

**Audit Report and Statement of Accounts**

**AGRAGATI SEBA SANGSTHA (ASS)  
Balabo, Norsingdi.  
REVOLVING LOAN FUND (RLF)  
YEAR ENDED 30 JUNE 2022**

**HAFIZ AHMED & CO.  
CHARTERED ACCOUNTANTS**

**AGRAGATI SEBA SANGSTHA (ASS)**

Balabo, Norsingdi

**YEAR ENDED 30 JUNE 2022**

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**Independent Auditor's Report  
To The Members of General Body of  
AGRAGATI SEBA SANGSTHA (ASS)**

We have audited the accompanying Financial Statements of AGRAGATI SEBA SANGSTHA (ASS) which comprise the statement of Financial Position as at 30 June 2022 and the statement of comprehensive Income, Statement of Cash Flows, Receipts and Payments Statement, Statement of Changes in Equity for the year then ended 30 June 2022 and a summary of significant accounting policies and other explanatory notes.

**Management Responsibility For The Financial**

AGRAGATI SEBA SANGSTHA (ASS) Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement.

**Auditor's Responsibility**

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International on Auditing (ISA), as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of AGRAGATI SEBA SANGSTHA (ASS) as at 30 June 2022 and its financial performance and its cash flows for the year then ended 30 June 2022 in accordance with International Financial Reporting Standards (IFRS) and other applicable laws and regulations including MRA guidelines.

**We also report that:**

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification therefore.
- In our opinion, proper books of accounts as required by law and MRA Act & Rule have been kept by AGRAGATI SEBA SANGSTHA (ASS) So far it appeared from our examination of those books and
- In our opinion, the statement of financial position and the statements of comprehensive income dealt with by the report are in agreement with the books of accounts.

Dated, Dhaka  
31 July 2022



(HAFIZ AHMED & CO.)  
CHARTERED ACCOUNTANTS

**AGRAGATI SEBA SANGSTHA (ASS)**

Balabo, Norsingdi

**REVOLVING LOAN FUND (RLF)**

Statement of Financial Position as at 30 June 2022

Particulars	Notes	Amount in Taka	
		FY 2021-2022	FY 2020-2021
<b>Property &amp; Assets :</b>			
<b>Non-Current Assets :</b>			
Property, Plant and Equipment	6.00	2,966,019	2,510,298
Investment Reserve Fund	7.00	1,584,597	1,500,000
Investment Savings Fund	8.00	5,014,254	4,812,358
<b>Total Non-Current Assets</b>		<b>9,564,870</b>	<b>8,822,656</b>
<b>Current Assets :</b>			
<b>Loan to Clients :</b>			
General Microfinance Sector	10(i)	134,607,068	64,718,429
Grihayan Loan Bangladesh Bank	10(ii)	3,541,127	2,724,624
Other Sectors		-	-
<b>Total Loan to Clients</b>		<b>138,148,195</b>	<b>67,443,053</b>
<b>Gross Loan Outstanding</b>		<b>138,148,195</b>	<b>67,443,053</b>
<b>Other Current Assets :</b>			
Advance Office Rent	9.00	365,418	236,890
Head Office Loan Receivable	14.00	7,432,690	7,441,418
Cash in Hand	17.00	1,122,411	489,374
Cash at Bank	18.00	689,294	3,277,953
<b>Total Current Assets</b>		<b>9,609,813</b>	<b>11,425,435</b>
<b>Total Property &amp; Assets</b>		<b>157,322,878</b>	<b>87,691,144</b>
<b>Capital Fund &amp; Liabilities :</b>			
<b>Capital Fund</b>			
Cumulative Surplus	20.00	15,193,866	15,154,250
Add. Statutory Reserve Fund/Excess of Income over Expenditure		1,450,808	39,616
<b>Total Capital Fund</b>		<b>16,644,674</b>	<b>15,193,866</b>
<b>Non-Current Liabilities :</b>			
Accounts Payable to ED & EC Member	32.00	62,305,024	26,853,491
Accounts Payable to Bank	26, 31	27,934,668	13,809,154
Accounts Payable to Staff Fund	34.00	2,015,214	1,055,560
Accounts Payable	28.00	* 2,364,927	2,856,107
<b>Total Non-Current Liabilities</b>		<b>94,619,833</b>	<b>44,574,312</b>
<b>Current Liabilities :</b>			
Members Savings Fund Mandatory	30, 35	36,152,181	21,664,100
Members Savings Fund Voluntary	38.00	1,586,574	1,117,675
Loan Loss Provision	37.00	2,452,752	1,090,290
Loan risk Fund (Member Welfare Fund)	21.00	5,800,008	3,984,045
Accumulated Depreciation		66,856	66,856
<b>Total Current Liabilities</b>		<b>46,058,371</b>	<b>27,922,966</b>
<b>Total Capital Fund &amp; Liabilities</b>		<b>157,322,878</b>	<b>87,691,144</b>

Executive Director

Accountant

As per our Report of date annexed

Dhaka  
31 July 2022



(HAFIZ AHMED & CO.)  
CHARTERED ACCOUNTANTS

**AGRAGATI SEBA SANGSTHA (ASS)**

Balabo, Norsingdi

REVOLVING LOAN FUND (RLF)

Statement of Comprehensive Income for the year ended 30 June 2022

**INCOME**

Particulars	Note	Amount in Taka	
		FY 2021-2022	FY 2020-2021
ADMISSION FEES COLLECTION		79,320.00	32,370.00
Other Income		226,549.00	295,317.00
LOAN FORM SALE		33,440.00	12,355.00
PASS BOOK SALE		78,610.00	32,430.00
FDR BANK INTEREST		286,493.00	244,555.00
MISCELLANEOUS		4,450.00	14,285.00
GRIHAYAN LOAN - SERVICE CHARGE		133,843.00	117,420.00
SERVICE CHARGE (Schedule-B)		22,014,914.00	8,256,082.00
<b>TOTAL TAKA :</b>		<b>22,857,619.00</b>	<b>9,004,814.00</b>

**EXPENDITURE**

ADMINISTRATION COST (As detailed in the Receipts and Payments Account)		13,301,729.00	6,175,049.00
EXECUTIVE COMMITTEE & OTHER PERSONS LOAN INTEREST PAID		4,627,880.00	1,598,635.00
GROUP SAVINGS INTEREST PROVISION		-	-
GROUP SAVINGS INTEREST (Schedule - C)		1,196,663.00	227,720.00
LOAN LOSS PROVISION		1,362,462.00	334,886.00
CORONA VIRUS PURPOSE RELIEF DISTRIBUTION		-	-
BGD Program Expenses		-	295,317.00
Bank Loan Interest paid		777,408.00	243,557.00
DEPRECIATION (Schedule - A)		140,669.00	90,034.00
EXCESS OF INCOME OVER EXPENDITURE		1,450,808.00	39,616.00
<b>TOTAL TAKA :</b>		<b>22,857,619.00</b>	<b>9,004,814.00</b>

Executive Director

Accountant

As per our Report of date annexed

Dhaka  
31 July 2022



(HAFIZ AHMED & CO.)  
CHARTERED ACCOUNTANTS

**AGRAGATI SEBA SANGSTHA (ASS)**  
**Balabo, Norsingdi**  
**REVOLVING LOAN FUND (RLF)**  
**STATEMENT OF RECEIPTS & PAYMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**RECEIPTS**

Particulars	Note	Amount in Taka	
		FY 2021-2022	FY 2020-2021
<b>OPENING BALANCES - 01 JULY 2021</b>		<b>10,059,685.00</b>	<b>7,644,156.00</b>
Cash in Hand	17	469,374.00	665,163.00
<b>Cash at Banks :</b>	18	<b>3,277,953.00</b>	<b>3,261,185.00</b>
Sonali Bank Ltd., Baquernagar Branch, Raipura, Norsingdi CD A/C No. 200000047			
South east Bank Ltd., Baquernagar Branch, Raipura, Norsingdi CD A/C No. 200000047			
SB A/C No. 07211100000430			
CD A/C No. 07211100000402			
FDR	7	6,312,358.00	3,717,808.00
<b>GROUP SAVINGS WITH (Schedule -C)</b>		<b>39,666,301.00</b>	<b>14,302,711.00</b>
Volulantry Savings		2,605,922.00	1,445,790.00
<b>LOAN REALISED (Schedule - B)</b>		<b>180,354,275.00</b>	<b>70,479,734.00</b>
Principal Amount		158,339,361.00	62,223,652.00
Service Charge		22,014,914.00	8,256,082.00
<b>TEMPORARY LOAN RECEIVED FROM EXECUTIVE COMMITTEE &amp; OTHER PERSON</b>		<b>71,655,000.00</b>	<b>21,180,000.00</b>
TEMPORARY LOAN RECEIVED FROM EXECUTIVE DIRECTOR		65,609,302.00	9,898,817.00
<b>GRIHAYAN LOAN REALISED:</b>		<b>1,657,340.00</b>	<b>1,351,509.00</b>
Principal Amount		1,523,497.00	1,234,089.00
Service Charge		133,843.00	117,420.00
<b>LOAN RECEIVED FROM SOUTH EAST BANK</b>		<b>25,000,000.00</b>	<b>15,000,000.00</b>
<b>GRIHAYAN LOAN RECEIVED FROM BANGLADESH BANK</b>		<b>4,290,000.00</b>	
STAFF WELFARE FUND		55,300.00	21,800.00
STAFF APS FUND		111,600.00	39,300.00
INSURANCE FUND COLLECTION		2,282,202.00	835,840.00
SPECIAL SAVINGS COLLECTION		3,048,900.00	283,900.00
MOTOR CYCLE LOAN REALISED-Principal Amount		8,728.00	
PROVIDENT FUND		469,654.00	228,410.00
ADMISSION FEES COLLECTION		79,320.00	32,370.00
OTHERS INCOME		226,549.00	295,317.00
LOAN FORM SALE		33,440.00	12,355.00
PASS BOOK SALE		78,610.00	32,430.00
FDR BANK INTEREST		286,493.00	244,555.00
ADVANCE OFFICE RENT REALISED		170,772.00	736,690.00
HEAD OFFICE LOAN			5,675,091.00
LOAN RECEIVED FROM -VGD PROGRAMME		662,153.00	
LOAN RECEIVED FROM AME-ELECTRONICS			2,295,013.00
STAFF SECURITY MONEY		602,000.00	244,000.00
MISCELLANEOUS		4,450.00	14,285.00
<b>TOTAL TAKA :</b>		<b>409,017,996.00</b>	<b>152,292,073.00</b>



