

Private & Confidential

AUDITOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS
AND
MANAGEMENT REPORT
OF
AGRAGATI SEBA SANGSTHA(ASS)
MICRO CREDIT PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023



Habib Sarwar Bhuiyan & Co.
Chartered Accountants

Member of  , Affiliates worldwide



Habib Sarwar Bhuiyan & Co. Chartered Accountants

INDEPENDENT AUDITOR'S REPORT OF AGRAGATI SEBA SANGSTHA(ASS)

Report on the Audit of the Financial Statements Disclaimer of Opinion

We were engaged to audit the Consolidated financial statements of Agragati Seba Sangstha(ASS), which comprise the statement of financial position as at June 30, 2023, and the statement of comprehensive income, statement of Receipts & payments for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the organization. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Document Verification Code (DVC) was not generated for the previous year audit report which is a noncompliance of ICAB and MRA guidelines. As such we were unable to obtain sufficient appropriate audit evidence about whether the Opening balances contain misstatements that materially affect the current period's financial statements which is a noncompliance of ISA 510.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Eastern Commercial Complex, 73 Kakrail, 7th floor, Chamber # 704 & 705, Dhaka-1000
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Habib Sarwar Bhuiyan & Co. Chartered Accountants

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

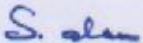
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organizations ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 accounts as required by law and MRA Act & Rule have been kept by the organization so far as it appeared from our examination of those books, and
- c) In our opinion, the statement of financial position and the statement of comprehensive income dealt with by the report are in agreement with the books of accounts.

Habib Sarwar Bhuiyan & Co.
Chartered Accountants
Registration no: CAF-001-010
Signed By:


Md. Shah Alam Mridha FCA
Partner
Enrolment No. - 0733
DVC: 2310080733AS657500

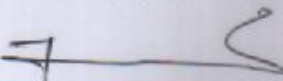
Dated: October 08, 2023

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Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Statement of Financial Position
as at June 30, 2023

Particulars	Notes	Amount in Taka	
		30.06.2023	30.06.2022
Property & Assets :			
Non- Current Assets :			
Property, Plant and Equipment	6.00	3,892,266	2,966,019
Investment Savings Fund	7.01	6,219,319	5,014,254
Investment Reserve Fund	7.02	1,629,628	1,584,597
Total Non-Current Assets		11,741,213	9,564,870
Current Assets :			
Loan to Clients :			
General Microfinance Sector	8.01	164,285,101	134,607,068
Other Sectors	8.02	6,324,968	3,541,127
Gross Loan Outstanding		170,610,069	138,148,195
Other Current Assets :			
Accounts Receivable	9.00	273,250	365,418
Head office Loan Receivable from Branch	10.00	6,958,475	7,432,690
Cash in Hand	11.00	742,059	1,122,411
Cash at Bank	12.00	433,277	689,294
Total Current Assets		8,407,061	9,609,813
Total Property & Assets		190,758,343	157,322,878
Capital Fund & Liabilities :			
Capital Fund			
Cumulative Surplus	13.00	16,665,673	14,980,207
Statutory Reserve Fund	14.00	1,851,742	1,664,467
Total Capital Fund		18,517,416	16,644,674
Non- Current Liabilities :			
Accounts Payable to Southeast Bank	15.00	17,455,005	22,479,390
Accounts Payable to Bangladesh Bank	16.00	7,399,693	5,455,278
Accounts Payable to ED & EC Member	17.00	1,976,575	62,305,024
Accounts Payable to Staff Fund	18.00	3,288,923	2,015,214
Accounts Payable to others	19.00	120,183	2,364,927
Total Non- Current Liabilities		30,240,379	94,619,833
Current Liabilities :			
Members Savings Fund Mandatory	20.00	121,928,874	36,152,181
Members Savings Fund Voluntary	21.00	2,506,948	1,586,574
Members Savings Fund Others	22.00	4,362,920	-
Loan risk Fund (Member Welfare Fund)	23.00	8,103,142	5,800,008
Loan Loss Provision	24.00	5,032,582	2,452,752
Accumulated Depreciation	25.00	66,083	66,856
Total Current Liabilities		142,000,549	46,058,371
Total Capital Fund & Liabilities		190,758,343	157,322,878

The accompanying notes form an integral part of these financial statements.


Executive Director
Jamal Hossain
Executive Director
Aragati Seba Sangstha (A.S.S)

Dated: October 08, 2023

Accountant
Signed as per report of even date.

