

ANNUAL REPORT 2008



GHASHFUL

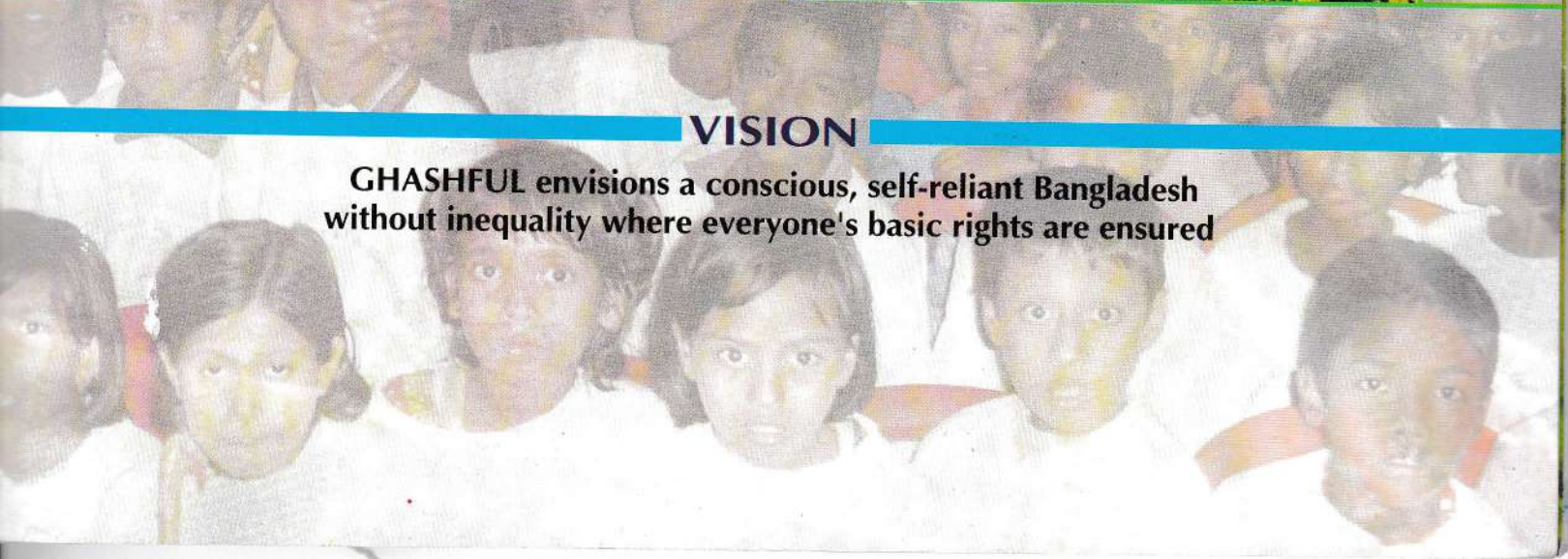
GHASHFUL

ANNUAL **R**EPORT
2008

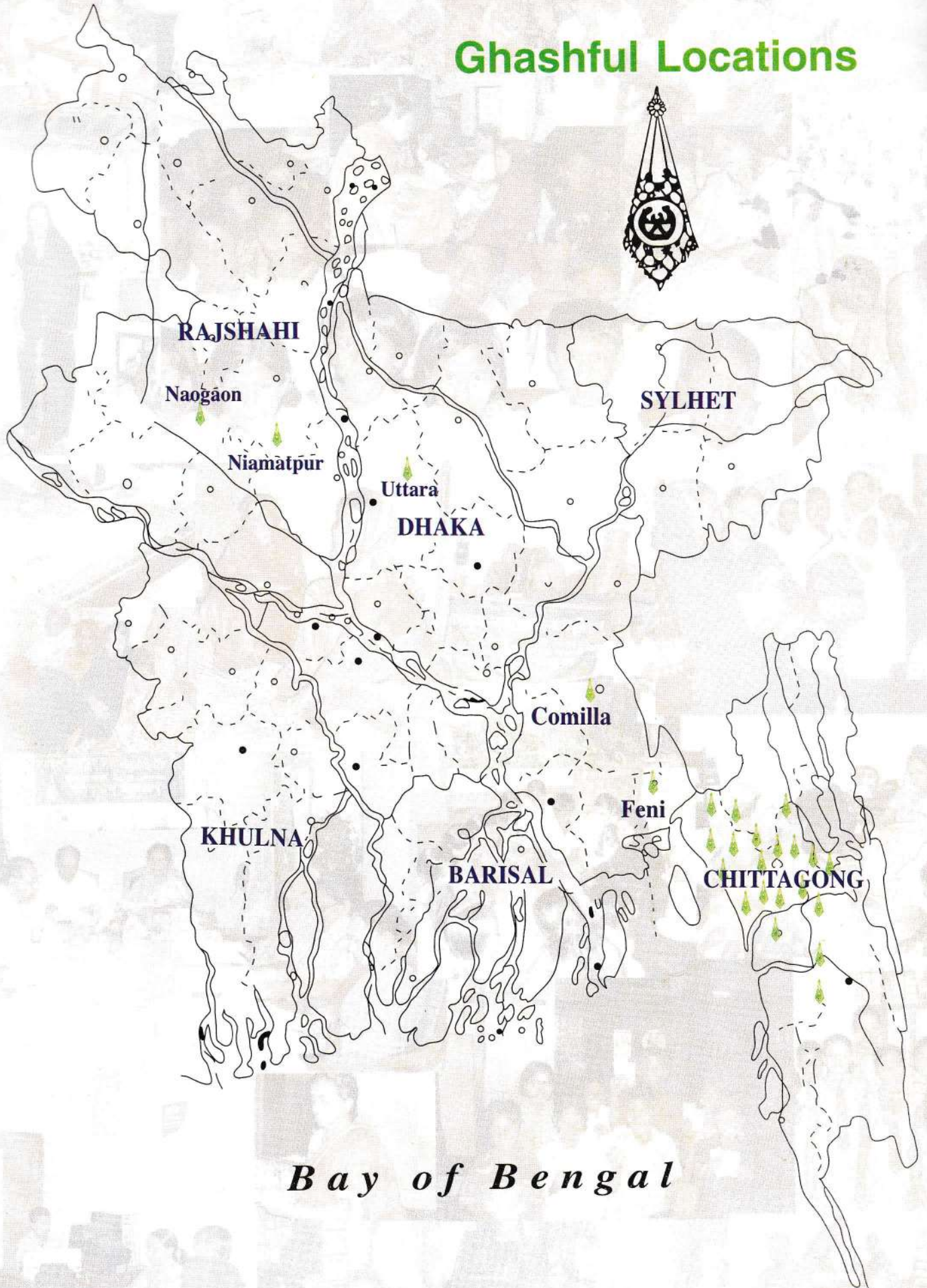


VISION

GHASHFUL envisions a conscious, self-reliant Bangladesh without inequality where everyone's basic rights are ensured



Ghashful Locations



Bay of Bengal

- 01 Message from the Chairman
- 02 Words from the Chief Executive Officer
- 03-04 Ghashful at a glance
- 05-06 Chronicle of Ghashful

At the core

- 07-13 Livelihood Programme
- 14-18 Education Programme
- 19-21 Reproductive Health Programme



Projects

- 22 Ghashful Education Support Programme
- 23 Ghashful Pallitathya Kendra

New initiatives

- 22 Kaishor Mancha
- 24 A Pandemic Influenza
- 24 HORROR in the World

Ghashful Support Programme

- 25 Social Forestry
- 25 Addressing on Climate Change
- 25 Training & Development Cell
- 26 Research & Evaluation Cell
- 26 Prioritization On Marginalized Group
- 26 Advocacy And Governance Issues
- 27 The Organogram of GHASHFUL
- 28 Governance
- 29 Independent Auditors Report
- 30-35 Audited Financial Statements
- 36-47 Notes To The Accounts



Message from the Chairman

I am glad to see the new issue of Ghashful Annual Report published. 2008 is another significant year for Ghashful for its development march along with underprivileged and deprived segments of the society. With health, education, microfinance, networking and social awareness programmes, Ghashful passed another successful year in 2008 towards its goal.

Ghashful Annual Report -2008 is the mirror of all activities, steps, approaches and movements of Ghashful in 2008. In this report we have presented all our achievements and shortcomings in the form of solid data and references. Through this report anyone will know Ghashful at a glance and assess its performances. It would be our success if we could convey the successes of the marginalized people to other part of the society.

I hope through this Annual Report we could portray the real glimpse of Ghashful to you all and I convey my thanks to the people we work with and our staffs for contributing their efforts in achieving our success.

Samsunnahar Rahman Paran
Chairman & Founder
Ghashful.

Words from the Chief Executive Officer

We are delighted to proclaim that Ghashful has successfully completed yet another eventful year of its development activities. In reaching accomplishment of our success in the year 2008 Ghashful had to confront numerous challenges. Especially a consistent and acute price hike of essentials created a direct negative effect on the livelihood of common people of our society. The people Ghashful works with were never out of this predicament. Despite just facing this reality Ghashful had successfully overcome threat of this issue and proceed with all activities way forward towards reaching our goals.

Like previous years, in 2008 Ghashful was engaged with integrated development activities through microfinance, health and education services including different types of social awareness programmes. As the earlier intervention of Ghashful reproductive health programme delivered its better health packages to its beneficiaries. Ghashful education department pretty fairly passed a golden episode in 2008. A batch of Ghashful NFPE students already finished their secondary education and have launched for studying into higher secondary level. Besides the NFPE students, the activities of ESP, Educare KG school and adolescent center also performed with a great deal of success. Ghashful livelihood department strived their best to operate microcredit services throughout the year. Boosting the process Ghashful enrolled with Microcredit regulatory authority (MRA) in the year of 2008. Our endeavor distinctly proved that Ghashful is a transparent, accountable and successful microcredit institution. In late 2008 Ghashful launched a special microcredit service for marginalized farmers bannered as "Agriculture loan" with the assistance of PKSf. Every members of Ghashful family are humbly obliged to PKSf for their endless support towards our efforts. In 2008 Ghashful had initiated some need oriented social awareness activities, especially about the HIV/ AIDS & Bird flu with the assistance of HASAB & CARE Bangladesh. Apart from these Ghashful brought further diversity by launching Kaishor Mancha in Wards 29 & 30 of Chittagong City Corporation with the assistance of ADF.

At length, I would like to deliver my warm gratitude to all of our development partners, networking members, financial institutions, government officials and donors for extending their support to Ghashful in making things happen as designed. I am really proud of Ghashful general committee, executive committee and staff members who have been putting up sincere effort in building Ghashful since 1972. I strongly believe and anticipate that each of you from your individual arena shall continue with the best support towards Ghashful and all of its beneficiaries as you have done in the past.

Aftabur Rahman Jafree

Ghashful at a glance

GHASHFUL is a non-government development organization. As the first NGO of Chittagong, Ghashful pioneered its stride towards mankind in 1972. While the formal march towards development started in February 2, 1978 after its registration with District population control and Family Planning Department. Ghashful aims at changing the condition of living for the marginalized, underprivileged and deprived section of the societies through financial assistance, health services, education services along with various awareness and training programme. Today Ghashful vanguards implementation of right based sustainable development programmes flanking with the Bangladesh Government as a local alternative ancillary force.

Mission

GHASHFUL exists to establish the overall rights of the poor and vulnerable people including women, adolescent boys and girls and children through making them conscious and self-reliant.

Goal and objectives

- * Augmenting economic empowerment of Women.
- * Reducing / eradicating social discrimination against the poor and marginalized.
- * Boosting / increasing overall literacy rate.
- * Reducing health risks including HIV / AIDS.
- * Fight for guaranteeing basic rights of the selected vulnerable groups in society.

Target Groups

Marginalized, underprivileged or deprived segments of the rural and urban-especially poverty stricken women, children and adolescents.

Identity and Roles

Ghashful categorizes itself as a Bangladeshi non-government development organization and voice of marginalized community. Ghashful is profoundly committed to act as a catalyst and facilitator in the process of poverty eradication and always been beside vulnerable women, adolescents, boys, girls and children.

Legal Status

Registration Authority	Registration No.	Year
District Population Control and Family Planning Department	FP/CTG/1/1978	1978
Department of Social Services	SW/ CTG/959/1983	1983
NGO Affairs Bureau	FD DSS / FDO-R 376, 1990	1990
Joint Stock Companies	CH-229, 2004	2004
Microcredit Regulatory Authority (MRA)	00399-01209-00160	2008
Tax Identification Number	347-300-2085	

Values

Sincerity	Spontaneity
Mutual respect	Modesty
Honesty and transparency	Equity and sympathy
Patriotism and respect for own culture	Humanity
Commitment	Social work and selflessness
Mutual cooperation	Democratic process

Donors / Partners

Since inception, Ghashful has always operated in partnership with donors or similar organizations.

Present Donors / Partners-

Bangladesh Rural Advancement Committee (BRAC), CARE Bangladesh, Development Research Network (D.Net), HASAB and Palli Karma-Sahayak Foundation (PKSF).

Past Donors / Partners-

Action Aid Bangladesh (AAB), Amader Gram, Australian Agency for International Development (Aus AID), Bangladesh Center for Communication Programs (BCCP), Bangladesh Legal Aid Services Trust (BLAST), Bangladesh Population and Health Consortium (BPHC), Japan International Co-operation Agency (JICA), Pathfinder Fund, Population Concern.

Networking

Ghashful also works as network member with the Adolescent Development Forum (ADF), Association For Land Reform and Development (ALRD), Bangladesh Fund Raising Group (BFRG), Bangladesh Shishu Adhikar Forum (BSAF), Campaign for Primary Education (CAMPE), Credit and Development Forum (CDF), Coastal Fisher Folk Community Network (COFCON), International Network of Alternative Financial Institutions (INAFI), National STI /AIDS Network of Bangladesh, NARIPAKKHA, NC4 for Climate Change, NEARS, NUMCO, Peoples Health Movement (PHM), Stop Violence Against Women (SVAW) Chittagong District Committee, Voluntary Health Services Society (VHSS).

Operational Areas

Districts	Major Working Areas	Number of Branches
Dhaka	Uttara Police Station	1
Chittagong	City Corporation area, Hathazari Patiya and Anowara Upazila	20
Feni	Sadar Upazila	1
Comilla	Adarsha Sadar Upazila & Sadar South Upazila	1
Naogaon	Naogaon Sadar & Niamatpur Upazila	2
5		25

Staff Position as on December 2008				% On Staff Level
Level	Male	Female	Total	
Management	02	-	02	0.59
Senior	09	04	13	3.85
Mid	30	07	37	10.97
Field	112	118	230	68.24
Part Time	4	17	21	6.23
Support	31	03	34	10.08
Total	188	149	337	100%
% On Male and Female	55.78	44.22	100%	

Chronicle of Ghashful Development Activities

Major Events

1972

Ghashful starts at Chittagong City Corporation as a relief organization.

1973-77

Transition to a Non Government Development Organization.

1978

Registration under District Population Control and Family Planning Department.

1978-82

Health and Family Planning services to eligible Couple and Children at 7 Wards of Chittagong City Corporation (CCC) with the support of Pathfinder Fund.

1982-92

Provided Health, Family Planning and skill training services to men, women, adolescent and children at CCC with the assistance of Population Concern (UK).

1983

Registration under Department of Social Services.

1987

New initiative of Microfinance programme (as a pilot project to assess viability of Microfinance) with the assistance of Bangladesh Population and Health Consortium (BPHC).

1990

Registration under NGO Affairs Bureau.

1993-96

Health and Family Planning services to eligible Couple and Children with the assistance of BPHC.

1997-
2005

Integrated (Health, Education, Microfinance) urban development project with the assistance of Action Aid Bangladesh (AAB).

