

**Auditors' Report
&
Audited Financial Statements
of
Center for Zakat Management (CZM)
For the year ended December 31, 2014**



Auditors' Report
To
The Center for Zakat Management (CZM)

We have audited the accompanying financial statements of **Center for Zakat Management (CZM)** which comprise the statement of financial position as at December 31, 2014 and the statement of Comprehensive Income, Receipts & Payments Account for the year ended December 31, 2014 and significant accounting policies and other explanatory notes to the financial statements.

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 Bangladesh Accounting Standards (BAS), and for such internal control as management determination is necessary to enable the preparation of financial statements that is free from material misstatements, whether due to fraud or error.

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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 policies 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 Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Association's affairs as at December 31, 2014 and of the results of its operations and its receipts & payments for the year ended December 31, 2014 and comply with the 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 purposes of our audit and made due verification thereof;
- b) In our opinion proper books of account as required by law have been kept by the Association so far as it appeared from our examination of those books;
- c) The Association's Statement of Financial Position, Statement of Comprehensive income, Receipts and Payments Account dealt with by the report is in agreement with the books of accounts.

Dated, Dhaka
April 01, 2015

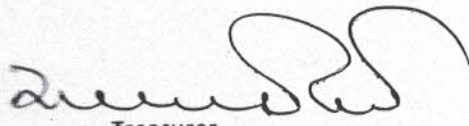
A. Qasem & Co.
Chartered Accountants

Center For Zakat Management
Statement of Financial Position
As at December 31, 2014

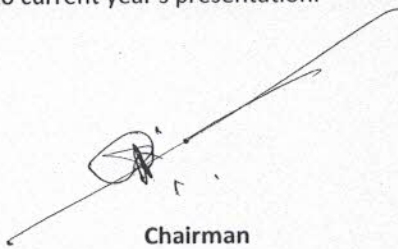
	Note	Amounts in Taka	
		As at 31 December	
		2014	2013
Assets			
Non current assets			
Property, plant and equipment	3	8,254,254	1,241,250
Total non current assets		<u>8,254,254</u>	<u>1,241,250</u>
Current assets			
Advance, deposit & prepayments	4	1,629,995	373,057
Short term deposit	5	10,000,000	10,000,000
Cash and cash equivalents	6	4,079,107	1,436,256
Total current assets		<u>15,709,102</u>	<u>11,809,313</u>
Total assets		<u><u>23,963,356</u></u>	<u><u>13,050,563</u></u>
Fund and liabilities			
Fund			
Capital fund	7	23,913,356	12,496,566
Current liabilities	8	<u>50,000</u>	<u>553,997</u>
Total fund & liabilities		<u><u>23,963,356</u></u>	<u><u>13,050,563</u></u>

Notes:

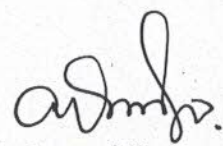
1. The annexed notes 1-14 form an integral part of these financial statements.
2. Previous year's figures have been rearranged where necessary to conform to current year's presentation.
3. Auditors' report-page 1


Treasurer
Center for Zakat Management


Chief Executive Officer
Center for Zakat Management


Chairman
Center for Zakat Management

Dated: Dhaka
April 01, 2015


A. Qasem & Co.
Chartered Accountants

Center For Zakat Management
Statement of Comprehensive Income
For the year ended December 31, 2014

