

PRIVATE & CONFIDENTIAL

**CENTER FOR NATURAL RESOURCE
STUDIES (CNRS)**

**Audit Report and Statement of Accounts
For the year ended 30th June, 2010**



**KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS**

HEAD OFFICE :
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খান ওহাব শফিক রহমান এন্ড কোং
KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS

PARTNERS :
S. M. SHAFIQUE FCA
MUJIBUR RAHMAN FCA
MD. ABU SINA FCA
MD. ANISUR RAHMAN FCA



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**AUDITOR'S REPORT
TO THE MANAGEMENT
OF
CENTER FOR NATURAL RESOURCE STUDIES (CNRS)**

We have audited the Consolidated Balance Sheet of "Center for Natural Resource Studies (CNRS)" as at June 30, 2010 and the related Income and Expenditure Account and Receipts and Payments Account for the year then ended. The preparation of these financial statements is the responsibility of the Organizations' management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

SCOPE:

We have conducted our audit in accordance with Bangladesh Standard 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant 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, prepared in accordance with Generally Accepted Accounting Principles, give a true and fair view of the state of the Organization's affairs as on June 30, 2010 and the results of its operations for the year 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 purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Organization so far as it appeared from our examination of those books; and
- the organization's Balance Sheet, Income and Expenditure Account and Receipts and Payments Account dealt with by the report are in agreement with the books of account.

Dhaka, Dated
December 26, 2010.

Khan Wahab Shafique Rahman
KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS

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CENTER FOR NATURAL RESOURCE STUDIES (CNRS)

CONSOLIDATED BALANCE SHEET
AS AT 30TH JUNE, 2010

PARTICULARS	NOTES	AMOUNT (IN TAKA)	
		2009 - 2010	2008 - 2009
<u>PROPERTY AND ASSETS:</u>			
FIXED ASSETS	4.00	11,114,278.00	10,307,051.00
REVOLVING LOAN FUND		48,292,495.00	39,377,161.00
Loan to Beneficiaries-Outstanding (General)	5.00	44,299,770.00	34,084,361.00
Loan to Beneficiaries-Outstanding (CBFM-2)	6.00	3,992,725.00	5,292,800.00
CURRENT ASSETS	7.00	41,289,989.65	47,816,051.85
TOTAL		<u>100,696,762.65</u>	<u>97,500,263.85</u>
<u>FUND AND LIABILITIES:</u>			
FUND ACCOUNT	8.00	58,832,810.15	59,369,921.35
REVOLVING LOAN FUND ACCOUNT		8,600,000.00	8,600,000.00
RLF - General		4,900,000.00	4,900,000.00
RLF - CBFM - 2		3,700,000.00	3,700,000.00
CURRENT LIABILITIES	9.00	33,263,952.50	29,530,342.50
TOTAL		<u>100,696,762.65</u>	<u>97,500,263.85</u>

Subject to our separate report of even date

Khan Wahab Shafique Rahman & Co.

Dhaka, December 26, 2010

KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS

CENTER FOR NATURAL RESOURCE STUDIES (CNRS)