AGRAGATI SEBA SANGSTHA (ASS)

PAYMENTS

Annexure -A1/4

Particulars	Note	Amount in Taka	
		FY 2021-2022	FY 2020-2021
LOAN DISBURSED (Schedule - B)		228,228,000.00	83,564,000.00
<b>ADMINISTRATION COST</b>		<b>13,301,729.00</b>	<b>6,175,049.00</b>
Salary & Benefits		10,243,737.00	4,883,806.00
House Rent		824,200.00	478,700.00
Printing and Stationery		344,944.00	121,792.00
Repair & Maintenance		161,594.00	20,530.00
Entertainment		197,539.00	56,215.00
Electricity Bill		96,182.00	32,697.00
Telephone/Mobile/Net Bill & Postage		106,790.00	41,770.00
Traveling cost		288,885.00	70,570.00
Software cost		375,050.00	118,840.00
legal expenses		16,500.00	18,550.00
Fuel Cost		330,515.00	129,500.00
Audit Fee		20,000.00	25,000.00
Bank charge		199,978.00	3,519.00
MRA Fee		11,500.00	11,500.00
Others Exp.		56,219.00	126,000.00
Miscellaneous		28,096.00	36,060.00
TEMPORARY LOAN REFUND TO EXECUTIVE COMMITTEE & OTHER PERSO		48,920,880.00	10,883,215.00
Loan Principal Amount		44,293,000.00	9,284,580.00
Loan Interest paid		4,627,880.00	1,598,635.00
GRIHAYAN LOAN DISBURSED (Schedule - B/1)		2,340,000.00	420,000.00
SPECIAL SAVINGS REFUND		1,136,675.00	871,890.00
INSURANCE REFUND		466,239.00	14,585.00
GROUP SAVINGS REFUND (Schedule - C)		27,090,445.00	10,967,208.00
GROUP SAVINGS INTEREST (Schedule - C)		1,196,663.00	227,720.00
LOAN REFUND TO E.D		57,441,519.00	8,847,124.00
Voluntary Savings Refund		2,137,023.00	328,115.00
TEMPORARY LOAN TO HEAD OFFICE		-	10,140,227.00
NGO AFFAIRS BUREAU REGISTRATION RENEWAL EXPENSES		78,250.00	-
P,F REFUND		11,100.00	15,500.00
STAFF APS REFUND		2,800.00	-
LOAN REFUND TO AME-ELECTRONICS		1,153,333.00	1,296,180.00
LOAN REFUND TO SOUTHEAST BANK-Principal Amount		13,355,482.00	4,165,128.00
Bank Loan Interest paid		777,408.00	244,349.00
VGD Program Expenses		-	295,317.00
STAFF SECURITY MONEY REFUND		265,000.00	81,000.00
Office Rent Advance		299,500.00	973,380.00
Motor-cycle Loan		-	6,000.00
LOAN REFUND TO BANGLADESH BANK		1,809,004.00	446,781.00
Principal Amount		1,809,004.00	446,781.00
Interest paid		-	-
CAPITAL EXPENDITURE (Schedule - C)		596,390.00	2,269,620.00
Land		-	1,700,000.00
Furniture		292,950.00	522,520.00
Computer		158,310.00	41,100.00
Other Equipment		145,130.00	-
BY Cycle		-	6,000.00



AGRAGATI SEBA SANGSTHA (ASS)

PAYMENTS	Particulars	Note	Annexure -A1/4	
			Amount in Taka	
			FY 2021-2022	FY 2020-2021
CLOSING BALANCES- 30 JUNE 2022			8,410,556.00	10,059,685.00
	Cash in Hand	17	1,122,411.00	469,374.00
	Cash at Banks :	18		
	Sonali Bank Ltd., Baquernagar Branch, Raipura, Norsingdi		689,294.00	3,277,953.00
	CD A/C No. 200000047			
	South east Bank Ltd., Baquernagar Branch, Raipura, Norsingdi			
	CD A/C No. 200000047			
	SB A/C No. 07211100000430			
	CD A/C No. 07211100000402			
	FDR	7	6,598,851.00	6,312,358.00
TOTAL TAKA :			<u>409,017,996.00</u>	<u>152,292,073.00</u>

Executive Director

Accountant

As per our Report of date annexed

Dhaka  
31 July 2022



(HAFIZ AHMED & CO.)  
CHARTERED ACCOUNTANTS



**AGRAGATI SEBA SANGSTHA (ASS)**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2022**

Particulars	Note	Amount in Taka	
		2021-22 (Taka)	2020-21 (Taka)
<b>A. Cash Flows from Operating Activities</b>			
Surplus of income over expenditure		1,450,808	39,616
<b>Add: Amount Considered as non cash items</b>			
<b>Net cash provided by Operating activities:</b>			
Loan Loss Provision		1,362,462	334,886
GROUP SAVINGS INTEREST PROVISION		-	-
DMF Provision		-	-
Depreciation		140,669	90,034
<b>Sub Total of Non Cash items</b>		<b>2,953,939</b>	<b>464,536</b>
Loan Disbursement to Members		(70,705,142)	(20,526,259)
Increase/Decrease in Current Assets		-	-
Increase/Decrease in current liabilities		-	-
<b>Net cash Used in Operating activities :</b>		<b>(67,751,203)</b>	<b>(20,061,723)</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of Property , Plant and Equipment		(596,390)	(2,269,620)
Sale of Property , Plant and Equipment		-	-
Investment		-	-
<b>Net cash used in Investing activities :</b>		<b>(596,390)</b>	<b>(2,269,620)</b>
<b>C. Cash flows from financing activities:</b>			
MUSAPUR BRANCH LOAN RECEIVABLE		-	2,204,331
TULATULI BRANCH LOAN RECEIVABLE		-	2,125,015
SHIBPUR BRANCH LOAN RECEIVABLE		-	2,473,520
HEAD OFFICE LOAN RECEIVABLE		-	1,374,747
ADVANCE OFFICE RENT		(128,728)	(236,690)
FDR		(286,493)	(2,594,550)
MOTOR CYCLE LOAN (As per last Account)		8,728	(6,000)
HEAD OFFICE LOAN RECEIVABLE		-	(7,432,690)
HEAD OFFICE PAYABLE TO GRIHAYAN LOAN - JANGUA BRANCH		-	(1,000,000)
HEAD OFFICE LOAN RECEIVED FROM SHIBPUR BRANCH		-	(274,230)
MUCHAPUR BRANCH LOAN PAYABLE TO HEAD OFFICE		-	(301,320)
TULATOLI BRANCH LOAN PAYABLE TO HEAD OFFICE		-	(1,329,820)
JANGUA BRANCH LOAN PAYABLE TO JHEAD OFFICE		-	(4,409,997)
LOAN PAYABLE TO E.D		8,089,533	1,702,774
Short Term Loan -Executive Committee & Other Person		27,362,000	11,895,420
Members Savings		12,575,856	3,335,503
A.P.S FUND		1,912,225	(587,990)
GRIHAYAN LOAN (BANGLADESH BANK) PAYABLE		2,480,996	(446,781)
PROVIDENT FUND		458,554	210,910
LOAN PAYABLE TO AME-ELECTRONICS		(1,153,333)	998,833
LOAN PAYABLE TO E.D		-	1,051,693
LOAN LOSS PROVISION (LLP)		-	334,886
STAFF SECURITY MONEY		337,000	163,000
SOUTH EAST BANK LIMITED LOAN PAYABLE		11,644,518	10,834,872
STAFF WELFARE FUND		55,300	21,800
STAFF APS FUND		108,800	39,300
DEPRECIATION		-	66,856
VOLUNTARY SAVINGS		468,899	1,117,675
LOAN PAYABLE -VGD PROGRAMME		662,153	-
Insurance		1,815,963	821,255
<b>Net cash used in Financing activities :</b>		<b>66,411,971</b>	<b>22,152,322</b>
<b>D. Net increase/decrease(A+B+C)</b>		<b>(1,935,622)</b>	<b>(179,021)</b>
Add: Cash and Bank Balance at the Beginning of the year		3,747,327	3,926,348
<b>Cash in hand and at bank, end of the year</b>		<b>1,811,705</b>	<b>3,747,327</b>

AGRAGATI SEBA SANGSTHA (ASS)  
Balabo, Norsingdi  
STATEMENTS OF CHANGES IN EQUITY  
For The Year Ended 30 June 2022