Habib Sarwar Bhuiyan & Co.
Chartered Accountants
Registration no: CAF-001-010
Signed By:

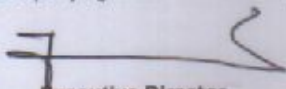

Md. Shah Alam Mridha FCA
Partner
Enrolment No. - 0733
DVC: 2310080733AS557500



Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Statement of Comprehensive Income
For the year ended June 30, 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Income :			
Service Charges on Loan		39,606,403	22,148,757
Bank Interest		2,497	226,549
Bank Interest on FDR		250,096	286,493
Membership Admission Fees		73,650	79,320
Sale of Pass Books		73,370	78,610
Loan Application Form		33,830	33,440
Miscellaneous Income		10,327	4,450
Total Income		40,050,173	22,857,619
Expenditure :			
Financial Cost :			
Interest paid to Bank		1,905,613	777,408
Bank and TT/DO Charges		101,567	199,978
Interest on Members Savings		10,833,053	5,824,543
Total Financial Cost		12,840,233	6,801,929
Operating Cost :			
Salary & Benefits		17,635,846	10,243,737
Residence Facilities for Staff		19,000	
Conveyance		194,140	288,885
EC/GB Honorarium		315,800	
Oil & Fuel		597,783	330,515
Office Expenses		223,909	161,594
Gas, Wasa & Electricity Bill		140,360	96,182
Phone, Internet, Mobile & Currier		154,882	106,790
Stationary		600	344,944
Printing Expenses		509,972	
Legal Fees		26,100	16,500
Training		13,375	
Registration Fees		43,969	11,500
Office Rent		1,526,670	824,200
Entertainment/Refreshment		282,015	197,539
Audit Fees		40,000	20,000
Software Maintenance		915,153	375,050
Miscellaneous Expenses		11,646	84,315
LLP Expenditure		2,602,773	1,362,462
Depreciation		83,206	140,669
Total Operating Cost		25,337,199	14,604,882
Total Expenditure		38,177,432	21,406,811
Surplus during the year		1,872,741	1,450,808
Total		40,050,173	22,857,619

The accompanying notes form an integral part of these financial statements.


Executive Director
Jamal Hossain
Executive Director
Aragati Seba Sangstha (A.S.S)

Accountant

Signed as per report of even date.

Habib Sarwar Bhuiyan & Co.
Chartered Accountants
Registration no: CAF-001-010
Signed By:


Md. Shah Alam Mridha FCA
Partner
Enrolment No. - 0733
DVC: 2310080733AS557500

Dated: October 08, 2023




Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Statement of Receipts and Payments
For the year ended June 30, 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Opening Balance :			
Cash in Hand	11.00	1,122,411	469,374
Cash at Bank	12.00	689,294	3,277,953
Receipts during the year :			
Service Charges on Loan		39,606,403	22,148,757
Bank Interest		2,497	226,549
Bank Interest on FDR		250,096	286,493
Membership Admission Fees		73,650	79,320
Sale of Pass Books		73,370	78,610
Loan Application Form		33,830	33,440
Miscellaneous Income		10,327	4,450
Loan Realization from Beneficiaries General Microfinance Sector	8.01	260,423,767	158,339,361
Loan Realization from Beneficiaries Other Sectors	8.02	2,676,159	1,523,497
Office Rent Adv. Realized	9.00	242,168	170,772
Inter Branch Fund Received	10.00	1,574,215	54,660,094
Loan Received From Southeast Bank	15.00	10,000,000	25,000,000
Loan Received From Bangladesh Bank	16.00	4,290,000	4,290,000
Loan Received From EC GB	17.00	55,435,479	90,893,052
Loan Received From Staff Fund	18.00	1,728,427	1,238,554
Loan Received From others	19.00	558,030	1,300,317
Members Savings Fund Mandatory	20.00	143,044,773	39,666,301
Members Savings Fund Voluntary	21.00	6,864,392	3,048,900
Members Savings Fund Others	22.00	7,222,186	-
Loan Risk Fund Received (MWF)	23.00	3,631,215	2,282,202
Total Receipts		539,552,689	409,017,996
Payments during the year :			
Investment on FDR Savings	7.01	1,205,065	201,896
Investment on FDR Reserve Fund	7.02	45,031	84,597
Office Rent Adv. Payment	9.00	150,000	299,500
Inter Branch Fund Payment	10.00	1,100,000	54,651,366
Loan Disbursement to General Microfinance Sector	8.01	290,101,800	228,228,000
Loan Disbursement to Other Sectors	8.02	5,460,000	2,340,000
Loan Refund to Southeast Bank	15.00	15,024,385	13,355,482
Loan Refund to Bangladesh Bank	16.00	2,345,585	1,809,004
Loan Refund to EC GB	17.00	115,763,928	57,441,519
Loan Refund to Staff Fund	18.00	454,718	278,900
Loan Refund to Others Fund	19.00	2,802,774	1,591,497
Members Savings Fund Mandatory	20.00	57,268,080	23,505,010
Members Savings Fund Voluntary	21.00	5,944,018	2,580,001
Members Savings Fund Others	22.00	2,859,266	-
Loan Risk Fund Payment (MWF)	23.00	1,328,081	466,239
Purchase of Furniture and Fixture	6.00	630,163	455,721
Purchase of Office equipment	6.00	43,000	-
Purchase of Electronic Goods	6.00	336,290	-
Interest Paid to Bank		1,905,613	777,408
Bank and TT/DO Charges		101,567	199,978
Interest on Members Savings		10,833,053	5,824,543
Salary & Benefits		17,635,846	10,243,737
Residence Facilities for Staff		19,000	-

