BASTOB Initiative for People's Self-Development

Microfinance Program

Auditor's Report, Financial Statements and Management Report

For the year ended June 30, 2017

REPORT AND ACCOUNTS

RAHMAN & CO.
RTERED ACCOUNTANTS
ARK SENSATION, LEVEL-01
SAIN HOUSING SOCIETY
MIRPUR ROAD, SHYAMOLI
A-1207, BANGLADESH

BASTOB Initiative for People's Self-Development

Micro Finance Program
For the Year ended 30th June 2017

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Auditor's Report and Financial Statements

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M. M. RAHMAN & CO.
CHARTERED ACCOUNTANTS
M. Obaidur Rahman, FCA
Rafiqul Islam Khan, FCA
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Independent Auditor's Report

Annex-A1/1

To The Members of General Body of
BASTOB Initiative for People's Self-Development

We have audited the accompanying Financial Statements of **"Micro Finance Program"** of **"BASTOB-Initiative for People's Self Development"** which comprise the Statement of Financial Position as at 30th June 2017 and the Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended 30th June 2017 and a summary of significant accounting policies and other explanatory notes.

Management responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs). This responsibility includes: designing, implementing and maintaining internal control relevant to preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respect, the financial position of the **"Micro Finance Program"** of **"BASTOB-Initiative for People's Self Development"** as at 30th June 2017, and its financial performance for the year ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) 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 purposes of our audit and made due verification thereof;
- in our opinion, proper books of accounts as required by law MRA Act & Rules have been kept by the organization's management so far as it appeared from our examination of those books and;
- The Statement of Consolidated Financial Position, Statement of Consolidated Comprehensive Income dealt with by the report are in agreement with the books of accounts.

Date: 14th September, 2017

M M Rahman 26

M. M. RAHMAN & CO.
Chartered Accountants

BASTOB-Initiative for People's Self-Development

Micro Finance Program
Statement of Financial Position
As at 30th June, 2017

Annex-A1/2

Particulars	Notes	Amount in Taka	
		June-17	June-16
ASSETS			
Non- Current Assets			
Property, Plant and Equipment	6.00	25,490,864	36,456,632
Less Accumulated Depreciation		2,058,856	1,222,939
Net Property, Plant and Equipment		**23,432,008**	**35,233,693**
Investment	7.00	109,196,238	48,237,250
Total Non-Current Assets		**132,628,246**	**83,470,943**
Current Assets			
Loan to Clients			
Small Business Sector	8.01	144,607,286	202,954,066
Services Sector	8.02	33,018,991	26,735,734
Processing Sector	8.03	6,577,015	7,274,637
Agriculture Sector	8.04	685,517,647	302,005,967
Gross Loan Outstanding		**869,720,939**	**538,970,404**
Other Current Assets			
Accounts Receivable	9.00	15,052,567	5,516,066
Cash in hand	10.00	1,104,596	380,517
Cash at Bank	11.00	16,981,529	10,886,518
Total Current Assets		**902,859,631**	**555,753,505**
Total Assets		**1,035,487,877**	**639,224,448**
CAPITAL FUND & LIABILITIES			
Capital Fund			
Cumulative Surplus	12.00	85,799,116	59,761,024
Reserve Fund	13.00	9,533,235	6,640,114
Loan Loss Reserve Fund (Good Loan)	14.01	8,580,028	5,295,417
Total Capital Fund		**103,912,379**	**71,696,555**
Non- Current Liabilities			
Accounts Payable PKSF	15.00	180,316,663	127,849,998
Bank Loan Payable	16.00	407,700,711	197,900,000
Anukul Foundation	17.00	23,893,865	33,693,252
Total Non- Current Liabilities		**611,911,239**	**359,443,250**
Current Liabilities			
Members Savings Deposit	18.00	297,309,315	191,655,705
Loan Loss Reserve Fund	14.00	3,363,213	3,383,213
Loan risk Fund (Member Welfare Fund)	19.00	18,391,731	12,982,435
Provision on Expenses		-	63,290
Other Fund Payable	20.00	600,000	-
Total Current Liabilities		**319,664,259**	**208,084,643**
Total Capital Fund & Liabilities		**1,035,487,877**	**639,224,448**

Annexed notes1.00 to 20.00 form an integral part of the financial statements.

Prof. Dr. Md. Golam Samdani Fakir
Chairperson

Ruhi Das
Executive Director

Md. Jamal Hossain
Director, Admin

Signed in terms of our separate report of even date annexed.

Date: 14th September,2017

M M Rahman & Co.
M. M. RAHMAN & CO.
Chartered Accountants

BASTOB-Initiative for People's Self-Development

Micro Finance Program

Annex-A/3

Statement of Comprehensive Income

For the year ended June,30, 2017

Particulars	Note	Amount in Taka	
		June-17	June-16
INCOME			
Service Charges on Loan		150,897,006	95,611,986
Bank Interest		609,863	326,402
Bank Interest on FDR		3,369,224	3,430,197
Membership/ Admission Fees		91,070	202,560
Sale of Pass Books and Loan Forms		255,825	339,445
Miscellaneous Income		39,780	20,500
Total Income		**155,262,768**	**99,931,090**
EXPENDITURE			
Financial Cost			
Service Charge paid to PKSF		8,142,295	5,848,584
Service Charge paid to Bank		25,135,377	10,622,448
Service Charge paid to Anukul Foundation		2,929,475	2,453,701
Service Charge Rebate		2,011,018	383,737
Bank and TT/DO Charges		483,182	168,957
Interest on Members Savings		12,779,087	8,950,044
Total Financial Cost		**51,480,434**	**28,427,471**
Operating Cost			
Salary & other Benefits		53,443,630	36,493,861
Residence Facilities for staff		2,515,271	2,087,141
Conveyance		789,783	565,492
Oil & Fuel		955,916	725,955
Office Maintenance		1,067,279	1,794,698
Gas, WASA & Electricity Bill		950,222	932,399
Phone, Inter, Mobile & Currier		278,028	258,631
Stationary		935,970	1,410,896
Legal Fee		156,395	304,922
Training, Meeting,Seminer		719,528	1,258,962
Registration Fee		126,518	-
Office Rent Expenses		1,257,635	1,043,571
Entertainment/Refreshment		652,873	515,882
Income Tax and VAT	21	502,107	442,453
Audit fee		125,000	100,000
Software Charge		171,735	299,600
Education		277,494	325,367
Donation to Enrich program		655,437	-
Miscellaneous Expenses		533,157	477,368
Provision for Expenses		-	102,290
LLP Expenditure		7,609,890	3,233,500
Depreciation		1,127,253	319,087
Total Operating Cost		**74,851,121**	**52,692,075**
Total Expenditure		**126,331,555**	**81,119,546**
Surplus during the year		**28,931,213**	**18,811,544**
Total		**155,262,768**	**99,931,090**

Annexed notes1.00 to 21.00 form an integral part of the financial statements.

Prof. Dr. Md. Golam Samdani Fakir
Chairperson

Ruhi Das
Executive Director

Md. Jamal Hossain
Director, Admin

Signed in terms of our separate report of even date annexed.

Date: 14th September,2017

M M Rahman & Co
Chartered Accountants
DHAKA

M. M. RAHMAN & CO.
Chartered Accountants

BASTOB-Initiative for People's Self-Development

Micro Finance Program

Annex-A1/4

Statement of Receipts and Payments

For the year ended 30th June, 2017

Particulars	Amount in Taka	
	June-17	June-16
Opening Balance		
Cash in hand	380,517	284,260
Cash at bank	10,886,518	18,969,704
RECEIPTS		
Service Charges on Loan	150,897,006	95,611,986
Bank Interest	609,863	326,402
Bank Interest on FDR	3,369,224	3,430,197
Membership/ Admission Fees	91,070	202,560
Sale of pass books and loan forms	255,825	339,445
Miscellaneous Income	39,780	20,500
Loan Received from PKSF	122,200,000	86,500,000
Loan Received from Anukul Foundation	14,500,000	17,500,000
Bank Loan Received	609,500,000	390,500,000
Other Loan Received	-	47,218,469
Members Savings Collection	290,776,894	164,459,082
Loan risk Fund Received (MWF)	9,530,250	3,744,830
Donation Received from PKSF, Enrich Project	3,422,654	58,146
Principal Loan Realization	994,618,465	625,256,499
Others Loan Fund (OSF)	600,000	-
Sale of old Furniture & Fixture	174,691	-
Sale of old Electric Equipment	116,645	-
Sale of Head office Flat	12,336,377	-
Investment Encashment with Interest	-	14,788,685
Advance Realization	54,358,056	46,913,020
Total	**2,278,663,835**	**1,516,123,785**
PAYMENTS		
Loan Disbursement to beneficiaries	1,325,369,000	891,518,000
Loan Refund to PKSF	69,733,335	66,766,667
Loan Refund to Anukul Foundation	24,299,387	13,681,395
Loan Refund to BANK	399,699,289	246,100,000
Enrich Project	4,655,810	48,101,688
Members Savings Refund	185,123,284	79,476,123
Loan risk Fund Payment (MWF)	4,120,954	1,617,874
Advance Account (Payment)	62,648,130	48,384,478
Investment on FDR	60,958,988	21,516,547
Software Installation	330,000	-
Purchase of furniture and fixture	389,985	758,878
Purchase of electronic goods	341,960	889,913
Land Development	-	6,128,589
Total	**2,137,670,122**	**1,424,940,152**