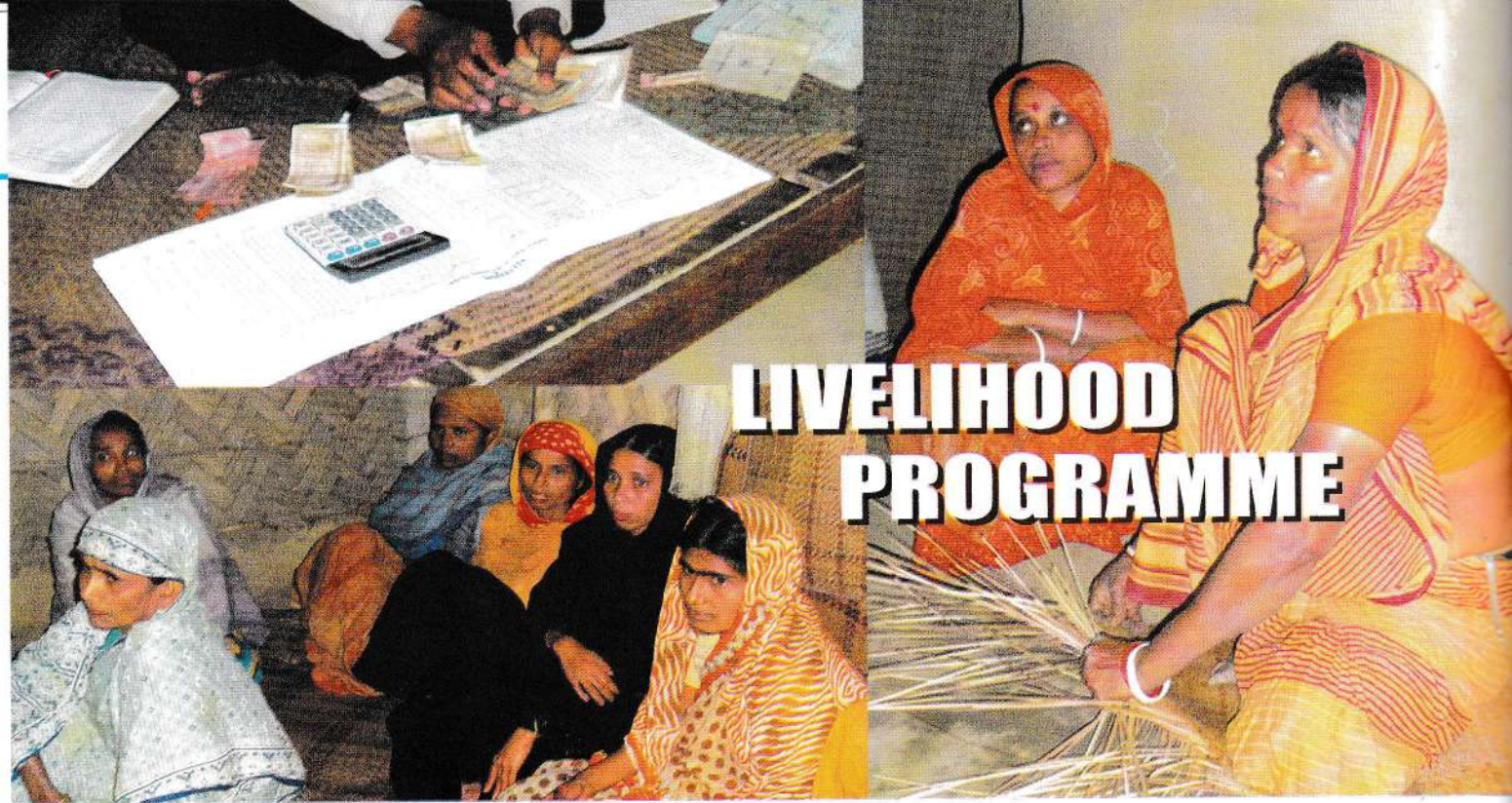
1998-
till now

Education Support Programme (Non Formal Primary Education Programme) to the rural children who have no access in formal education with the assistance of BRAC.

2001

Enterprise Development Programme (TOT for staff, enterprise development & business management training for Microfinance clients) with the assistance of United States Agency for International Development (USAID) and JOBS.

2003- till now	Non Formal Primary Education (NFPE) services to the urban Children who have no access in formal education.
2003	GKNHRIB project (Gender Knowledge Network & Human Rights Intervention in Bangladesh) to rural community people with the assistance of BLAST.
2004	Registration under Joint Stock Companies.
2004- 07	Worked as Secretariat of ADF.
2005	Adolescent Reproductive Health Programme with the assistance of BCCP.
2005- till now	Microfinance Programme with the assistance of PKSF.
2006- till now	Elected as an Executive Member of BSAF.
2006	Strengthening Household Opportunity for women in Bangladesh to organize Gardening for Health (SHOBOGH) project with the support of JICA Bangladesh.
2007- till now	Pallitathya Kendra (Rural information center) with the assistance of D.Net.
2007	Breast Cancer Screening programme with the assistance of Amader Gram.
2008	Enrolled with Microcredit Regulatory Authority.
2008	HIV/ AIDS awareness programme as a partner organization of HASAB.
2008	Avian Influenza (Bird Flu) prevents and control programme with the assistance of CARE Bangladesh.
2008	Kaishor Mancha with the assistance of ADF.



LIVELIHOOD PROGRAMME

Microfinance: Massive Footstep Against Poverty

Ghashful launched its microfinance programme as a pilot project in 1993, which included savings and credit services and some technical assistance to rural as well as urban poor people. In 1997, the microfinance programme became a core programme of the organization with the assistance of AAB. Since 2004 Ghashful has been operating the microfinance programme with the assistance of PKSF. This scheme proved to be very successful as a method of poverty alleviation distinctly by improving livelihood of the poor and low income women including their family members.

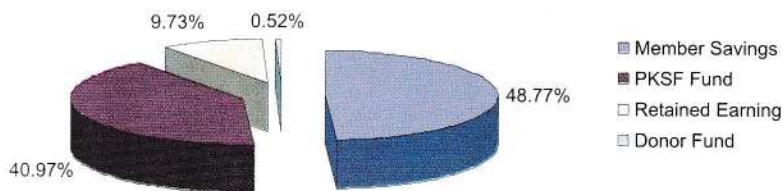
Key Features of Ghashful Microfinance Programme

- * Working with women and adolescents.
- * Serving the poor and ultra poor.
- * Working with relatively disadvantage and low income people of relatively less-advanced and remote areas.
- * Emphasising on impacts on livelihood for the clients rather than organizational benefits and growth.
- * Making the products and services demand driven.
- * Making the products and services effective and efficient.
- * Achieving greater satisfaction of clients.
- * Focusing on income and employment generation.
- * Ensuring greater participation of women and adolescents in economic activities.
- * Depending on internal resources rather than external resources.

Microfinance Operation

Ghashful has been working to uplift the status of the poor and vulnerable people. Ghashful is trying to bring in the changes in their lives by empowering them. Ghashful has been trying to bring in the empowerment through forming a Samity or a group among the target community by linking them with income generating activities, education facilities, skill developing training, comprehensive health packages and awareness raising on STD/ AIDS, sanitation etc. The initiative to develop entrepreneurs from the Microcredit groups is continuous so that they can initiate micro enterprise for generating employment. We have been propelling with this initiative as a component of microfinance programme, which was not only creates job opportunities but also to help the entrepreneurs to have steady business. We asserted to develop skilled and efficient entrepreneurs. For that we have been providing them technical support along with marketing linkages and credit facilities.

Revolving Loan Fund As on December 31,2008

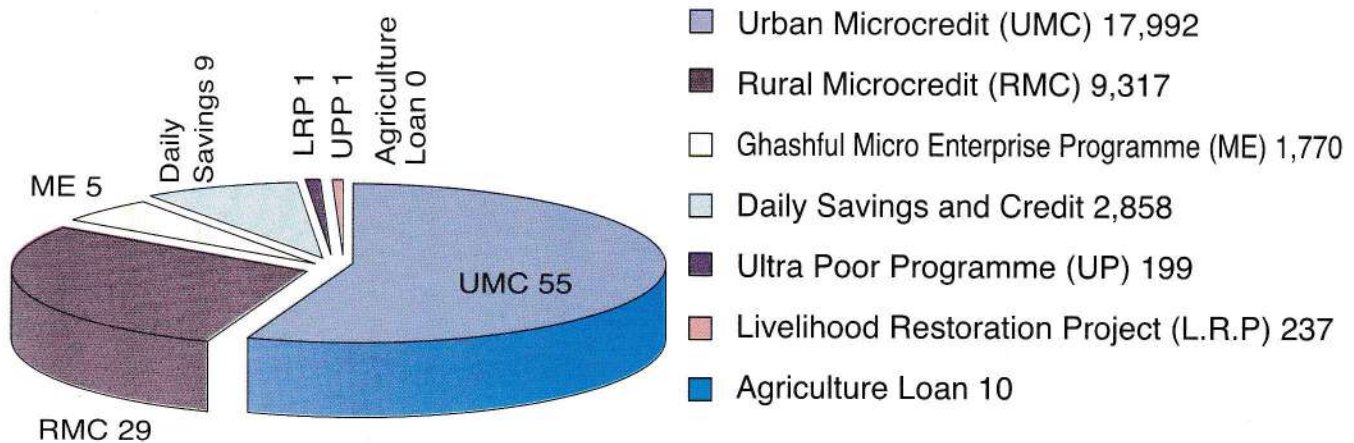


Member Savings	12,24,56,171
PKSF	10,28,73,333
Retained Earning	2,44,34,932
Donor Fund	13,00,000
Total	25,10,64,436

(Amount in BDT)

Ghashful Mainstream Programmes

Percentage (%) of Different Interventions



At the year ended 2008

Components

Urban Microcredit (UMC) programme is the main component of Ghashful credit programme. A regular samity member should attend the group meeting regularly and save a certain amount in every week (minimum BDT 20 per member). Against the savings they can get credit facility after a definite period. As on December 31, 2008 total members of regular savings and credit programme are 17,992 and savings balance of the members are BDT 6,84,75,351 only. As per policy all members of regular savings and credit are eligible for credit. Until the reporting year Ghashful has disbursed BDT 108,78,99,000 (cumulative) and outstanding amount of BDT 10,06,70,080.

Rural Microcredit (RMC) programme has been functioning in rural and semi urban regions of Bangladesh. The objectives of the programme are to generate income and create new employment in the rural and semi-urban areas in Feni, Comilla, Dhaka and Naogaon districts including Patiya, Hathazari and Anowra Upazilas of Chittagong district and Niamatpur Upazila of Naogaon district. On December, 2008 total members of this scheme are 9,317 with savings balance of BDT 1,44,49,855 and outstanding amount of BDT 4,16,45,179 against cumulative disbursed amount of BDT 19,09,22,000.

Daily savings and credit programme is a popular savings system amongst the slum dwellers of Chittagong city. The underprivileged communities who have no particular range of income have access to Ghashful daily savings and credit. The programme has no hard and fast rules but to attend samity meeting and rigidity on participation with savings amount. Since 1998 Ghashful has been executing the programme to strengthen the marginalized community. On December 2008 total members of this scheme are 2,858 with savings balance of BDT 1,09,56,163 and outstanding amount of BDT 1,64,89,044 against cumulative disbursed amount of BDT 10,32,11,400.

Case Study : Tale of Mausomi

Karnelhat Bazar (a business place) is situated almost at the entrance point of Chittagong city. A little bit further to west from the Bazar, on the right side of the road, one will discover a colony of 10-12 families where lives about 100 people of Hindu (minority) religion. Here resides an enlighten woman named Mausomi Dutta. Her paternal residence is at Anowara Upazila of Chittagong district.

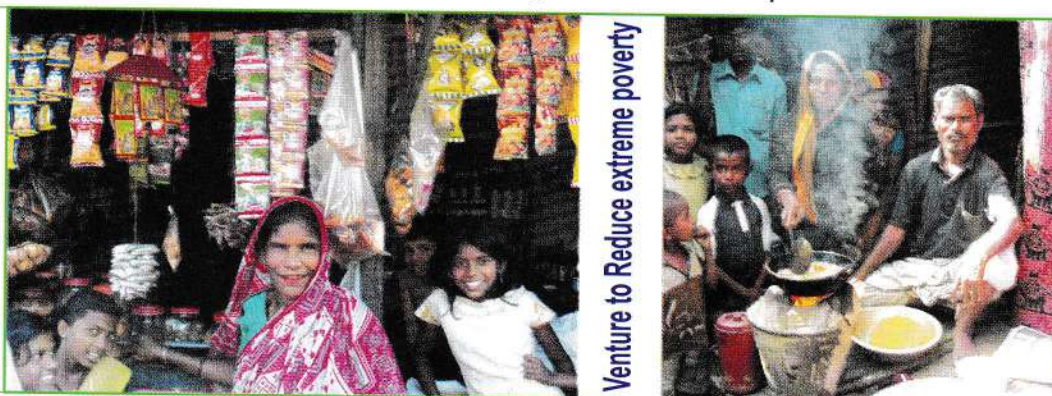


But she has been residing at Karnelhat area since last 15 years with her husband Sulal Dutta. Mausomi has two sons- one is in class IX and another is in class III. Along with husband her family members are four. Only two rooms are allotted for their residence. But within this area all four of them worked die hard for preparing candles. R.M Food and Chemicals Co. manufacture candles here. Mausomi Dutta is the main mechanic of the factory. Her husband Sulal Dutta is engaged in the work of buying raw materials and marketing the candles. Talking about the making processes of candle Mausomi said that they are paying attention about the quality of products. They are also conscious about making any noise in the production process to avoid sound and environment pollution. Mausomi and her husband have been carrying out the business since 2004. But they have no transportation of their own. It was an immense problem for them. Mausomi became the member of Ghashful samity in 2006 and received a loan of BDT 7,000 from Ghashful by which they bought a rickshaw van. Mausomi believes that the Van plays an important role in expanding their business. For proper maintenance of her business Mausomi employed more labourers. She is not only involved with income generating activities but also in many social works. Mausomi, a Graduate, is teaching many poor children in her house without remuneration.



Ghashful Micro Enterprise (ME) Programme

Hence rapid growth of population in Bangladesh is narrowing the scope of employment and income earning options, exploring new avenues of livelihood are essential for reducing rural and urban poverty. Rapid urbanization and globalization has opportunities, but the poor and low income people may not be able to gain access to these opportunities. Realizing this, in 2004 Ghashful initiated the micro enterprise programme through enterprise development & business management training to encourage employment and income generation through entrepreneurship. The programme has encouraged microfinance borrowers to take non-traditional roles in creating and managing small entrepreneurships. Since inception of this programme Ghashful has been providing technical support such as training and marketing linkages to GMEP members. Up to December 31, 2008 there are 1,770 members with BDT 2,84,80,816 savings balance and BDT 4,14,02,252 outstanding and total BDT 18,23,15,000 cumulative disbursement has been made among the micro enterprise borrowers.



Ultra Poor programme

Initiated in 2002, the hard core poor (HCP) was a programme specially designed to meet the needs of the ultra poor who constitute a large number of the total population of Bangladesh. Since the HCP are too poor to access or benefit from any opportunities of regular microfinance projects we decided to come up with this alternative HCP. In 2007 Ghashful redesigned the programme with new dimension named Ultra poor (UP). As on December 31, 2008 there are 199 members with savings balance of BDT 93,786 and outstanding amount of BDT 3,15,093 against cumulative disbursement of BDT 9,18,000.

Livelihood Restoration Project (LRP)

Since 2008 Ghashful has been operating LRP with UMC & RMC members of Ghashful, in the case of floods, cyclones, tornadoes, fires, landslides and other natural disasters. The LRP is an initiative to re-sanction a loan to the affected members so that they can restart their IGA. Savings amount is not required for this livelihood restoration project. In the reporting year Ghashful disbursed BDT 43,92,000 among 245 members of Ghashful samity through LRP.

Agriculture Loan -

In late 2008, Ghashful initiated agriculture loan for the marginalized farmers. It is the latest addition of Ghashful mainstream Microfinance Programme. The key features of the programme are -

- * Agricultural equipments including fertilizer, seeds, irrigation etc.
- * Loan ceiling - BDT 1 to 50 thousands
- * Minimum savings BDT 20 per week.
- * Service Charge- monthly 2% declining



Micro Insurance

The Microfinance Programme offered a benefit package to the family members of Ghashful microcredit recipients in 2002. At the beginning it was named Micro Life Insurance. In 2004, Ghashful transformed the Micro Life Insurance as Micro Credit Insurance. Microcredit recipients, who are not above 55 years, get this facility. As per current insurance policy, the UMC, RMC and Daily Savings credit borrowers have to pay 0.5% and Micro-Enterprise borrowers have to pay 1% of borrowed amount as premium. While the UP borrowers also get the insurance benefit without any premium amount. In case of insured member's death, the outstanding amount of the respective member is paid to the nominee by Ghashful. In 2008 Ghashful paid BDT 3,72,800 as Insurance claim

from Ghashful insurance fund and refunded savings amount of BDT 2,24,381 to the nominees of 46 deceased creditors.

Term Deposit Scheme (TDS)

IN 2005, Ghashful introduced the TDS programme responding to the community needs. The programme was launched for enhancement of savings habit among the members. But as per the Bangladesh Bank instruction, at present Ghashful is not enrolling any new members but continuing with the members already enrolled with the programme. This Programme will be concluded very soon. On December 31, 2008 total members of this programme are 244 with total savings balance of BDT 25,11,249.