PARTICULARS	FY 2021-2022	FY 2020-2021
Balance As at 01 July 2021	15,193,866.00	15,154,250.00
Prior year adjustment	-	-
Surplus for the year (2021-2022)	1,450,808.00	39,616.00
Add: Fund Received during the year	-	-
<b>Balance As at 30 June 2022</b>	<b>16,644,674.00</b>	<b>15,193,866.00</b>
Transfer to various funds and reserves	-	-
Less: Refund during the Year	-	-
<b>Balance As at 30 June 2022</b>	<b>16,644,674.00</b>	<b>15,193,866.00</b>



**AGRAGATI SEBA SANGSTHA (ASS)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**1.00 BACKGROUND OF THE PROJECT:**

**AGRAGATI SEBA SANGSTHA (ASS)**, Jangua-Noyakhandi, Moulovi Bazar, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi, is a non profit earning, non government voluntary development organization, established in the year 2003 with the personal initiative of a team of social workers with an objective to assist Norsingdi based distressed women in the town and slum areas. AGRAGATI SEBA SANGSTHA (ASS) working for the preservation and upholding of human rights embodied in the universal declaration of human rights and establishing and perpetuating the fundamental rights within the rules and of law guaranteed under the constitution of Bangladesh. **AGRAGATI SEBA SANGSTHA (ASS)** is duly registered with the Social Welfare Department (SWD), Government of the Peoples Republic of Bangladesh vide registration No. Na-0316 dated 05.06.2003 Eng., NGO Affairs Bureau, Government of the People's Republic of Bangladesh vide Registration No. 2592 dated 29.08.2010 and Micro Credit Regulatory Authority (MRA) bearing # 00648-01479-00672 dated 12.12.2012.

**2.00 Corporate information of the MFI:**

A.	Name of the organization	<b>AGRAGATI SEBA SANGSTHA (ASS)</b>
B.	Year of Establishment	2003
C.	Registered address of the Organization	Jangua-Noyakhandi, Moulovi Bazar, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi
D.	Address of Head Office	Jangua-Noyakhandi, Moulovi Bazar, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi
E.	Legal Entry	Department of Social welfare (DSW) No-Na-0316 dated 05.06.2003, NGO Affairs Bureau vide Registration No. 2592 dated 29.08.2010 and 00648-01479-00672 dated 12.12.2012, Micro credit Regulatory Authority (MRA).
F.	Nature of Operations (Programs)	Social Development & Rural Micro Credit
G.	Starting date of Programs	05.06.2003
H.	Last AGM held in	05-05 2022
I.	No of Attended member of for AGM	20
J.	Total General Committee meeting held in during the FY Year 2021-22	1
K.	Total Executive Committee meeting held in during the FY Year 2021-22	4
L.	Personnel policy	Available
M.	Accounts/Financial policy	Available
N.	Operational policy	Available
O.	Saving & Credit policy	Available
P.	Internal Audit cell & policy	Available
Q.	Statutory Audit conducted up to	30 April 2022
R.	Name of Statutory Auditor for last year	HAFIZ AHMED & CO. Chartered Accountants
S.	Name of Statutory Auditor for current year	HAFIZ AHMED & CO. Chartered Accountants



**List of Executive Committee Members:**

S.No	Name	Designation	Edu. Quall.	Presents Address
1	Babu Ruhi Das	Chairman	M.Com	House-66, Road-3, Mohammadia Housing Society, P.O-Mohammadpur, Adabor, Dhaka.
2	Mr. Jahanul Haque Babul	Vice-Chairman	B.A	Vill. + P.O: Bhatarchar, P.S: Balabo, Dist.: Norsingdi
3	Mr. Jamal Hossain	Executive Director	B.A	Vill.- Jangua, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi.
4	Babu Sapon Chan. Debonath	Treasurer	M.A	Vill.- Jangua, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi.
5	A.K.M Mohi-uddin	Executive Member	B.A	Vill. + P.O: Tulatoli, P.S: Raipur, Dist.: Norsingdi.
6	Momaota Begum	Executive Member	Class-ix	Vill.- Jangua, P.O: Bater Char, P.S: Balabo, Dist.: Norsingdi.
7	Farjana Yeasmin	Executive Member	S.S.C	Vill. + P.O: Hossain Nagar, P.S: Balabo, Dist.: Norsingdi

**3.00 BASIS OF ACCOUNTING:**

The Financial statements of the Program have been prepared have been under Historical Cost Convention following Accrual Basis of Accounting expect service charges. Which are computed following Cash basis of Accounting.

**4.00 Summary of Significant Organization and Accounting Policies:**

**4.01 CURRENCIES:**

All of Organization's Assets, Liabilities, Capital Fund, Income & Expenditure are denominate in terms of Taka, Local currency.

**4.02 REVENUE RECOGNITION:**

The Organization has been collecting Service Charge from beneficiaries in the program at the flat rate of 12.5% & Grihayan Loan 5.5% pert annum calculated on the loan provided to them as per operation Manual. The principal loan and proportional service charge are collected in 45 equal weekly installments. Service charge are accounted for cash basis. The amount of service due, but nit collected are not recognized as income. Other program grants from Donors have recognized as income.

**4.03 Interest Income & Expenses:**

Service charge on loan are accounted for on Cash basis.  
Interest Expense has been recognized on Accrual basis.  
Interest paid on savings has recognized on Accrual basis.

**4.04 Other Income Expense:**

Other Income has been accounted for on Cash basis.  
Grant from Donors has been accounted for as an Income on cash basis.  
Other Expense of General Micro-credit program has been accounted for on Accrual basis.



**4.05 Interest Paid on Savings:**

Interest paid on Group Members Saving at the rate of 6% which has been accounted for on Accrual basis.

**4.06 Fixed Assets and Depreciations:**

Fixed assets have recorded in the books of accounts at actual cost. The organization has charge the Depreciation on fixed assets under historical Cost Concept following Reducing balance Method during the year.

**4.07 Terms & Conditions of micro finance services program:**

**i) General loan for (Male & female):**

Loan size (Rural area) ; Tk. 5000-200000/=

Installment : Tk. Weekly

Savings (weekly) : Tk. 20-50/-

Loan payment period : 01 year

Project Implementation period: 4 weeks

Service charge : 12.5% (Flat rate)

Grace period : 15 days

**ii) Micro Enterprise loan for (male/female):**

Loan size (Rural area) ; Tk. 50000-500000/=

Installment : Tk. Weekly

Savings (weekly) : Tk. 100-500 /-

Loan payment period : 1 year

Project Implementation period: 4 weeks

Service charge : 12.5% (Flat rate)

Grace period : 15 days

**5.00 Signification organizational Policy:**

**5.01 DEBT. Management reserve: Loan Classification, loan loss Provision and write off Policy:**

The Organization has classified loan, loan loss Provision and written off Policy as per guidelines of PKSF.

**5.02 Loan Beneficial Aries:**

The Organization has designed and adopted its own Credit operational Manual that is in line with reputed MFT's guideline.



**5.03 Member Savings:**

The organization has adopted its own savings collection policy embodied in its Credit Operation 12.04 Manual.

**5.04 PREPARATION OF BALANCE SHEET:**

The financial Balance Sheet of **AGRAGATI SEBA SANGSTHA (ASS)** has been prepared by consolidating the Balance Sheet of Individual 15 Branches and a Head Office.

Break up of the above subjects as follows:

	FY 2011-12	FY 2010-11
Cost	810,280.00	504,526.00
Balance as on 01 July 2011	150,314.00	281,737.00
Add: Contributions during the year		
Less: Withdrawals during the year		
Balance as on 30 June 2012	1,010,898.00	786,990.00
Deposited in		
Bank as on 30 June 2012		61,014.00
Add: Charges during the year		
Less: Payments during the year		
Balance as on 30 June 2012		18,074.00
GRAND TOTAL	1,010,898.00	805,064.00



For further details see Schedule A as per attached

Long Term Loans (with 20%)

Balance as on 01 July 2011	8,712,303.00	2,777,500.00
Add: Advances during the year		2,944,100.00
Less: Withdrawals during the year	(100,400.00)	
Add: Loan year ending 2011-12		
Less: Repayments during the year		
Add: Pre-arranged repayments		
During the year		
Balance as on 30 June 2012	8,611,903.00	5,721,600.00

Loan to other Members/Institutions

Long Term		
Balance as on 01 July 2011		
Add: Advances during the year		
Less: Repayments during the year		
Balance as on 30 June 2012		
Other than Advances		
Balance as on 01 July 2011		
Add: Advances during the year		
Less: Repayments during the year		
Balance as on 30 June 2012		
GRAND TOTAL	24,434.00	67,120.00
	24,434.00	67,120.00