Particulars	Amount in Taka	
	June-17	June-16
PAYMENTS CON'T.	2,137,670,122	1,424,940,152
Building Development (Paragram)	600,000	600,000
Service Charge paid to PKSF	8,142,295	5,848,584
Interest paid to Anukul Foundation (MDF)	2,929,475	2,453,701
Interest paid to Bank	25,135,377	10,622,448
Interest on Members Savings	12,779,087	8,950,044
Service Charge Rebate	2,011,018	-
Bank and TT/DO Charges	483,182	168,957
Income Taxes and VAT	502,107	442,453
Accumulated Dep. Prov. Paid	291,336	383,737
Provision Exp. paid	76,561	-
Salary & other Benefits	53,443,630	36,493,861
Residence Facilities for staff	2,515,271	2,087,141
Conveyance	789,783	565,492
Oil & Fuel	955,916	725,955
Office Maintenance	1,067,279	1,794,698
Gas, WASA & Electricity Bill	950,222	932,399
Phone, Inter, Mobile & Currier	278,028	258,631
Stationary	935,970	1,410,896
Legal Fee	156,395	304,922
Training, Meeting, Seminer	719,528	1,258,962
Registration Fee	126,518	-
Office Rent	1,257,635	1,043,571
Entertainment/Refreshment	652,873	515,882
Audit fee	125,000	100,000
Miscellaneous Expenses	533,157	477,368
Software	171,735	299,600
Education	277,494	325,367
Donation to Enrich Project	655,437	-
LLP Provision Paid	4,345,279	1,851,929
Total Payments	**2,260,577,710**	**1,504,856,750**
Closing Balance		
Cash in hand	1,104,596	380,517
Cash at Bank	16,981,529	10,886,518
Total	**2,278,663,835**	**1,516,123,785**

Prof. Dr. Md. Golam Samdani Fakir
Chairperson

Ruhi Das
Executive Director

Md. Jamal Hossain
Director Admin.

Signed in terms of our separate report of even date annexed.

Date: 14th September, 2017

M M Rahman & Co

M. M. RAHMAN & CO.
Chartered Accountants

BASTOB-Initiative for People's Self-Development

Micro Finance Program

Annex-A1/5

Statement of Cash Flows

For the year ended 30th June, 2017

	Particulars	Amount in Taka	
		June-17	June-16
1	**CASH FLOW FROM OPERATING ACTIVITIES**		
a	Microcredit Surplus	**28,931,213**	**18,811,544**
b	**Add. Adjustments to determine net cash from operating activities**	4,037,238	(432,180)
	Depreciation on Fixed Assets	835,917	(801,617)
	Loan Loss Provision	3,264,611	3,044,995
	DMF Provision	-	(2,675,558)
	Provisional Expenses	(63,290)	-
c	**Less. Adjustments to determine net cash from operating activities**	**340,095,184**	**267,732,959**
	Increase in Loan & Advance	9,344,649	1,471,458
	Increase in loan Outstanding	330,750,535	266,261,501
i	**Net Cash used in Operating Activities (a+b-c)**	**(307,126,733)**	**(249,353,595)**
2	**CASH FLOW FROM INVESTING ACTIVITIES**		
d	**Add. Adjustments to determine net cash from Investing activities**		
	Decrease in loan Outstanding	-	-
	Decrease in Investment	-	-
	Sale of fixed assets	-	-
e	**Less. Adjustments to determine net cash from Investing activities**	**49,993,220**	**15,105,242**
	Increase in Investment (FDR)	60,958,988	6,727,862
	Purchase of fixed assets	(10,965,768)	8,377,380
ii	**Net Cash used in Investment Activities (d-e)**	**(49,993,220)**	**(15,105,242)**
3	**CASH FLOW FROM FINANCING ACTIVITIES**		
f	**Add. Adjustments to determine net cash from Financing activities**	**363,939,043**	**255,351,204**
	Increase in Clients' Savings	105,653,610	87,755,663
	Increase in PKSF Fund	52,466,665	167,068,719
	Increase in Anukul Fund Fund	(9,799,387)	463,532
	Bank Loan payable	209,800,711	-
	Increase in Others Fund loan	408,148	63,290
	Increase in Members Welfare Fund	5,409,296	-
g	**Less. Adjustments to determine net cash from Financing activities**	-	-
	Decrease in Non PKSF Fund	-	-
	Payments of Donation / Grants	-	-
iii	**Net Cash used in Financing Activities (f-g)**	**363,939,043**	**255,351,204**
h	**Net Increase/Decrease in Cash [i+ii+iii]**	**6,819,090**	**(7,986,929)**
I	Opening Cash and Bank Balance	11,267,035	19,253,964
J	**Closing Cash and Bank Balance (h+I)**	**18,086,125**	**11,267,035**

Prof. Dr. Md. Golam Samdani Fakir
Chairperson

Ruhi Das
Executive Director

Md. Jamal Hossain
Director Admin.

Signed in terms of our separate report of even date annexed.

Date: 14th September, 2017

M M Rahman 26

M. M. RAHMAN & CO.
Chartered Accountants

BASTOB-Initiative for People's Self-Development

Micro Finance Program

Annex-A1/6

Statement of Changes in Equity

For the year ended June 30, 2017

Particulars	Amount in Taka				
	Surplus	Reserve Fund	LLP	DMF	Total
Balance as at 30.06.2016	59,761,024	6,640,114	5,295,417	-	**71,696,555**
Add: Surplus during the year	28,931,213	-	-	-	28,931,213
Add: Proir Year Adjustment	-	-	3,284,611	-	3,284,611
Add: Transfer from Surplus	-	-	-	-	-
Add: Interest of DMF	-	-	-	-	-
Add: Provision during the year	-	-	-	-	-
Sub-Total	**88,692,237**	**6,640,114**	**8,580,028**	-	**103,912,379**
Less: Transfer to Reserve Fund	(2,893,121)	2,893,121	-	-	-
Balance as at 30.06.2017	**85,799,116**	**9,533,235**	**8,580,028**	-	**103,912,379**
Balance as at 01.07.2015	40,335,201	4,481,689	2,640,145	2,675,558	**50,132,593**
Add: Surplus during the year	18,811,544	-	-	-	**18,811,544**
Add: Proir Year Adjustment	-	-	2,655,272	-	**2,655,272**
Add: Transfer from Surplus	2,772,704	-	-		**2,772,704**
Add: Interest of DMF	-	-	-	58,146	**58,146**
Add: Provision during the year	-	-	-	39,000	**39,000**
Sub-Total	**61,919,449**	**4,481,689**	**5,295,417**	**2,772,704**	**74,469,259**
Less: Transfer to Reserve Fund	(2,158,425)	2,158,425	-	2,772,704	**2,772,704**
Balance as at 30.06.2016	**59,761,024**	**6,640,114**	**5,295,417**	-	**71,696,555**

As per Micro Credit Regulatory Authority (MRA) letter No.Memo- MRA/Circular Letter No.Regu- 17, dated 08/5/2013 equity fund will be the Cumulative Surplus, Restricted Reserve Fund, 1% LLP of standard loan and DMF.

Prof. Dr. Md. Golam Samdani Fakir
Chairperson

Ruhi Das
Executive Director

Md. Jamal Hossain
Director Admin.