Consolidated Income and Expenditure Account
For the year ended 30th June 2010

PARTICULARS	NOTES	AMOUNT (IN TAKA)
INCOME:		
Fund Received	10.00	94,794,169.15
General Account	11.00	12,737,317.81
Innovation Farming Practices as a Tool of Poverty Reduction - - and Climate change Adoption (SHIREE)	12.00	37,471.26
SHARIQUE - Local Governance Programme (Unit - 2)	13.00	174.00
Community Based Sustainable Management of Tanguar Haor Project	14.00	10,778.00
Swamp Forest Restoration in Haor Areas of Sunamgonj District (SFR)	15.00	9,832.00
Revolving Loan Fund-General	16.00	10,329,850.00
Revolving Loan Fund-CBFM-2	17.00	1,155,132.00
Excess of Expenditure Over Income		537,111.20
TOTAL		119,611,835.42
EXPENDITURE:		
General Account	18.00	12,557,504.42
Management of Aquatic Ecosystems through Com.Hus.(MACH-Followup)	19.00	1,565,000.00
Sea Turtle Conservation Project	20.00	734,897.00
AIGA for Jalka Fishers Programme	21.00	3,526,470.00
Haor Etaka Unnayan Nagorik Oikya (HUNO)	22.00	1,213,393.00
Establishing Livelihood Rights of Fishing Communities (ELRFC- Matlab)	23.00	542,492.00
Livelihood Recovery Support for Flood Affected People in Sunamgonj	24.00	141,342.00
Innovation Farming Practices as a Tool of Poverty Reduction and Climate change Adoption (SHIREE)	25.00	5,484,856.00
Improving Environmental Governance for Sustainable Management of - - Natural Resource in Bangladesh (NRG)	26.00	2,776,202.00
Integrated Protected Area Co-Management (IPAC) Project	27.00	7,101,229.00
Process Monitoring of Social Investment Program (SIPP)	28.00	5,516,684.00
Process Monitoring for Sidr Pilot Areas of SDF (Notun Jiban)	29.00	1,030,529.00
Livelihoods Empowerment and Agroforestry (LEAF)	30.00	7,218,452.00
SHARIQUE - Local Governance Programme	31.00	2,846,037.00
SHARIQUE - Local Governance Programme (Unit-2) Tahirpur	32.00	3,048,612.00
Sustainable Access to Agroforestry Knowledge, Technology & -Information Project (SAAKI)	33.00	641,853.00
Flood Risk Reduction Activities in Sunamgonj (FRRAS - II)	34.00	7,050,316.00
CWBMP Community Mobilization for ECA (CWBMP)	35.00	5,335,306.00
SHOUHARDO Program	36.00	10,993,437.00
Integrated Floodplain Management (IFM) in Bangladesh (RIUP)	37.00	1,742,944.00
Community Based Sustainable Management of Tanguar Haor	38.00	3,155,262.00
Wetland Biodiversity Rehabilitation Project (WBRP)	39.00	5,767,265.00
Building Adaptive Capacity of Vulnerable Communities in - -Disaster Prone Haor Areas of Bangladesh (Oxfam - HK)	40.00	3,130,253.00
Building Capacity on Environment Governance in Bangladesh	41.00	641,204.00
Swamp Forest Restoration in Haor Areas of Sunamgonj District (SFR)	42.00	2,254,507.00
Sanitation, Hygiene, Education, Water Supply in Bangladesh (GoB-UNICEF)	43.00	12,522,859.00
Revolving Loan Fund-General	44.00	8,544,229.00
Revolving Loan Fund-CBFM-2	45.00	1,340,936.00
Depreciation (Annexure-A)		1,187,765.00
TOTAL		119,611,835.42

Subject to our separate report of even date

Khan Wahab Shafique Rahman

Dhaka, December 26, 2010

KHAN WAHAB SHAFIQUE RAHMAN & CO.
CHARTERED ACCOUNTANTS

CENTER FOR NATURAL RESOURCE STUDIES (CNRS)

Consolidated Receipts and Payments Account
For the year ended 30th June 2010

PARTICULARS	NOTES	AMOUNT (IN TAKA)
RECEIPTS:		
Opening Balance (Annexure-B)		14,445,506.85
Advance (Annexure-C)		7,338,436.00
Fund Received (Annexure-F)		94,794,169.15
General Account	46.00	26,495,718.81
Innovation Farming Practices as a Tool of Poverty Reduction - - and Climate change Adoption (SHIREE)	47.00	37,471.26
Livelihoods Empowerment and Agroforestry (LEAF)	48.00	15,937.00
SHARIQUE - Local Governance Programme (Unit - 2)	49.00	174.00
Flood Risk Reduction Activities in Sunamgonj (FRRAS - II)	50.00	245,982.00
CWBMP Community Mobilization for ECA	51.00	527,515.00
Community Based Sustainable Management of Tanguar Haor Project	52.00	17,190.00
Wetland Biodiversity Rehabilitation Project (WBRP)	53.00	45,820.00
Swamp Forest Restoration in Haor Areas of Sunamgonj District (SFR)	54.00	9,832.00
Revolving Loan Fund-General	55.00	93,557,788.00
Revolving Loan Fund-CBFM-2	56.00	11,980,590.00
TOTAL TAKA		249,513,130.07
PAYMENTS:		
General Account	57.00	21,675,812.42
Management of Aquatic Ecosystems through Com.Hus.(MACH-Followup)	58.00	1,565,000.00
Sea Turtle Conservation Project	59.00	734,897.00
AIGA for Jatka Fishers Programme	60.00	3,526,470.00
Haor Elaka Unnayan Nagorik Okkya (HUNO)	61.00	1,213,393.00
Establishing Livelihood Rights of Fishing Communities (ELRFC- Matlab)	62.00	542,492.00
Livelihood Recovery Support for Flood Affected People in Sunamgonj	63.00	141,342.00
Innovation Farming Practices as a Tool of Poverty Reduction - - and Climate change Adoption (SHIREE)	64.00	6,561,426.00
Improving Environmental Governance for Sustainable Management of - - Natural Resource in Bangladesh (NRG)	65.00	3,000,487.00
Integrated Protected Area Co-Management (IPAC) Project	66.00	7,101,229.00
Process Monitoring of Social Investment Program (SIPP)	67.00	5,642,084.00
Process Monitoring for Sidr Pilot Areas of SDF (Notun Jiban)	68.00	1,137,373.00
Livelihoods Empowerment and Agroforestry (LEAF)	69.00	7,218,452.00
SHARIQUE - Local Governance Programme	70.00	2,846,037.00
SHARIQUE - Local Governance Programme (Unit-2) Tahirpur	71.00	3,048,612.00
Sustainable Access to Agroforestry Knowledge, technology & - - Information Project (SAAKI)	72.00	641,853.00
Flood Risk Reduction Activities in Sunamgonj (FRRAS - II)	73.00	7,803,179.00
CWBMP Community Mobilization for ECA (CWBMP)	74.00	6,315,860.00
SHOUHARDO Program	75.00	11,604,890.00
Integrated Floodplain Management (IFM) in Bangladesh (RIUP)	76.00	1,743,744.00
Community Based Sustainable Management of Tanguar Haor	77.00	3,456,045.00
Wetland Biodiversity Rehabilitation Project (WBRP)	78.00	5,767,265.00
Building Adaptive Capacity of Vulnerable Communities in - - Disaster Prone Haor Areas of Bangladesh (Oxfam - HK)	79.00	3,517,000.00
Building Capacity on Environment Governance in Bangladesh	80.00	655,728.00
Swamp Forest Restoration in Haor Areas of Sunamgonj District (SFR)	81.00	2,254,507.00
Sanitation, Hygiene, Education, Water Supply in Bangladesh (GoB-UNICEF)	82.00	12,522,859.00
Revolving Loan Fund-General	83.00	92,030,779.00
Revolving Loan Fund-CBFM-2	84.00	11,676,788.00
Advance (Annexure-C)		9,708,641.00
Closing Balance (Annexure-B)		13,858,885.65
TOTAL		249,513,130.07