Borrowed Fund from PKSF as at December 31, 2008

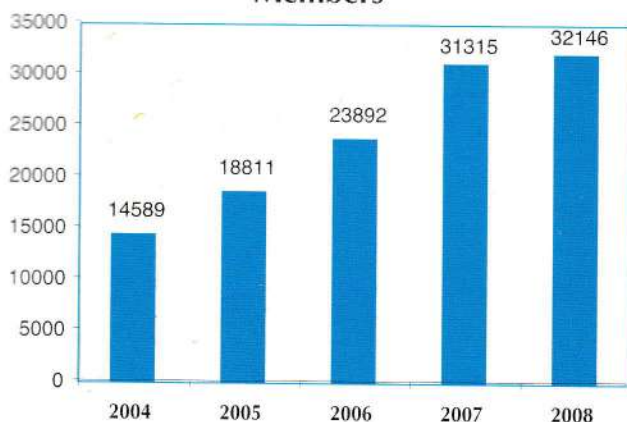
Particulars	Principal		
	Loan Received	Payment	Outstanding
RMC	2,76,00,000	70,10,000	2,05,90,000
UMC	6,50,00,000	1,36,50,000	5,13,50,000
ME	3,70,00,000	84,00,000	2,86,00,000
LRP	40,00,000	20,00,000	20,00,000
UP	5,00,000	1,66,667	3,33,333
Total	13,41,00,000	3,12,26,667	10,28,73,333

Index of Ghashful Microfinance Programme

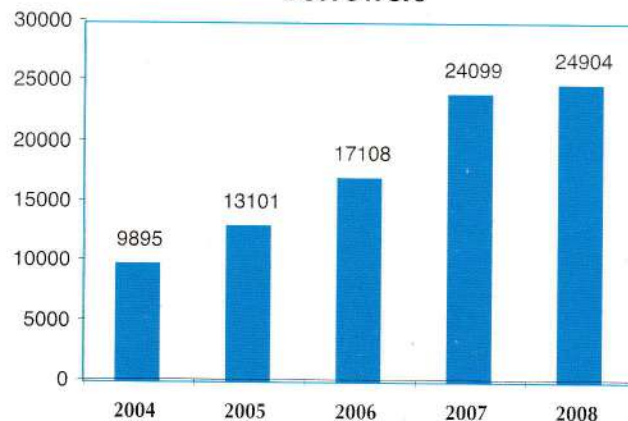
(Last 5 Years)

Year	Members	Borrowers	Savings Balance	Outstanding	Cumulative Disbursement	Yearly Disbursement
2004	14,589	9,895	5,47,60,776	6,35,55,454	39,03,89,400	12,05,89,000
2005	18,811	13,101	7,36,27,888	9,47,58,964	57,59,14,400	18,55,25,000
2006	23,892	17,108	10,33,34,526	13,48,96,808	82,71,23,400	25,12,09,000
2007	31,315	24,099	11,86,77,316	18,28,48,832	117,92,30,400	35,21,07,000
2008	32,146	24,904	12,24,56,171	20,08,74,126	156,96,57,400	39,04,27,000

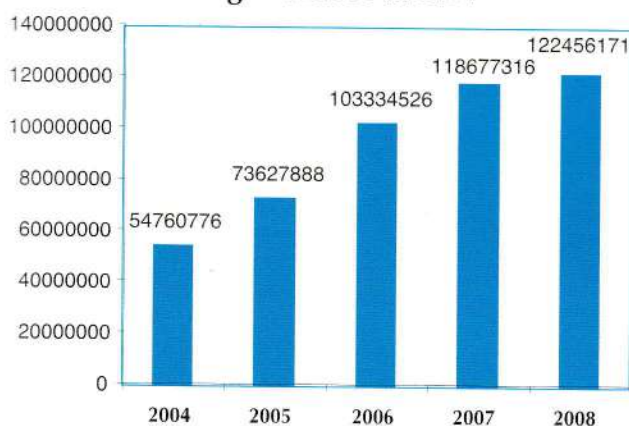
Members



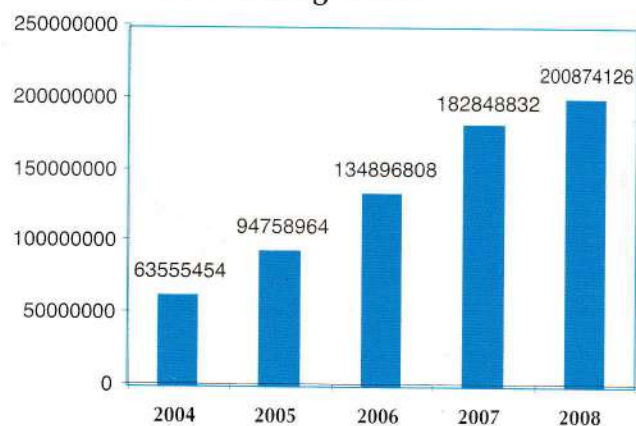
Borrowers



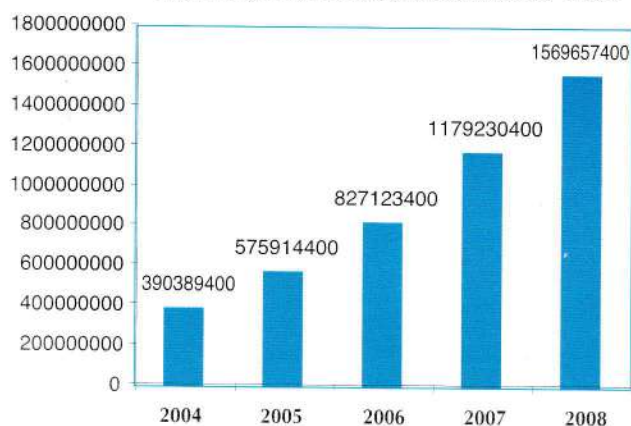
Savings Balance in BDT



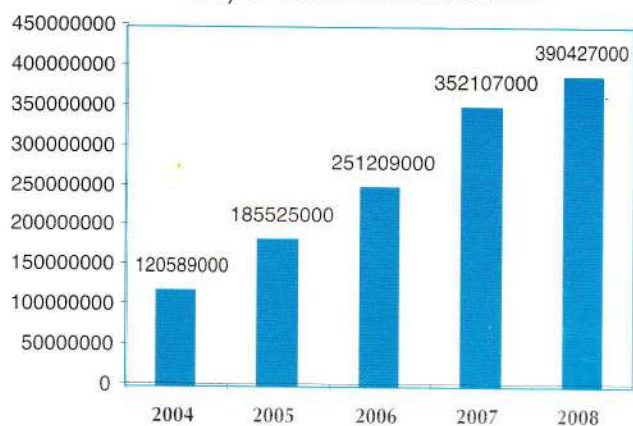
Outstanding in BDT



Cumulative Disbursement in BDT



Yearly Disbursement in BDT

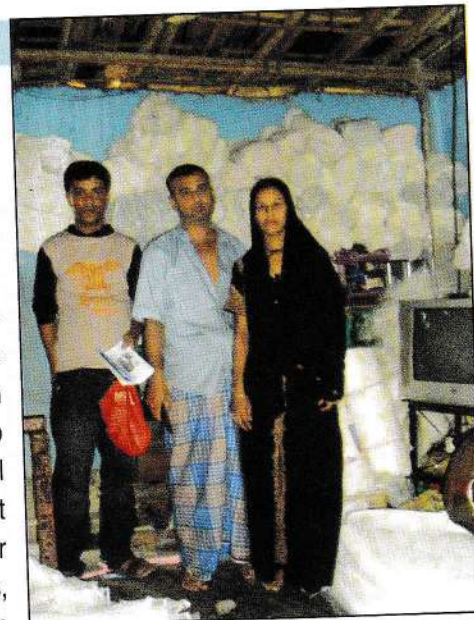


Operational & Financial Ratio of GHASHFUL Microfinance Programme

Particulars	Ratio as Percentage %		
	Year 2008	Year 2007	Year 2006
Financial Sustainability Ratio			
Return on performing Assets	26.19	21.5	22.2
Financial Cost Ratio	6.79	1.8	1.5
Operational Self Sufficiency	91.28	111.9	103.5
Financial Self Sufficiency	90.70	107.2	101.3
Liquidity of Savings	57.31	31.0	18.2
Capital Adequacy Ratio	12.51	20.3	19.5
Debt to Capital Ratio	8.75	6.0	4.6
Operating Efficiency Ratio			
Cost per unit of Money lent	0.094	0.089	0.086
Borrowers Ratio	77.47	76.96	71.6
Cumulative Recovery Rate	99.16	99.42	98.4
On Time Repayment Rate	96.80	96.77	97.9
Portfolio Quality Ratio			
Portfolio in Arrears	5.74	3.1	3.5
Portfolio at Risk	8.24	5.7	4.2
Reserve Ratio	5.97	3.7	4.0

Case Study : Ghashful works as a Saviour

The couple Abdur Rahim and Nigar, resides at Khasiapara, in Chalkbazar of port city Chittagong. It was a bad evening of 2004, when Rahim announced his dismissal from the service of Saudia Paribahan garage. Hearing the news, Nigar fell from the sky. As at that time she had given birth to her second child. The news was extremely shocking and completely unexpected to her. Because Rahim's service was their only earning source, the joy on the occasion at the arrival of the new member in their house, did not last long. The news of the Rahim's dismissal from the service, all on a sudden, drove away all the merriment. In this circumstance, Rahim started to maintain his livelihood in absolute difficulties with the help of some costly savings. Sometimes, to remove mental agony, Nigar discussed with the neighbours about her financial insolvency. By the by Nigar became introduced with Ershad Ullah, a credit officer of Ghashful, a partner organization of PKSF. Ershad encouraged Nigar and advised her to get involved herself with some income generating activities, which could improve her miserable condition. According to Ershad's suggestion



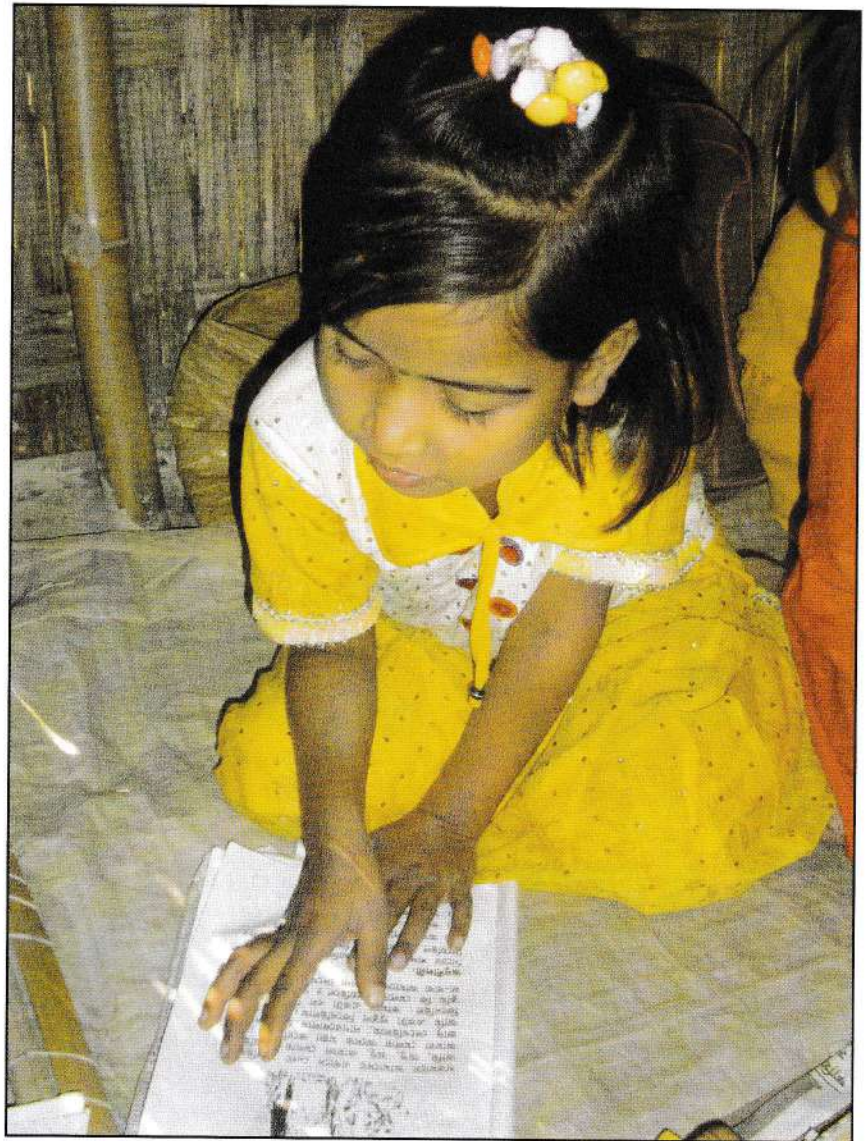
Nigar became a member of Ghashful samity in 2005 and received loan an amount of BDT 7,000 as of first time. With the loan amount and deposited money, Nigar bought a Forma (a machine of making net-bags) and started working hard for producing bags. Nigar used to make bags all day long and Rahim supplied these products to various shops of his locality. Within a short time, a good will of those bags spread all over the area and gradually the demand increased. The demand became so high that Nigar fail to fulfil it by her one machine production. Sometimes Nigar worked all night to supply the ordered bag. She enjoyed that labor by the profit deceased she got from business. With her earnings she not only maintained her family but also saved an amount of BDT 10,000 per month. Increasing profit made Nigar passionate to produce more net bags. After the reimbursed of Ghashful credit, Nigar further received an amount of BDT 10,000 from Ghashful for second time. With that loan money along with some saved money aiming to increase production, Nigar bought two other machines and employed 4 female workers. Until present time Nigar received total amount of 37,000 BDT from Ghashful. With the full amount of money she bought 4 machines. It is unbelievable but very much true that the woman who was totally disappointed for her family maintenance 4 years ago now turned herself into a successful entrepreneur. Observing the success many relatives and neighbours supplied capital to Nigar for expansion of her business. Now the woman has a factory at Muradpur where number of male and female workers got employed.

**EDUCATION has
come to be seen
as the key to
empowering
Women and
eliminating
poverty .**

Ghashful initiated education programme in 1986 with a view to increasing literacy rate of the children and women in slum areas for urban and rural locality. At the outset the education programme was

divided into two parts. One is child education and another is adult education (REFLECT). Presently we are operating formal and non formal education under NFPE, Adolescent Center, Educare K.G School .

Ghashful believes that education is the basis for development and that it is a fundamental human right. Education unlocks opportunities and allows the educated to be aware of prospects that they would otherwise be blind to. Education also helps a person to develop knowledge of life skills which ultimately contribute towards better living.



Figures of Ghashful Education Programme as on December 31, 2008.

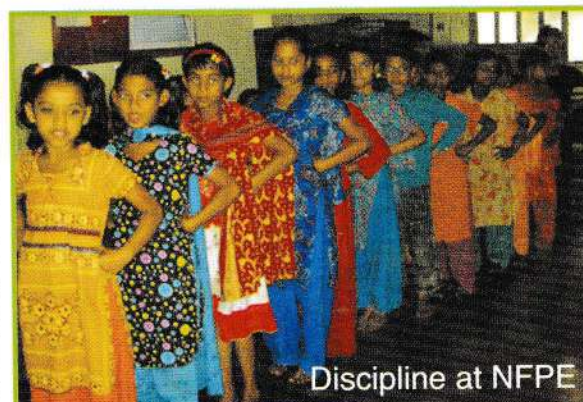
Component	Number of classes / centers	Students			Covered area
		Boys	Girls	Total	
Non formal Primary Education	22	315	345	660	Seven wards in Chittagong City Corporation
Educare K.G School	05	63	80	143	Chittagong City Corporation
Adolescent Center	5	10	115	125	Six wards in Chittagong City Corporation
Educare Art School	1	5	17	22	Chittagong City Corporation
Total	33	393	557	950	

* **Notes-** The dropout rate of Ghashful schools is less than one percent. Of those who have dropped out, they did so for reasons external to the programme, e.g. family moving from one slum to another in urban areas, and natural disasters in rural areas.

Ghashful Non Formal Primary Education (NFPE)

Non Formal Education caters for children who cannot afford to enter formal education and is being carried out entirely by the Non Government Organisation (NGO) sector. In the respective year Ghashful ran 22 NFPE schools in slum areas throughout 6 wards in the city of Chittagong. These schools share a common format; each housed in a single rented room in a slum area, each class is made up of approximately 30 students. The programme has been self-funding and offers education free of charge or at a savings of 1 taka per day if this is within the student's means. The vast majority of Ghashful NFPE students live in local slums and have either attended school before, or been forced to drop out. Many of the children have illiterate parents whose right to education was also abused, and some of them work outside school hours to contribute to family living costs. The Ghashful NFPE programmes

exists not only to increase literacy rates among the underprivileged but also to give deprived children the opportunity to continue their education by educating them to a level that facilitates access to secondary schools. The system thus follows a National Curriculum Textbook (NCTB) format, and in 2008 received a donation of 465 governmental textbooks. Not only does Ghashful NFPE offer primary education in the core subjects of Bangla, English, Maths and Social Science and Science, but it also provides extra curricular subjects and activities to ensure broad development of the children. NFPE also aims at building the confidence of the students and motivating them to continue their studies in the formal system.



Discipline at NFPE



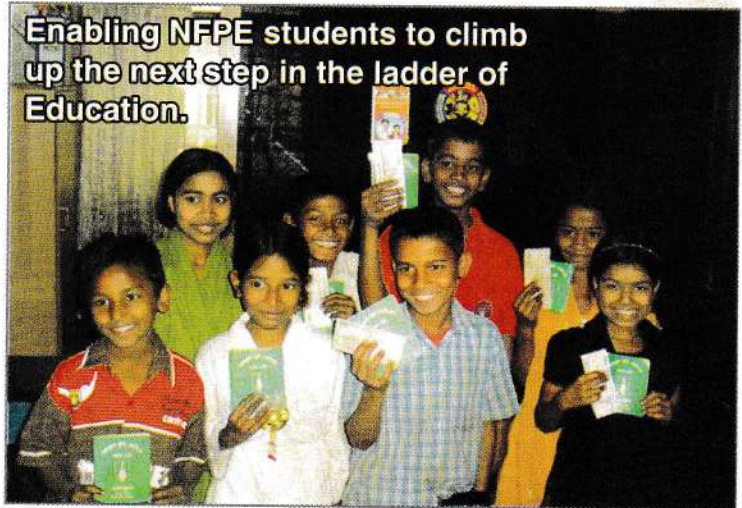
Learning is fun

New Books in the New Year for NFPE Students

New books are very valuable precious for all students in our country, especially those in non formal education system. Over past years the District Primary Education department could very well realize this and so started distributing new books for NFPE students across the country. Since 2004 Ghashful has been enlisted with Chittagong district primary education department to obtain books for its NFPE students. In 2008, the government department gave 465 new books for classes I, III and V for free distribution among students.