Signed in terms of our separate report of even date annexed.

Date: 14th September, 2017

M M Rahman & Co
M. M. RAHMAN & CO.
Chartered Accountants

Annex-A1/7

BASTOB-Initiative for People's Self-Development

General Notes
For the year ended June 30, 2017

1.0 BACKGROUND

BASTOB - Initiative for People's Self-Development was founded by a group of social workers experienced in social and economic development. **BASTOB** is a Bangla word, which means "Practical or Reality" and taking the explicit connotations for the word, we introduce **BASTOB** as an Initiative for People's Self-Development and that has been proved through its activities since the foundation of the organization on July, 04, 1997.

BASTOB is maintaining 16 books of accounts for its programme/projects and organizational management. These 16 books of accounts named Microfinance Program (MFP), Goethe Tagore Academy (GTA), Skill Development Training for the Climate Change Victim, BRAC Education Support Program (ESP), Su-Chala Project, Anukul Health Programme, **BASTOB** Education Development for Poor Children of Bangladesh, Climate Change Program, Making Migration Better for the Labour Migrants in Bangladesh, Enhancing Resources and Increasing Capacities of Poor Households Towards Elimination of their Poverty (ENRICH), Staff Provident Fund, Staff Family Security Fund, Staff Gratuity Fund, Organizational Sustainability Fund, Sultan Sofa Pathshala and BASTOB General Account.

BASTOB is a national NGO in Bangladesh. Its working Districts are Dhaka, Manikgonj, Munshigonj, Cox's Bazar, Bandorban, Chittagong, Narshingdi, Gazipur and Naraygonj.

BASTOB has 21 (twenty one) General Body and a-seven-member Governing Board. The Governing Board is elected for a period of three years by the General Council of **BASTOB**. The day to day management is run by a competent management team.

The organization is Registered under the Societies Registration Act 1860 and the Foreign Donation (Voluntary Activities) Regulation Ordinance (FDR), 1978 (Ordinance No. XLVI of 1978) as a microfinance institute, it has license from the Microcredit Regulatory Authority (MRA) under MRA Act 2006.

B. THE VISION

BASTOB envisions a society in which poor and dis-advantaged people are developed and self-reliant.

C. THE MISSION STATEMENT

BASTOB is a non-profitable, voluntary development organization working in the areas of institution building, income and employment generation, health, human resource development, education and promotion of culture for the dis-advantaged segment of the society for women, youth and children.

BASTOB's goal is to establish a people's initiative development process and to ensure social-economic development of its people.

BASTOB is committed to follow people's participation, institution building, human right, gender equity, environment friendliness, poverty alleviation and sustainability in achieving its goals.

BASTOB following a path of organizational sustainability in consistent with people's self-reliance.

Considering development as a complex process, **BASTOB** encourages partnership and networking with Government and other like-minded organizations.

BASTOB has experienced, energetic, dynamic workers and members committed to achieve its goals. It believes capacity and creativity and also in participatory management and committed to ensure participation in every level.

D. LEGAL STATUS

On May 06 1998, **BASTOB** is registered with the NGO Affairs Bureau, Prime Minister's Office under the Foreign Donation (Voluntary Activities) Regulation Ordinance (FDR), 1978 (Ordinance No. XLVI of 1978) as a Non-Government organization. The Foreign Donation Registration Number is 1263/98. It is renewed on 10 September, 2008. Later on it is also registered on 22nd May 2003, with the Joint Stock Companies under Societies Registration Act 1860. The registration number is S-3161(126)2003. Microcredit Regulatory Authority (MRA) License No. 01029-00170-00346, dated 29 October, 2008.

2.0 Corporate Information of the MFI

Sl.	Particulars	Remarks
01	Name of the MFI	**BASTOB**-Initiative for People's Self-Development
02	Year of establishment	1997
03	Nature of operations (programs)	Microfinance, Health, Education, Labour Migration etc.
04	Statutory Audit conducted up to	Year ended 30 June, 2017
05	Name of Statutory auditor for last year	M M RAHMAN & CO.
06	Name of Statutory auditor for current year	M M RAHMAN & CO.
07	No. of E.C Committee Meeting held FY2016-17	5 (Five)
08	Date of Last AGM held	20 May, 2017

List of Executive Committee Members

Sl.	Name	Qualification	Profession	Present Address
1	**Prof. Dr. Md. Golam Samdani Fakir**	Ph.D in Economics	Vice-Chancellor, Green University of Bangladesh and Chairperson of BASTOB	Green University of Bangladesh, Shewrapara Main Road, Dhaka-1216.
2	**Ms. Sharmind Neelormi**	Master's in Economics	Associate Professor, Dept. of Economic, Jahangir Nagar University and Vice-Chairperson of BASTOB	House-22/18, Flat No. 102, Khilji Road, Mohammadpur, Dhaka.
3	**Mr. Faruque Ahmed**	MSS	Businessman and Treasurer of BASTOB	16/15, Babor Road, Mohammadpur, Dhaka
4	**Bani Amin Md. Sabuktagin Bhuiyan**	MSS	Private Service (Media Com) and Member of BASTOB	Rupayan Centre (10th Fl.) 72 Mohakhali C/A Dhaka.
5	**Md. Ataur Rahman Miton**	MSS	Private Service (Country Director, vision 21 and Member of BASTOB	2/8, Block-F, Lalmatia Dhaka.
6	**Ms. Masuma Samad**	MSS	Private Service (Executive Director, VASED and Member of BASTOB	77/3, Block-A Talbag, Savar, Dhaka. Dhaka
7	**Mr. Ranjit Halder**	MSS	NGO professional and Member of BASTOB	House-13 (3rd. Fl.) Rd. 1, Sanbadik Abasik Colony, Mirpur-11, Dhaka.

3.0 Basis of Accounting

The financial statements have been prepared under historical cost convention on accrual basis except service charges which are computed by following cash basis of accounting.

4.0 Summary of significant accounting policies and basis of presentation of financial statements

BASTOB-Initiative for People's Self-Development is a non-governmental organization as per definition provided in the Statement of Recommended Practice for Not-for-Profit organizations.

BASTOB prepares its financial statements on a going concern basis, under the historical cost convention in conformance with general accepted accounting principles. Wherever appropriate, such principles are explained in the succeeding notes.

BASTOB generally follows the accrual basis of accounting or a modified from except for Service Charge on "Loan to Client's" which is accounted on a cash basis thereof for key income and expenditure items. The financial statements have been prepared in accordance with comprehensive guidelines and policies as disclosed in the forthcoming paragraphs.

The significant accounting policies followed in the preparation and presentation of these financial statements are summarized below.

4.1 Basis of presentation of financial statements

BASTOB maintains its books of accounts and records on a programme or project-wise basis. The Head Office maintains records of all treasury, investment and management functions. All cash balances, including those held for programmers are held by the Head Office and transferred to programmers as required. Balance between projects are eliminated upon combination for the purposes of presentation of the financial statements but it present separately.

4.2 Use of estimates and judgments

In the preparation of the financial statements management required to make judgments, estimates and Assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

4.3 Currencies

All transactions have been carried out in Bangladeshi Taka currency.

4.4 Revenue Recognition

The Revenue is recognized as prescribed by IAS/BAS-18 "Revenue" except service charges on loan which is recognized of cash basis.

4.5 (i) Interest Income

Service charge on loan: The Organization is collecting service charges from beneficiaries end users at a declining rate of 25% on the loan provided to them. The principal loan and proportional service charges are collected in 46 equal weekly installments.

Service charges area accounted for on cash basis. The amount of service charges actually collected from the beneficiaries is recognized as income. The service charges due but not collected are not recognized as income.

Interest expenses: Interest expenses have been accounted for on accrual basis.

Other expenses: Other expenses have been accounted for on accrual basis

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(ii) **Interest paid on savings:**

6% interest has been paid to the members on accrual basis at the end of the year on their savings and accounted for accordingly.

4.6 Property, Plant and Equipment and depreciation

An asset which meet the following criteria is recognized as Fixed Assets i.e. Furniture and fixture, Electrical Equipment, Vehicle, Land and Building.

i. Its expected useful life is more than 3 years;
ii. Its cost exceeds Tk. 2,000;
iii. It is tangible; and
iv. Economic benefit is generated from it.