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Conveyance		194,140	288,885
EC/GB Honorarium		315,800	
Oil & Fuel		597,783	330,515
Office Expenses		223,909	161,594
Gas, Wasa & Electricity Bill		140,360	96,182
Phone, Internet, Mobile & Currier		154,882	106,790
Stationary		600	344,944
Printing Expenses		509,972	
Legal Fees		26,100	16,500
Training		13,375	
Registration Fees		43,969	11,500
Office Rent		1,526,670	824,200
Entertainment/Refreshment		282,015	197,539
Audit Fees		40,000	20,000
Software Maintenance		915,153	375,050
Miscellaneous Expenses		11,646	84,315
Others Provision Paid		-	13,879
Depreciation		773	-
LLP Provision Paid		22,943	-
Total Payments		538,377,353	407,206,291
Closing Balance :			
Cash in Hand	11.00	742,059	1,122,411
Cash at Bank	12.00	433,277	689,294
Total		539,552,689	409,017,996

The accompanying notes form an integral part of these financial statements.


Executive Director
Jamal Hossain
Executive Director
Aragati Seba Sangstha (A.S.S)

Accountant

Signed as per report of even date.

Habib Sarwar Bhuiyan & Co.
Chartered Accountants
Registration no: CAF-001-010
Signed By:

Dated: October 08, 2023


Md. Shah Alam Mridha FCA
Partner
Enrolment No. - 0733
DVC: 2310080733AS557500



Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Statement of Changes in Capital Fund
For The Year Ended June 30, 2023

Annex-A1/6

Particulars	Amount in Taka		
	Surplus	Reserve Fund	Total
Balance as on 01.07.2022	14,980,207	1,664,467	16,644,674
Add: Surplus during the year	1,872,741	-	1,872,741
Sub-Total	16,852,948	1,664,467	18,517,416
Transfer to Reserve Fund	(187,275)	187,275	-
Balance as on 30.06.2023	16,665,673	1,851,742	18,517,416



Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Statement of Cash Flows
For The Year Ended June 30, 2023

Annexure A1/5

Sl. No.	Particulars	Amount in Taka	
		2022-2023	2021-2022
1	Cash Flows From Operating Activities :		
A.	Net Operational Income	1,872,741	1,450,808
	Add : Adjustments to Determine Net Cash from Operating		
B.	Activities :	2,579,057	1,362,462
	Depreciation on Fixed Assets	(773)	-
	Loan Loss Provision	2,579,830	1,362,462
	Provisional Expenses		
C.	Less : Adjustments to Determine Net Cash from Operating		
	Activities :	31,895,491	70,825,142
	Increase in Loan & Advance	(566,383)	120,000
	Increase in Loan Outstanding	32,461,874	70,705,142
	Decrease in Current Liabilities	-	-
	i Net Cash Provided in Operating Activities (A+B+C)	(27,443,693)	(68,011,872)
2	Cash Flows From Investing Activities :		
	Add : Adjustments to Determine Net Cash from Investing		
D.	Activities :	-	-
	Decrease in Loan Outstanding	-	-
	Decrease in Investments	-	-
	Sale of Fixed Assets	-	-
	Less : Adjustments to Determine Net Cash from Investing		
E.	Activities:	2,176,343	742,214
	Increase in investments (FDR)	1,250,096	286,493
	Increase in Bank Security		
	Purchase of Fixed Assets	926,247	455,721
	ii Net Cash used in Investment Activities (D-E)	(2,176,343)	(742,214)
3	Cash Flows From Financing Activities :		
	Add : Adjustments to Determine net Cash from Financing		
F.	Activities :	28,983,667	66,818,464
	Increase in Clients' Savings	91,059,987	14,956,980
	Increase in PKSF Fund		
	Increase in Anukul Fund		
	Bank Loan Payable	(3,079,970)	14,125,514
	Increase in Others Fund Loan	(61,299,484)	35,920,007
	Increase in Members Welfare Fund	2,303,134	1,815,963
	Less : Adjustments to Determine net Cash from Financing		
G.	Activities :	-	-
	Decrease in Non PKSF Fund	-	-
	Payments of Donation / Grants	-	-
	iii Net Cash used in Financing Activities (F-G)	28,983,667	66,818,464
H.	Net Increase/Decrease in Cash [i+ii+iii]	(636,369)	(1,935,622)
I.	Opening Cash and Bank Balance	1,811,705	3,747,327
J.	Closing Cash and Bank Balance (H+I)	1,175,336	1,811,705



Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Notes to the Financial Statements
For the year ended June 30, 2023