School Savings for NFPE Students

Despite high success rate of NFPE students in completing primary level (class V), Ghashful has observed that many are either forced to drop out or discontinue their education due to financial reasons. Unlike NFPE which is affordable by all, formal secondary education demands upfront payment of entrance fee as well as monthly fees besides common cost for books and uniform. Unfortunately this combined expense is beyond the financial means of many families of NFPE students. Miserable finding is that the students who



do not continue their education or drop out before completing their secondary studies instead are compelled to choose child labour or early marriage. In order to address this issue, Ghashful introduced a savings scheme in 1999. The aim of the savings scheme is to enable children to build up funds at a slow affordable rate of 1 taka per day over a period of 5 years, to cover the cost of entrance fee into a government or nongovernment secondary school. This scheme has proved effective since its introduction and as a result NFPE students who have completed class V have been admitted to secondary school. As on December 31st 2008, the savings reached BDT 34,532 and BDT 2,42,402 (with 5 percent interest) was reimbursed to 270 graduate students.

Admission at Secondary Education

Early in 2003 Ghashful launched its NFPE programme in Chittagong City Corporation with new dimensions. The urban slum children who got admission at Ghashful schools on 2003 already have completed their primary education. However, in 2008, 115 among NFPE successful students have enrolled with different government and non government secondary educational institutions in Chittagong City Corporation.

Extra Curricular Activities for Ghashful Students

Ghashful has actively participated in Independence Day March Past and Display programmes on March 26, 2008 at M.A Aziz Stadium, Chittagong and was awarded for its brilliant performance in the programme. On the occasion of International Literacy Day & Child Rights Week 2008 Ghashful has arranged different cultural and awareness programme at community level in Ghashful working areas. Ghashful was contributor in 2nd Disable Fair-2008 of Chittagong district. Ghashful students won the 3rd prize in Display competition on Victory Day-2008 among the different government and non government schools arranged by Chittagong district administration at M.A Aziz Stadium in Chittagong.

Educare KG School

Since its foundation in 1986, the education department of Ghashful has been working for a range of vulnerable people in and around Chittagong. Whilst some low-income families are unable to pay for their children to attend governmental primary schools, others are unable to fulfil their desire to send their children to private KG schools even. In contrast to governmental and NFPE schools, KG schools follow a different curriculum involving more



English language usage, who employ teachers with either graduates or a masters qualification, and provide more stimulating learning environments for its pupils. Since this restricts freedom choice as Ghashful believes so we think that low-income families should have the right to choose what type of education their children may receive. Thus, Ghashful aspired to supply local low income families with a more affordable alternative to a solely national curriculum education. In 2002, after completing a research survey with 15 KG schools in CCC, Ghashful launched its own Educare KG School, with 2 teachers, 1 support personnel, and 11 students between Nursery and KG1. Ghashful KG Educare upholds the same structure and quality of education as other KG schools, but at a reduced cost. Ghashful minimizes its Educare KG fees subsidizing the fees from its own funds. Since its foundation, Ghashful KG Educare has continued to expand and in 2008 employed 6 staffs and had 124 students spread between 6 classes; Nursery - Class V. The school also currently offers scholarship awards and holds arts and cultural competitions for its students.

Educare Art School

Despite the importance of creativity in contributing towards the healthy development of a child, due to poverty, resource shortages and curriculum shortcomings, many children across Bangladesh do not get much of a chance to express their creativity in the classroom. With this in mind, KG Educare established its art school in 2006. The art school not only aims to allow children to develop their creative ability, but also to smoothen mental growth by providing additional nourishment to traditional academic stimulation and also to provide its students with a more rounded education that will enable them to form a more realistic picture of society. During 2008, 22 students attended the art school and learnt various techniques e.g. watercolour and sketching. The art school



currently employs two teachers who also organize various competitions to motivate and stimulate the students. In the future, the school hopes to expand the breadth and depth of its services and also has aspirations to participate in National Programmes and set up a scheme whereby professional artists and the regular next generation can be inspired to work alongside each other to co-produce remarkable pieces.

Adolescent Center

Adolescents make up 25% of the population in Bangladesh and are confronted with a wide variety of academic and social challenges which have an important influence on the direction of their future paths. Unfortunately many Bangladeshi teen-agers are often faced with a lack of resources and support to assist them in overcoming these challenges. Ghashful currently runs 5 self funded adolescent centers in Abidarpara, Gusaidanga, Beparipara, Postarpar and Kadamtalli in Chittagong city which aim at providing former students of NFPE with life skills and awareness training.



Case Study : SHAFIKUL- an amazing boy

Shafikul joined the urbanization movement at the age of 7, by moving from his ancestral home at Debiddwar in Comilla, to Beparipara in Chittagong. His father, Sharafat Ali, supported the family of seven by selling onions, garlic, ginger and seasonal vegetables from a van-car. Unfortunately the income of this hawker business was barely enough to cover the cost of food and shelter needs of the family. Sharafat Ali neither had the conscience nor the financial capacity to pay for the education of his children. So despite aspiration to go to school, Shafikul spent his days contributing of the family by helping his father to sell vegetables at the roadside. In 1999, Shafikul came to know of a local Ghashful NFPE school and used to hang around its premises, looking at students studying, drawing pictures and singing. On talking to the students Shafikul learnt that he did not need any money to study in Ghashful NFPE. He wondered whether it would be possible to continue assisting his father and educate him at the same time. After consulting with the teacher, Shafikul decided that he would attend school in the morning and help his father in the hawker business in the evening. Thankfully Sharafat Ali did not oppose his son's decision and Shafikul's educational journey began. From the beginning, Shafikul stood out at school as an unusually talented student. Not only did he excel in his exam results, but he also established a name for himself in extra curricular activities. In 2003, four years after becoming a Ghashful NFPE student, Shafikul attended a debating competition arranged by Action Aid at the Children's Festival in Dhaka and won first place, ahead of competitors from 22 associate organizations. Despite his obvious talent, Shafikul's academic future became uncertain after completing class V as neither Shafikul nor his family could meet the secondary school admission cost. Fortunately Shafikul's difficulties did not go unnoticed and Ghashful came forward to help. Rest it be in his words- "My admission into Agrabad TNT Government Colony high school was entirely due to Ghashful assistance. Ghashful gave me all the support I needed, including the admission fee and book costs. Since class VI I have been tutoring and maintaining not only my academic cost but also paying 500-1000 Tk. every month to my family. Thus, when the time came to fill out the form in class X, I had saved up the money required to continue my education. But just 2 days before registration, my mother fell seriously ill. All my deposited money was spent on my mother's treatment. After this, I felt obliged to extinguish my hope of continuing education. At this crucial moment of my life, Ghashful came forward to me by providing financial support. Having accepted the helping hand that Ghashful extended to me, I was able to take my S.S.C exam and obtain a Grade Point average of 4.63. The disappointment of not obtaining an A+ is still with me, but I hope to override it by obtaining admission into Medical College or University." Despite holding his dream close to his heart, Shafikul is aware that there is a significant distance between reality and the dream of continuing his educational journey to higher education. Such is the reality of life in Bangladesh. Despite all the good work NGOs are doing to help educate children, there remains a marked and regrettable void in the provision of mechanisms that would enable students from low-income families to enter secondary and higher education.



Reproductive health programme aims to extend services to vulnerable and marginalized people and make them aware of their rights to appropriate health provision. Ghashful Reproductive Health programme aims to meet the needs of local impoverished communities by providing a range of health services to human at different stages of life. As earlier intervention Ghashful served family planning services at door step in slum areas of Chittagong City Corporation. Since then, Ghashful has been providing different types of health services through the partnership with donors and in collaboration with Government. Ghashful health programme took its present shape by integrating all proven health interventions with the following distinct components.

- Fixed Clinic
- Family Planning Services
- STD/ AIDS Awareness Programme
- Satellite Clinic
- Immunization
- Safe Delivery
- Antenatal, Postnatal and Neonatal services
- Awareness on Hygienic Sanitation
- Health Services for Garment Workers

CLINICAL SUPPORT TO POOR

Fixed clinic : Ghashful has been providing clinical services from its own clinical set up. Poor and low income people of Ghashful working areas are not frequent to the registered physician. They can get the health services at this clinic. Registered physician and nurse including health assistants are available here from 9.00 am to 4.00 pm. Some pathological tests are also done here. Poor patients are receiving health services including emergency medicine free of cost.

Satellite clinic : Patients are receiving health services through Ghashful satellite clinics at 7 Wards in Chittagong city. Doctors and health assistants are carrying out the programme to the marginalized communities providing general check up and medicine (if emergency) to the patients.

Clinical Table : In January - December 2008

Types	No. of session	Patients
Fixed Clinic	95	2287
Satellite clinic	154	4897
Total	249	7184

Immunization

Ghashful plays a key role in immunizing infants and pregnant women. Traditional Birth attendant (TBA) group and health assistants play significant role in supporting the programme on immunization. Both types of the workers are responsible for educating people about the importance of Immunization. They also provide information regarding the time and places of immunization center. The organization arranges immunization (T.T, DPT and Polio) twice in a week in its fixed clinic. Besides this, Ghashful also arranged regular immunization five times in every month. Apart from regular immunization, in 2008 Ghashful was also involved with 17th National vaccination day with the assistance of Chittagong City Corporation (CCC), World Health Organization and United Nations Children Emergency Fund (UNICEF). It's quotable that in 2008 Ghashful observed the Worm Control day on November 16, 2008.

Immunization Chart as on January-December 2008

Components	Service Recipients	
	Women	Children
Regular Immunization (EPI)	1277	2811
Special Day's Components		
Polio		3158
Worm Killer Tablet		2500
Vitamin A Capsule		2790
Total	1277	11259

Family Planning Services

Since 1978 Ghashful has been working for population control. As an earlier intervention of family planning services, the organization introduced the Traditional Birth attendant (TBA) to aware the women and their families about safe delivery, family planning, maternal and child health etc. Ghashful has glorious history in the family planning and received President and Prime Minister Prizes in the tenure of Ghashful development journey.

Family Planning Services as January- December 2008

Component	Number of Service Recipients
Family Planning Pill	5690
Family Planning Condom	969
Family Planning Injection	1312
Family Planning IUD	26
Family Planning Tub	13
ECP	200
Total	8210



Health services for Garment workers :

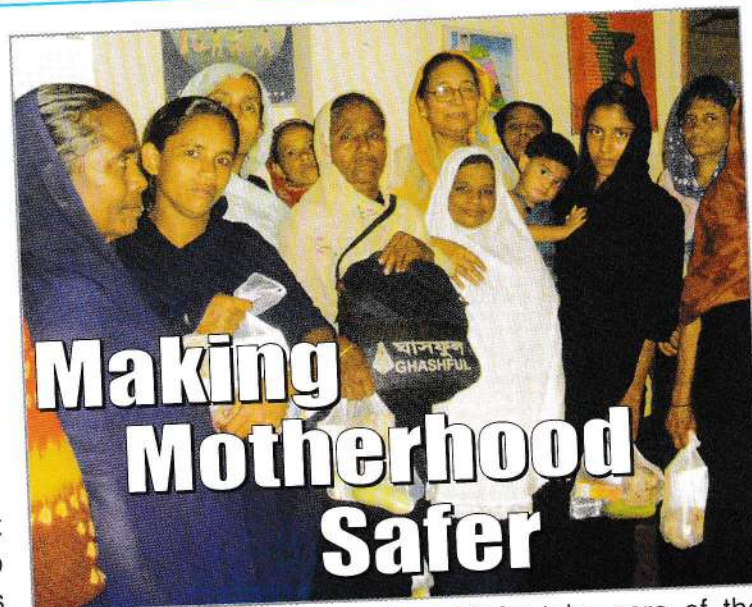
The Readymade Garment (RMG) Industry is the largest export sector in Bangladesh, which earns majority portion of the foreign currency compare to other export items and employs 40% of the country's industrial workers. More than 6,50,000 people work in about 684 garment factories in Chittagong division. Among them 90 percent are women workers in this sector who are not very well-off and have to work almost for the whole day. They do not get enough time and money to get treatment outside. Since 2000 Ghashful has been providing health services along with some essential medicines for the garments workers at their workplaces.

Health Table at Garment on January-December 2008

Work Places	Service Recipients		
	Male	Female	Total
35 Garment Factories	7104	22142	29246

Safe Delivery

Around the world people celebrate the birth of new baby. Societies expect women to bear children, and honour women for their role as mothers. Yet in most of the less developed countries, pregnancy and child birth is a perilous journey. More than half a million mothers die each year from cause related to this life-giving event. But women's lives can be saved and their suffering can be reduced if health systems could address serious and life-threatening complications of pregnancy and childbirth when they occur. One of the best ways to do this is to make sure that women will receive skill care at delivery. To make sure the safe delivery Ghashful has been providing the health services in working areas. Ghashful's 15 trained TBAs take care of the mothers. TBAs are trained on disability issues so that they may take proper safety measures during the time of delivery.



Ghashful's 15 trained TBAs take care of the mothers. TBAs are trained on disability issues so that they may take proper safety measures during the time of delivery.

New Born Babies' January- December 2008

Boys	Girls	Total
391	355	746

Special Health Camp in 2008

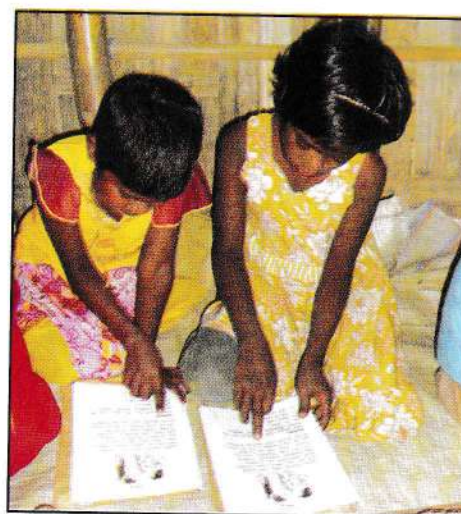
Ghashful is implementing a special health programme in Chittagong district with the assistance of Health & Family Welfare Ministry of Bangladesh government. The goal of the Programme is to achieve sustainable improvement in health, nutrition and reproductive health including family planning status of the people, particularly of vulnerable groups, including women, children, the elderly and the poor with the ultimate aim of their economic emancipation and physical, social, mental and spiritual well being. In 2008 Ghashful received BDT 1 lac from Health & Family Welfare Ministry of Bangladesh under the project of Health, Nutrition & Population (financial year-2007-08, code-3-2701-0001-5965). Through the health camp Ghashful health assistants along with registered physicians are going to different locality in Chittagong district and they provided prescriptions and medicines free of cost. During May - December 2008 Ghashful provided health services to the following number of beneficiaries.

Number of Camp	Service Recipients			Total
	Male	Female	Children	
27	80	300	807	1187

Projects

Ghashful Education Support Programme (ESP)

Whilst urbanization continues to swell the cities of Bangladesh, over 80% of Bangladeshies still live in rural areas. Since some of the poorest people of Bangladesh live in the countryside, Ghashful has recognized the demand for affordable education in rural areas and in 1998 began the Education Support Programme under the guidance of Bangladeshi Rural Advancement Committee (BRAC). ESP was first set up by BRAC in 1991 to increase education opportunities for disadvantaged children by creating partnership programme between BRAC and local NGOs. All ESP programmes follow the BRAC format whereby the schools cover a 3 years curriculum for classes' I-III. ESP tends to run the programme in more remote areas with a higher ratio of girls amongst its students than most other non-formal Schools. Ghashful in partnership with BRAC has continued to grow since its foundation ten years ago and in 2008 Ghashful facilitated 15 ESP centers at Patiya Upazila providing education for 450 disadvantaged rural children while 77% of them were girls.