Fixed Assets are stated at cost less accumulated depreciation and impairment losses.
Depreciation is provided for on a straight-line basis from the date of purchase to the date of disposal. No Depreciation is charged for any asset of which useful life is expired. The applicable depreciation rates are as follows:

Items	**Annual depreciation Rate (%)**
Furniture & Fixtures	15%
Electrical Equipment	18%
Vehicles	11%

No depreciation is charged on land and construction work-in-progress.
Repair and maintenance costs are expensed in the period of occurrence.

The cost of replacing part of the item of Fixed Assets or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will follow to the organization and its cost can be reliably measured. The cost of the day to day servicing of Fixed Assets and Electrical equipment are recognized in the statement of income and expenditure as incurred.

Cost and valuation

All fixed assets are stated at cost less accumulated depreciation as per BAS-16 " Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

Restoration costs

BASTOB recognizes in the carrying amount of an item of property, plant and equipment the cost of Replacing part of such an item when that cost is incurred if it is possible that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintains, is normally changed off as revenue expenditure in the period in which it is incurred.

Donated Assets

Where property. Plant & equipment is purchased as a part of a project through restricted funds, until the conclusion of the project or if on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the cost of the asset is included in a memorandum inventory of property, plantand equipment identified as such in the financial statements. Depreciation is not provided on such assets.

4.7 Comparative information

Comparative information is disclosed in respect of every year including all the numerical information in the financial statements, and also descriptive information is given when it is relevant to an understanding of the current year's financial statements.

4.8 Taxation

Under the Income Tax Ordinance (ITO), 1984 as amended, **BASTOB** is subject to taxation for his present activities/projects. As per 6th Schedule, Part-A Para 1A, of ITO 1984, Income from Micro credit activities are Tax exempted. **BASTOB** submits its return for tax for the organization as a whole Organization and TIN is 3401-0879-4091, under Deputy Commissioner of Taxes, Company circle-90, Tax Zone-05, Dhaka. For the Assessment Year 2017-2018 **BASTOB** has deposited the Tk. **408,645/-** to the Government treasury as at source.

4.9 Borrowing Cost

Borrowing Costs are interest and other costs that **BASTOB** incurs in connection with the borrowing of Funds. Borrowing costs are recognized as an expense in the period in which they are incurred, unless they are incurred in respect of a qualifying asset in which case it is capitalized as a part of the cost of that asset. The amount of borrowing cost eligible for capitalization shall be determined in accordance with the BAS-23"Borrowing Cost.

4.10 Segment Information

BASTOB's internal management and reporting formats are structured and based on activities and services that are similar in nature and where the risk and obligations are similar. The primary segments represent this structure. The activities of each of the reported activity based segments are reported on Notes.

4.11 Loan to Beneficiaries

BASTOB activities include providing micro-finance loans to beneficiaries without collateral, on a service charge basis under various programs. Loans exclusive of service charge are not stated net of provision for loan losses.

Category of business or Income Sources **BASTOB** has categorized its loan activities as Small Business Sector, Services Sector, Processing Sector and Agriculture Sector. All sectors there is included Rural Micro Credit (**RMC**), Micro Enterprise (ME), Ultra Poor and Seasonal loan

Rural Micro Credit (RMC) Loan (Jagoran)

This loan is to allow Rural People to finance their economic activities. RMC Loans are working capital loans given to poor and disadvantaged households. RMC Loan range from Tk.1,000 to Tk. 29,0000 are given for one year and service charge 25% (Decline) per year.

Micro Enterprise (ME) Loan (Agrasor)

Micro enterprise loans are assessed on the basis of household cash flow, business projections and the Reputation of the borrower. The micro-enterprise loan borrowers are expected to generate equity and wage labour employment. Micro-enterprise loans range from Tk 30,000 to Tk.1,000,000 is given for one and more years and service charge 25% (Decline) per year.

Seasonal Loan/ Agricultural Loan

This loan is exclusively for agricultural and livestock activities and is designed to increase the farm activities.The Seasonal Loan also enhances "Social Food Security Net" of the households. Seasonal loan range from Tk.20,000 are given for six months and service charge 24% (decline) per year or 2% (Decline) per month.

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Ultra Poor Program (UPP) Loan (Buniad)

This loan is provided to those section of people who are living at the extreme corner of poverty line in order tobring them in a position where they can fulfill their basic fundamental needs and update their civil status. UPP Loan ranges from Tk. 1,000 to Tk. 29,000 are given for one year and service charge 20% (decline) per year.

4.12 Grihayan Project

To reduce the housing vulnerability of the disadvantaged rural community this loan in taken from the Anukul Foundation and disbursed among the rights deprived dis-advantaged community people with a view to build and rebuild their houses. This loan is given for five years tenure and the rate of interest is 25% (Decline).

4.13 Members' Micro Credit Insurance (Risk Fund)

The objective of clients micro credit insurance **(Risk Fund)** is to provide 10-20 thousand Taka for better treatment as financial assistance to those borrowings' family who will be supported serious diseases like cancer heart attack HIV/AIDS, Liver and Kidneydisease during her/his tenure as loan. The Organization waives the outstanding loan amount of members. If any member or their spouses expire, **BASTOB** provides Tk.1000/- for funeral. And only the borrower will have the eligibility to be the members of this fund. The money deposited in this fund is not refundable.

4.14 Palli Karma-Sahayak Foundation (PKSF)

Rural Micro Credit (RMC) Loan (Jagoran)

This loan is taken from PKSF and the duration of this loan is three years with a grace period of six months. The loan is repaid to the funding agency on quarterly basis with a declining method of interest of 5.50%. **BASTOB** received five installments of this component of loan from PKSF during the reporting period.

Micro Enterprise (ME) Loan (Agrasar)

This loan is taken from PKSF and the duration of this loan is three years with a grace period of six months. The loan is repaid to the funding agency on quarterly basis with a declining rate of interest 5.50%.

Seasonal Loan (Agriculture)

This loan is taken from PKSF and the duration of this loan is six months. The loan is repaid to the funding agency in a single installment with interest rate of 5.50%.

Ultra Poor Program (UPP) Loan (Buniad)

This loan is taken from PKSF and the duration of this loan is two years with a grace period of six months. Theloan is repaid to the funding agency on quarterly basis and be paid within six installment with a rate of interest 1%.

4.15 Anukul Foundation

This loan is taken from Anukul Foundation for improving the livelihood security of the poor people of Bangladesh through Micro Enterprise loan Service. The duration of this loan is three years. The loan is repaid to the funding agency with a simple interest rate of 10% per annum on declining balance method in 12 (twelve) quarterly installments. The first installment, which is due after 3 months from the date of loan received, will constitute only the interest amount. The principal amount and interest will be paid in remaining 11 installments.

4.16 Employee benefit schemes

Provident Fund

BASTOB, operates a contributory provident fund benefits from which are given to its employees in Accordance with its policies. National Board of Revenue (NBR) approved and recognized this fund for the purpose of taxation. The fund is operated by a board of trustees consisting of seven members selected from the employees of the Organization. All permanent employees of the organization are contributing monthly to the fund by an amount equal to 15% of their basic salaries. The organization also contributes 15% of employees' basic salary to the fund *each month. Interest earned from the investment is credited to the* employees' accounts on a yearly basis and this fund is audited every year by a Chartered Accountants firm.

Gratuity Fund

BASTOB operates a gratuity scheme for its permanent employees and maintains a separate account for this. The policies are as bellow:

Service Tenure	Resignation/ /Termination	Retirement	Redundancy	Dismissal
Less than 3 years	avail no benefit	avail no benefit	avail no benefit	avail no benefit
3 years to less than 8 years	avail one month basic salary last drawn for each completed year of service	avail one month basic salary last drawn for each completed year of service	avail last drawn basic salary for each completed year of service	avail no benefit
8 years to less than 12 years	avail 1.5 times of last drawn basic salary for each completed year of service	avail 1.5 times of last drawn basic salary for each completed year of service	avail 1.5 times of last drawn basic salary for each completed year of service	avail no benefit
12 years to less than 16 years	avail 2.0 times of last drawn basic salary for each completed year of service	avail 2.0 times of last drawn basic salary for each completed year of service	avail 2.0 times of last drawn basic salary for each completed year of service	avail no benefit
16 years to less than 20 years	avail 2.5 times of last drawn basic salary for each completed year of service	avail 2.5 times of last drawn basic salary for each completed year of service	avail 2.5 times of last drawn basic salary for each completed year of service	avail no benefit
20 years to above	avail 3.0 times of last drawn basic salary for each completed year of service	avail 3.0 times of last drawn basic salary for each completed year of service	avail 3.0 times of last drawn basic salary for each completed year of service	avail no benefit

Staff Welfare Fund

BASTOB introduced Staff Welfare Fund for its staffs with a view to stand by them at the time of distress. The SWF is looked after by a separate committee. The amount of contribution is taken off from Different sources.A staff member will be allowed grant after one year of his joining. However, the trustee board may allow grant to a staff member if his/her service period is 6 months old but less than a year.A Staff will be eligible to apply for financial benefit from the fund on the following counts:

a) In case of serious diseases like cancer, disease requiring complicated operation etc.
b) Medical Treatment due to accident
c) Cremation of dead body of an employee
d) Stipend to meritorious children of an employee.