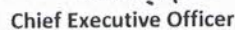
	Note	Amounts in Taka	
		Year to 31 December	
		2014	2013
Income			
Received as zakat and others income	9	69,549,409	44,003,857
Total income		69,549,409	44,003,857
Expenditure			
Project financing assistance	10	50,839,777	47,835,016
Bank charge & commission of CZM	11	19,260	174,342
Salary and allowances	12	4,972,458	3,551,587
Entertainment		76,402	87,676
Printing & stationery		177,298	117,711
Water bill		18,500	11,135
Telephone & mobile bill		31,852	59,434
Internet expense		69,033	95,412
Fuel & gas		107,504	22,996
Office rent		762,000	-
Training fees		54,732	-
Consultancy fees		-	230,000
Motorcycle maintenance		31,940	22,695
Garage rent		18,200	19,000
Office maintenance		588,430	325,364
News paper		3,473	2,977
Courier & postage		19,020	9,890
Voluntary service		10,500	1,490
Audit fees		53,000	54,750
Project evaluation		3,200	24,641
Depreciation		276,040	217,408
Total expenditure		58,132,619	52,863,524
Excess of income over expenditure		11,416,790	(8,859,667)

Notes:


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3. Auditors' Report-page 1


Treasurer

Center for Zakat Management

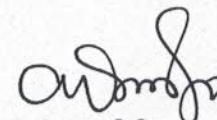

Chief Executive Officer

Center for Zakat Management


Chairman

Center for Zakat Management

Dated, Dhaka
April 01, 2015


A. Qasem & Co.

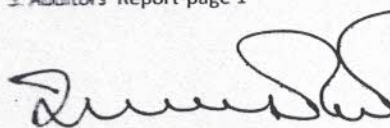
Chartered Accountants

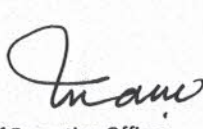
Center For Zakat Management
Receipts and Payments Account
For the year ended December 31, 2014

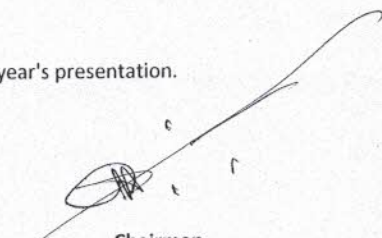
	Note	Amounts in Taka	
		Year to 31 December	
		2014	2013
Receipts			
Opening balance		1,436,256	4,777,656
Cash in hand		74,814	13,187
Cash at bank		1,361,442	4,764,469
Receipts during the year		74,413,516	44,003,857
Total receipts		75,849,772	48,781,513
Payments			
Project financing assistance	13.00	51,907,372	41,970,454
Bank charge & commission (CZM)		19,260	174,342
Salary, Bonus, overtime and allowances		5,247,402	3,634,587
Entertainment		76,402	87,676
Printing & stationery		177,298	112,011
Water bill		18,500	11,135
Telephone & mobile bill		31,852	59,434
Internet expense		69,033	95,010
Fuel & gas		107,504	22,996
Office rent		962,000	-
Training fees		54,732	-
Consultancy fees		-	230,000
Motor cycle maintenance		31,940	22,695
Garage rent		18,200	19,000
Office maintenance		588,430	330,184
Newspapers		3,473	2,977
Courier & postage		19,020	9,890
Voluntary services		10,500	1,490
Audit fees		3,000	-
Project evaluation		3,200	63,148
Furniture & fixture		152,750	61,890
Computer		-	102,000
Air Conditioner		28,000	129,900
Office equipment		99,663	65,541
FDI		10,000,000	-
Security deposit		200,000	-
Payment of accrued Exp		680,926	-
Miscellaneous		1,260,210	138,897
Total payments		71,770,667	47,345,257
Closing balance		4,079,105	1,436,256
Cash in hand		30,779	74,814
Cash at bank		4,048,326	1,361,442
Total		4,079,105	1,436,256

Notes:

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3. Auditors' Report-page 1


Treasurer
Center for Zakat Management


Chief Executive Officer
Center for Zakat Management


Chairman
Center for Zakat Management

Center For Zakat Management
Notes to the Financial Statement
For the year ended December 31, 2014

1.00 Background of the association

Center for Zakat Management is a association registered under the Societies Registration Act-1860 vides the certificate No: S-8256/2008. The association obtained the certificate of commencement of activities from the RJSC, Bangladesh as a not for profit organisation, with effect from September 14, 2008.