Facts & figures of Ghashful ESP at the year ended 2008

Area coverage	Class	Number of Students		
		Boys	Girls	Total
North Lakhera, Middle Lakhera, North Chapra and North Banigram ESP centers under Kolagaon Union of Patiya Upazila in Chittagong district.	I	36	114	150
South Dipkalamorol, North Dipkalamoral, East Capara, East Kolagaon and East Banigram ESP centers under Sikalbaha and Kolagaon Union of Patiya Upazila in Chittagong district.	II	34	116	150
Middle Lakhera, West Lakhera, Capara, Kolagaon-3 and Banigram- 1 ESP centers under Kolagaon Union of Patiya Upazila in Chittagong district.	III	33	117	150
	Total	103	347	450

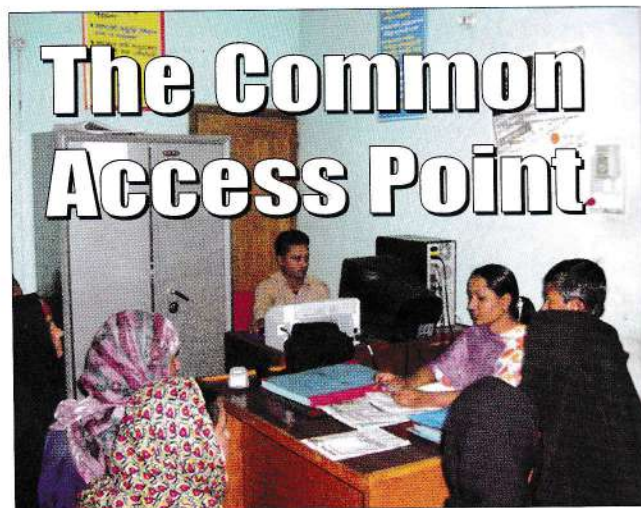
Kaishor Mancha (Adolescent Platform)

In 2008 (March-December) Ghashful initiated a project at ward no. 29 & 30 of Chittagong City Corporation with the assistance of Action Aid Bangladesh and Adolescent Development Forum Bangladesh. Where 30 boys & 30 girls received training on different issues including primary health care, adolescent period, HIV/ AIDS/ STD, rights, family law, environment & disaster, gender, local government & non-government service provider organizations, life skill development and civic education.

Ghashful Pallitathya Kendra

Rural and marginalized people who do not have own computers, phones, televisions or other ICTs, can come to a common access point and use ICTs free of cost or for a small fee, with the help of an ICT literate person if necessary. Since 2007 Ghashful Pallitathya Kendra (PK) has been working as common access point at Hathazari Upazila in Chittagong district. Ghashful Pallitathya Kendra tried to popularize the concept of working together for building information and knowledge system for the poor and marginalized. In early 2007, Bangladesh Telecommunication Network (BTN) was formed. BTN announced an ambitious programme of building 40,000 telecentres in the rural areas of Bangladesh by 2011, the 40th anniversary of Bangladesh Independence.

The initiative is now coined as Mission 2011. Ghashful is involved to implement the mission with the assistance of Manusher Janno Foundation (MJ) through Development Research Network (D.net). The activists of Ghashful Pallitathya Kendra go to the villagers door step in order to inform the project services. The Villagers are receiving those services through the "JEON" software, Computer, Digital Camera, Internet and Mobile Telephone help line.



Service Chart in January - December 2008

Name of Services	Types of Services	Male	Female	Total
JEON Based Information	Verbal	24	66	90
	Print	0	5	5
Help Line	Telehelp	25	29	54
	Telehelp and Letter	0	5	5
	Through Letter	3	15	18
	Video	11	36	47
Internet Browsing	Only Students	64	9	73
	Community People	24	1	25
Issue Based Camp		63	165	228
Photograph		44	167	211
Computer Compose		128	21	149
E-mail		12	-	12
Government form		3	9	12
Commercial Mobile Call		11	9	20
DV Form		26	7	33
CD Write		2		2
Total		440	544	984

Bird Flu

A Pandemic Influenza

Avian Influenza (AI) is a virus(H5N1) infected disease well known as Bird flu. In Bangladesh, the first confirmed outbreak of AI was reported in poultry during March 2007. Forty-seven out of 64 districts of Bangladesh had a confirmed outbreak of H5N1 in poultry from March 2007 to September 2008. During January to September 2008, 152 outbreaks in 39 districts were reported. And near about 16 million 37 thousand and 6 hundred Hen's including 22 million Eggs from 548 Farms were destroyed. It's hyper threat to our national economy. H5N1 virus is also a big threat for human being. In response to this crisis Ghashful

is implementing a project supported by CARE Bangladesh. Live Stock department of Bangladesh Government, U.S Agency for International Development (USAID) & AI.COMM have engaged to conduct behavioral change communications activities on avian influenza prevention and containment in response to pandemic influenza. A target audience of these communication activities includes small rural backyard poultry farmers, commercial farmers and consumers of poultry, business officials and other relevant stakeholders. The primary purpose of this project is to act as a resource center for information on how to respond and prevent the H5N1 virus and coordinate with non government organization (NGOs) and community based organization (CBOs) involvement in addressing the virus outbreaks in Bangladesh. Ghashful conducted "Avian Influenza NGO network workshop" on November 19, 2008 at Upazila Training and Development Center (TDC) of Feni district. Also conducted "Training on Interpersonal Communication skills for Avian Influenza" held on November 22, 2008 at Ghashful training center in Chittagong.



HIV/AIDS

HORROR in the World

The over all HIV/AIDS epidemics situation is low in Bangladesh. But it is increasing at a very high speed in some heterogeneous group who are actually vulnerable of HIV / AIDS. HIV / AIDS can spread out very quickly in all over the population. Ghashful has introduced a project aimed at reducing the risk of HIV spreading amongst garment workers. This group has been targeted as a medium-high risk group because they are a young predominantly female workforce, often having migrated away from home, many of them live in shared accommodation and dormitories and there is a high risk of exploitation. It is believed that a high level of risky behavior occurs amongst this group including pre-marital sex, drug use and that some workers supplement their earnings through sex work. Package number 912 for the 'Primary prevention of HIV and risk reduction through work place intervention in the Garments industry' for Chittagong was awarded to a consortium lead by YPSA in association with HASAB and SKUS in January 2008 under the project titled "HIV Prevention and Control among High Risk Populations and Vulnerable Young People in Bangladesh" of GFATM Round-6, a collaborative project between Ministry of Health & Family Welfare of Bangladesh Government and Save the Children-USA, funded by GFATM. The project focuses on prevention of HIV through workplace education in the garment factory and in the community. The activities include-endorsement of a workplace policy, life skill education, peer education, video show and BCC materials. The activities are being implemented both at workplace, and at residential setting of garment workers and their neighbours. In reporting year Ghashful provided the following services-

Components	Session	Participants per Session	Total Participants
Life Skill Education	220	15	3300
Video Show	330	20	6600
Advocacy Meeting	6	12	72
Total	556	47	9972

Ghashful Support Programme

Social Forestry

Ghashful social forestry programme has been initiated with a view to meeting the forest product requirements of local population and to avert the process of ecological and climatic degradation through proper soil and water conservation and to improve the socio economic condition of the rural people. Since last one decade Ghashful is implementing a participatory social forestry in collaboration with local government, educational institutions along with local communities of Patiya Upazila in Chittagong district. Like previous year, in 2008



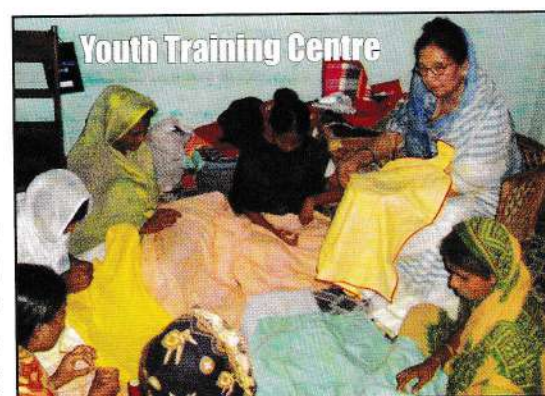
Ghashful arranged several events of social forestry programme. During the reporting period Ghashful received 4 thousand saplings of 18 varieties from British American Tobacco Bangladesh (BATB) and distributed the saplings to 450 Ghashful ESP students and among the Ghashful microfinance recipients. Apart from that, in 2008 there are few NGOs, ELLMA, OACH, ORCHARD, Lead Samaj Kalyan Sangstha, SAMATA MAHILA SAMAJ UNNAYN SANGSTHA distributed saplings with the assistance of Ghashful. Besides the rural forestation, during this period Ghashful also initiated urban forestation with the assistance of Lions Internationals district 315-B4.

Addressing on Climate Change & Disaster Management

Climate change is a global process, but has its serious and devastating local impacts that are felt unevenly across the world. The poor in developing countries, who are likely to suffer the most from the effects of climate changes, have developed coping strategies to deal with natural disasters and variability in weather and climate over few generations. Vulnerable communities now need more planned and informed adaptation strategies to protect their lives, livelihoods, wealth and well-being from natural disasters. Ghashful has been conducting disaster management programme since 1972 introduced mainly to tackle a horrible situation just after our liberation war. Ghashful conducts three main activities under the programme. These are awareness raising, provide emergency support and restoration of the effected people. In 2008 Ghashful provided one million taka to the SIDR affected people at the north-west costal areas of Bangladesh. All Ghashful staffs had sacrificed their yearly picnic budget on humanitarian cause. Ghashful also provided house hold materials' support to the microfinance borrowers who have been affected and burnt by devastating fire broke out in 2008.

Training & Development Cell

The objective of Ghashful training is the enhancement of knowledge, skills and attitudes of its beneficiaries as well as its staff members. The main features of the training are problem focused and need oriented. Beneficiaries of Ghashful are getting the training on following-skill development, income generating activities, enterprise development and business management, samity (group) management, leadership development etc. Ghashful has a youth development center which works for skill development on cutting & sewing, block, batik and embroidery. Trainer of the center goes to the community and community people also come to the center for receiving the training.



Ghashful Support Programme

Research & Evaluation Cell :

The organization believes that evaluation is the key process of development because it reflects the achievement. Research is another phenomenon to find out the real situation and feature a guide line. Programmes of Ghashful have been evaluating regularly from the beginning for the organization and donor's interest as well.

Prioritization on Marginalized Group and Disability Prevention :

Ghashful always prefers the marginalized group and disability prevention in their development processes. In health Program, Ghashful has an initiative to reduce the birth of disable baby and besides disable people has the opportunity to take credit from Ghashful microfinance program. Ghashful has been providing services to untouchable community (Sebak colony) for their livelihood development.

Advocacy and Governance Issues :



Good governance is necessary for smooth functioning in any sector. Advocacy is an element to enhance the practices of good governance. Since the inception year Ghashful has emphasized on good governance issues to establish social justice and well functioning of institutions. In this context Ghashful has been involved with many advocacy forum, lobbying, networking etc. To establish the good governance and human rights Ghashful organized different types of workshops, seminars and community awareness build-up programmes. The organization also makes relation and lobbying on these issues with relevant institutions.

General Body

General Body is the supreme authority of the organization. An Annual General Meeting (AGM) was held in 2008 dated 30th August.

The General Body Members of Ghashful are :

- Mrs. Samsunnahar Rahman Paran
- Mrs. Hosneara Begum
- Professor. Mosarraf Hossain, PhD
- Doctor Moinul Islam Mahmud
- Mohhamed Sahidullah
- Manjur-ul-Amin Chy PhD
- Professor Golam Rahman PhD
- Enamul Hoque
- Doctor Mohammed Mahtabuddin Hasan
- Mrs. Nazneen Rahman
- Mohammed Nasimuzzaman
- Golam Mostafa
- Mrs. Yasmeen Ahmed
- Mrs. Sahana Mozammel
- Mrs Shamim Akhter
- Mrs. Nazma Zaman
- Mohammed Ohiduzzaman
- Mohammed Al Mamun Chowdhury
- Hafizul Islam Nasir
- Aftabur Rahman Jafree

Executive Body

The Executive Body consists of 7 members. Four meeting of the Executive Body was held in 2008.

The Executive Body of Ghashful

- Mrs. Samsunnahar Rahman Paran
- Professor. Mosarraf Hossain, PhD
- Mohhamed Sahidullah
- Mrs Shamim Akhter
- Doctor Moinul Islam Mahmud
- Manjur-ul-Amin Chy PhD
- Aftabur Rahman Jafree



Rahman Rahman Huq
Chartered Accountants
102 Agrabad C/A (3rd Floor)
Chittagong
Bangladesh

Telephone +880 (31) 710704
+880 (31) 710996
Fax +880 (31) 2520795
E-mail kpmgrrh@globalctg.net
Internet www.rahman-rahman-huq.com

AUDITORS' REPORT TO THE EXECUTIVE COMMITTEE OF GHASHFUL

We have audited the accompanying Balance Sheet of Ghashful, Chittagong as of 30th June 2008 and the related Income and Expenditure Account and Receipts and Payments Account for the year then ended. Preparation of these financial statements is the responsibility of the Executive Committee. Our responsibility is to express an opinion on these financial statements based on our audit.

This report is made solely to the members of the Executive Committee, as a body, to the fullest extent permitted by law. We do not accept or assume responsibility to anyone other than the Executive Committee, as a body, for our audit work, for this report and for the opinion we have formed.

We conducted our audit in accordance with Bangladesh Standards 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 the committee, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 project's affairs as of 30th June 2008 and of the results of its operation and its receipts and payments account for the year then ended and comply with the requirements of the Societies Registration Act 1860 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 law have been kept by the project so far as it appeared from our examination of those books and records; and
- (c) the project's Balance Sheet and Income and Expenditure account dealt with by the report are in agreement with the books of account and records.

Dated, Chittagong.

15th February, 2009

Rahman Rahman Huq, a Bangladesh partnership, is a member firm of KPMG International, a Swiss cooperative

Dhaka office address :
9 Mohakhali C/A, (11th & 12th Floors)
Dhaka 1212
Bangladesh

Telephone +880 (2) 988 6450-2
Fax +880 (2) 988 6449
E-mail kpmg-rh@citech-bd.com
Internet www.rahman-rahman-huq.com

Audited Balance Sheet as at 30 June, 2008

GHASHFUL BALANCE SHEET AS AT 30 JUNE, 2008

NOTES	GENERAL ACCOUNT	SDP PROJECT	LIVELIHOOD MICRO CREDIT	ESP - BRAC PROJECT	GKNHRIB - BLAST PROJECT	EDUCARE KG SCHOOL	30.06.2008	30.06.2007
	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA
SOURCE OF FUND								
Member's Savings	-	-	129,211,543	-	-	-	129,211,543	113,449,072
Members' unclaimed Account	-	-	327,233	-	-	-	327,233	256,597
Insurance Reserve Fund	-	-	5,758,707	-	-	-	5,758,707	3,740,759
School savings	286,312	-	-	-	-	-	286,312	431,215
Reserve Fund - School Savings	1,559	-	-	-	-	-	1,559	1,559
Surplus/ (Deficit) as per Revenue Account	457,871	448,765	28,798,201	12,867	-	(202,279)	29,515,425	25,670,242
Capital Reserve	745,742	448,765	164,095,684	12,867	-	(202,279)	165,100,779	143,549,444
	745,742	448,765	164,268,253	12,867	-	(202,279)	165,273,348	143,722,013
APPLICATION OF FUND								
FIXED ASSETS								
Fixed assets - at cost/revaluation	145,620	1,103,999	4,871,031	-	-	92,450	6,213,100	5,357,975
Less: Accumulated Depreciation	121,559	859,846	2,795,867	-	-	56,908	3,834,180	3,140,783
	24,061	244,153	2,075,164	-	-	35,542	2,378,920	2,217,192
CURRENT ASSETS								
Loan to Members (Micro credit)	-	-	184,749,729	-	-	-	184,749,729	160,523,013
Advance to READ	100,000	-	-	-	-	-	100,000	125,000
Receivable from Garment Inds. against health service charges	-	214,500	-	-	-	-	214,500	216,000
Receivable from Educare KG school	295,600	-	-	-	-	(295,600)	-	-
Receivable against Tuition fee	-	-	-	-	-	16,340	16,340	16,340
Tax deducted at source	5,849	-	596,824	-	-	236	602,909	370,081
Advance, deposits and Prepayments	41,679	-	1,717,039	51,700	-	-	1,810,418	1,418,532
Cash in hand and at banks	479,613	131,532	62,262,526	68,892	1,910	42,111	62,986,584	29,473,028
	922,741	346,032	249,326,118	120,592	1,910	(236,913)	250,480,480	192,141,994
CURRENT LIABILITIES								
Security deposits from field staff	10,000	-	541,947	-	-	-	551,947	408,072
Loss Loan Reserve	-	-	9,086,226	-	-	-	9,086,225	6,912,593
Disaster Fund - Reserve	-	-	1,561,828	-	-	-	1,561,828	1,122,757
Liability for Expenses	17,328	25,420	101,029	-	-	908	144,685	199,637
Liability for JOBS (Training exp.)	125,279	-	-	-	-	-	125,279	125,279
Liability for BLAST	-	-	-	-	1,910	-	1,910	1,910
Liability for BRAC	-	-	-	107,725	-	-	107,725	83,225
Loan from PKSF	-	-	75,790,000	-	-	-	75,790,000	40,570,000
Inter Project Account	(116,000)	(116,000)	-	-	-	-	-	997,247
Other liability	164,453	-	52,000	-	-	-	216,453	216,453
	201,060	141,420	87,133,029	107,725	1,910	908	87,586,052	50,637,173
NET CURRENT ASSETS	721,681	204,612	162,193,089	12,867	-	(237,821)	162,894,428	141,504,821
	745,742	448,765	164,268,253	12,867	-	(202,279)	165,273,348	143,722,013

Rahman Rahman

Dated, Chittagong
15th February, 2009.