**AGRAGATI SEBA SANGSTHA (ASS)**  
**Balabo, Norsingdi**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
6	<b>Property, Plant &amp; Equipment (WDV)</b>		
	Break up of the above amount is as follows		
	<b>Cost</b>		
	Balance as on 01 July 2021	2,510,298.00	589,595.00
	Add: Purchase during the Year	596,390.00	2,010,737.00
	Less: Sales/Adjustment/Written Off	-	-
	Balance as on 30 June 2022	<u>3,106,688.00</u>	<u>2,600,332.00</u>
	<b>Depreciation</b>		
	Balance as on 01 July 2021	140,669.00	90,034.00
	Add: Charge during the Year	-	-
	Less: Adjustment/Written Off	140,669.00	90,034.00
	Balance as on 30 June 2022	<u>2,966,019.00</u>	<u>2,510,298.00</u>
	<b>Written Down Value (WDV)</b>		
	For further details Schedule- A may be referred		
7	<b>Long Term Investments (FDR)</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	6,312,358.00	3,717,808.00
	Add: Addition during the Year	-	2,594,550.00
	Add: Interest during the Year	286,493.00	-
	Add: Last year wrong Adjustment	-	-
	Less: Realized/withdraws during the Year	-	-
	Add: Prior year wrong Adjustment	-	-
	Closing Balance	<u>6,598,851.00</u>	<u>6,312,358.00</u>
8	<b>Loan to other Microcredit Organizations Long Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Paid during the Year	-	-
	Less: Realized during the Year	-	-
	Less: Adjustment/Written Off	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
9	<b>Office Rent Advance</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	236,690.00	-
	Add: Paid during the Year	299,500.00	973,380.00
	Less: Realised during the Year	170,772.00	736,690.00
	Less: Adjustment/Written Off	-	-
	Balance as on 30 June 2022	<u>365,418.00</u>	<u>236,690.00</u>

SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
10	<b>i) Loan to Members</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	64,718,429.00	43,378,081.00
	Add: Disbursed during the Year	228,228,000.00	83,564,000.00
	Less: Realized during the Year	158,339,361.00	62,223,652.00
	Less: Write Off/Adjustment during the Year	-	-
	Balance as on 30 June 2022	<u>134,607,068.00</u>	<u>64,718,429.00</u>
	For further details Schedule B may be referred		
	<b>ii) GRIHAYAN-Loan to Members</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	2,724,624.00	3,538,713.00
	Add: Disbursed during the Year	2,340,000.00	420,000.00
	Less: Realized during the Year	1,523,497.00	1,234,089.00
	Less: Write Off/Adjustment during the Year	-	-
	Balance as on 30 June 2022	<u>3,541,127.00</u>	<u>2,724,624.00</u>
	For further details Schedule B/1 may be referred		
11	<b>Short Term Investments</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Realized during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
12	<b>Loan to other Party</b>		
	<b>Short Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Realized during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
13	<b>Other Loan- Short Term-BASIC</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Realized during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
14	<b>Accounts Receivable (Office Security)</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Realized during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
15	<b>Advance Deposits &amp; Prepayments-Motor cycle</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	8,728.00	2,728.00
	Add: Addition during the Year	-	6,000.00
	Less: Realized during the Year	8,728.00	-
	Balance as on 30 June 2022	<u>-</u>	<u>8,728.00</u>



SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
16	<b>Stock &amp; Store</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Collection during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
17	<b>Cash in Hand</b>		
	Opening Balance	469,374.00	665,163.00
	Add: Addition during the Year	8,675,625.00	3,248,520.00
	Less: Paid during the Year	8,022,588.00	3,444,309.00
	Balance as on 30 June 2022	<u>1,122,411.00</u>	<u>469,374.00</u>
18	<b>Cash at Bank</b>		
	Opening Balance	3,277,953.00	3,261,185.00
	Add: Received during the Year	9,847,260.00	5,014,835.00
	Less: Paid during the Year	12,435,919.00	4,998,067.00
	Add: Adjustment	-	-
	Balance as on 30 June 2022	<u>689,294.00</u>	<u>3,277,953.00</u>
	<b>Name of Bank</b>		
	Sonali Bank Ltd., Baquernagar Branch, Raipura, Norsingdi	-	-
	CD A/C No. 200000047	-	-
	South East Bank Ltd., Baquernagar Branch, Raipura, Norsingdi	-	-
	CD A/C No. 200000047	-	-
	Savings A/C No. 07211100000430	689,294.00	3,277,953.00
	CD A/C No. 07211100000402	-	-
		<u>689,294.00</u>	<u>3,277,953.00</u>
19	<b>Donor Fund</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Refund during the Year	-	-
	Less: Adjustment	-	-
	Balance as on 30 June 2022	-	-
20	<b>Cumulative Surplus</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	15,193,866.00	15,154,250.00
	Add: Surplus during the Year	1,450,808.00	39,616.00
	Add: Prior year wrong adjustment	-	-
	Balance as on 30 June 2022	<u>16,644,674.00</u>	<u>15,193,866.00</u>
21	<b>Group Members Insurance Fund</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	3,984,045.00	3,162,790.00
	Add: Addition during the Year	2,282,202.00	835,840.00
	Less: Refund during the Year	466,239.00	14,585.00
	Less: Adjustment	-	-
	Balance as on 30 June 2022	<u>5,800,008.00</u>	<u>3,984,045.00</u>



SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
22	<b>Loan from PKSf</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
23	<b>Loan from Housing Fund (Bangladesh Bank)</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
24	<b>Loan from other Long Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Paid during the Year	-	-
	Less: Adjustment/Written Off	-	-
	Balance as on 30 June 2022	-	-
25	<b>Loan from other Government Sources</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
26	<b>Loan from other Microcredit Organization long Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
27	<b>CURRENT LIABILITIES</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-
28	<b>Others Loan - Long Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	-	-

SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
29	<b>Provident Fund</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	816,460.00	605,550.00
	Add: Received during the Year	469,654.00	226,410.00
	Less: Refund during the Year	11,100.00	15,500.00
	Balance as on 30 June 2022	<u>1,275,014.00</u>	<u>816,460.00</u>
30	<b>SPECIAL SAVINGS / A.P.S Fund</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	1,673,210.00	2,261,200.00
	Add: Received during the Year	3,048,900.00	283,900.00
	Less: Refund during the Year	1,136,675.00	871,890.00
	Balance as on 30 June 2022	<u>3,585,435.00</u>	<u>1,673,210.00</u>
31	<b>Loan from other Government Sources-Grihayan Loan Long Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	2,974,282.00	3,421,063.00
	Add: Received during the Year	4,290,000.00	-
	Less: Refund during the Year	1,809,004.00	446,781.00
	Balance as on 30 June 2022	<u>5,455,278.00</u>	<u>2,974,282.00</u>
32	<b>Loan from other Microcredit Organization Short Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
33	<b>Loan from others- Executive Committee &amp; Others -Short Term</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	25,098,000.00	13,202,580.00
	Add: Received during the Year	71,655,000.00	21,180,000.00
	Less: Refund during the Year	44,293,000.00	9,284,580.00
	Balance as on 30 June 2022	<u>52,460,000.00</u>	<u>25,098,000.00</u>
34	<b>Others Person Loan - Short Term (Different Source)</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Addition during the Year	-	-
	Less: Realized during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
35	<b>Members Savings Deposits</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	19,990,890.00	16,655,387.00
	Add: Received during the Year	39,666,301.00	14,302,711.00
	Less: Refund during the Year	27,090,445.00	10,967,208.00
	Balance as on 30 June 2022	<u>32,566,746.00</u>	<u>19,990,890.00</u>

For further details Schedule-C may be referred



SL. No.	Particulars	FY 2021-22 (Amount)	FY 2020-21 (Amount)
36	<b>Accounts Payables</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
37	<b>Loan Loss Provision</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	1,090,290.00	755,404.00
	Add: Provision made during the Year	1,362,462.00	334,886.00
	Less: Write Off/Adjustment during the Year	-	-
	Balance as on 30 June 2022	<u>2,452,752.00</u>	<u>1,090,290.00</u>
38	<b>Group Savings Interest Provision</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>
39	<b>Service Charge on Loan</b>		
	Break up of the above amount is as follows		
	Balance as on 01 July 2021	-	-
	Add: Received during the Year	-	-
	Less: Refund during the Year	-	-
	Balance as on 30 June 2022	<u>-</u>	<u>-</u>



AGRAGATI SEBA SANGSTHA (ASS)  
Balabo, Norsingdi.  
CALCULATION OF RATIOS ANALYSES  
2021-2022

SL. No.	Ratio	Calculation of Ratio	Calculations	Ratio	Previous Year	Standard
01.	<b>Minimum Loan recovery rates, based on the following:</b>					
i.	Minimum cumulative loan collection ratio on total dues	Cum. Recovery-Advance Recovery (at the end of this yr.) * 100 (Cum. Recovery-Advance Recovery)+Overdue(Principal)	$\frac{310,429,227.00 \times 100}{310,645,132}$	99.93%	79%	95%
ii.	Minimum loan collection ratio on current dues	(Total loan recovery(principal) for the yr.- Advance recovery- Previous year's overdue recovery in the year) * 100 (Total Loan Recovery(Principal) for the yr.-Advance Recovery)+Previous year's overdue recovery in the year	$\frac{32,721,928.00 \times 100}{33,027,120}$	99.08%	69.35%	92%
03.	Liquidity ratio to savings deposits	Cash in hand+ Balance at bank+Short Term Deposit Savings Deposits	$\frac{8,410,556 \times 100}{36,152,181}$	23.26%	44.16%	10%
04.	Current Ratio	Current Assets Current Liabilities	$\frac{154,356,859.00}{140,678,204.00}$	1.09 : 7	1.17 : 5	2 : 1
05.	Capital Adequacy Ratio	Total Capital (Net Worth) Total Asset - (Cash+Bank+STD*Govt. Securities)	$\frac{16,644,674 \times 100}{8,410,556}$	1.98%	19.57%	15%
06.	Debt Service Cover Ratio	* STD includes-all FDR Surplus for the year+Total Principal & Service charge payable to PKSF & other loan Total Principal & Service charge payable to PKSF& other loan for the year	$\frac{94,055,427}{92,604,619}$	1.01 : 6	1.00 : 1	1.25:1
07.	Debt Capital Ratio	Debt Total capital (Net worth)	$\frac{36,152,181.00}{16,644,674.00}$	2.17 : 2	1.49 : 9	9:01
08.	Rate of return on Capital ratio	Net Surplus Capital Fund (Average Capital Fund)	$\frac{1,450,808 \times 100}{15,919,270.00}$	9.11%	0.26%	1%



## AGRAGATI SEBA SANGSTHA (ASS)

Balabo, Norsingdi.