Staff Insurance Fund

BASTOB introduced Staff Ielfare Fund for its staffs with a view to stand by them at the time of distress. The **SIF** is looked after by a separate committee. All permanent employees of the organization are contributing monthly to the fund by an amount equal to 1% of their basic salaries. The organization also contributes 1% of employees' basic salary to the fund each month. A staff member will be allowed to get facilities after confirmation of his joining. A Staff will be eligible to get financial benefit from the fund on Loss of life & physical handicaps due to accident.Staffs are eligible to receive their part of contribution if he/she leaves the organization.

Free Accommodation Facility

BASTOB provides free accommodation facility in rural level for all Bachelor staffs.

MMR

Performance Bonus:

BASTOB introduced performance bonus for field level staff. First time only CO (Credit Officer) are Entitled for performance bonus. In three categories A, B and C. To achieve this bonus CO must be have outstanding Tk. 80 lac,OTR will be 99.5% and get per month Tk. 2,000/- for A categories, outstanding Tk. 50-59 lac and OTR 99.50% for B categories and get per month Tk. 1,500/-, outstanding. Tk. 40-49 lac and OTR 99.5% for C categories and get per month Tk. 1,000/-. This allowance will continue until he/sheperforms as per this indicator. When he/she will not be achieve this indicator s/he will not entitled for allowance.

Leave Salary

BASTOB pay to staff leave salary against their earn leave balance. Every regular staff gets 12 days leave in every year. If a staff does not enjoy leave, the balance be carried forward in the next year. When a staff leaves the organization he/she gets leave salary against leave balance.

Food Allowance Facility

BASTOB introduced food allowance facilities for the regular staff members. In Head office levels every staff can be taken Tk. 40.00 per working day. The field level staffs also get Tk. 35.00 per working day. BASTOB provide cook, utility cost and cookeries. Staff only pays their food cost.

Staff loan

Staff loan can be provided to Staff by the management of BASTOB. The confirmed regular staffs are eligible to avail this loan. The amount of loan, duration of loan, number of installments, rate of interest etc. all to be decided by the management. If a staff is eligible to become the client of PF but does not get the membership, he/she will not be allowed to apply forloan. A staff is allowed to avail that much amount which is bigger between two months' salary and his/her PF deposit. The staff will lose the eligibility to avail loan second time if he/she violates any conditions in his/her first loan. The staff is not allowed to give loan in such a size the installment of which is more than 20% of monthly salary.

Inflation Adjustment Facilities

BASTOB introduced Inflation adjustment allowance facilities for the regular staff members. The central Bank **(Bangladesh Bank)** of Bangladesh has declared monthly inflation growth. **BASTOB** management has collected data from BB and make yearly average rate of inflation and pay to the staffs.

Motor cycle and bi-cycle loan

To expedite the field work and project implementation of **BASTOB** staff, an arrangement of motorcycle Loan is there in **BASTOB**. The concerned staff has to have a valid license holder if he/she wants to avail this loan. The field level staffs are entitled to avail bi-cycle loan. There is a separate policy of Motor-cycle & bi-cycle loan. **BASTOB** has followed the rule accordingly.

Festival Bonus

BASTOB introduced yearly three festival bonuses for their staff members. One is monthly gross salary, secondly monthly Basic salary and thirdly 25% of monthly basic salary . Provision staff are also entitled to get festival Bonus as per their service period.

5.0 Significant Organizational Policies

5.01 Loan loss provision: Loan Classification, loan loss provisioning and write off policy:

BASTOB generally provides for loan losses based on loan outstanding classification. Management makes provisions for loan losses every six months in order to maintain the loan loss reserve for bad loans at adequate level and calculates the required provision for loan based on the classification and provisioning methodology which is shown below; if required, are made and accounted for in the financial statements for the year.

Loan classification	Days in arrears	Provision required
Standard (Regular)	Loans with no overdue Installments	1%
Watchful	Loan default duration between 1 and 30 days	5%
Sub-Standard	Loan default duration between 31 and 180 days	25%
Doubtful	Loan default duration between 181 and 365 days	75%
Bad Loan	Loan default duration above 365 days.	100%

Loans written off:

The write off of loans, if necessary, are charged against the provision for loan losses. Loans within their maturity period are classified as "Current Loan". Loans which remain outstanding over of their maturity Period are considered as "**Bad Loans**". The total amount of Bad Loans, which are considered bad and have no possibility of recovery, is referred to the Governing Board of **BASTOB** for approval of write off. Any collections realized from loans previously written off are credited to the Income Statement.

5.02 Policy on Loan to beneficiaries

The Organization stresses on supporting economic activities to generate employment and income to reduce income in equally among the dis-advantaged and poor, small Businessmen, small entrepreneurs, farmers etc. The products have been developed in response to standard guideline i.e. Rural Microcredit loan (**RMC**) loan amount up-to Tk. 50,000.00, Micro enterprise loan (**ME**) amount up-to Tk. 1,000,000/- , Ultra poor upto Tk. 30,000.00 etc. Interest rate of loan is differs depending on loan product. The organization charges the highest interest rate is 25%.

5.03 Policy on savings collection

BASTOB has maintained three types of savings 1. General Savings (Mandatory), 2. Voluntary Savings and 3. Term Deposit. Those who are member of the Samity he/she must deposit Minimum amount of Tk.- 50.00 per week. The members can withdraw their savings at any time. The organization gives 6% interest to the members as per rule of MRA. 2. Voluntary Savings: Those who are the member of the Samity they can deposit as voluntary savings amount of BDT- 50.00 and above per month. The members can withdraw their savings at any time. But those who are loanee cannot withdraw their savings. The organization gives 6-15% interest to the members depending on savings and product and their duration.

5.04 Grant/Donation Accounting

Grants are recognized in the financial statements at their fair value, shall not be recognized until there is reasonable assurance that: (a) will comply with the conditions attaching to them; and (b) will be received. When the grant relates to an expenses it is recognized as income over the period necessary to match it with the costs, which it is intended to compensate for on a systematic basis. Grants related to assets are generally deferred in the Statement of Financial Position and credited to the statement of comprehensive income over the useful life of the asset. In the case of grants received to fund an entire project or activity, which includes the purchase of an asset, and the cost of such asset in charged with the project costs to the statement of comprehensive income, the grant value is recognized as income in the same period as the cost of the asset is charged to the Statement of Comprehensive Income. On conclusion of the project, in the event that the asset is not handed over to the beneficiary or returned to the original donor, the cost of the asset is included in a memorandum inventory of Property, plant and equipment identified as such in the financial statement.