Notes	Particular	Amount in Taka	
		2022-2023	2021-2022
6.00	Property, Plant and Equipment :		
	Opening Balance	2,966,019	2,510,298
	Add: Addition during the year	1,009,453	596,390
	Less: Destroyed during the year	(83,206)	(140,669)
	Total Cost Value	3,892,266	2,966,019
7.00	Investments :		
	Opening Balance	6,598,851	6,312,358
	Add. New FDR during the year	1,250,096	286,493
	Less. Encashment during the year	-	-
	Closing Balance	7,848,947	6,598,851
7.01	Savings FDR :		
	Opening Balance	5,014,254	4,812,358
	Add. New FDR during the year	1,205,065	201,896
	Less. Encashment during the year	-	-
	Closing Balance	6,219,319	5,014,254
7.02	Reserve Fund FDR :		
	Opening Balance	1,584,597	1,500,000
	Add. New FDR during the year	45,031	84,597
	Less. Encashment during the year	-	-
	Closing Balance	1,629,628	1,584,597
8.00	Loan to Members :		
	Opening Balance	138,148,195	67,443,053
	Add : Disbursement during the year	295,561,800	230,568,000
	Less : Realization during the year	263,099,926	159,862,858
	Closing Balance	170,610,069	138,148,195
8.01	General Micro Finance Sector :		
	Opening Balance	134,607,068	64,718,429
	Add : Disbursement during the year	290,101,800	228,228,000
	Less : Realization during the year	260,423,767	158,339,361
	Closing Balance	164,285,101	134,607,068
8.02	Others Sector :		
	Opening Balance	3,541,127	2,724,624
	Add : Disbursement during the year	5,460,000	2,340,000
	Less : Realization during the year	2,676,159	1,523,497
	Closing Balance	6,324,968	3,541,127
9.00	Accounts Receivable :		
	Opening Balance	365,418	236,690
	Add : Receivable during the year	150,000	299,500
	Less : Adjustment during the year	242,168	170,772
	Closing Balance	273,250	365,418

Notes	Particular	Amount in Taka	
		2022-2023	2021-2022
10.00	Head office Loan Receivable from Branch :		
	Opening Balance	7,432,690	7,441,418
	Add : Addition During the year	1,100,000	54,651,366
	Less During the year	1,574,215	54,660,094
	Closing Balance	6,958,475	7,432,690
11.00	Cash in Hand :		
	Opening Balance	1,122,411	469,374
	Add : Cash received during the year	535,684,890	251,122,411
	Less : Cash payments during the year	536,065,242	250,469,374
	Closing Balance	742,059	1,122,411
12.00	Cash at Bank :		
	Opening Balance	689,294	3,277,953
	Add : Deposit during the year	452,575,000	298,145,000
	Less : Withdrawal during the year	452,831,017	300,733,659
	Closing Balance	433,277	689,294

Break-up of the above amount is as follows:

Sl. No.	Branch Name	Bank Name	Branch Name	Account No.	Balance for 2023
1	Headoffice	Southeast bank	Doina, Dhaka	11100000402	33,666
2	Headoffice	Dutch-Bangla bank	Velanogar, Narsingdi	2491200000628,	110,584
3	Headoffice	Basic Bank	Narsingdi	1910010005703,	49,770
4	Headoffice	Exim bank	Morjal, Narsingdi	111000800928,	151,080
5	Headoffice	Southeast bank	Doina, Dhaka	00721110000043,	6,604
6	Narayanpur-	Sonali Bank	Bakharnagar, Raipura	1718200000047,	10,927
7	Musapur	Agrani Bank	Paglia Bazar, Raipura	0200016323702,	982
8	Tolatuly	Pubali Bank	Raipura, Narsingdi	4725901006089,	932
9	Shibpur	Pubali Commercial Bank	Eatokhola, Narsingdi	503433300000956,	2,000
10	Shibpur	IFIC Bank	Shibpur, Narsingdi	0100100429041,	78
11	Hasimpur	Pubali Bank	Raipura, Narsingdi	4725901006599,	7,053
12	Foridpur	Pubali Bank	Belabo, Narsingdi	0630901006334,	1,072
13	Bhairab	Premier Bank	Bhairab, Kishoregonj	8011100002226,	2,937
14	Baroicha	IFIC Bank	Baroicha, Narsingdi	0190250817001,	3,750
15	Shreenagor	Sonali Bank	Bagikandi, Raipura	1715202000110,	22,478
16	Adiabad	IFIC Bank	Adiabad, Narsingdi	0190290854001,	8,162
17	Kuliarchar	Premier Bank	Kuliarchar, Kishoregonj	0011100000320,	4,540
18	Shimulkandi	Premier Bank	Kuliarchar, Kishoregonj	1811112334,	3,274
19	Narsingdi	Pubali Bank	Narsingdi Sadar	0722102001329,	1,126
20	Belabo	Pubali Bank	Belabo, Narsingdi	4630102000178,	505
21	Agorpur	Agrani Bank	Bazipur, Kishoregonj	0200019374395,	437
22	Narayanpur-2	Pubali Bank	Baroicha, Narsingdi	4630102000151,	8,070
23	Hasnabad	IFIC Bank	Hasnabad, Raipura	0100150132001,	3,250
Total					433,277

13.00	Cumulative Surplus :		
	Opening Balance	14,980,207	14,980,207
	Add : Surplus during the year	1,872,741	1,450,808
	Less : Transfer to Reserve Fund	187,274	1,450,808
	Closing Balance	16,665,673	14,980,207
14.00	Statutory Reserve Fund :		
	Opening Balance	1,664,467	1,664,467
	Add : Created during the year	187,275	
	Closing Balance	1,851,742	1,664,467