1.01 Nature of activities

CZM is a non-profit organization. It has been established for charitable purpose to provide fund and financial assistance/support to the poor for reducing poverty and brining prosperity to our society as per Sharia Rules.

1.02 Going concern

The Financial statements have been prepared on going concern assuming CZM will continue its activities for the foreseeable future.

2.00 Accounting policies

2.01 The financial statements have been prepared under historical cost convention on accrual basis except for Receipts and Payments Account.

2.02 Depreciation policy

Depreciation on property, plant and equipment are charged on diminishing balance method at rates varying from 10% to 20% depending on the nature of assets.

Furniture and fittings	10%
Computer	20%
Air Conditioner	20%
Office Equipment	15%
Vehicle	10%

2.03 Capital fund

The origin and accretion of the capital funds are transferred to current year's surplus of income or loss over expenditure of CZM.

2.04 Expenditure accounts

Expenditures are accounted for on accrual basis.

2.05 Income

Income is recognized when it is received.

2.06 Compliance with local Laws

The Financial Statements have been prepared in accordance with the requirements of the societies Registration Act & other relevant local laws & Regulations and Sharia Rules.

2.07 Receipts & payments

Receipts & Payments account is a simply summary of the cash transactions of a particular period, analyzed or classified under suitable heading.

2.08 General

Figures have been rounded off to the nearest taka.

3.00 Property , Plant & Equipment

SL. No	Particulars	COST			DEPRECIATION				Written Down Value as on 31.12.14
		Opening Balance as on 01.01.14	Addition during the year	Total Cost	Rate	Opening Balance as on 01.01.14	Addition during the year	Total	
1	Land	-	4,101,000	4,101,000	-	-	-	-	4,101,000
2	Building	-	2,907,631	2,907,631	2%	-	58,153	58,153	2,849,478
3	Furniture & fixtures	567,177	152,750	719,927	10%	153,469	56,646	210,115	509,812
4	Computer	606,488	-	606,488	20%	286,541	63,989	350,530	255,958
5	Air conditioner	215,300	28,000	243,300	20%	75,640	33,532	109,172	134,128
6	Office equipment	365,348	99,663	465,011	15%	125,798	50,882	176,680	288,331
7	Vehicle	158,500	-	158,500	10%	30,115	12,839	42,954	115,547
	Current Year	1,912,813	7,289,044	9,201,857		671,563	276,040	947,603	8,254,254
	Previous Year	1,553,482	359,331	1,912,813		454,155	217,408	671,563	1,241,250

		Amounts in Taka	
		As at December 31	
		2014	2013
4.00	Advance, deposit & prepayments (security Deposit)		
	Advance office rent	200,000	-
	Advance to employees	144,000	35,000
	Advance to projects	-	10,383
	Advance to Ferdousi Savar	8,000	7,674
	Security deposit	200,000	300,000
	Advance for dawah	857,000	20,000
	Advance to Pre Primary Education Program	202,595	-
	Advance for Tour bill	18,400	-
		<u>1,629,995</u>	<u>373,057</u>
5.00	Short term deposit		
	EXIM TDR NO: 0597225	2,500,000	5,000,000
	EXIM TDR NO: 0597226	2,500,000	5,000,000
	EXIM TDR NO: 0597227	2,500,000	-
	EXIM TDR NO: 0597228	2,500,000	-
		<u>10,000,000</u>	<u>10,000,000</u>
6.00	Cash & cash equivalents		
	Cash in hand	30,780	74,815
	Cash at bank		
	EXIM A/C 00711100042847	205,740	207,240
	EXIM A/C 03912100017568	3,518,973	476,763
	EXIM A/C 03913100031211	315,454	669,278
	ICB Islamic Bank Limited	8,160	8,160
		<u>4,079,107</u>	<u>1,436,256</u>
7.00	Capital fund		
	Opening balance	12,496,566	21,356,233
	Add: excess of income over expenditure	11,416,790	(8,859,667)
		<u>23,913,356</u>	<u>12,496,566</u>
8.00	Current liabilities		
	Provision for audit fees	50,000	54,750
	Accrued expenses	-	499,247
		<u>50,000</u>	<u>553,997</u>