BASTOB- Initiative for People's Self-Development

Micro Finance Program

Schedule of Receivable-Advance

For the year ended June 30, 2017

Sl	Particulars	Amount-2017	Amount-2016
1	Advance Salary Account	396,702	206,983
2	Advance for Stamp	157,000	178,000
3	Advance to BASTOB VGD Program	100,000	-
4	Office Rent Advance	4,500,000	-
5	Advance for Printing	-	26,200
6	Advance for Inflation Adjust Allowance	(53,248)	89,435
7	Advance to General Account	3,543,087	(1,033,649)
8	Advance to Suruj Miah	209,000	-
9	Advance to Provident Fund	9,551	335,725
10	Advance to Arzan Samity	(200,018)	463,638
11	Advance to Petty Cash Account	6,016	330,476
12	Advance to ENRISH Project	1,054,575	(191,852)
13	**Branch Advance**		
13.1	Paragram	88,500	157,000
13.2	Solla	71,900	163,200
13.3	Ruhitpru	112,400	82,800
13.4	Kholamora	240,500	213,900
13.5	Badhaldi	119,622	165,290
13.6	Cox's Bazar	300,200	337,250
13.7	Chakaria	321,800	130,900
13.8	Malumghat	291,050	131,586
13.9	Kadomtoli	220,502	327,902
13.1	Tongi	194,900	173,900
13.11	Nawabgonj	120,700	117,100
13.12	Sonargaon	198,663	202,007
13.13	Tarabo	184,800	30,700
13.14	Boad Bazar	50,300	79,700
13.15	Nimtola	114,500	95,700
13.16	Bhagyakul	184,400	146,700
13.17	Meghula	115,700	189,092
13.18	Joypara	183,650	122,650
13.19	Delpara	144,800	192,500
13.2	Sarulia	99,300	165,500
13.21	Panchrukhi	145,000	204,900
13.22	Madhobdi	154,300	181,700
13.23	Mouchak	214,990	45,000
13.24	Jirani	236,500	192,320
13.25	Jamgora	42,800	82,500
13.26	Panchdona	309,151	240,875
13.27	Uttar Khan	80,800	41,300
13.28	Bandor	237,600	183,500
13.29	Dhamrai	191,900	107,400
13.3	Banglabazar	112,650	140,250
13.31	Shilkhali	92,700	273,000
13.32	Mirer Bazar	30,500	40,000
13.33	Palash	122,824	152,988
	Total	**15,052,567**	**5,516,066**

BASTOB- Initiative for People's Self-Development

Microfinance Program
Notes to the Financial Statements
For the year ended June 30, 2017

		Amount inTaka	
		June-17	June-16
6.00	**Property, Plant and Equipment : (Schedule -1)**		
	Opening Balance	36,456,632	29,199,956
	Add: Addition during the year	1,661,945	8,377,380
	Less: HO Flat Sale Value	12,336,377	-
	Less: Accu. Depreciation	-	1,120,704
	Total Cost Value	**25,490,864**	**36,456,632**
	Accumulated Depreciation:		
	Opening Balance	1,222,939	2,024,556
	Add: Addition during the year	1,127,253	319,087
	Less: Adjustment during the year	291,336	1,120,704
	Closing Balance	**2,058,856**	**1,222,939**
	Net Property, Plant and Equipment	**23,432,008**	**35,233,693**
7.00	**Investments**		
	Opening Balance	48,237,250	41,509,388
	Add. New FDRduring the year	60,958,988	21,516,547
	Less. Encashment during the year	-	14,788,685
	Closing Balance	**109,196,238**	**48,237,250**
a	**Savings FDR:**		
	Opening Balance	33,065,130	20,633,935
	Add. New FDR during the year	50,000,000	13,825,183
	Add- Accrued Interest during the year	2,051,424	-
	Less. Encashment during the year	-	1,393,988
	Closing Balance	**85,116,554**	**33,065,130**
b	**Member welfare Fund FDR:**		
	Opening Balance	7,859,269	14,710,931
	Add. New FDR during the year	8,000,000	812,538
	Add- Accrued Interest during the year	528,392	-
	Less. Encashment during the year	-	7,664,200
	Closing Balance	**15,859,269**	**7,859,269**
c	**Reserve Fund FDR:**		
	Opening Balance	7,312,851	3,434,025
	Add. New FDR during the year		5,378,826
	Add- Accrued Interest during the year	379,172	-
	Less. Encashment during the year	-	1,500,000
	Closing Balance	**7,312,851**	**7,312,851**
8.00	**Loan to Members:**		
8.01	**Small Business Sector:**		
	Opening Balance	202,954,066	66,966,781
	Add. Disbursement during the year	262,357,000	392,315,000
	Less. Realization during the year	320,703,780	256,327,715
	Closing Balance	**144,607,286**	**202,954,066**
8.02	**Services Sector**		
	Opening Balance	26,735,734	32,541,695
	Add. Disbursement during the year	60,465,000	44,850,000
	Less. Realization during the year	54,181,743	50,655,961
	Closing Balance	**33,018,991**	**26,735,734**
8.03	**Processing Sector**		
	Opening Balance	7,274,637	13,236,695
	Add. Disburse during the year	13,413,000	14,473,000
	Less. Realization during the year	14,110,622	20,435,058
	Closing Balance	**6,577,015**	**7,274,637**

		Amount in Taka	
		June-17	June-16
8.04	**Agricultural Sector**		
	Opening Balance	302,005,967	159,963,732
	Add. Disbursement during the year	989,134,000	439,880,000
	Less. Realization during the year	605,622,320	297,837,765
	Closing Balance	**685,517,647**	**302,005,967**
9.00	**Accounts Receivable-Advance (Schedule -2)**	5,516,066	4,236,460
	Add- Receavable during the year	67,317,211	48,192,626
	Less-Adjustment during the year	57,780,710	46,913,020
	Closing Balance	**15,052,567**	**5,516,066**
10.00	**Cash in hand**		
	Opening Balance	380,517	273,103
	Add. Cash received during the year	759,226,863	758,526,863
	Less. Cash payments during the year	758,502,784	758,419,449
	Closing Balance	**1,104,596**	**380,517**
11.00	**Cash at Bank**		
	Opening Balance	10,886,518	18,980,861
	Add. Deposit during the year	690,094,522	675,094,522
	Less. Withdrawal during the year	683,999,511	683,188,865
	Closing Balance	**16,981,529**	**10,886,518**

Break-up of the above amount is as follows:

Sl.	Branch Name	Bank & Branch Name		Account No.	Balance for 2017	Balance for 2016
1	Paragram	Bank Asia	Paragram Br. Dhaka	SND-07436000001	128,716	232,935
2	Solla	NCC	Nawabgonj Br. Dhaka	SND-040-0325000273	899,415	113,892
3	Ruhitpru	Bank Asia	Ruhitpru Br. Dhaka	SND-03136000013	175,649	10,165
4	Kholamora	National Bank	Kholamora Br. Dhaka	SND-15036000112	650,547	130,964
5	Badhaldi	Uttara Bank	Uttara branchDhaka	SND-0014100004141	1,394,043	35,210
6	Cox's Bazar	Southeast Bank	Cox's Bazar Br., Cox's Bazar	SND-002213100001095	141,095	28,487
7	Chakaria	Southeast Bank	Chakaria Br. Cox's Bazar	SND-0013100000034	132,843	48,666
8	Malumghat	Sonali Bank	Dulhazra Branch, Cox's Bazar	SND-90436000044	332,979	55,895
9	Kadomtoli	Southeast Bank	Aganagar Branch, Dhaka	SND-11100005733	377,286	29,662
10	Tongi	Southeast Bank	Tongi Branch, Gazipur	SND-005013100000024	517,382	115,303
11	Nawabgonj	NCC	Nawabgonj Br. Dhaka	SND-00400325000291	879,941	13,851
12	Sonargaon	EBL	Sonargaon Branch, Narayangon	SND-1281290000923	656,156	191,500
13	Tarabo	IFIC Bank Ltd.	Rupgonj Branch, Narayangonj	SND-1198-7079-50041	357,728	45,239
14	Boad Bazar	DBBL	Boad Bazar Br, Gazipur	SND-123.120.1372	262,746	465,574
15	Nimtola	Bank Asia	Nimtola Branch, Munsigonj	SND-07036000005	775,566	25,408
16	Bhagyakul	National Bank	Bhyagakul Branch, Munsigonj	SND-1151000357240	357,728	104,888
17	Meghula	IFIC	Meghula Branch, Dhaka	SND-1213707950041	1,274,949	29,756
18	Joypara	Southeast Bank	Joypara Branch, Dhaka	SND-003313100000166	426,025	25,101
19	Delpara	National Bank	Pagla Bazar Br, Narayangonj	SND-36000245	639,056	25,136
20	Sarulia	Southeast Bank	Sarulia Branch, Dhaka	SND-00851-3100000015	340,620	44,715
21	Panchrukhi	Meadland Bank	Panchrukhi, Narayangonj	SND-00121090000088	26,375	1,354
22	Madhobdi	Bank Asia	Madhobdi Branch, Narsandi	SND-05936000027	189,915	232,767
23	Mouchak	Exim bank Ltd	Mouchak branch, Gazipur	SND-07913100045266	396,097	76,294
24	Jirani	Uttara Bank	BKSP Branch, Dhaka	SND-163614100004186	794,578	7,760
25	Jamgora	Bank Asia	Asulia Branch, Dhaka	SND-01636000033	812,884	113,421
26	Panchdona	Al-Arafa Islami Bank	Panchdona Branch, Narsandi	SND-0791220000193	369,441	17,267
27	Uttar Khan	UCBL	Uttorkhan Branch, Dhak	SND-1122301000000038	830,399	5,231
28	Bandor	Sonali Bank	Nobigonj Branch, Dhaka	SND-,3612902000318	419,606	112,936
29	Dhamrai	IFIC Bank Ltd.	Dhamrai Branch, Dhaka	SND-1178781331041	674,222	138,750
30	Banglabazar	NRB Global Bank.Lt	Link Road Branch Cox'sbazar	SND-0113000077936	105,874	1,837