### Loan Operational Report - For the year ended 30 June 2022

Sl. No.	Particulars	Audited Figure		
1	<b>Financial Services Product:</b>			
	Loan	-		
	Savings	-		
2	<b>Staff:</b>			
	RLF	80		
	Other	-		
		80		
3	<b>Number of Branches :</b>	15		
4	<b>Number of Samity :</b>	567		
5	<b>Number of Members :</b>	8982		
	General Micro Credit	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>Male</u> 701</td> <td style="width: 50%; text-align: center;"><u>Female</u> 8,281</td> </tr> </table>	<u>Male</u> 701	<u>Female</u> 8,281
<u>Male</u> 701	<u>Female</u> 8,281			
6	<b>Number of Loanee:</b>	6553		
	General Micro Credit	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>Male</u> 426</td> <td style="width: 50%; text-align: center;"><u>Female</u> 6,127</td> </tr> </table>	<u>Male</u> 426	<u>Female</u> 6,127
<u>Male</u> 426	<u>Female</u> 6,127			
7	<b>Amount of Loan Outstanding with Samity Members</b>	138,148,195.00		



AGRAGATI SEBA SANGSTHA (ASS)  
Proffolio Report for the year ended 30 June 2022  
Review of Loan Classifications and Provisions

Annexure A/3

(i) Classification of Loan and Loan Loss Provision

Sl. No	Particulars	No. of days Outstanding	Outstanding Loan		Required Provision	
			Amount	Rate%	Amount (Tk)	
1	Total Loan Outstanding		138,148,195.00			
2	Total Overdue		-	-	-	-
3	Regular	Loans with no overdue installments	133,742,083	1%		1,337,421
4	Watchful	Loan default duration between 1 % 30 days	454,099	5%		22,725
5	Sub-Standard	Loan default duration between 31 & 180 days	854,857	25%		213,714
6	Doubtful	Loan default duration between 181 & 365 days	2,051,131	25%		512,783
7	Bad Loan	Loan default duration above 365 days	1,046,025	35%		366,109
	<b>Total</b>		<b>138,148,195</b>	<b>-</b>		<b>2,452,752</b>

(ii) Loan loss provision (LLP) Status of the PO

Particulars	Taka
Required Provision as per MRA policy	
Actual Provision made by the MFI	
Excess Shortfall of Provision	
Comment on LLP	Followed MRA Policy
Disclosure on written off loan	
Loan written off balance 01.07.2021	
Loan written off during the year 2022	
Written off loan recovered during the year 2022	
Loan written off balance 30.06.2022	



**AGRAGATI SEBA SANGSTHA (ASS)**  
Balabo, Norsingdi  
**SCHEDULE OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2022**

SCHEDULE - A

Sl. No.	Particulars	Balance as on 01 July 2021	Addition during the year	Total	Rate of Dep.	Depreciation during the year	Balance as on 30 June 2022
01	Furniture & Fixtures	728,780.00	292,950.00	1,021,730.00	10%	102,173.00	919,557.00
02	Motor-cycle	39,128.00	-	39,128.00	10%	3,913.00	35,215.00
03.	Computer	36,990.00	158,310.00	195,300.00	10%	19,530.00	175,770.00
04.	BY Cycle	5,400.00	-	5,400.00	10%	540.00	4,860.00
05.	Land	1,700,000.00	-	1,700,000.00	0%	-	1,700,000.00
06.	Other Equipment	-	145,130.00	145,130.00	10%	14,513.00	130,617.00
<b>TOTAL TAKA :</b>		<u>2,510,298.00</u>	<u>596,390.00</u>	<u>3,106,688.00</u>	-	<u>140,669.00</u>	<u>2,966,019.00</u>





**AGRAGATI SEBA SANGSTHA (ASS)**

Balabo, Norsingdi, Bangladesh.

**SCHEDULE OF LOAN DISBURSED AND REALISED FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Name of Branch	No. of Group	No. of Group Members	Balance as on 01 July 2021			Loan Disbursed		Loan Realised		Balance as on 30 June 2022	
				Principal Amount	Service Charge	No. of Loanee	Principal Amount	Service Charge	Principal Amount	Service Charge	Principal Amount	Service Charge
01	Balabo, Jangua, Tulatuli, Shibpur, Hashimpur, Musapur Branch with 9 Nos Branch	567	8982	64,718,429	10,593,341	6553	228,228,000	31,951,920	158,339,361	22,014,914	134,607,068	20,530,347
	<b>Total Taka :</b>	<b>567</b>	<b>8982</b>	<b>64,718,429</b>	<b>10,593,341</b>	<b>6553</b>	<b>228,228,000</b>	<b>31,951,920</b>	<b>158,339,361</b>	<b>22,014,914</b>	<b>134,607,068</b>	<b>20,530,347</b>

**SCHEDULE OF GRIHAYAN LOAN DISBURSED AND REALISED FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Name of Branch	No. of Group	No. of Group Members	Balance as on 01 July 2021			Loan Disbursed		Loan Realised		Balance as on 30 June 2022	
				Principal Amount	Service Charge	No. of Loanee	Principal Amount	Service Charge	Principal Amount	Service Charge	Principal Amount	Service Charge
01	Balabo, Jangua, Tulatuli, Shibpur, Hashimpur, Musapur Branch with 9 Nos Branch	-	-	2,724,624	100,162	-	2,340,000	128,700	1,523,497	133,843	3,541,127	95,019
	<b>Total Taka :</b>	<b>-</b>	<b>-</b>	<b>2,724,624</b>	<b>100,162</b>	<b>-</b>	<b>2,340,000</b>	<b>128,700</b>	<b>1,523,497</b>	<b>133,843</b>	<b>3,541,127</b>	<b>95,019</b>



**AGRAGATI SEBA SANGSTHA (ASS)**  
Balabo, Norsingdi

**SCHEDULE OF GROUP SAVINGS FOR THE YEAR ENDED 30 JUNE 2022**

								Schedule - C
Sl. No.	Name of Branch	No. of Group	No. of Group Members	Balance as on 01 July 2021	Received during the year	Interest during the year	Refund during the year	Balance as on 30 June 2022
01	Balabo, Jangua, Tulatuli, Shibpur, Hashimpur, Musapur Branch with 9 Nos Branch	567	8982	19,990,890	38,469,638	1,196,663	27,090,445	32,566,746
<b>Total Taka :</b>		<b>567</b>	<b>8982</b>	<b>19,990,890</b>	<b>38,469,638</b>	<b>1,196,663</b>	<b>27,090,445</b>	<b>32,566,746</b>



**AGAIYA CHALA AGRAGATI SEBA SANGSTHA (ASS)**  
Balabo, Norsingdi, Bangladesh.  
**REVOLVING LOAN FUND (RLF)**  
**STATEMENT OF BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Particulars	2021 - 2022			Remarks	2022 - 2023 (Proposed)
		Budget	Acquired	% of Variance		
01	Area Coverage					
	District	1	Norshindi			1
	Upazilla	2	2			4
	Union	5	1			15
	Village	15	8			35
02	Branch Opening	6	2			10
03	Group/Samity Formation	40	126			100
04	Add New Member	4400	925			5000
05	Add New Borrower	880	282			2000
06	Recruitment	20	18			20
07	Deposit Collection	10,285,000.00	77,309,822.00	(651.68)	As per collection	12,555,000.00
08	Refund Deposit	6,050,000.00	30,364,143.00	(401.89)	As per Group Members need	7,560,000.00
09	Group Loan Recovery	84,700,000.00	159,862,858.00	(88.74)	As per need	205,000,000.00
10	Group Loan Disbursed	121,000,000.00	230,568,000.00	(90.55)	As per need	256,000,000.00
11	Borrowing	18,150,000.00	167,216,455.00	(821.30)	As per need	60,000,000.00
12	Loan Return	4,840,000.00	116,243,334.00	(2,301.72)	As per need	45,000,000.00
13	Received Against Insurance Service	726,000.00	2,282,202.00	(214.35)	As per need	2,560,000.00
14	Insurance Benefits Given	106,480.00	466,239.00	(337.87)	As per need	250,000.00
15	<b>Total Income</b>	<b>113,861,000.00</b>	<b>406,671,337.00</b>	<b>(257.16)</b>		<b>280,115,000.00</b>
16	<b>Total Expenditure</b>	<b>131,996,480.00</b>	<b>377,841,716.00</b>	<b>(186.10)</b>		<b>308,810,000.00</b>

Sl. No.	Particulars	Actual Balance of	2020 - 2021
01	Area Coverage		
	District	1	
	Upazilla	2	
	Union	1	
	Village	8	
02	Number of Branch	2	
03	Number of Group	126	
04	Number of Member	925	
05	Number of Borrower	282	
06	Number of Manpower	18	
07	Deposit Balance	21,664,100.00	
08	Group Loan Outstanding	67,443,053.00	
09	Loan Received	43,518,762.00	
10	Insurance Fund	3,984,045.00	
11	Cumulative Surplus	15,193,866.00	