		Amounts in Taka	
		For the year ended 31 December	
		2014	2013
9.00	Received as zakat & other income		
	Received as zakat	60,956,617	30,412,943
	Profit income	441,214	1,529,224
	Received as SADAKA	278,325	3,235,000
	Receive from pre-primary book sales	31,128	-
	Land	4,101,000	-
	Building	2,907,632	-
	Donation	-	8,604,060
	Received as qurbani	737,486	218,000
	Other income	96,007	4,630
		69,549,409	44,003,857
9.01	Other income		
	Old news paper sales	96,007	4,630
		96,007	4,630
10.00	Projects financing assistance		
	Jeebika	12,906,094	6,262,069
	Genius programm	18,438,204	11,921,393
	Gulbagicha program	5,577,853	6,805,861
	Vocational training & employment program	2,684,752	6,084,753
	Insaniat	5,197,389	5,015,445
	Dawah	3,997,320	2,444,040
	Ferdousy Health Care	1,198,890	1,334,538
	Ferdousi-Savar	839,275	7,966,917
		50,839,777	47,835,016
11.01	Jeebika		
	Jeebika Kornofuly, Chittagong	1,693,398	2,347,410
	Jeebika Shurma, Sylhet	2,264,573	893,538
	Jeebika Elenjani, Tangail	982,618	1,421,369
	Jeebika Dholeswary-1, Manikgonj	1,256,553	1,599,752
	Jeebika Sonaimuri, Noakhali	5,516,681	-
	Jeebika Choto Jamuna, Naogaon	499,433	-
	Jeebika Meghna, Chandpur	250,316	-
	Jeebika Dholeswary-2, Manikgonj	154,522	-
	Jeebika Bancharampur, B-Baria	288,000	-
		12,906,094	6,262,069
11.02	Genius		
	Scholarship genius program (Rajshahi)	1,066,332	-
	Scholarship genius program (Dhaka)	14,315,772	8,525,893
	Scholarship genius program (CTG)	3,056,100	3,395,500
		18,438,204	11,921,393

		Amounts in Taka	
		For the year ended 31 December	
		2014	2013
10.03	Gulbagicha		
	Gulbagicha (Gerda)	99,000	-
	Bawniyabandh Islamia Yeatimkhana	973,877	565,000
	Faridpur Muslim Mission	960,000	1,029,000
	RSF-Dhaka project	-	714,300
	RSF-Gulbagicha-Bogra	320,400	936,600
	Pre-primary education program	3,224,576	3,560,961
		<u>5,577,853</u>	<u>6,805,861</u>
10.04	Vocational training & employments program		
	Vocational Training programme	1,607,825	1,637,683
	Thakurgaon project	1,076,927	4,447,070
		<u>2,684,752</u>	<u>6,084,753</u>
10.04.01	Vocational training programme		
	Vocational training programme(Faridpur)	474,000	381,330
	Vocational training programme (Mirpur)	1,133,825	1,256,353
		<u>1,607,825</u>	<u>1,637,683.00</u>
10.05	Insaniat		
	Insaniat	4,435,067	4,787,685
	Expense for qurbani	762,322	227,760
		<u>5,197,389</u>	<u>5,015,445</u>
10.06	Ferdousy Health Care		
	Ferdousy Health Care (Manikgonj)	95,890	-
	Ferdousy Health Care (Sreepur)	757,700	971,757
	Ferdousy Health Care (Faridpur)	345,300	362,781
		<u>1,198,890</u>	<u>1,334,538</u>
11.00	Bank charge & commission		
	Bank charge & commission	19,260	174,342
	Tax deduct at source	-	-
		<u>19,260</u>	<u>174,342</u>
12.00	Salary and allowances		
	Salary	3,417,400	2,828,167
	Bonus	247,500	292,000
	Internship allowance	-	49,667
	Overtime	113,683	84,880
	Conveyance allowance	113,824	79,041
	Tour bill	263,736	137,127
	Conveyance and entertainment	-	615
	Honorarium	300,500	48,000
	Staff Transfer Cost	38,100	
	Quranic Genius	456,285	
	Remuneration A/C	21,430	32,090
		<u>4,972,458</u>	<u>3,551,587</u>