Notes	Particular	Amount in Taka	
		2022-2023	2021-2022
15.00	Accounts Payable to Southeast Bank :		
	Opening Balance	22,479,390	10,834,872
	Add : Received during the year.	10,000,000	25,000,000
	Less : Loan Refund during the year	15,024,385	13,355,482
	Closing Balance	17,455,005	22,479,390
16.00	Accounts Payable to Bangladesh Bank :		
	Opening Balance	5,455,278	2,974,282
	Add : Received during the year.	4,290,000	4,290,000
	Less : Loan Refund during the year	2,345,585	1,809,004
	Closing Balance	7,399,693	5,455,278
17.00	Accounts Payable to ED & EC Member:		
	Opening Balance	62,305,024	28,853,491
	Add : Received during the year.	55,435,479	90,893,052
	Less : Loan Refund during the year	115,763,928	57,441,519
	Closing Balance	1,976,575	62,305,024
18.00	Accounts Payable to Staff Fund:		
	Opening Balance	2,015,214	1,055,560
	Add : Received during the year.	1,728,427	1,238,554
	Less : Loan Refund during the year	454,718	278,900
	Closing Balance	3,288,923	2,015,214
19.00	Accounts Payable to others:		
	Opening Balance	2,364,927	2,656,107
	Add : Received during the year.	558,030	1,300,317
	Less : Loan Refund during the year	2,802,774	1,591,497
	Closing Balance	120,183	2,364,927
20.00	Members Savings Fund Mandatory:		
	Opening Balance	36,152,181	19,990,890
	Add : Received during the year	143,044,773	39,666,301
	Less :Refund during the year	57,268,080	23,505,010
	Closing Balance	121,928,874	36,152,181
21.00	Members Savings Fund Voluntary:		
	Opening Balance	1,586,574	1,117,675
	Add : Received during the year	6,864,392	3,048,900
	Less :Refund during the year	5,944,018	2,580,001
	Closing Balance	2,506,948	1,586,574
22.00	Members Savings Fund Others:		
	Opening Balance	-	-
	Add : Received during the year	7,222,186	-
	Less :Refund during the year	2,859,266	-
	Closing Balance	4,362,920	-
23.00	Loan risk Fund (Member Welfare Fund):		
	Opening Balance	5,800,008	3,984,045
	Add : Received during the year	3,631,215	2,282,202
	Less :Refund during the year	1,328,081	466,239
	Closing Balance	8,103,142	5,800,008
24.00	Loan Loss Provision:		
	Opening Balance	2,452,752	1,090,290
	Add : Received during the year	2,602,773	1,362,462
	Less :Refund during the year	22,943	-
	Closing Balance	5,032,582	2,452,752
25.00	Accumulated Depreciation:		
	Opening Balance	66,856	66,856
	Add : Received during the year	83,206	140,669
	Less :Refund during the year	83,979	140,669
	Closing Balance	66,083	66,856

Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program

Portfolio Report Review of Loan Classifications and Provisions for the year ended 30th June, 2023.

(i) Classification of Loan and Loan Loss Provision as per MRA Circular No: 75 Dated: 22-06-2023

Sl. No.	Particular	No. of days Outstanding	Outstanding Loan Amount in (Tk.) as per June 2023	Required Provision as per MRA Circular No: 71 Dated: 30-06-2023	
				Rate	Amount (Tk.)
1	Total Loan Outstanding	as per June 2023	170,610,069		
2	Total Overdue	as per 30th June 2023	8,610,200		
3	Regular	Loans with no overdue Installments 30 June 2023	162,838,379	1%	1,628,384
4	Watchful	Loan default duration between 1-30 days 30 June-2023	1,107,505	5%	55,375
5	Sub-Standard	Loan default duration between 31-180 days 30 June-2023	3,222,894	25%	805,724
6	Doubtful	Loan default duration between 181-365 30 June-2023	1,399,554	65%	909,710
7	Bad Loan	Loan default duration above 365 days 30 June-2023	2,041,737	80%	1,633,390
	Total	As per MRA Instruction LLP Needed			5,032,582

(ii) Loan Loss Provision (LLP) status of the MFI

Particular	Amount (Tk.)
Required provision as per MRA Policy June 2023	5,032,582
Actual Provision made by the MFI	5,032,582
Exces of Provision	(0)

Sl. No.	Particular	No. of days Outstanding	Outstanding Loan Amount in (Tk.) as per June 2022	Required Provision as per MRA Circular No: 71 Dated: 30-06-2022	
				Rate	Amount (Tk.)
1	Total Loan Outstanding	as per June 2023	138,148,195		
2	Total Overdue	as per 30th June 2023			
3	Regular	Loans with no overdue Installments 30 June 2023	133,742,083	1%	1,337,421
4	Watchful	Loan default duration between 1-30 days 30 June-2023	454,099	5%	22,705
5	Sub-Standard	Loan default duration between 31-180 days 30 June-2022	854,857	25%	213,714
6	Doubtful	Loan default duration between 181-365 30 June-2023	2,051,131	25%	512,783
7	Bad Loan	Loan default duration above 365 days 30 June-2023	1,046,025	35%	366,109
	Total	As per MRA Instruction LLP Needed			2,452,732

(ii) Loan Loss Provision (LLP) status of the MFI

Particular	Amount (Tk.)
Required provision as per MRA Policy June 2023	2,452,732
Actual Provision made by the MFI	2,452,752
Exces of Provision	20

Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program

iii. Loan Operational Report.

