Mr.Mridul Chowdhury	400,000.00	
	Mr. Abdus Salam	1,000.00	
			426,000.00
			732,500.00
	Less: Refund during the year		
	Mr.Mridul Chowdhury	15,000.00	
	Mr. Ananya Raihan	214,000.00	
	Mr.Ajoy Kumar Bose	28,000.00	
	Chowdury G Hasan	15,654.00	
			272,654.00
	<b>Balance as on June 30, 2005</b>		<b>459,846.00</b>
7.00	<b>Outstanding Liabilities:</b>		
	Opening balance		65,419.00
	Add: Addition of the year		
	HR Salaries	229,018.00	
	Internet & Communication	8,625.00	
	Utilities(Wasa, Gas & Electricity bill)	13,105.00	
	Office Rent	24,250.00	
			274,998.00
			340,417.00
	Less: Paid during the year		
	Honorarium	48,404.00	
	Telephone,Fax & Mobile	4,015.00	
	Utilities(Wasa, Gas & Electricity bill)	1,000.00	
	Printing, Photocopy & Publication	5,000.00	
	Audit and Consultancy fees	7,000.00	
			65,419.00
	<b>Balance as on June 30, 2005</b>		<b>274,998.00</b>

<b>8.00 Internal-Project Loan:</b>		
CLP Program		20,000.00
DDF A/C		517,699.00
Core A/C		1,000.00
Bank Overdraft		52,592.68
<b>Balance as on June 30, 2005</b>		<b><u>591,291.68</u></b>
<b>9.00 Fixed Assets:</b>		
(As per Fixed Assets Schedule)		
Opening balance		336,170.00
Add: Addition of the year		1,208,052.00
<b>Balance as on June 30, 2005</b>		<b><u>1,544,222.00</u></b>
<b>10.00 Cash &amp; Bank Balances:</b>		
Cash in hand		4,209.00
Cash at Bank		
Marcantile Bank Ltd A/C No-31000947	293,486.46	
South East Bank Ltd A/C No-13100000847	4,263,890.75	
South East Bank Ltd A/C No-11100010014	4,080.00	
South East Bank Ltd A/C No-13100000801	623,259.00	
Marcantile Bank Ltd A/C No-21014377	92,189.00	
South East Bank Ltd A/C No-11100010354	408,836.00	5,685,741.21
<b>Balance on 30 June 2005.</b>		<b><u>5,689,950.21</u></b>
<b>11.00 Advance &amp; Prepayment:</b>		
Advance Office rent		66,500.00
Advance to staff (official)		268,460.00
Advance Personal		16,500.00
PKSF		31,325.00
Soft Expo Project		12,000.00
Helpline Project		20,000.00
Core A/C		3,545.00
D. Net- Development		1,000.00
Petty Cash		1,944.00
CLP		15,000.00
<b>Balance as on June 30, 2005</b>		<b><u>436,274.00</u></b>
<b>C Notes to Income Statements</b>		
<b>12.00 Project Income:</b>		
APD Trading		71,296.00
Leather Sector		380,000.00
Katalyst		393,201.00
Samunnay		16,000.00
Soft Expo		73,700.00
<b>Balance as on June 30, 2005</b>		<b><u>934,197.00</u></b>

**D. Net-Development Research Network**

Miraj Tower (3rd Floor),  
25, Adarsha Chhaya Neer  
Ring Road, Shyamoli  
Dhaka-1207.

**SCHEDULE OF FIXED ASSETS AS AT JUNE 30, 2005.**

Particulars	C O S T			D E P R E C I A T I O N			
	Opening Balance	Addition for the year	Total as on 30.06.05	Rate	Opening Balance	Charges for the year	Total as on 30.06.05
Furniture & Fixture	69,850.00	656,601.00	726,451.00	20%	6,985.00	145,290.20	152,275.20
Machinery & Equipments	266,320.00	85,195.00	351,515.00	30%	39,948.00	105,454.50	145,402.50
Computer	-	441,151.00	441,151.00	30%	-	132,345.30	132,345.30
Research Materials (Books)	-	25,105.00	25,105.00	10%	-	2,510.50	2,510.50
	<b>336,170.00</b>	<b>1,208,052.00</b>	<b>1,544,222.00</b>		<b>46,933.00</b>	<b>385,600.50</b>	<b>432,533.50</b>