		Amounts in Taka	
		For the year ended 31 December	
		2014	2013
13.00	Project expenses		
	Jeebika Kornofuly	1,693,398	2,347,410
	Jeebika Sonaimuri	5,516,681	
	Jeebika Bancharampur	288,000	
	Jeebika Meghna	250,316	
	Jeebika Choto Jamuna, Naogaon	499,433	
	Jeebika Shurma	2,264,573	893,538
	Jeebika dholeswary 1 & 2	1,411,075	1,599,752
	Jeebika Tangail	982,618	1,421,369
	Ferdousy Health Care (Manikgonj, Sreepur, Faridpur, Savar)	2,046,165	1,334,538
	Thakurgaon project	1,076,927	829,237
	Bawniyabandh Islamia Yeatimkhana	973,877	522,000
	Gerda	99,000	-
	Faridpur Muslim Mission	960,000	949,000
	RSF-Dhaka project	-	714,300
	Pre-Primary education program	3,427,171	3,493,434
	Scholarship genius programme (DHK & Rajshahi)	15,382,104	8,536,063
	Scholarship genius programme (CTG)	3,056,100	3,395,500
	Insaniat	4,435,067	4,893,535
	Vocational training programme (Faridpur and Mirpur)	1,607,825	1,685,343
	DAWA	4,854,320	2,431,428
	RSF-Bogra project	320,400	780,500
	Qurbani	762,322	392,000
	Ferdousy - savar	-	5,751,507
		<u>51,907,372</u>	<u>41,970,454</u>

14.00 Current projects of CZM**Jeebika-Zakat based livelihood and human development program**

This program aims to provide fund and financial support to the poor for reducing poverty and bringing prosperity to our society as per Sharia Rules. This program includes community based development organization, entrepreneurship development, health care facilities, sanitation, hygiene, safe water, life skill development education for adult.

Genius-scholarship program for undergraduate students

This program aims to provide educational opportunities for the academically meritorious and financially needy young students of undergraduate level to pursue their studies both at home and abroad. This program provides tuition-fee and other related expenses, monthly stipend, career development program, training on IT, IELTS, TOFEL.

Gulbagicha-education & nutrition program for under privileged children

CZM works for poverty alleviation programs including Gulbagicha-program for providing education and nutrition to the underprivileged children. The main activities of this program are to provide basic pre-primary education and religious education, nutritious foods, home counseling for parents on child rearing, health and sanitation awareness program.

Ferdousi-women welfare program

This welfare program is designed to assist women under different programs which includes free health care, skill developments for entrepreneurial activities, awareness, adult education and rehabilitation services for women counseling and awareness rising on health, nutrition & child rearing.

Insaniat-humanitarian assistance program

This program usually helps the Zakat deserving persons on emergency basis considering his/her cases such as illness, natural calamities, sudden death of earning member of the family, accidents, income shortfall and other similar problems.

Dawah-awareness building & motivational program

Da'wah usually denotes the preaching of Islam. Da'wah literally means "Issuing a summons" or "Making an Invitation". CZM being dai invites people to understand Islam through a dialogical process. The main objective of this program is awareness building and propagation of Zakat payment as religious duty of a Muslim.

Vocational training and employments program

CZM has started Vocational Training and Employment program from 2014 for the first time. This program provides technical training facilities to the medium educated and unemployed youths who are deprived of high education, residential facilities with food & healthcare, provides employment to the trainees in relevant areas of skill gained by them and helps to pull out the targeted families from the course of poverty.