**AGAIYA CHALA AGRAGATI SEBA SANGSTHA (ASS)**  
**Balabo, Norsingdi, Bangladesh.**  
**REVOLVING LOAN FUND (RLF)**  
**STATEMENT OF BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Particulars	2021 - 2022			Remarks	2022 - 2023 (Proposed)
		Budget	Acquired	% of Variance		
<b>A</b>	<b>Loan Recovery</b>					
	RMC	36,300,000.00	120,473,513.00	(231.88)	Budget estimates was low	39,930,000.00
	UMC	-	-	-		-
	ME	363,000.00	350,500.00	3.44	As per need	399,300.00
	Seasonal	-	-	-		-
	Livestock	-	-	-		-
	Agriculture	48,037,000.00	39,038,845.00	18.73	As per need	52,840,700.00
	Others	-	-	-		-
	<b>Total Loan Recovery</b>	<b>84,700,000.00</b>	<b>159,862,858.00</b>	<b>(88.74)</b>		<b>93,170,000.00</b>
<b>B</b>	<b>Fund Collection</b>					
	01) Savings Collection					
	Force Savings	66,000,000.00	42,715,201.00	35.28	As per need	72,600,000.00
	Voluntary Savings	14,300,000.00	2,605,922.00	81.78	Budget estimates was high	15,730,000.00
	Fixed of Deposit	-	-	-		-
	<b>Total:</b>	<b>80,300,000.00</b>	<b>45,321,123.00</b>	<b>117.06</b>		<b>88,330,000.00</b>
	<b>Loan Received</b>					
	02) PKSF Loan	-	-	-		-
	03) Bank Loan	42,350,000.00	29,290,000.00	30.84	As per need	46,585,000.00
	04) Loan from Financial Institution	-	-	-		-
	05) Donation (Conditional)	-	-	-		-
	06) General/EC Member Loan	6,050,000.00	65,609,302.00	(984.45)	Budget estimates was low	6,655,000.00
	07) Others Loan	3,630,000.00	72,317,153.00	(1,892.21)	Budget estimates was low	5,993,000.00
	08) Staff Security	-	602,000.00	(100.00)	No Budget	700,000.00
	09) Provident Fund Collection	-	489,654.00	(100.00)	No Budget	600,000.00
	10) Welfare Fund Collection	-	55,300.00	(100.00)	No Budget	75,000.00
	<b>Total Fund Collection</b>	<b>52,030,000.00</b>	<b>168,343,409.00</b>	<b>(3,145.82)</b>		<b>60,608,000.00</b>
<b>C</b>	<b>Insurance Fund Collection</b>	<b>847,000.00</b>	<b>2,282,202.00</b>	<b>(169.45)</b>	Budget estimates was low	<b>931,700.00</b>
	<b>Total (A+B+C)</b>	<b>217,877,000.00</b>	<b>375,809,592.00</b>	<b>(3,286.95)</b>		<b>243,039,700.00</b>
<b>D</b>	<b>Utilization of Fund</b>					
	<b>a) Loan Disbursement</b>					
	RMC Disbursement	70,180,000.00	155,908,000.00	(122.15)	Budget estimates was low	77,198,000.00
	UMC Disbursement	-	-	-		-
	ME Disbursement	1,815,000.00	1,800,000.00	0.83	As per need	1,996,500.00
	Seasonal Disbursement	-	-	-		-
	Livestock Disbursement	-	-	-		-
	Agriculture Disbursement	49,005,000.00	72,860,000.00	(48.68)	As per need	53,905,500.00
	Other Disbursement	-	-	-		-
	<b>Total Loan Disbursement</b>	<b>121,000,000.00</b>	<b>230,568,000.00</b>	<b>(170.01)</b>		<b>133,100,000.00</b>
	<b>b) Savings Returns</b>					
	Force Savings	13,000,000.00	28,227,120.00	(117.13)	Budget estimates was low	14,300,000.00
	Voluntary Savings	7,260,000.00	2,137,023.00	70.56	Budget estimates was high	7,986,000.00
	Fixed of Deposit	8,470,000.00	-	100.00	No Acquired	1,017,000.00
	<b>Total Savings Return</b>	<b>28,730,000.00</b>	<b>30,364,143.00</b>	<b>53.43</b>		<b>23,303,000.00</b>
	<b>c) Loan Repayment</b>					
	PKSF Loan	-	-	-		-
	Bank Loan	-	15,164,486.00	(100.00)	No Budget	16,500,000.00
	Loan from Financial Inst.	-	-	-		-

**AGAIYA CHALA AGRAGATI SEBA SANGSTHA (ASS)**  
**Balabo, Norsingdi, Bangladesh.**  
**REVOLVING LOAN FUND (RLF)**  
**STATEMENT OF BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Particulars	2021 - 2022			Remarks	2022 - 2023 (Proposed)
		Budget	Acquired	% of Variance		
	Loan from Other Inst.	-	-	-		
	General/EC Member	36,300,000.00	57,441,519.00	(58.24)	Budget estimates was low	39,930,000.00
	Others Loan	1,210,000.00	45,446,333.00	(3,655.90)	Budget estimates was low	1,331,000.00
	Provident Fund Collection (Staff Savings)	-	-	-		
	<b>Total Loan Repayment</b>	<b>37,510,000.00</b>	<b>118,052,338.00</b>	<b>(3,814.14)</b>		<b>57,761,000.00</b>
	<b>Total Utilization of Fund</b>	<b>187,240,000.00</b>	<b>378,984,481.00</b>	<b>(102.41)</b>		<b>214,164,000.00</b>
<b>E</b>	<b>Insurance Service</b>	<b>108,900.00</b>	<b>486,239.00</b>	<b>(328.13)</b>	Budget estimates was low	<b>119,790.00</b>
	Furniture & Fixture	96,800.00	292,950.00	(202.63)	Budget estimates was low	106,480.00
	Office Equipment	36,300.00	145,130.00	(299.81)	Budget estimates was low	39,930.00
	Computer	-	158,310.00	(100.00)	No Budget	100,000.00
	Vehicle Purchase	193,600.00	-	100.00	No Acquired	212,960.00
	<b>Total Non-Current Assets</b>	<b>326,700.00</b>	<b>596,390.00</b>	<b>(502.44)</b>		<b>459,370.00</b>
<b>G</b>	<b>Income</b>					
	01) Service Charge	11,858,000.00	22,148,757.00	(86.78)	Budget estimates was low	13,043,800.00
	02) Interest on Investment	181,500.00	288,493.00	(57.85)	Budget estimates was low	199,650.00
	03) Other Interest	30,250.00	-	100.00	No Acquired	33,275.00
	04) G.Members Admi. Fees	41,140.00	79,320.00	(92.81)	Budget estimates was low	45,254.00
	05) Sale of Passbook	38,720.00	78,610.00	(103.02)	Budget estimates was low	42,592.00
	06) Sale of Forms	36,300.00	33,440.00	7.88	As per need	39,930.00
	07) Donation	363,000.00	-	-		399,300.00
	08) Others Income	1,573,000.00	230,999.00	85.31	Budget estimates was high	1,730,300.00
	09) Recovery of Right Off Loan	-	-	-		
	10) Overhead Cost from Others Program	27,500.00	-	100.00	No Acquired	30,250.00
	<b>Total Income</b>	<b>14,149,410.00</b>	<b>22,857,619.00</b>	<b>(47.26)</b>		<b>15,564,351.00</b>
<b>H</b>	<b>Expenses</b>					
	<b>Non-Operating Expenses</b>					
	11) Savings Interest	1,100,000.00	1,196,663.00	(8.79)	As per need	1,210,000.00
	12) Interest of PKSF Loan	-	-	-		
	13) Interest of Bank Loan	350,000.00	777,408.00	(122.12)	Budget estimates was low	385,000.00
	14) Interest of EC Committee Loan	2,420,000.00	4,627,880.00	(91.23)	Budget estimates was low	2,662,000.00
	15) Interest on Others Institutional Loan	-	-	-		
	16) Others	-	-	-		
	<b>17) Total Non-operating     Expenses</b>	<b>3,870,000.00</b>	<b>6,601,951.00</b>	<b>(222.14)</b>		<b>4,257,000.00</b>
	<b>Operating Expenses</b>					
	18) Salary & Allowances					
	Basic Pay	3,630,000.00	8,063,737.00	(122.14)	Budget estimates was low	3,993,000.00
	Special Allowance	-	-	-		
	Dearness Allowance	-	-	-		
	House Rent Allowance	484,000.00	940,000.00	(94.21)	Budget estimates was low	532,400.00
	Medical Allowance	157,300.00	150,000.00	4.64	As per need	173,030.00
	Festival Allowance	162,140.00	160,000.00	1.32	As per need	178,354.00
	Rest & Recreation Allowance	-	-	-		
	Lanch Allowance	205,700.00	400,000.00	(94.46)	Budget estimates was low	226,270.00
	Conveyance Allowance	169,400.00	360,000.00	(112.51)	Budget estimates was low	186,340.00
	Telephone Allowance	48,400.00	145,000.00	(199.59)	Budget estimates was low	53,240.00
	Educational Allowance	-	-	-		