Sl. No.	Particulars	2021-2022			2022-2023		
		M	F	Total	M	F	Total
1	Financial Service Product & Loan Product						
	Bank Loan			17,455,005			24,854,698
	Others Loan			3,288,923			5,385,681
	Member's Savings			121,928,874			128,798,742
	Insurance product			-			8,103,142
	Loan Risk Fund (Member Welfare Fu			8,103,142			73,288,544
2	Number of Branches			17			17
		M	F	Total	M	F	Total
3	Number of Samities	8	559	567	8	162	170
4	Number of Members	701	8,281	8,982	555	8,260	8,815
5	Number of Borrowers	426	6,127	6,553	294	5,881	6,175
6	Number of Staff	15	65	80	88	12	100
	Number of Credit Officer	61	3	64	65	5	70
7	Amount (Tk.) of Loan outstanding with somiti members			138,148,195			170,610,069
8	Member : Borrower			72.96%			70.05%
9	Average Loan Outstanding			21,082			27,629



Aragatti Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Schedule of Fixed Assets
as on June 30, 2023

Sl. No.	Particulars	Cost				Depreciation			Written down Value as on 30.06.2023	
		Balance as on 01.07.2022	Addition during the year	Less Adjustment during the year	Balance as on 30.06.2023	Rate of Dep.	Charged during the year	Less. Adjustment during the year		Balance as on 30.06.2023
1	Land	1,700,000			1,700,000	0%	-	-	-	1,700,000
2	Furniture & Fixture	1,053,409	630,163	(59,602)	1,613,970	3%	51,477	(70,375)	47,958	1,566,012
3	Office Equipment	15,200	43,000	(1,910)	56,290	10%	5,629	(1,910)	3,719	52,571
4	Electric Equipment	197,410	336,290	(11,694)	522,006	5%	26,100	(11,694)	14,406	507,600
	Total	2,966,019	1,009,453	(83,206)	3,892,266		83,206	(83,979)	66,083	3,826,183

(0)



BASTOB-Initiative for People's Self Development
House No-549, Road No-10, Baytul Aman Housing Society, Adabor, Mohammadpur, Dhaka

Micro Finance Program
Investment Schedule
For the year ended June 30, 2023

Sl. No.	FDR No.	Opening Balance	New FDR Principal	FDR Encashment	Closing Balance	Remarks
1	Member Savings Fund	5,014,254	1,205,065	-	6,219,319	12.86% of Members Savings Fund
2	Reserve Fund	1,584,597	45,031	-	1,629,628	115.11% of Statutory Reserve Fund
	Total	6,598,851	1,250,096	-	7,848,947	



Aragati Seba Sangstha(ASS)
Balabo, Norsingdi
Micro Finance Program
Eligibility Criteria Compliance Certification
For The Year Ended June 30, 2023

We have audited the Financial statements of Aragati Seba Sangstha(ASS) for the year ended 30th June 2023. On the basis of our audit, we certify below the Compliance of Aragati Seba Sangstha(ASS) with the eligibility criteria.

Sl. No.	Performance Parameters	Different Aspect	PKSF Standard	2022-2023 (Current year)	2021-2022 (Last year)
1	Long Term Solvency	Debt to Capital	Max 9:1	8.59	9.14
		Capital Adequacy	Min 10%	6.14	6.14
		Debt Service to Cover Ratio	1.25:1	1.01:1	1.03:1
2	Short Term Solvency	Current Ratio	Min 2:1	1:12.48	2:1.43
		Liquidity to Savings Ratio	Min 15%	4.83%	16.73%
3	Profitability Ratio	Return on Capital Employed (ROCE)	Min 1%	10.65%	26.73%
		Return on Assets	Min 3%	21.28%	10.69%
4	Productivity Ratio	Member/Branch	1500-2000	528.3529412	948
		Credit Officer/Member	1: 300-400	1:268	1:322
		Borrower Coverage	Min 70%	72.96%	70.94%
		Credit Officer/Borrower	1:240-250	1:218	1:229
		Credit Officer/Total Staff	1:1.50-1.70	1: 1.82	1: 1.87
		Credit Officer to Loan Outstanding (Tk in Lac)	1:25-30	1:138.36	1:138.24
5	Portfolio Quality Ratio	Total Overdue		8,610,200	119,768,913
		Bad Loan		2,041,737	59,628,029
		OTR (%)	Min 92%	97.00%	97.19%
		CRR (%)	Min 95%	99.43%	99.12%
		PAR (%)	≤ 10%	4.56%	6.44%
		Good Loan as a percentage of Loan Outstanding		95.44%	93.56%



Aragati Seba Sangstha(ASS)

Balabo, Narsingdi
Micro Finance Program

Details Schedule of Eligibility Criteria Compliance Certification
For The Year Ended June 30, 2023
Calculation of Ratio

Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
		Total Debits		8.59	9.14
		Adjusted Capital Fund			
		PKSF Fund + Members Savings Fund + Bank Loan + Risk Fund + Loan from Provident Fund or Credit Program + Loan from Welfare Fund or Credit Program + Loan from Welfare Fund or Credit Program + Loan from Gratuity Fund or Credit Program + Other Long term Interest bearing Loan (If any)			
	(i) Debt to Capital	Total Capital Fund-Revaluation Surplus+ 1% of Good Loan Outstanding	9.00		
		Members Savings Fund + Bank Loan+Others Payable			
		Total Capital Fund-Revaluation Surplus+ 1% of Good Loan Outstanding		159039121	
				18,517,416	
				8.59	
		Adjusted Capital Fund			
		Total Risk Based Assets (RBA)			
		Adjusted Capital Fund			
		Total Assets-Total Investment in FDR & DPS-Cash in hand-Cash at Bank-Fund in Transit-Bank Demand Drafts- Investment in Treasury Securities			
	(ii) Capital Adequacy Ratio	Adjusted Capital Fund	Min 10%	0.48	7.92
		Total Assets-Total Investment in FDR & DPS-Cash in hand & Cash at Bank			
		18,517,416			
		181,734,060			
				x 100	
		18,517,416			
		38,960,041			
				x 100	
		0.48			



Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
Short Term Solvency Ratio	(iii) Debt Service Cover Ratio	Surplus for the year + Total Principal & Service Charge Payable to PKSF, Bank & Others for the year	1.00:1	1.01:1	1.03:1
		Total Principal & Service Charge Payable to PKSF, Bank & Others for the year			
		32113120			
		30240379			
		32113120			
		30240379			
		1.06			
		Total Current Assets			
		Total Current Liabilities			
		Total Assets-Bad Loan Outstanding (Principal)- Unsettled Staff Advanced- Total Fixed Assets			
(i) Current Ratio	(i) Current Ratio	Total Fund & Liabilities - Total Capital Fund- Total Debts+ Membere Savings Fund + Risk Fund+ Current Ponion of Long term Debts refundable in Next Year	Min 2:1	1:12.48	2:1.43
		Total Assets-Bad Loan Outstanding (Principal)- Unsettled Staff Advanced- Total Fixed Assets			
		Total Fund & Liabilities - Total Capital Fund- Total Debts + Membere Savings Fund + Members Welfare Fund + Anukul Foundation + Bank Loan			
		179,907,602			
		159039121			
		179,907,602			
		159039121			
		1.13			
		FDR in Against Savings Fund +Cash in Hand+Cash at Bank			
		Total Savings Fund			
(ii) Liquidity to savings Ratio	(ii) Liquidity to savings Ratio	6,219,319	Min 15%	4.83%	16.73%
		128,798,742			
		4.83%			



Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
Surplus to Capital Fund		Surplus for the Year		10.65%	26.73%
		Average Capital Fund*			
*Average Capital Fund		Opening Capital Fund + Closing Capital Fund			
Return on Capital Employed (ROCE)		Surplus for the Year		21.30%	26.73%
		Average Assets			
*Return on Assets		Net operating Income-Tax		21.28%	10.70%
		*Average Assets			
Yield on gross loan portfolio		Cash financial revenues from loan portfolio		25.66%	19.22%
		*Average gross loan portfolio			



Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
	Average Assets	$\frac{\text{Opening Assets} + \text{Closing Assets}}{2}$ $\frac{174040610.5}{2}$ 87020305.25			
	(i) Member Per Branch	Total Members Total Number of Branches 8,982 17 528	1500-2000:1 Habib Sarwar	528	948
	(ii) Credit Officer:Member	Total Members Credit Officers 8982 70 128	1: 300-400	1,266	1,322
	(iii) Borrower Coverage	$\frac{\text{Total Borrowers}}{\text{Total Members}} \times 100$ $\frac{6,553}{8,982} \times 100$ 72.96%	Min 70%	72.96%	70.94%
	(iv) Credit Officer: Borrower	Credit Officers Total Borrowers 6553 70 94	1:240-250	1,218	1,229
		171,0898204			



Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
(v) Credit Officer: Total staff	Credit Officers			1:1.82	1:1.87
	Total staffs	1.736526946	1:1.50-1.70		
	70				
(vi) Credit Officer: Loan Outstanding	80				
	1.14				
	Loan Outstanding				
(i) Total Overdue	Credit Officers			1:138.36	1:138.24
	170,610,069				
	70				
(ii) Bad loan	2,437,287			#####	#####
	8,610,200.00			#####	#####
	2,041,737.00			#####	#####
(iii) On time Realization (OTR)	Summation of Regular Recovery in the last 12 months			97.00%	97.19%
	Summation of Regular Recoverable in the last 12 months				
	332,034,456				
97.00%	342,308,167				
	X100				
	Min 92%				



Performance Parameters	Difference Aspects	Formula & Details Calculation	Standards	2022-2023	2021-2022
	(iv) Cumulative Recovery Rate (CRR)	Cumulative Recovery - Advance Recovery (at the end of this year)	Min 95%	99.43%	99.12%
		(Cumulative Recovery - Advance Recovery) + Overdue (Principal)			
		17931694540			
		18034980209			
	(v) Portfolio at Risk (PAR)	Over Due Loanee Loan Outstanding	≤ 10%	4.56%	6.44%
		Loan Outstanding			
		7,771,690			
	(vi) Good Loan as a percentage of loan outstanding	Good Loan	95.44%	95.44%	93.56%
		Loan outstanding			
		162,838,379			
		170,610,069			
		95.44%			





Compliance with Money Laundering and Terrorist Financing

we have examined the books of accounts of "Aragati Seba Sangstha(ASS), Balabo, Norsingdi, Bangladesh for the year ended 30th June, 2023.