[Signature]
Executive Director

[Signature]
Chairman & Founder



Audited Income Account For The Year Ended 30 June, 2008

GHASHFUL INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 30 JUNE, 2008

NOTES	GENERAL ACCOUNT	SDP PROJECT	LIVELIHOOD MICRO CREDIT	FSP - BRAC PROJECT	EDUCARE KG SCHOOL	30.06.2008	30.06.2007	
	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	
INCOME:								
Service charges on Micro Credit	17	-	-	43,907,644	-	-	43,907,644	32,091,773
Grant received from Livelihood		200,000	4,210,304	-	-	-	4,410,304	4,369,332
Health service charges from Garments Industries	18	-	1,045,000	-	-	-	1,045,000	1,034,500
Clinical service charges	19	-	180,770	-	-	-	180,770	163,105
Bank interest (Gross)		18,365	-	2,393,686	-	-	2,412,051	20,204
Sale of contraceptives		-	23,667	-	-	-	23,667	26,799
Donations		-	-	-	-	-	-	100,000
Sale of Pass Book		60	1,080	184,110	-	-	185,250	1,215
School fee received from ESP- BRAC Schools		-	294,604	-	-	-	294,604	209,353
Membership fee		2,400	-	-	-	-	2,400	22,530
One month notice pay realised from outgoing staff		31,721	-	-	-	-	31,721	39,657
Other/Miscellaneous Income		7,370	-	1,171,326	-	-	1,178,696	1,675,078
		259,916	5,755,425	47,656,766	-	-	53,672,107	39,753,546

Audited Expenditure Account For The Year Ended 30 June, 2008

NOTES	GENERAL ACCOUNT	SDP PROJECT	LIVELIHOOD MICRO CREDIT	FSP - BRAC PROJECT	EDUCARE KG SCHOOL	30.06.2008	30.06.2007
	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA

EXPENDITURE:

Salaries and allowances	-	2,515,226	19,623,419	-	-	22,138,645	16,649,701
Gratuity	-	177,975	1,097,353	-	-	1,275,328	583,622
Interest on members' savings	20	-	6,080,526	-	-	6,080,256	4,461,200
Bank charges		1,665	301	119,681	-	121,647	66,093
Audit and professional fees		35,530	15,000	82,260	-	132,790	190,755
Communication expenses		40,974	118,891	356,076	-	515,941	379,608
Clinical support		-	21,319	-	-	21,319	20,864
Consultancy fee and others		101,448	-	-	-	101,448	190,000
Depreciation	7	6,934	75,909	610,550	-	693,393	655,123
Welfare services		16,000	-	-	-	16,000	-
Paid to PKSF for relief of SIDR affected people		100,000	-	-	-	100,000	-
Entertainment		-	89,029	359,718	-	438,747	301,494
Garments programme		-	-	-	-	-	27,100
Honorarium for school teacher & social work		-	596,500	-	-	596,500	661,870
Insurance premium		8,000	-	-	-	8,000	2,434
Interest on Loan from PKSF		-	-	2,118,012	-	2,118,012	491,900
Interest on security deposit		-	-	3,527	-	3,527	3,511
Interest on school savings		11,912	-	-	-	11,912	-
Maintenance-Capital and Non Capital		-	190,787	277,972	-	468,759	461,900
Maintenance -Office		13,380	86,831	276,021	-	376,232	342,756
Maintenance and fuel-vehicles		-	255,260	236,417	-	491,677	198,761
Material expenses	21	-	151,948	-	-	151,948	146,263
Meeting expenses		-	77,846	-	-	77,846	99,123
Membership fee	22	35,000	5,100	-	-	40,100	23,922
Miscellaneous expenses		-	8,175	-	-	8,175	-
Newspaper and periodicals		-	-	64,264	-	64,264	37,343
Non-capital expenditure		-	-	-	-	-	6,449
Office rent shop rent		-	154,623	1,726,609	-	1,881,232	1,356,482
Printing and stationary		62,538	243,257	1,107,977	-	1,413,772	1,055,348
Publications and advertisement		-	9,000	117,995	-	126,995	249,935
Program cost		40,857	166,280	2,244,105	-	2,451,242	2,136,120
Provision for loan loss and disaster fund		-	-	2,612,703	-	2,136,120	5,954,336
Rates and taxes		18,851	-	-	-	18,851	-
School rent		-	178,800	-	-	178,800	168,600
Special Day celebration	23	21,086	63,562	-	-	84,648	81,837
Grant to SOP and organisation General Fund		-	-	4,410,304	-	4,410,304	4,369,332
Training expenses		-	32,088	-	-	32,088	26,591
Travelling and conveyance		7,558	375,939	608,688	-	992,185	824,128
Uniform and Leverage		-	11,098	179,437	-	190,535	65,275
Utilities		-	33,730	344,350	-	378,080	262,802
		521,733	5,654,474	44,647,964	-	50,824,171	42,551,854
Excess of expenditure over income		(261,817)	100,951	3,008,802	-	-	2,847,936
Add/(Less): Written off (997,247)		-	-	-	-	-	(2,768,308)
		(261,817)	100,951	3,008,802	-	-	(997,247)
Add: Adjustment in respect of prior years		555,613	441,634	-	-	997,247	(3,795,555)
		293,796	542,585	3,008,802	-	-	3,845,183
Add: Last year's excess of income over expenditure		164,075	(93,820)	25,789,399	12,867	(202,279)	25,670,124
Balance carried to Balance Sheet		457,871	448,765	28,798,201	12,867	(202,279)	29,515,425
							25,670,242

Audited Receipts Account For The Year Ended 30 June, 2008

GHASHFUL
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD FROM 1 JULY, 2007 TO 30 JUNE, 2008

GENERAL ACCOUNT	SDP PROJECT	LIVELIHOOD MICRO CREDIT	ESP - BRAC PROJECT	EDUCARE KG SCHOOL	GKNHRIB - BLAST PROJECT	12 MONTHS TO 30.06.08	12 MONTHS TO 30.06.07
TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA

Openlna Balance

Cash in hand
 Cash at bank
 Savings/Current
 FDR

31,927	157	173,366	3,273	5,787	1,300	215,810	180,714
730,574	100,410	15,207,331	81,969	36,324	610	16,157,218	10,712,155
-	-	13,100,000	-	-	-	13,100,000	2,498,750
762,501	100,567	28,480,697	85,242	42,111	1,910	29,473,028	13,391,619

RECEIPTS:

Bank interest
 Clinical Service Charges
 Sale of contraceptives
 Grant received from BRAC
 Grant received from BLAST
 Grant received from JICA
 Grant received on behalf of SHOBOGH project
 Refund of gran from READ
 Contribution from Organization
 Loan from SDP Project (former DA 6 project)
 Loan from PKSF
 Loan from ARH-BCCP project
 Loan from NFPE- BRAC project
 Health service charges received from garments industries
 Collection of savings
 Collection of Loan installment
 Collection of Insurance Fund
 Donation
 Income from other finance-related services
 Sale of Pass Book
 Advance adjusted from office rent
 Advance realized
 Advance adjusted against expenses
 Security Deposit
 Unclaimed account
 One month notice pay realised from
 Outgoing staff
 Miscellaneous receipts
 Loan recovered from staffs
 Membership fee -General Body
 School fee received.NFPE school
 Tax deducted at source
 Staff provident fund
 Received from Family Planning
 Received from SDP Fund of Family Planning
 Received from ADF
 Received against 'Micro Credit Summit'

18,365	-	-	-	-	-	18,365	20,204
-	180,770	-	-	-	-	180,770	163,105
-	23,667	-	-	-	-	23,667	26,799
-	-	-	364,910	-	-	364,910	317,796
-	-	-	-	-	-	-	306,713
-	-	-	-	-	-	-	1,095,710
-	-	-	-	-	-	-	1,095,710
25,000	-	-	-	-	-	25,000	175,000
200,000	4,210,304	-	-	-	-	4,410,304	5,603,432
-	-	-	-	-	-	-	250,000
-	-	50,400,000	-	-	-	50,400,000	37,100,000
-	-	-	-	-	-	-	28,668
-	-	-	-	-	-	-	25,957
-	1,046,500	-	-	-	-	1,046,500	489,387
97,499	-	67,419,417	-	-	-	67,516,916	64,750,925
-	-	397,719,928	-	-	-	397,719,928	288,614,587
-	-	2,267,523	-	-	-	2,267,523	1,812,972
-	-	-	-	-	-	-	100,000
-	-	3,749,123	-	-	-	3,749,123	1,674,094
60	1,080	-	-	-	-	1,140	1,215
-	-	185,000	-	-	-	185,000	102,050
3,500	-	-	-	-	-	3,500	397,232
39,368	-	287,056	-	-	-	326,424	-
500,000	-	326,000	-	-	-	826,000	363,800
-	-	771,090	-	-	-	771,090	701,383
31,721	-	-	-	-	-	31,721	39,657
7,370	-	-	-	-	-	7,370	2,044
6,000	-	-	-	-	-	6,000	-
2,400	-	-	-	-	-	2,400	2,700
-	294,604	-	-	-	-	294,604	716,228
-	44,947	57,126	-	-	-	102,073	22,251
-	-	-	-	-	-	-	50,182
100,000	-	-	-	-	-	100,000	-
100,000	-	-	-	-	-	100,000	-
-	7,000	-	-	-	-	7,000	-
-	18,165	-	-	-	-	18,165	-
1,131,283	5,827,037	523,182,263	364,910	-	-	530,505,493	406,049,801
1,893,784	5,927,604	551,662,960	450,152	42,111	1,910	559,978,521	41,441,420

Audited Payments Account For The Year Ended 30 June, 2008

GENERAL ACCOUNT	SDP PROJECT	LIVELIHOOD MICRO CREDIT	ESP - BRAC PROJECT	EDUCARE KG SCHOOL	GKNHRIB - BLAST PROJECT	12 MONTHS TO 30.06.08	12 MONTHS TO 30.06.07
TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA	TAKA

PAYMENTS:

Salaries and allowances	-	2,515,226	19,623,419	265,709	-	-	22,404,354	17,605,825
Gratuity	-	177,975	1,097,353	-	-	-	1,275,328	583,622
Advance	-	-	409,120	-	-	-	409,120	559,500
Paid to organisation General Fund	-	100,000	-	-	-	-	100,000	-
Advance against expenses	39,368	-	-	-	-	-	39,368	-
Audit and professional fee	50,530	15,000	83,395	-	-	-	148,925	132,755
Award to staff	-	-	5,101	-	-	-	5,101	48,000
Bank charges (Includingtax.Tk1.836)	3,501	301	119,681	2,596	-	-	126,079	70,059
Capitalaxpenditura	-	47,400	807,725	-	-	-	855,125	990,641
Communication expenses	42,152	110,972	357,635	-	-	-	510,759	382,455
Clinical support and contraceptive fee	-	21,319	-	-	-	-	21,319	20,864
Consultancy fee and others	101,448	-	-	-	-	-	101,448	190,000
Welfare expenses	16,000	-	-	-	-	-	16,000	-
Paid to PKSF for relief of SIDR affected people	100,000	-	-	-	-	-	100,000	33,514
Entertainment	-	89,029	349,718	6,275	-	-	445,022	493,644
Garments program	-	-	-	-	-	-	-	27,100
Honorarium for school teacher & social worker	-	596,500	-	-	-	-	596,500	681,370
Insurance Claim settled	-	-	249,575	-	-	-	249,575	222,875
Insurance Premium	7,188	-	-	-	-	-	7,188	7,188
Interest on LoanfromPKSF	-	-	2,118,012	-	-	-	2,118,012	491,175
Loan disbursed	-	-	378,039,000	-	-	-	378,039,000	305,367,000
Loan refund to NFPE. BRAC project	-	-	-	-	-	-	-	25,975
Loen ralund to organization (General AIC)	-	-	-	-	-	-	-	250,000
Grant refund to SHOBOGH proiact	-	-	-	-	-	-	-	1,095,710
Loan refund to PKSF	-	-	15,180,000	-	-	-	15,180,000	2,060,000
Maintenance -Capital and Non-capital	-	190,787	277,972	-	-	-	468,759	397,685
Maintenance -Office	13,380	86,831	276,021	-	-	-	376,232	346,316
Maintenance and fuel. vehicles	-	255,260	236,417	-	-	-	491,677	271,007
Material expenses	-	151,948	-	4,900	-	-	156,848	342,701
Meeting expenses	-	77,846	-	-	-	-	77,846	109,710
Mambirship fee	35,000	5,100	-	-	-	-	40,100	23,922
Miscellaneous expenses	-	-	-	-	-	-	-	83,601
Newspaper and Periodicals	-	8,175	64,264	-	-	-	72,439	37,343
Office Rent / Shop rent / Auditorium rent	-	154,623	1,738,309	-	-	-	1,892,932	1,348,782
Printing and Stationery	62,538	243,257	1,738,309	30,055	-	-	1,443,827	1,066,595
Program cost	40,857	166,280	2,244,105	-	-	-	2,451,242	2,045,391
Purchase of medicine	100,000	-	-	-	-	-	100,000	-
Publications and advertisement	-	9,000	117,995	-	-	-	126,995	249,935
Payment to ADF	-	7,000	-	-	-	-	7,000	-
Payment against 'Micro credit Summit'	-	18,165	-	-	-	-	-18,165	-
Rates and taxes	18,851	-	-	-	-	-	18,851	-
Sevings refund with interest	254,314	-	57,737,472	-	-	-	57,991,786	43,939,088
School Rant	-	178,800	-	47,100	-	-	225,900	209,445
Security deposit refund with interest	-	-	185,927	-	-	-	185,927	195,545
Security deposit -National Project	500,000	-	-	-	-	-	500,000	-
Speciel Day observation	21,086	63,562	-	-	-	-	84,648	107,462
Subsidy to SDP project	-	-	4,210,304	-	-	-	4,210,304	5,544,332
Subsidy to Organisation General Fund	-	-	22,000	-	-	-	200,000	-
Tax deducted at source	-	44,947	288,118	-	-	-	333,065	51,476
Various loan staff	-	-	436,555	-	-	-	436,555	192,190
Training expenses	-	32,088	-	-	-	-	32,088	312,986
Travelling and conveyence	7,558	375,939	608,688	24,625	-	-	1,016,810	863,636
Unclaimed account settled	-	-	-700,454	-	-	-	700,454	570,453
Uniform and leverage	-	11,098	179,437	-	-	-	190,535	65,275
Utilities	400	41,644	350,685	-	-	-	392,729	254,441
Total	1,414,171	5,796,072	489,400,434	381,260	-	-	496,991,937	389,968,392

Clolino Balance

Cash in hand

Cash at bank

Savings/Current

FDR

9,522	36,128	78,855	840	5,787	1,300	132,432	215,810
470,091	95,404	18,183,671	68,052	36,324	610	18,854,152	16,157,218
-	-	44,000,000	-	-	-	44,000,000	13,100,000
479,613	131,532	62,262,526	68,892	42,111	1,910	62,986,584	29,473,028
1893,784	5,927,604	551,662,604	450,152	42,111	1,910	559,978,521	419,441,420

LIVELIHOOD PROJECT OF GHASHFUL CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2008

	2008 TAKA	2007 TAKA
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (loss) as per Profit and Loss Account	3,008,802	(3,539,998)
Adjustments for non-cash items:		
Depreciation	610,550	559,499
Cash flow from operating activities before working capital charges	3,619,352	(2,980,499)
(Increase) / Decrease in Current Assets		
Total loan portfolio	(24,226,716)	(48,845,593)
Advances and deposits	(378,994)	(265,809)
Advance income tax	(230,992)	(28,618)
Inter-office account	-	997,247
	(24,836,702)	(48,142,773)
Increase / (Decrease) in Current Liabilities		
Member's savings	15,762,471	26,672,620
Member's unclaimed savings balances	70,636	130,930
Insurance fund	2,017,948	1,590,097
Loan from PKSf	35,220,000	35,040,000
Payable to staff- Award	-	(48,000)
Liabilities for expenses	(20,729)	75,962
Security deposits-staff	143,875	244,825
Loan loss provision	2,173,632	5,633,418
Disaster fund reserve	439,071	320,918
Interest payable to members	-	(1,518,587)
	55,806,904	68,142,183
Net cash flow from operating activities	30,970,202	19,999,410
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(807,725)	(915,547)
Short term investment-FDR	(30,900,000)	(10,601,250)
Net cash used in investing activities	(31,707,725)	(11,516,797)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital Reserve	-	-
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents	2,881,829	5,502,114
Check		
Cash and bank balances at the beginning of the year	15,380,697	9,878,583
Cash and bank balances at the end of the year	18,262,526	15,380,697
Net increase in cash and cash equivalents	2,881,829	5,502,114

GHASHFUL NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 2008

1.00 Organization profile:

Ghashful is a Non- Government Associations (NGO) registered with the Department of Social Services of the Government of the People's Republic of Bangladesh under Foreign Donation (Voluntary activities) Regulation Ordinance/ Rule 1978 as amended in 1982 under the Registration No. DSS/FDO/R-376 dated 8.4.1990. The organization is also registered with the Social Welfare Department (Registration No. 959/1983) and with District Population Control and Family Planning Department (Registration No. FP/Ctg./1/78).

Registered office of the organization is situated at South Ridge Apartment, Flat 3C, 16 Nasirabad Housing Society, Road No.2, Chittagong.

1.02 Changing of project name and cancellation of partnership by Action Aid Bangladesh.

The project is being operated in the name of Social Development Project (SDP) financed by its own contribution (instead of Integrated Urban FP Health and Community Development Project- DA 6 financed by Action Aid Bangladesh) with effect from 1st January, 2006 as Action Aid Bangladesh, the donor has decided not to continue this project vide their letter ref: CD89/- change of partnership status/2005 dated 4th October, 2005.