CENTER FOR NATURAL RESOURCE STUDIES (CNRS)**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30TH JUNE, 2010**1.00 BACKGROUND OF THE ORGANIZATION:**

Center for Natural Resource Studies (CNRS) is a Non-Government, Non-Political Development Organization formed in 1993 focuses on ecological management of floodplain ecosystem through community-based management approaches.

The organization is registered under NGO Affairs Bureau, GOB and Registrar of Joint Stock Companies under registration No.841 dated 06.07.1994 renewed on 01.06.2009 and No. S-2463 (56/2000) dated 13.09.2000 respectively operating as an NGO pertaining to Micro Credit Program for the year ended June 30, 2010 and Microcredit Regulatory Authority certificate No. 00990-01573-00112 dated 15th January, 2008.

CNRS desires to be the forerunner of more natural conservation efforts at the local and national context, which would support the Government strategies and initiatives. CNRS with all its limitations and opportunities, sets a mission to restore, conserve, enhance and wise use of natural resources, which the country once proudly possessed in affluence.

The Goal of CNRS is to join with others in influencing the national development strategy in directions that support for building sustainable development approach rather than destroying the nation's environmental resources.

2.00 OBJECTIVE OF THE ORGANIZATION:**The objectives of maintaining the accounts of CNRS are to provide:**

- ★ Full disclosure of the operating cost and state of finance of the Organization.
- ★ Accounting records, which can serve as the basis of ascertaining the implementation of annual work plan and budget, preparing future work plans and budgets and for evaluating plan and budget demands and proposal.
- ★ Financial information needed for monitoring expenditure and for exercising effective management control of operations of the Organization.
- ★ Reliable information, for report purposes, which will serve the requirement of GOB, donors, internal audit, government audit and other relevant agencies.
- ★ To strengthen internal control, improve financial accountability, ensure the accuracy of the organizations financial report and maintain a methodical recording of financial transaction.
- ★ To provide procedure for purchase and payment.
- ★ To receive and deal with the application of fund requisition for financial transition or delegate this responsibility with some other for doing the same.

3.00 BASIS OF ACCOUNTING:

CNRS accounting system is on both basis "Cash & Accrual Basis" and therefore, a financial transaction is recognized only when money is received or paid, are to be taken as Income & Expenditure with few adjustment for stocks and stores, advances and payable/ receivable etc. CNRS maintained its account based on cash as well as accrual basis. therefore a financial transaction is recognised only when money is received on paid.

Depreciation on fixed assets have been charged on reducing balance method. The rate of depreciation is 10% or 20%.