**AGAIYA CHALA AGRAGATI SEBA SANGSTHA (ASS)**  
Balabo, Norsingdi, Bangladesh.  
**REVOLVING LOAN FUND (RLF)**  
**STATEMENT OF BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Sl. No.	Particulars	2021 - 2022			Remarks	2022 - 2023 (Proposed)
		Budget	Acquired	% of Variance		
	Fixed Travel Allowance	24,200.00	20,000.00	17.36	As per need	26,620.00
	Over Time	-	-	-		-
	Other Allowance	6,050.00	5,000.00	17.36	As per need	6,655.00
	<b>Total Salary &amp; Allowances</b>	<b>4,887,190.00</b>	<b>10,243,737.00</b>	<b>(582.24)</b>		<b>5,375,909.00</b>
19)	Office Rent	363,000.00	824,200.00	(127.05)	Budget estimates was low	399,300.00
20)	Printing & Stationery	-	-	-		-
	Printing & Binding	24,200.00	322,094.00	(1,230.97)	Budget estimates was low	26,620.00
	Stationery, Seals	24,200.00	22,850.00	5.58	As per need	26,620.00
	Stamp Purchase	-	-	-		-
21)	Travel Expenses	-	-	-		-
	Domestic	14,520.00	288,885.00	(1,889.57)	Budget estimates was low	15,972.00
	Foreign	-	-	-		-
22)	Telephone & Postage	-	106,790.00	(100.00)	No Budget	-
	Telephone/Fax/Internet	-	-	-		-
	Postal & Courier Service	2,420.00	-	100.00	No Acquired	2,662.00
23)	Repairs & Maintenance	6,655.00	161,594.00	(2,326.15)	Budget estimates was low	7,320.50
	Office Building	-	-	-		-
	Motor Vehicles	-	-	-		-
	Others	60,500.00	-	100.00	No Acquired	66,550.00
24)	Fuel Expenses	605,000.00	330,515.00	45.37	As per need	665,500.00
25)	Gas, Electric & Water Bill	40,000.00	96,182.00	(140.45)	Budget estimates was low	44,000.00
26)	Entertainment	58,150.00	197,539.00	(239.71)	Budget estimates was low	63,965.00
27)	Advertisement	2,420.00	-	100.00	No Acquired	2,662.00
28)	Paper & Publication	4,840.00	-	100.00	No Acquired	5,324.00
	Newspaper & Magazine	2,420.00	-	100.00	No Acquired	2,662.00
	Books & Publication	-	-	-		-
29)	Bank Charge	3,500.00	199,978.00	(5,613.66)	Budget estimates was low	3,850.00
30)	Training Expenses	-	-	-		-
	Local Training	3,000.00	-	100.00	No Acquired	3,300.00
	Foreign Training	-	-	-		-
31)	Seminar, Conference & Workshop	11,000.00	-	100.00	No Acquired	12,100.00
32)	Legal Expenses	20,420.00	16,500.00	19.20	As per need	22,462.00
33)	Meeting Expenses-Mass	50,000.00	-	100.00	No Acquired	55,000.00
	Fooding Expenses	-	-	-		-
34)	Registration Fees/Renewal Fees	24,200.00	-	100.00	No Acquired	26,620.00
35)	Others Operational Expenses	30,250.00	84,315.00	(178.73)	Budget estimates was low	33,275.00
36)	Audit Fees	18,150.00	20,000.00	(10.19)	Budget estimates was low	19,965.00
37)	Honorarium for EC Members	24,200.00	-	100.00	No Acquired	26,620.00
38)	Others Honorarium	36,300.00	-	100.00	No Acquired	39,930.00
39)	Tax	-	-	-		-
	Land Tax	-	-	-		-
	Income Tax	3,630.00	-	100.00	No Acquired	3,993.00
	Other Tax-MRA Fee	2,420.00	11,500.00	(375.21)	Budget estimates was low	2,662.00
	Custom Duty/VAT	-	-	-		-
40)	Subscriptions & Donation	3,630.00	-	100.00	No Acquired	3,993.00
41)	Depreciation	84,700.00	140,669.00	(66.08)	As per need	93,170.00
42)	Software cost/Expenses	-	375,050.00	(100.00)	No Budget	-
43)	Consultancy Service	-	-	-		-

AGAIYA CHALA AGRAGATI SEBA SANGSTHA (ASS)  
Balabo, Norsingdi, Bangladesh.  
REVOLVING LOAN FUND (RLF)  
STATEMENT OF BUDGET  
FOR THE YEAR ENDED 30 JUNE 2022

Sl. No.	Particulars	2021 - 2022			Remarks	2022 - 2023 (Proposed)
		Budget	Acquired	% of Variance		
44)	Total Operating Expenses	6,410,915.00	13,442,398.00	(109.68)		7,052,006.50
45)	Loan Loss Provision	363,000.00	1,362,462.00	(275.33)	Budget estimates was low	399,300.00
46)	Net Surplus	3,505,495.00	1,450,808.00	559.89		3,856,044.50
47)	Transfer to Various Fund					
	Reserve Fund					
	DMF					
	Others					
	Total Transfer to Various Fund					



**AGRAGATI SEBA SANGSTHA (ASS)  
FOR THE YEAR ENDED 30 JUNE 2022**

REPORT AS PER TERMS OF REFERENCE (TOR) OF MICRO CREDIT REGULATORY AUTHORITY (MRA)

**1 Scope of audit:**

- a) To check whether the audited has complied with the International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) while maintaining accounting records and preparing financial statements, and report if any non compliance was found.

We have audited the financial statements of Micro Credit Program implemented by "AGRAGATI SEBA SANGSTHA (ASS)" for the period from 1st July 2021 to 30th June 2022 with related books, vouchers and other related papers and documents as maintained and produced to us at the time of our audit. We confirm that the audited has complied with International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

- b) To examine whether the audited has undertaken any activity, involved in transaction or provided services that is contrary to "Micro credit Regulatory Authority Act-2006" or Micro credit Regulatory Authority Ordinance-2010" Further to examine whether any transaction that goes against the interest of different donors, beneficiaries or the audited itself.

During the course of our audit we have not observed any activities or program executed by "AGRAGATI SEBA SANGSTHA (ASS)" which are detrimental to its own constitution or provisions of any other Laws.

- c) To examine whether the closing balance of last year's audited financial statement was carried forward as opening balance in current year's accounts.

The closing of last year's account has been properly brought down in the current year's accounts.

- d) To examine whether the audited has maintained proper books for sector-wise receipt of funds and whether they properly comply with the rules and regulations as per accounting manual provided by the authority.

Required Books of Account are maintained by "AGRAGATI SEBA SANGSTHA (ASS)" to record Micro Credit Fund i.e Cash Book, General Ledger, Loan Ledger, Savings Register, Asset Registered, Samity Register, Salary Register, Collection Register, etc. are maintained. Accounting manual were properly followed.

- e) To check whether the audited has kept the records separately for the collected fund under various components of Micro Credit activities and submit separate reports on that basis.

Fund received from various components and repayment thereof are properly recorded in the Books of Account.





- f) To examine whether the audited has properly recorded and accounted for the receipt and disbursement of fund from different donor organizations and utilized them as per their principles/terms and conditions of the agreement with the donors.

Whether fund received from different sources and Repayment thereof and other transactions with different Donor Agencies are properly executed, utilized and recorded in the books of account.

- g) To examine whether the savings collected from the members are properly recorded in accounts and deposited into the bank, besides, whether collection and refund of savings has been done according to the principle and whether interest on savings are paid to members and also examine the rate of interest etc.

Collected Savings from Group Members are properly recorded in the books and deposited to Bank on the same day excepting the amount collected after banking hour. However, late collections are deposited in the next banking day. Collection and refund of savings are made as per rules and guidelines of MRA. "AGRAGATI SEBA SANGSTHA (ASS)" paid interest on savings @ 6% to the members.

- h) To check whether the audited has maintained the formalities and properly complied with the provisions in the rules mentioned before disbursing loan among the beneficiaries.

We have verified some loan disbursements on test basis and found that all required formalities were duly observed before disbursement of loan.

- i) To check whether the documents i.e. passbook, loan/savings collection schedule, and loan application form regarding loan write off, bad loan, have been preserved separately.

All the documents i.e. passbook, loan/savings collection schedule, and loan application form regarding loan write off, bad loan, have been preserved separately.

- j) To examine whether micro credit organization properly comply with the rules & regulations relating to the constitutions particularly in respect of formation and meetings of General Body and Governing Body.

"AGRAGATI SEBA SANGSTHA (ASS)" has properly complied with the rules & regulations relating to the constitutions particularly in respect of formation and meetings of General Committee and Executive Committee during the year of our audit.

- k) To examine the physical existence of assets acquired out of surplus service charge (income surplus) and fund received from different sources for institutional development as loan or grants.

We have verified the physical existence of all assets acquired recently and in the past and found the existence of those assets.

- l) To conduct a sample check for whether the loans was properly utilized by the beneficiary members.



In order to justify proper utilization of loan amount we went to SAMITY and discussed with beneficiaries to show utilization of loan amount. On physical inspection we are in opinion that loan amounts were properly utilized by all the beneficiaries.

- m) To check, whether all kinds of transactions were done through bank except collection of saving and disbursement of micro credit.

Loan disbursement to beneficiaries and other petty expenses are made by cash. All other transactions like salary, loan transferred to branch offices, Repayment of loan to made through both Bank and Cash.

- n) To check, whether recovered loan and savings amount from members were duly deposited into bank on the same/earliest date.

Collected loan installment and savings are usually deposited to bank on the same day except late collections which were deposited on the next banking day.