In compliance with the Circular Vide # এমআরএ/সাবুর্গার লেটার নং-২৪-২৪ dated : 6th May, 2014. We have examined the transactions took place during the year under audit and found that no transactions were involved with Money Laundering and Terrorist Financing.

Dated: October 08, 2023

S. Sarwar

Habib Sarwar Bhuiyan & Co.
Chartered Accountants



Micro Finance Program
Schedule of Fixed Assets
Micro Finance Program
Budget Variance Statement
For The Year Ended June 30, 2023

Description	Proposed	Actual	Variance	%
Area Coverage				
District	1	1	-	100%
Upazila	4	5	(1)	125%
Union	15	16	(1)	107%
Village	35	130	(95)	371%
Branch Opening	10	2	8	20%
Group formation	100	222	(122)	222%
New Member	5,000	3,513	1,487	70%
New Brower	2,000	(378)	2,378	-19%
Recuriment of Staff	20	54	(34)	270%
Savings Collection	12,555,000	143,044,773	(130,489,773)	1139%
Savings Refund	7,560,000	57,268,080	(49,708,080)	758%
Loan Realization	205,000,000	260,423,767	(55,423,767)	127%
Loan Disbursement	256,000,000	290,101,800	(34,101,800)	113%
Loan Outstanding	60,000,000	32,461,874	27,538,126	54%
Loan Received	20,000,000	10,000,000	10,000,000	50%
Loan refund	20,000,000	17,369,970	2,630,030	87%
Insurance fund received	2,560,000	2,900,000	(340,000)	113%
Insurance fund Given	250,000	492,734	(242,734)	197%
Total Income	280,115,000	40,050,173	240,064,827	14%
Total Expenditure	308,810,000	38,177,432	270,632,568	12%
Surplus	5,000,000	1,872,741	3,127,259	37%



Management report on the Accounts of
For the year ended June 30, 2023
Observations & Recommendations

1. Accounting System:

Observation:

Aragati Seba Sangstha (ASS) has been maintaining all the required books of accounts under manual system.

Recommendation:

Aragati Seba Sangstha (ASS) should implement accounting software for better maintenance in recording.

Management Response:

Aragati Seba Sangstha (ASS) agreed with the auditor's opinion.

2. Investment:

Investment Savings

Fund 6,219,319

Investment Reserve Fund 1,629,628

Observation:

During the course of our audit, we have observed that the organization has invested FDR against the Members Savings & Reserved Fund as per MRA rule.

Recommendation:

Aragati Seba Sangstha(ASS) should follow the MRA rule.

Management Response:

Aragati Seba Sangstha(ASS) agreed with the auditor's opinion.

3. Payable and Accruals:

Observation:

Aragati Seba Sangstha(ASS) considered provision for accounts payable.

Recommendation:

Aragati Seba Sangstha(ASS) should continue the process.

Management Response:

Aragati Seba Sangstha(ASS) agreed with the auditor's opinion.



4. Commercial Loan:

Observation:

Aragati Seba Sangstha(ASS) did not receive any commercial loan from any financial institutions.

Recommendation:

N/A

Management Response: No Comments.

N/A

5. Loan Operation Management:

Observation:

During The course of our audit, we have verified the procedure of loan operation of the management on test basis and found the same in order.

Recommendation:

Aragati Seba Sangstha(ASS) should continue the process.

Management Response:

Aragati Seba Sangstha(ASS) agreed with the auditor's opinion.

6. Savings Deposit:

Observation:

We have verified Member's Savings Collection and deposit to bank and also verified Member's Savings refund & found it in order.

Recommendation:

Aragati Seba Sangstha (ASS) should continue the process.

Management Response:

Aragati Seba Sangstha (ASS) agreed with the auditor's opinion.

7. Fixed Assets:

Observation:

Fixed asset have been recognized at cost. Accumulated depreciation has been shown separately in the Statement of Financial Position. Depreciation has been charged on reducing balance method at rates varying 10% & 20% Depreciation is charged on addition from the date of acquisition.

We have verified all the documents relating to purchase of fixed assets and system of record keeping and found the same in order with MRA guideline.

Recommendation:

Aragati Seba Sangstha (ASS) should continue the process.

Management Response:

Aragati Seba Sangstha(ASS) agreed with the auditor's opinion.



Aragati Seba Sangstha(ASS)
COMPLIANCE OF THE STATUS OF THE PRIOR YEAR
(2022-2023) AUDIT OBSERVATIONS AND
MENTION THE PERCENTAGE THEREOF

Sl. No.	Observations	Implementation Status	Comments (If Any)
01	Recommended training needs of employees	Partly Implemented	N/A
02	Legal action against overdue Loanee members to be taken	Partly Implemented	N/A
03	Lower attendance in the Samity Meeting	Partly Implemented	N/A