2.00 (a) Nature of the organization:

It is a wholly non-political, voluntary community development non-governmental organization. The organization is committed to motivate awareness, assist in education, economic and financial condition and upliftment of the poor, neglected, distressed and vulnerable people of the Society.

(b) Objects:

The main object of the organization is to undertake upliftment activities relating to education, human development, micro finance, agriculture, environmental development, health care, social justice, religion and infrastructure development in the Slum Areas of Chittagong District.

3.00 Executive Committee:

- | | |
|--------------------------------|-------------------------|
| 1. Mrs. Shamsun Nahar Rahman | Chairperson |
| 2. Dr. Mosharraf Hossain | Vice Chairperson |
| 3. Mr. Aftabur Rahman Jafree | General Secretary |
| 4. Md. Shaidullah | Joint General Secretary |
| 5. Shamima Akter | Treasurer |
| 6. Dr. Moinul Islam Mahmud | Member |
| 7. Mr. Manjurul Amin Chowdhury | Member |

4.00 Significant Accounting Policies:

4.01 Basis of Accounting:

The accounts have been consistently prepared under the historical cost convention applying the generally accepted accounting principles.

4.02 Principles of valuation:

4.02.01 Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Depreciation on fixed assets is calculated on **Diminishing balance method**. Full year's depreciation has been charged on fixed assets. The principal annual rates are as follows:

<u>Name of assets</u>	<u>Rates (%)</u>
Computer and equipments	25
Furniture and fixtures	20
Domestic appliance	25
Bi-cycle	20
Auto Rickshaw	25
Micro Bus	25
Photocopy Machine	25
Digital Camera	25
Generator	25
Mobile Set	25
Office equipments	20

4.02.02 Capitalization Policy

An individual item of Asset value over Tk. 5,000 is capitalized. All others items whose expected life are more than one year, but cost of an individual item is less than Tk. 3,000, are treated as non-capital assets and charged to revenue.

	<u>30.06.2008</u>	<u>30.06.2007</u>
	Tk.	Tk.
5.00 Members' savings:		
A. Savings against Rural Micro Credit (RMC):		
As per Branches- 7,9,12-14,16-17,20 and 23-25		
Opening Balance as on 01.07.2007	7,714,619	2,787,665
Add: Savings during the year	10,927,903	6,334,922
	10,927,903	6,334,922
Add: Interest earned by members	494,257	242,337
	19,136,779	9364,924
Less: Withdrawals during the year	1,315,239	1,375,555
Refund/ transfer during the year	4,359,912	274,710
	5,675,151	1,650,265
Add/Less: Adjusted with other income	-	40
	5,675,151	1,650,305
Closing Balance as on 30.06.2008	13,461,628	7,714,619
B. Savings against Urban Micro Credit (UMC):		
As per Branches- 1-6,8,10-11,15, 18-19 and 21-22		
Opening Balance as on 01.07.2007	68,173,601	70,025,327
Add: Savings during the year	23,975,638	24,027,871
Interest earned by members	3,094,504	4,607,474
	27,070,142	28,635,345
Less: Withdrawals during the year	95,243,443	98,660,672
Refund/ transfer to unclaimed account	11,059,542	18,251,802
	17,453,787	12,235,569
	28,513,329	30,487,371
Closing Balance as on 30.06.2008	66,730,114	68,173,301
C. Savings against Micro Enterprise Program:		
As per Branches-1-6,7,9 and 11		
Opening Balance as on 01.07.2007	19,177,126	-
Add: Savings during the year	17,816,474	18,692,801
	17,816,474	18,692,801
Add: Interest earned by members	36,993,600	18,692,801
	1,603,992	559,434
	38,597,592	19,252,2385
Less: Refund during the year	4,962,357	31,409
Withdrawals during the year	3,576,566	43,700
	8,538,923	75,409
Closing Balance as on 30.06.2008	30,058,669	19,1772,126
D. Savings against Dally Savings Program:		
As per Branches -6,8,15,18,19 and 21-22		
Opening Balance as on 01.07.2007	8,435,709	6,670,430
Add: Savings during the year	4,828,320	4,075,278
	4,828,320	4,075,278
Add: Interest earned by members	13,264,029	10,745,708
	496,611	499,574
	13,760,640	11,245,282
Less: Refund during the year	1,637,750	1,482,060
Withdrawals during the year	1,400,591	1,327,513
	3,038,341	2,809,573
Closing Balance as on 30.06.2008	10,722,299	8,435,709
E. Ghashful Enterprise Development Program (GEDP)		
Savings: As per Branche - 6		
Opening Balance as on 01.07.2007	250,323	516,571
Add: Savings during the year	12,660	48,813
	12,660	48,813
Add: Interest earned by members	262,983	565,384
	6,475	17,629
	269,458	583,013
Less: Refund during the year	88,096	332,690
Withdrawals during the year	154,315	-
	242,411	332,690
Closing Balance as on 30.06.2008	27,047	250,323

	<u>30.06.2008</u>	<u>30.06.2007</u>
	Tk.	Tk.
F. Savings against Ultra-poor Program- former Hard Core Savings:		
As per Branches -1,2,4-6,7,9 and 11-13		
Opening Balance as on 01.07.2007	6,759	6,759
Add: Savings during the year	54,390	-
	61,149	6,759
Add: Interest earned by members	587	-
	61,736	6,759
Less: Refund/ transfer during the year	460	-
Closing Balance as on 30.06.2008	<u>61,276</u>	<u>6,759</u>
G. Term Deposit Scheme:		
As per Branches -1-6,8 and 11		
Opening Balance as on 01.07.2007	9,691,235	6,769,700
Add: Savings during the year	3,723,506	5,470,850
	3,723,506	5,470,850
	13,414,741	12,240,550
Add: Interest earned by members	384,100	53,339
	13,798,841	12,293,889
Less: Refund during the year	5,648,331	2,602,654
	5,648,331	2,602,654
Closing Balance as on 30.06.2008	<u>8,150,510</u>	<u>9,691,235</u>
Closing Balance as on 30.06.2008 (A+B+C+D+E+F+G)	<u>129,211,543</u>	<u>113,449,072</u>

Note: Preparation of member-wise savings volume is under process.

5.01 5% interest on savings is calculated on the basis of the following factor:
Factor = $5/100 \times 1/12 = 0.0042$

5.02 Savings against Micro Enterprise(ME) Loan:

This is a restructured program of former GEDP (Ghashful Enterprise Development Program) from 10th September,2006 following the guideline of PKSF. Through this program organisation offers a handsome amount ranging from Tk. 30,000 to Tk.300,000 to their small entrepreneurs who had successfully repaid their loans during the past 02 (two) years. These qualifying members will be entitled to get these facilities with a repayment of 45 (forty-five) equal monthly instalments including service charges @ 12.5% flat rate on the principal. Member's joining this scheme should deposit a minimum weekly savings of Tk. 50.

5.03 Savings against Ultra-poor Program- (former Hard Core Savings) :

This program is a re-structured program of former Hard Core savings during the year.

	<u>30.06.2008</u>	<u>30.06.2007</u>
	Tk.	Tk.
6.00 School Savings		
Opening balance on 01.07.2007	431,215	310,612
Add: Savings during the year	97,499	120,603
	528,714	431,215
Less : Refund during the year	242,402	-
Closing balance on 30.06.2008	<u>286,312</u>	<u>431,215</u>

7.00 Capital Reserve- Tk. 172,569

During the year 2006 various assets were revalued by Arif Hossain & Co., Chartered Accountants. Fair market value of various assets was estimated at Tk. 1,521,943 as against net book value of Tk. 1,349,374. Thus revaluation surplus of Tk. 172,569 was credited to Capital Reserve Account.

7.01 Fixed Assets at cost/Revaluation less depreciation

Name of Assets	COST				Rate %	DEPRECIATION				Written down value as on 30.06.2008
	Balance on 01.07.2007	Addition during the year	Adjustments during the year	Balance on 30.06.2008		Balance on 01.07.2007	Charged for the year	Adjustment during the year	Balance on 30.06.2008	
	Tk.	Tk.	Tk.	Tk.		Tk.	Tk.	Tk.	Tk.	Tk.
General Account										
Furniture & fixtures	15,545	-	-	15,545	20	3,109	2,487	-	5,596	9,949
Refrigerator	17,300	-	-	17,300	25	15,784	379	-	16,163	1,137
Television	22,500	-	-	22,500	25	21,392	277	-	21,669	831
VCP	12,000	-	-	12,000	25	11,409	148	-	11,557	443
Camera	5,000	-	-	5,000	25	4,672	82	-	4,754	246
Mobile set	4,300	-	-	4,300	25	2,184	529	-	2,713	1,587
Computer & Equipments	23,500	-	-	23,500	25	14,826	2,169	-	16,995	6,505
Sewing Machine	5,475	-	-	5,475	25	5,115	90	-	5,205	270
Motor Vehicles	40,000	-	-	40,000	20	36,134	773	-	36,907	3,093
Sub Total	145,620	-	-	145,620		114,624	6,934	-	121,559	24,061

SDP										
Computer and Equipments	657,064	5,100	-	662,164	25	502,670	39,874	-	542,544	119,619
Furniture and Fixtures	145,935	4,000	-	149,935	20	97,757	10,436	-	108,193	41,742
Generator	58,500	-	-	58,500	25	29,707	7,198	-	36,905	21,595
Bi-cycle	9,000	-	-	9,000	20	6,345	531	-	6,876	2,124
Auto Rickshaw	186,100	-	-	186,100	25	147,458	9,661	-	157,119	28,981
Camera	-	11,000	-	11,000	25	-	2,750	-	2,750	8,250
PABX systems	-	27,300	-	27,300	20	-	5,460	-	5,460	21,840
Sub Total	1,056,599	47,400	-	1,103,999		783,937	75,909	-	859,846	244,153

Livelihood										
Computer and Equipments	1,317,050	342,105	-	1,659,155	25	806,048	213,277	-	1,019,325	639,830
Furniture and Fixture	1,145,687	368,563	-	1,514,250	20	409,632	220,924	-	630,556	883,694
Micro Bus	1,076,767	-	-	1,076,767	25	679,289	99,370	-	778,659	298,108
Digital Camera	20,500	11,000	-	31,500	25	12,933	4,642	-	17,575	13,925
Motor Vehicles	87,800	-	-	87,800	25	63,493	6,077	-	69,570	18,230
Generator	58,500	-	-	58,500	25	29,707	7,198	-	36,905	21,595
Photocopy Machine	235,000	-	-	235,000	25	154,716	20,071	-	174,787	60,213
Mobile Set	44,599	34,969	-	79,568	25	14,017	16,388	-	30,405	49,163
Office Equipments	70,529	48,032	-	118,561	20	14,106	20,892	-	34,998	83,563
Crockerries	6,874	3,056	-	9,930	20	1,375	1,712	-	3,087	6,843
Sub Total	4,063,306	807,725	-	4,871,031		2,185,314	610,550	-	2,795,867	2,075,164

Educare KG School				
Furniture and Fixtures	92,450	-	-	92,450
Sub Total	92,450	-	-	92,450

	56,908	-	-	56,908	35,542
Sub Total	56,908	-	-	56,908	35,542

Total 30.06.2008	5,357,975	855,125	-	6,213,100
-------------------------	------------------	----------------	----------	------------------

Total 30.06.2008	3,140,783	693,393	-	3,834,180	2,378,920
-------------------------	------------------	----------------	----------	------------------	------------------

Total 30.06.2007	4,373,783	984,192	-	5,357,975
-------------------------	------------------	----------------	----------	------------------

Total 30.06.2007	2,485,660	655,123	-	3,140,783	2,217,192
-------------------------	------------------	----------------	----------	------------------	------------------

7.02 Net surplus amounting to TK. 172,569 arising on revaluation of various assets as at 30th June, 2006 was credited to Capital Reserve Account. No depreciation was charged on the furniture and fixtures of Educare KG School, as the organisation discontinued its operation from 01.07.2006.

	30.06.2008	30.06.2007
	Tk.	Tk.
8.00 Loan to Members (Micro Credit)		
A. Rural Micro Credit (RMC):		
As per Branches -7,9,12-14,16-17, 20 and 23-25		
Opening Balance on 01.07.2007	26,182,319	9,974,639
Add: Disbursed during the year	74,599,000	47,582,000
	100,781,319	57,556,639
Service charges @ 12.5%	7,876,827	3,921,804
	7,876,827	3,921,804
	108,658,146	61,478,443
Less: Realized during the year:		
Principal @ 12.5%	63,014,605	31,374,320
	63,014,605	31,374,320
Interest @ 12.5%	7,876,827	3,921,804
	7,876,827	3,921,804
	70,891,432	35,296,124
Closing Balance on 30.06.2008	37,766,714	26,182,319
B. Urban Micro Credit (UMC):		
As per Branches -1-6,8,10-11,15,18-19 and 21-24		
Opening Balance on 01.07.2007	85,248,398	94,257,407
Add: Disbursed during the year	189,819,000	180,986,000
	275,067,398	275,243,407
Service Charges @ 12.5%	22,809,661	23,749,635
	22,809,661	23,749,635
	297,877,059	298,993,042
Less: Realized during the year:		
Principal @ 12.5%	182,476,728	189,996,416
	182,476,728	189,996,416
Interest @ 12.5%	22,809,661	23,749,635
	22,809,661	23,749,635
	205,286,389	213,746,051
Add: Adjusted with other income	-	1,407
	-	213,747,458
Closing Balance on 30.06.2008	92,590,670	85,248,398
C. Loan against Micro Enterprise Program:		
As per Branches- 1 to 5, 7, 9 and 11		
Opening Balance on 01.07.2007	35,406,240	-
Add: Disbursed during the year	84,600,000	54,870,000
	120,006,240	54,870,000
Service Charges @ 12.5%	10,084,373	2,432,986
	10,084,373	2,432,986
	130,090,613	57,302,986
Less: Realized during the year:		
Principal @ 12.5%	80,671,985	19,463,760
	80,674,985	19,463,760
Interest @ 12.5%	10,084,373	2,432,986
	10,084,373	2,432,986
	90,759,358	21,896,746
Closing Balance on 30.06.2008	39,331,255	35,406,240
D. Loan against Daily Savings Program:		
As per Branches -6,8,15,18-19 and 21-22		
Opening Balance on 01.07.2007	9,698,766	6,694,942
Add: Disbursed during the year	27,910,000	18,280,000
	37,608,766	24,974,942
Service Charges @ 12.5%	2,920,942	1,909,527
- do - @ 18.75%	1,285	-
	2,922,227	1,909,527
	40,530,993	26,884,469
Less: Realized during the year:		
Principal @ 12.5%	23,367,536	15,276,176
- do - @ 18.75%	8,565	-
	23,376,101	15,276,176
Interest @ 12.5%	2,920,942	1,909,527
- do - @ 18.75%	1,285	-
	2,922,227	1,909,527
	26,298,328	17,185,703
Closing Balance on 30.06.2008	14,232,665	9,698,766

	<u>30.06.2008</u>	<u>30.06.2007</u>
	<u>Tk.</u>	<u>Tk.</u>
E. Loan against Ghashful Enterprise Development Program (GEDP): As per Branch - 6		
Opening Balance on 01.07.2007	327,490	739,632
Add: Disbursed during the year.	-	-
	327,490	739,632
Service Charges @ 12.5%	24,896	77,821
- do - @ 18.75%	13,913	-
	38,809	77,821
	366,299	817,453
Less: Realized during the year:		
Principal @ 12.5%	132,780	412,142
- do - @ 18.75%	63,246	-
	196,026	412,142
Interest @ 12.5%	24,896	77,821
- do - @ 18.75%	13,913	-
	38,809	77,821
	234,835	489,963
Closing Balance on 30.06.2008	131,464	327,490
F. Loan against Ultra-poor Program- former Hard Core Program: As per Branches -1-7, 9 and 11-13		
Opening Balance on 01.07.2007	10,800	10,800
Add: Disbursed during the year	697,000	-
	707,800	10,800
Service Charges@ 10%	21,129	-
	728,929	10,800
Less: Realized during the year:		
Principal	211,217	-
Interest @ 10%	21,129	-
	232,346	-
Closing Balance on 30.06.2008	496,583	10,800
G. Loan against Livelihood Restoration Project (LRP): As per Branches -1-5,7 9-11 and 21		
Opening Balance on 01.07.2007	3,649,000	-
Add: Disbursed during the year	414,000	3,649,000
	4,063,000	3,649,000
Service Charges @ 4%	154,618	-
	4,217,618	3,649,000
Less: Realized during the year:		
Principal	3,862,622	-
Interest @ 4%	154,618	-
	4,017,240	-
Closing Balance on 30.06.2008	200,378	3,649,000
Closing Balance as on 30.06.2008 (A +B+C+D+E+F+G)	184,749,729	160,523,013

Note: (i) Interest on total loan has been accounted for on cash basis as per past practice.

(ii) Preparation of member-wise loans volume is under process.