- o) To check whether collected saving are properly recorded and accounted for at member's level and samity level.

Our examination of records reveals that savings collected from group members are properly recorded and accounted for at SAMITY level.

- p) To examine that the recovery of loan disbursed out of fund received from several sources are made as per Amortization Schedule and also to examine the effective rate of service charges on loan to the members and to mention the findings in the report.

We have verified the loan recovery rate and effective rate of service charge and found that:

Average Loan Recovery rate	99.08%
Effective rate of service charge	12.5% (Plat rate)

- q) To examine whether loan loss provision has been computed and accounted for as per Micro credit Regulatory Authority Act, 2006 and Micro Credit Regulatory Authority Rules, 2010.

Loan loss provision has been properly calculated and accounted as per rule.

- r) To check the closing cash balance at the time of auditing by counting cash amount physically and issue certificate of balance. To check bank balance of year end by collecting certificate of bank balance and also check Bank Reconciliation Statements that have been prepared.

During the course of our audit we have physically verified the cash balance of different field office on different dates found that cash book was updated and agree with physical balance. Bank transaction have been verified with the Bank Statements, Deposit slip and check muri and found that bank balances agreed with bank statement. Bank reconciliation statement had been prepared where applicable.



- s) To check whether the payments were made with proper approval authority of bills/ voucher, whether payment made as per approved price and to examine the "Budgetary Control System".

Payments were made with proper approval authority of bills/ voucher and expenditure were made as per approved budget.

- t) To comment on the reasons for existence of any unused fund if detected during audit and make comments in the audit report.

Idle fund remains when loan was not disbursed in due time. During the course of our audit we did not find any idle Fund.

- u) To examine appropriateness of audit report and audited financial statement presented to different donor organizations, regulatory authority and other authorities.

Year ended financial reports and statements submitted by Organization to loan giving organizations, MRA and other authority have been reviewed by us and we opine that these are submitted in due time and these are adequate in all respects.

- v) To examine whether there is a proper compliance with the provision of the Income Tax and value Added Tax (VAT) authority rules implemented by the Government.

Rules regarding Income Tax and VAT are properly followed by the organization except some aspects.

- w) To check whether all the policies i.e., The procurement policy, service policy, loan and savings policy etc. are in place and are properly followed by the audited organization.

"AGRAGATI SEBA SANGSTHA (ASS)" has own policy for procurement, staff recruitment, loan and savings and these are properly followed.

- x) To check whether there is an internal audit arrangement/division in the audited organization and whether internal audit is conducted regularly and comment thereon.

"AGRAGATI SEBA SANGSTHA (ASS)" has Internal audit Division/system and internal audit is regularly done.

- y) To comment on whether the recommendations on previous year's audit on objection are properly taken care of or not.

The recommendations made by previous Audit objection properly taken care of during this year.

- z) To check cost sharing between of micro credit and other program and comments therefore in the report.

Cost has been properly shared between the programs



aa) To check whether transactions have taken place through bank for significant amounts.

Transactions have been made through bank for the purpose of credit program. We did not find any significant amount of transaction during the course of our audit.

ab) To check audit fees are fixed on the basis of total loan portfolio and cost center's / branches or not. center's/branches.

Audit fees have not been fixed on the basis of total loan portfolio and cost.

2 To examine and comment on the credit activities funded by different source and form own source, internal control system, loan classification, loan provision, principle and loan recovery rate and to comment in the audit report.

- Credit programs are financed by Organization Own Fund, Grihayan Loan, South East Bank Ltd. and Executive Committee Loan.
- MIS are adequate
- Internal control system in operation appears to be adequate except the fact that the accountant is doing all the work himself.
- Loan classification was done as per MRA guideline
- Loan recovery rate is satisfactory
- Weekly/Monthly/Six Monthly Report of Receivables was prepared

3 To comment on the utilization of money received under different contracts between donor/financial institute and the micro credit organization.

"AGRAGATI SEBA SANGSTHA (ASS)" has made contact with institute for micro credit program during our audit period.



**MANAGEMENT REPORT ON THE ACCOUNTS OF THE  
AGRAGATI SEBA SANGSTHA (ASS)**

**OBSERVATIONS AND RECOMMENDATIONS**

**Current Year's (2021-2022) Observations:**

Review of internal control of Financial Management System ensuring accountability and transparency:

**Accounting System:**

**Observation:**

Accounts have been maintained on cash basis except for the provision for depreciation audit fee loan loss reserve & other appropriate payable & receivable at the end of the year / period.

**Recommendation:**

We suggest to maintain the accounts on accrual basis to represent the actual picture of accounts, scenario

**Management Response:**

In future accounts will be maintained on accrual basis taking all receivable/ payable/ provision are recorded in to the accounts.

**Investments (FDR):**

**Observation:**

Investments Tk. 6,598,851.00 has been made as FDR. Proper records are maintained for FDR. It is made against savings deposit.

**Recommendation:**

We suggest to increase investment against savings deposit/ provision.

**Management Response:**

AGRAGATI SEBA SANGSTHA (ASS) is making investment against savings as per MRA rules.

**Investments (Fixed Assets)**

**Observation:**

Purchased of fixed assets has been done through purchase committee / tender / quotation as per procurement policy. Computerized Assets register and manual fixed assets register have been maintained. Depreciation has been properly charged as per accounting standard on reducing balance method. Assets were found physically during the audit time.



**Recommendation:**

Fixed assets register should be maintained manually with the full information like cost value , total cost, Source of purchase/ supplier name should be mentioned.

**Management Response:**

Organization always tries to follow the policy with its best effort.

**Payables and Accruals:**

**Observation:**

Accounts have been maintained on Cash basis except for provision of depreciation , loan loss provision, provision for audit fee but other accruals are not taken into accounts payables and accruals are being adjusted regularly.

**Recommendation:**

Steps are being taken to maintain the accounts under accruals system of accounts at the end of the year should accrual in the accounts to represent the actual picture.

**Management Response:**

Accrual system will be followed to represent the actual picture of the accounts on the closing date.

**Commercial Loan:**

**Observation:**

There are some RMC Loans ranging from Tk. 5,000.00 to Tk. 200,000.00

**Recommendation:**

Collections are being made as per schedule. More monitoring for such loan should be needed.

**Management Response:**

Steps are being taken for close monitoring .

**Loan Operation Management:**

**Observation:**

Loan operation Management appear to be satisfactory. Funds have received from members Savings Deposit and also from E.D & Committee Members and others person Fund disbursed are being utilized for Income generating purpose by the target beneficiaries No fund remained idle as the demand for loan is high among the beneficiaries.

**Recommendation:**

Loan operation management should be as per source of fund availability for controlling the operational management.

**Management Response:**

Suggestion made by the auditor will be followed



**Savings Deposits:**

**Observation:**

Saving and Deposits are as follows:

Savings are collected with weekly basis in the weekly meeting and recorded properly as per instruction of MRA. No optional savings are collected in the year 2021-2022. The amount of member's is used for income generating project through group members.

**Recommendation:**

No long term deposits has been made in favor of savings.

**Management Response:**

Management try to follow rules and regulations of MRA in case of savings deposits.

**Management & Accounting Information System and software Implementation:**

**Observation:**

AGRAGATI SEBA SANGSTHA (ASS) has not used any accounting software. All accounts are maintained manually.

**Recommendation:**

MIS software should be used in the organization for getting accurate information and time saving in field level. Which will be helpful for organizational important decision.

**Management Response:**

AGRAGATI SEBA SANGSTHA (ASS) decided to use MIS software for all branch office in the year 2021-2022.

**Training**

**Observation:**

A senior staff of AGRAGATI SEBA SANGSTHA (ASS) attended the micro credit management training organized by MRA. But it is not enough for MFI organizations. They need some important training like as internal control system, VAT / Tax etc.

**Recommendation:**

Different types of training like as VAT / Tax, internal audit system and fund management system should be organized by MRA.

**Management Response:**

Management of AGRAGATI SEBA SANGSTHA (ASS) is agree with this recommendation to make more skilled employee in the organization.

**Insurance/ Kalyan Tahabil Policy/ Risk Fund**

Risk Fund is created for the interest of family member or nominee of death member so that he/she gets financial assistance from organization after the death of borrower. It is applicable only if the borrower died normally or naturally of death borrower gets the equivalent amount of his / her principal loan. The following terms and conditions are necessary to make effective the Group Members Bima/Kalayan Tahabil Policy / Risk Fund :

- i) On loan disburse 1% insurance purpose deduct from loanee members as per insurance policy.
- ii) During the settlement of Group Members Bima/Kalyan Tahabil for death member, nominee shall receive the equivalent amount of principal loan from organization; but he/she will repay the due loan of death member in same time.
- iii) This benefit is applicable only for the death borrower of AGRAGATI SEBA SANGSTHA (ASS), not for the death of his/her relative.
- iv) If the borrower dies after the repayment of total loan; no claim of kalyan tahabil will be acceptable to Organization.
- v) Some procedures have to be maintained before payment of kalyan tahabil to nominee like as- Investigation report made by PO and Manager, meeting minutes of group etc. are essential to submit to organization.

**ED's Total Remuneration and Lowest Salary of the staff**

Director's total remuneration is Tk 500,400.00 (Each month Tk.41,700.00 on remuneration purpose) and the lowest salary is Tk. 10,650.00

**Report on compliance of the prior years audit observations and report on implementation status.**

Prior years observations were followed and implemented as far as possible.