9.00 Advances, Deposits and Prepayments

(a) Advances:

Office Rent	629,550	653,950
School Rent	46,950	28,500
Staff	841,719	683,592
Advance to Palli Tathya Kendra	278,520	-
	1,766,739	1,366,042

(b) Deposits:

With Ctg. Zilla Parishad against shop rent	34,000	34,000
With Pacific Telecom Ltd. Against mobile phone	2,500	2,500
With T&T Board against land phone	2,000	10,000
	38,500	46,500

(c) Prepayments:

Prepaid Insurance	5,179	5,990
	1,810,418	1,418,532

The management believes that these advances are realisable.

10.00 Cash and Bank balances

	<u>30.06.08</u>	<u>30.06.07</u>
	<u>Tk.</u>	<u>Tk.</u>
Cash In hand	132,432	215,810
Cash at bank-		
Janata Bank Ltd. -Sarkarhat Branch -CA 247	39,674	47,993
Janata Bank Ltd. -Patenga Branch -CA 1027	443,003	267,257
Janata Bank Ltd. -Uttara, Dhaka -CA -1020735	48,389	33,114
Janata Bank Ltd. -Kattali Branch -CA 688	558,377	(820)
Janata Bank Ltd. -Sarkarhat -STD 03	434,026	370,244
Janata Bank Ltd. -Patenga Branch -STD 205	12,859	237,939
Janata Bank Ltd. -Kattali Branch -STD 19	26,907	441,388
Janata Bank Ltd. -Corporate Branch, Ctg. -STD 36000881	2,055,138	621,493
Janata Bank Ltd. -Uttara, Dhaka -STD -544	6,361	21,712
Janata Bank Ltd. -Corporate Branch, Ctg. -SB 34089505	14,749	14,288
Janata Bank Ltd. -Corporate Branch, Ctg. -SB 34089496	92,589	88,733
Janata Bank Ltd. -Corporate Branch -SB 45268	1,053,341	967,854
Janata Bank Ltd. -Corporate Branch -STD 3336000915	5,186	5,001
Janata Bank Ltd. -Corporate Branch -CA 3333014703	154,402	5,000
Janata Bank Ltd. -Patiya Branch -STD 4000431	12,975	612,928
Janata Bank Ltd. -Patiya Branch -CA1021703	856,940	80,543
Janata Bank Ltd. -Neamatpur Branch, Nowgaon -CA 771	60,924	79,580
Janata Bank Ltd. -Neamatpur Branch, Nowgaon -STD-17	2,114	48,736
Janata Bank Ltd. -Nowgaon Branch, Nowgaon -CA 4064	307,690	-
Janata Bank Ltd. -Nowgaon Branch, Nowgaon -STD 100	1,867	-
Janata Bank Ltd. -Chowdhuryhat Branch -CA 834	403,285	17,000
Janata Bank Ltd. -Chowdhuryhat Branch -STD 12	-	4,000
Janata Bank Ltd. -Burischar Branch -CA 1005224	97,781	14,374
Janata Bank Ltd. -Burischar Branch -STD 4000087	15,000	5,000
Janata Bank Ltd. -Baizid bostami Branch -CA 912	154,181	59,725
Janata Bank Ltd. -Baizid bostami Branch -STD 16	11,141	1,500
Janata Bank Ltd. -Mohipal Branch, Feni -CA 586	125,567	-
Sonali Bank Ltd. -Halishahar Branch, - CA 534	428,646	53,000
Sonali Bank Ltd. -Halishahar Branch, - STD 9	1,000	1,000
Sonali Bank Ltd. -Dewanbazar Branch, - CA 706	190,153	7,902
Sonali Bank Ltd. -Anowara Branch, - CA 1138	204,998	2,600
Sonali Bank Ltd. -Anowara Branch, - STD 11	166,540	73,300
Sonali Bank Ltd. -Kalarpul Branch, Patiya - CA 159	351,838	893,296
Sonali Bank Ltd. -Kalarpul Branch, Patiya - STD 03	666,245	667,906
Sonali Bank Ltd. -Comilla Sadar Branch, Comilla - CA 33001455	32,877	-
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 384	623,244	688,122
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 673	815,218	1,224,649
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29228	426,279	325,668
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 697	2,092,900	1,404,122
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29265	821,136	685,020
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 704	76,200	1,394,000
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29277	1,177,616	118,600
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 716	56,100	1,565,225
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29289	622,886	571,000
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 661	6,451	450
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29204	1,127	825,581
The City Bank Ltd. -Kadamtali Branch, Ctg. - STD 685	176,891	340,118
The City Bank Ltd. -Kadamtali Branch, Ctg. - CA 29231	856,281	38,890
Rupali Bank Ltd. -Eshan Mistri Hat Branch- CA 1080	379,395	152,800
Rupali Bank Ltd. -Eshan Mistri Hat Branch- STD 13	3,500	129,500
AB Bank Ltd. - Bahaddarhat Branch, Ctg. CA-4130-756199-001	291,041	-
AB Bank Ltd. - Bahaddarhat Branch, Ctg. STD-4130-756199-431	5,000	-
AB Bank Ltd. - Bahaddarhat Branch, Ctg. CA-4130-756199-000	351,742	-
AB Bank Ltd. - Bahaddarhat Branch, Ctg. STD-4130-756199-430	4,330	-
AB Bank Ltd. - Hathazari Branch, Ctg. CA-4130-756717-000	204,904	-
AB Bank Ltd. - Hathazari, Branch, Ctg. CA-4130-756718-430	154,967	-
Standard Chartered Bank -Nasirabad Br C/A 01-1547550-01	95,404	100,410
Standard Chartered Bank -Nasirabad Br C/A 01-1510770-01	68,052	81,969
Janata Bank Ltd. -SB 3334085603	312,617	455,177
Janata Bank Ltd. -SB 4077633	610	610
Janata Bank Ltd. -SB 4077641	36,324	36,324
Janata Bank Ltd. -SB 3334045557	12,722	12,608
Janata Bank Ltd. -SB 3043	144,752	262,789
FDR with The City Bank Ltd. -Kadamtali Br.(Note-10.01)	7,100,000	7,100,000
FDR with South East Bank Ltd. -Jubilee Road Br.(Note-10.01)	9,500,000	6,000,000
FDR with BRAC Bank Ltd. -Agrabad Branch, Ctg.(Note-10.01)	3,400,000	-
FDR with Bank Asia Ltd. -Agrabad Branch, Ctg.(Note-10.01)	7,500,000	-
FDR with Bank Asia Ltd. -Agrabad Branch, Ctg.(Note-10.01)	4,000,000	-
FDR with DBHFCL, CDA Avenue Branch, Ctg.(Note-10.01)	6,500,000	-
FDR with Standard Bank Ltd. - Bahadderhat Branch, Ctg.(Note-10.01)	6,000,000	-
	62,854,152	29,257,218
	62,986,584	29,473,028

10.01 Short Term Investment -FDR

	<u>30.06.2008</u>	<u>30.06.2007</u>
	<u>Tk.</u>	<u>Tk.</u>
<u>Investment against Savings Reserve:</u>		
The City Bank Ltd.-Kadamtali Branch, Chittagong	5,000,000	5,000,000
South East Bank Ltd.- Jubilee Road Branch, Chittagong	7,000,000	4,500,000
BRAC Bank Ltd.-Agrabad Branch, Chittagong	2,500,000	-
Bank Asia Ltd.-Agrabad Branch, Chittagong	4,500,000	-
Bank Asia Ltd.-Anderkilia Branch, Chittagong	4,000,000	-
Delta Brac Housing Finanace corporation Ltd. CDA Avenue, Chittagong	5,500,000	-
Standard Bank Ltd.- Bahadderhat Branch, Chittagong	4,500,000	-
	<u>33,000,000</u>	<u>9,500,000</u>
<u>Investment against Loan Loss Reserve:</u>		
The City Bank Ltd.-Kadamtali Branch, Chittagong	1,300,000	1,300,000
South East Bank Ltd.- Jubilee Road Branch, Chittagong	2,300,000	1,300,000
BRAC Bank Ltd.-Agrabad Branch, Chittagong	900,000	-
Bank Asia Ltd.-Agrabad Branch, Chittagong	1,500,000	-
Bank Asia Ltd.-Andarkilia Branch, Chittagong	1,200,000	-
Delta Brac Housing Finanace Corporation Ltd. CDA Avenue, Chittagong	700,000	-
Standard Bank Ltd.- Bahadderhat Branch, Chittagong	1,300,000	-
	<u>9,200,000</u>	<u>2,600,000</u>
<u>Investment against Disaster Fund Reserve:</u>		
The City Bank Ltd.-Kadamtali Branch, Chittagong	800,000	800,000
South East Bank Ltd.- Jubilee Road Branch, Chittagong	200,000	200,000
Bank Asia Ltd.-Agrabad Branch, Chittagong	300,000	-
Delta Brac Housing Finanace corporation Ltd. CDA Avenue, Chittagong	300,000	-
Standard Bank Ltd.- Bahadderhat Branch, Chittagong	200,000	-
	<u>1,800,000</u>	<u>1,000,000</u>
Total :	<u>44,000,000</u>	<u>13,100,000</u>
<u>Bank-wise allocation:</u>		
The City Bank Ltd.-Kadamtali Branch, Chittagong	7,100,000	7,100,000
South East Bank Ltd.- Jubilee Road Branch, Chittagong	9,500,000	6,000,000
BRAC Bank Ltd.-Agrabad Branch, Chittagong	3,400,000	-
Bank Asia Ltd.-Agrabad Branch, Chittagong	7,500,000	-
Bank Asia Ltd.-Anderkilla Branch, Chittagong	4,000,000	-
Delta Brac Housing Finanace corporation Ltd. CDA Avenue, Chittagong	6,500,000	-
Standard Bank Ltd.- Bahadderhat Branch, Chittagong	6,000,000	-
	<u>44,000,000</u>	<u>13,100,000</u>

Income from FDR is accounted for on cash basis. Amount invested in FDR from fund available under PKSF branches only.

11.00 Loan Loss Reserve

Loan loss reserve has been provided as per format prescribed by PKSf to cover any future loss

12.00 Disaster Fund -Reserve

Disaster fund reserve has been provided as per format prescribed by PKSf to cover any future loss occasioned by natural calamities and disaster.

	<u>30.06.2008</u>	<u>30.06.2007</u>
	<u>Tk.</u>	<u>Tk.</u>
13.00 Liability for expenses		
Opening balance as on 01.07.2007	199,637	226,499
Add: Provision made during the year	126,900	197,229
	<u>326,537</u>	<u>423,728</u>
Less: Paid during the year	181,852	224,091
Closing balance as on 30.06.2008	<u>144,685</u>	<u>199,637</u>
14.00 Liability for JOBS (Training exp.)	<u>125,279</u>	<u>125,279</u>

The amount was received from JOBS, an organization engaged in assisting enterprises to create employment, towards the cost of 2nd training programme of the Ghashful Organization. The balance amount is expected to be spent on specified 'Training' during 2008-09.

	<u>30.06.2008</u>	<u>30.06.2007</u>
	<u>Tk.</u>	<u>Tk.</u>
15.00 Liability for BLAST		
Opening balance as on 01.07.2007	1,910	14,329
Add: Grant received during the year	-	306,713
Contribution from organisation	-	59,100
	<u>-</u>	<u>365,813</u>
	1,910	380,142
Less: Expenses incurred during the year:		
Salaries and allowances	-	270,083
Traveling and conveyance	-	38,204
Communication expenses	-	3,781
Printing and stationery	-	5,400
Miscellaneous expenses	-	5,254
Training expenses	-	45,103
Program cost	-	10,407
	<u>-</u>	<u>378,232</u>
Closing balance as on 30.06.2008	<u>1,910</u>	<u>1,910</u>

The amount was received from Bangladesh Legal AID and Services Trust (BLAST) for implementation of the project of Gender Knowledge, Networking and Human Rights Intervention in Bangladesh.

16.00 Liability for BRAC

Opening Balance as on 01.07.2007	83,225	91,475
Add: Grant received during the year	364,910	317,796
	<u>448,135</u>	<u>409,271</u>
Less: Expenditure incurred during the year:-		
Salary and allowances	265,709	228,720
Bank Charges	2,596	2,884
Traveling and Conveyance	24,625	17,861
School Rent	23,900	40,845
Printing and stationery	12,405	4,254
Entertainment	6,275	5,395
Maintenance	-	6,452
Miscellaneous expenses	-	16,548
Training expenses	-	287
Material Expenses	4,900	2,800
	<u>340,410</u>	<u>326,046</u>
Closing balance as on 30.06.2008	<u>107,725</u>	<u>83,225</u>

The amount was received from BRAC for non-formal primary education. The balance amount is expected to be spent by December 2008

	<u>2008</u>	<u>2007</u>
	<u>Tk.</u>	<u>Tk.</u>
17.00 Service charges on Micro Credit		
Rural Micro Credit (RMC)	7,876,827	3,921,804
Urban Micro Credit (UMC)	22,809,661	23,749,635
Loan against Micro Enterprise (ME)	10,084,373	2,432,986
Loan against Daily Savings Program	2,922,227	1,909,527
Loan against Ghashful Enterprise Development Program(GEDP)	38,809	77,821
Loan against Livelihood Restoration Program (LRP)	154,618	-
Loan against Ultra-poor Program (UPP)	21,129	-
	<u>43,907,644</u>	<u>32,091,773</u>

	<u>2008</u> <u>Tk.</u>	<u>2007</u> <u>Tk.</u>
18.00 Health Service charges from Garments Industries	<u>1,045,000</u>	<u>1,034,500</u>
Break-up:		
General Account	-	536,387
SDP Project	<u>1,045,000</u>	<u>498,113</u>
	<u>1,045,000</u>	<u>1,034,500</u>

The charges are realized from 39 (thirty nine) Garments companies at varying rates from Tk. 1,000 to Tk. 5,000 per month, by providing health services to their workers, especially the women.

19.00 Clinical Service charges	<u>180,770</u>	<u>163,105</u>
---------------------------------------	----------------	----------------

The amount was recovered from women who require various medical tests including primary health checkup and family planning assistance at the clinics operated by the SDP(Social Development Project) of GHASHFUL.

	<u>2008</u> <u>Tk.</u>	<u>2007</u> <u>Tk.</u>
20.00 Interest on members' savings		
Savings against Rural Micro Credit (RMC)	494,257	242,337
Savings against Urban Micro Credit (UMC)	3,094,504	4,607,474
Daily Savings Program	496,611	499,574
Savings against Micro Enterprise (ME) program	1,603,992	559,434
Savings against Ghashful Enterprise Development Program(GEDP)	6,475	17,629
Term deposits scheme	384,100	53,339
Ultra-poor Program- former Hardcore Program	587	-
	<u>6,080,526</u>	<u>5,979,787</u>
Less: Interest already provided in the earlier year	-	<u>1,518,587</u>
	<u>6,080,526</u>	<u>4,461,200</u>

21.00 Material expenses - Tk. 151,948

It represents cost for arranging meeting and materials for students etc. funded by Ghashful.

22.00 Membership fees - Tk. 40,100

It represents the fees paid to various net working organization and forum, such as, Numco, BASF, CDF, VHSS, COFCON and FNB.

23.00 Special Day celebration -Tk. 84,648

It represents cost of costume, sticker, paper etc. for celebrating World Aids Day/World Mothers Day/ World Environment Day/ Victory Day/ Independence Day etc. and various expenses incurred for program with transport workers and orientation courses at various places.

24.00 Educare KG School

The organization discontinued the operation of Educare KG School from 01.07.2006.

25.00 Staff Gratuity Fund

The organisation operates an unfunded Gratuity scheme since 2002 for its permanent employees and provision is made as per gratuity rules at the rate of last one month's gross salaries. The entire amounts are invested with Janata bank, Sk. Mujib Road, Corporate Branch, Agrabad, Chittagong. The break-up are as follows:

	<u>SDP</u> <u>Tk.</u>	<u>Livelihood</u> <u>Tk.</u>	<u>Total</u> <u>Tk.</u>
Balance up to 01.07.2007	810,789	2,011,722	2,822,511
Add: Provided during the year	177,975	1,097,353	1,275,328
Balance as on 30.06.2008	988,764	3,109,075	4,097,839

Bank balance as on 30.06.2008

	<u>Amount (Tk.)</u>
Savings account with Janata Bank, Sk. Mujib Road Br.,Agrabad ,Chittagong	1,482,873
FDR account with Janata Bank, Sk. Mujib Road Br.,Agrabad,Chittagong	2,614,966
	4,097,839

26.00 Employee Particulars.

	<u>30.06.08</u> <u>Nos.</u>	<u>30.06.07</u> <u>Nos.</u>
Employees earning over Tk. 10,000 per month	20	11
Employees earning over Tk. 5,000 per month	114	46
Employees earning over Tk. 3,000 per month	116	151
Employees earning below Tk. 3,000 per month	82	69
	332	277

27.00 General

27.01 Figures appearing in this accounts are rounded off to the nearest Taka.

27.02 Previous years' figures have been re-arranged, where necessary, to conform to current year's presentation.



GHASHFUL

Registered Office

South Ridge Apartment, Flat # 3C (2nd Floor), House # 16, Road # 2, Nasirabad Housing Society
GPO Box-1057, Chittagong-4000, Bangladesh. Phone : 88-031-658450.

Head Office

438, Mehediabag Road, Chittagong.
Phone : 880-31-2858629, Mobile : 01199-741166
Fax : 880-31-2858613
E-mail : ghashful@ghashful-bd.org

www.ghashful-bd.org