31	Shilkhali	First Security Islami B	Pekua Branch, Cox's Bazar	SND-192131-00000045	299,627	196,872
32	Mirer Bazar	DBBL	Mirer Bazar, Gazipur	SND-215-120-1202	279,646	426,003
33	Palash	Rupali Bank Ltd	Palash Branch Narasandi	SND-5827024000003	331,249	61,177
34	Head office	Sonali Bank	Collegegate Br.	SND-240000697	532,903	3,250
35	Head office	FSIB	Rayer Bazar	SND-11100000084	40,022	7,500,000
36	Head office	Southeast Bank	Dhonia Branch	SND-0013100000623	26,623	33,925
37	Head office	Bank Asia	Samoli Br.	SND-05536000022	131,598	185,327
			Total		**16,981,529**	**10,886,518**

		Amount in Taka	
		June-17	**June-16**
12.00	**Cumulative Surplus:**		
	Opening Balance	59,761,024	40,335,201
	Add. Surplus during the year	28,931,213	18,811,544
	Add: Transfer from DMF	-	2,772,704
	Less. Transfer to Reserve Fund	2,893,121	2,158,425
	Closing Balance	**85,799,116**	**59,761,024**
13.00	**Reserve Fund:**		
	Opening Balance	6,640,114	4,481,689
	Add: Created during the year	2,893,121	2,158,425
	Closing Balance	**9,533,235**	**6,640,114**
14.00	**Loan Loss Provision**		
	Opening Balance	**3,383,213**	5,633,635
	Add: Provision made during the year	7,609,890	3,233,500
	Add: Adjustment made from Risk Fund	-	1,663,424
	Less: Transfer to Capital Fund \	3,284,611	5,295,417
	Less. Write off during the year	4,345,279	1,851,929
	Closing Balance	**3,363,213**	**3,383,213**
14.01	**Loan Loss Reserve Fund (Good Loan)**		
	Opening Balance	5,295,417	-
	Add: Adjustment Capital Fund during the year	3,284,611	-
	Closing Balance	**8,580,028**	-
15.00	**Accounts Payable PKSF**		
	Opening Balance	127,849,998	108,116,665
	Add. Received during the year.	122,200,000	86,500,000
	Less. Loan Refund during the year	69,733,335	66,766,667
	Closing Balance	**180,316,663**	**127,849,998**
16.00	**Bank Loan Payable**		
	Opening Balance	197,900,000	53,500,000
	Add. Received during the year	609,500,000	337,042,648
	Less. Loan Refund during the year	399,699,289	192,642,648
	Closing Balance	**407,700,711**	**197,900,000**

01 Southeast Bank Limited, Donia Branch, Dhaka Tk. 15 core (Instead of Revolving Basis) has been sanction as time loan. For Individual time loan period is maximum 7 months with 9% Interest.

Opening Balance	100,000,000	25,000,000
Add. Received during the year	225,000,000	170,000,000
Less. Loan Refund during the year	207,500,000	95,000,000
Closing Balance	**117,500,000**	**100,000,000**

	Amount inTaka	
	June-17	**June-16**

02 AB Bank Limited, Shyamoli Branch, Dhaka Tk. 10 core (Instead of Revolving Basis) has been sanction as time loan. For Individual time loan period is maximum 180 days from the date of disbursement with 9% interest.

Opening Balance	30,000,000	28,500,000
Add. Received during the year	150,000,000	87,042,648
Less. Loan Refund during the year	100,000,000	85,542,648
Closing Balance	**80,000,000**	**30,000,000**

03 Mercantile Bank Limited, Doniai Branch, Dhaka Tk. 3 core has been sanction as term loan Agriculture. The loan period is maximum 3 month from the date of disbursement with 9% interest.

Opening Balance	30,000,000	-
Add. Received during the year	30,000,000	30,000,000
Less. Loan Refund during the year	30,000,000	-
Closing Balance	**30,000,000**	**30,000,000**

04 Bank Asia Limited, Paragram Branch, Dhaka Tk. 2 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 9% interest.

Opening Balance	10,000,000	-
Add. Received during the year	30,000,000	10,000,000
Less. Loan Refund during the year	20,000,000	-
Closing Balance	**20,000,000**	**10,000,000**

05 Midland Bank Limited, Dhanmondi Branch, Dhaka Tk. 5 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 9% interest.

Opening Balance	27,900,000	-
Add. Received during the year	30,000,000	40,000,000
Less. Loan Refund during the year	24,407,622	12,100,000
Closing Balance	**33,492,378**	**27,900,000**

06 Mutual Trust Bank, Dumni Branch, Dhaka Tk. 4 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 9%

Opening Balance	-	-
Add. Received during the year	40,000,000	-
Less. Loan Refund during the year	6,666,667	-
Closing Balance	**33,333,333**	-

07 IDLC Finance Limited, Motijhil C/A, Dhaka Tk. 2 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 11% interest.

Opening Balance	-	-
Add. Received during the year	24,500,000	-
Less. Loan Refund during the year	11,125,000	-
Closing Balance	**13,375,000**	-

08 NRBC Bank Ltd, Dhanmondi Branch, Dhaka Tk. 5 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 9% interest.

Opening Balance	-	-
Add. Received during the year	50,000,000	-
Less. Loan Refund during the year	-	-
Closing Balance	**50,000,000**	-

		Amount in Taka	
		June-17	June-16

09 First Security Islami Bank Ltd, Rayer bazar Branch, Dhaka Tk. 3 core has been sanction as term loan Agriculture. The loan period is maximum 6 month from the date of disbursement with 9% interest.

	Opening Balance	-	-
	Add. Received during the year	30,000,000	-
	Less. Loan Refund during the year	-	-
	Closing Balance	**30,000,000**	-
17.00	**Accounts Payable Anukul Foundation**		
	Opening Balance	33,693,252	29,874,647
	Add. Received during the year	14,500,000	17,500,000
	Less. Loan Refund during the year	24,299,387	13,681,395
	Closing Balance	**23,893,865**	**33,693,252**
18.00	**Members Savings Deposit**		
	Opening Balance	191,655,705	106,672,746
	Add: Received during the year	290,776,894	164,459,082
	Less. Refund during the year	185,123,284	79,476,123
	Closing Balance	**297,309,315**	**191,655,705**
19.00	**Loan risk Fund (Member Welfare)**		
	Opening Balance	12,982,435	12,518,903
	Add: Received during the year	9530250	3,744,830
	Less: LLP Adjustment during the year	-	1,663,424
	Less. Refund during the year	4,120,954	1,617,874
	Closing Balance	**18,391,731**	**12,982,435**
20.00	**Other Fund Payable (OSF)**		
	Opening Balance	-	-
	Add: Recived during the year	600.000	-
	Less: Refund during the year	-	-
	Closing Balance	**600.000**	-

21.00	**Tax and VAT :**	**Income Tax**	**VAT**
	Resigtration Fee	-	750
	Loan Processing Fee	-	645
	Bank Interest	4,326	-
	Savings FDR Interest	291,069	-
	FDR Interest on MWF	47,687	-
	FDR Interest on Resurve Fund	42,972	-
	Office Rent	45,924	68,734
		431,978	**70,129**

BASTOB Initiative for People's Self Development

Eligibility Criteria Compliance Certification

Annex-A/2

For the year ended 30th June 2017

We have audited the Financial statements of Pabna Protishsruti for the year ended 30th June 2016. On the basis of our audit, we certify below the Compliance of Pabna Protishsruti with the eligibility Criteria under the loan agreement between PKSF and the Partner:

Sl No.	Performance Parameters	Different Aspect	PKSF Standered	June-17	June-16
1	Long Term Solvency	Debt to Capital	Max 9:1	9.54:1	8.5:1
		Capital Adequacy	Min 10%	10.50%	11.43%
		Debt Service to Cover Ratio	1.25:1	2.90:1	2.19:1
2	Short Term Solvency	Current Ratio	Min 2:1	1.29:1	2.15:1
		Liquidity to Savings Ratio	Min 15%	29%	17%
3	Profitability Ratio	Retun on Capital Employed (ROCE)	Min 1%	30%	34%
		Return on Assets	Min 3%	9.10%	4.30%
4	Productivity Ratio	Member/Branch	1500-2000	806	869
		Credit Officer/Member	1: 300-400	1 : 201	1 : 254
		Borrower Coverage	Min 70%	70.91%	80.68%
		Credit Officer/Borrower	1:240-250	1:143	1:205
		Credit Officer/Total Staff	1:1.50-1.70	0.60:1	0.64:1
		Credit Officer to Loan Outstanding (Tk in Lac)	1:25-30	7,013,879	50,84,626
5	Portfolio Quality Ratio	Total Overdue Tk		10740247	85,56,703
		Bad Loan		2073064	1814211
		OTR (%)	Min 92%	98.96%	99.67%
		CRR (%)	Min 95%	99.14%	99.32%
		PAR (%)	≤ 10%	3.65%	1.59%
		Good Loan as a percentage of Loan Outstanding		98.65%	98.25%

Date: 14th September,2017

M M Rahman & Co

M. M. RAHMAN & CO.
Chartered Accountants

BASTOB Initiative For People's Self Development

Micro Finance Program

Portfolio report & Review of loan Classifications and provisions

For the year ended June 30, 2017

Annex-A/3

(i) Classification of loan and Loan Loss Provision

S.I	Particular	No. of days Outstanding	Outstanding Loan Amount in (Tk)	Required Provision	
				Rate	Amount in (Tk).
1	Total Loan Outstanding		869,720,939		
2	Total Overdue		10,740,247		
3	Regular	Loans with no overdue Installments	858,002,846	1%	8,580,028
4	Watchful	Loan default duration between 1-30 days	1,670,048	5%	83,502
5	Sub-Standerd	Loan default duration between 31-180 days	5,355,692	25%	1,338,923
6	Doubtful	Loan default duration between 181-365 days	2,619,289	75%	1,964,467
7	Bad Loan	Loan default duration above 365 days	2,073,064	100%	2,073,064
8	**Total**		**869,720,939**		**14,039,985**

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

Particular	Amount
Required provision as per MRA Policy	14,039,985
Actual Provision made by the MFI	11,943,241
(Exces/Shortfull of Provision	2,096,744
Comment on LLP for PKSF funded program	N/A
Comment on LLP for Non- PKSF funded program	-
Disclosure on Written off Loan :	N/A
Loan Written off balance as on 01-07-2016.	1,851,929
Loan Written off during the year 2016-17.	4,345,279
Write off loan recovery during the year 30 june 2017	

iii. Loan Operational Report.

Sl.	Particulars	June-17			June-16		
1	Financial Service Product **Loan product** Loan PKSF			180,316,663			127,849,998
	Savings Product Members			297,309,315			191,655,705
	Insurance product Life			18,391,731			12,982,435
2	Number of Branches	31			31		
		M	**F**	**Total**	**M**	**F**	**Total**
3	Number of Samities	22	1648	1670	34	1544	1578
4	Number of members	712	24283	24995	1018	25933	26951
5	Number of Borrowers	459	17264	17723	862	22280	23142
6	Number of Staff	181	26	207	140	26	166
7	Amount (Tk.) of loan outstanding with somiti members			869,720,939			538,970,404
8	Member : Borrower	70.91%			85.87%		
9	Average loan Outstanding			49,073			23,290

Schedule -1
M. M. RAHMAN & CO.
Chartered Accountants

Annex-A/4

BASTOB Initiative For Peoples Self Development

Schedule of Fixed Assets

As at June 30, 2017

Sl No	Particulars	Cost					Depreciation				Written down Value as on 30.06.17
		Balance as on 30.06.16	Addition during the year	Adjustment during the year	Balance as on 30.06.17	Rate of Dep.	Balance as on 30.06.16	Charged during the year	Adjustment during the year	Balance as on 30.06.17	
1	Furniture & Fixture	2,312,955	389,985	174,691	2,528,249	15%	414,181	380,223	174,691	619,713	1,908,536
2	Electric Equipment	2,478,034	341,960	116,645	2,703,349	18%	612,588	488,765	116,645	984,708	1,718,641
	Software Installation	-	330,000	-	330,000	0%	-	-	-	-	330,000
3	Land	15,717,806	-	-	15,717,806	0%	-	-	-	-	15,717,806
4	Building	1,175,000	600,000	-	1,775,000	0%	-	-	-	-	1,775,000
5	Flat	12,336,377	-	12,336,377	-	0%	-	-	-	-	-
6	Vehicle	2,436,460	-	-	2,436,460	11%	196,170	258,265		454,435	1,982,025
Balance as at 30.06.17		**36,456,632**	**1,661,945**	**12,627,713**	**25,490,864**		**1,222,939**	**1,127,253**	**291,336**	**2,058,857**	**23,432,007**
Balance as at 30.06.16		**29199956**	**8,377,380**	**1120704**	**36456632**		**2024555.915**	**319087**	**1,120,704**	**1222938.915**	**35233693.09**

BASTOB Microfinance Program

List of Branch Offices

As on June 30, 2017

Annex-A/5

Sl.	Name of Branch	Location	Clients	Borrow	Savings	Loan Bal.	Due
1	Paragram	Dhaka, Nawabgonj	1,537	766	29,252,419	58,433,174	768,458
2	Sollah	Dhaka, Nawabgonj	1,362	851	20,944,532	46,465,757	880,657
3	Ruhitpur	Dhaka, Keranigonj	1,537	684	20,743,206	47,951,651	874,425
4	Kholamora	Dhaka, Keranigonj	1,259	785	17,554,188	43,806,801	674,902
5	Badaldi	Dhaka, Turag	1,412	856	42,537,324	65,244,260	642,408
6	Cox's Bazar	Cox's Bazar, Sadar	999	758	8,846,858	15,873,584	1,009,742
7	Chakaria	Cox's Bazar, Chaka.	1,175	896	10,240,826	17,192,573	574,547
8	Malumghat	Cox's Bazar, Chaka.	1,184	861	9,380,796	16,328,425	262,993
9	Kadamtoli	Dhaka, Keranigonj	832	622	4,380,837	14,966,919	292,727
10	Tongi	Gazipur, Tongi	392	334	7,230,642	32,122,213	211,698
11	Nawabgonj	Dhaka, Nawabgonj	524	365	8,216,565	27,306,739	709,728
12	Sonargaon	Narayangonj, Sonar.	667	516	4,755,878	18,616,985	135,947
13	Tarabo	Narayangonj, Rupgonj	816	570	6,347,857	25,789,075	155,984
14	Board Bazar	Gazipur, Sadar	471	394	6,182,875	25,887,497	148,634
15	Nimtola	Munshigonj, Serajde.	656	618	6,239,022	25,588,695	93,280
16	Bhaygakul	Munshigonj, Sreena.	1,085	831	9,917,963	40,634,400	-
17	Megula	Dhaka, Dohar	621	406	8,875,182	32,633,212	183,589
18	Joypara	Dhaka, Dohar	885	544	9,375,073	34,661,656	199,385
19	Delpara	Narayangonj, Fatulla	671	572	6,296,568	30,388,845	73,396
20	Sarulia	Dhaka, Demra	542	456	4,311,170	17,171,603	173,880
21	Panchrukhi	Narayangonj, Arihazar	494	363	4,479,128	15,893,297	60,628
22	Madobdi	Narsingdi, Sadar	614	500	3,402,173	11,982,283	209,963
23	Mouchak	Gazipur, Kaleyakor	476	300	3,111,234	12,020,625	303,232
24	Jerani	Dhaka, Ashulia	774	588	13,648,683	68,747,217	59,848
25	Jamgora	Dhaka, Ashulia	481	415	4,588,554	20,320,394	244,223
26	Panchdona	Narsingdi, Sadar	673	610	4,520,635	23,019,930	748,306
27	Uttarkhan	Dhaka, Uttarkhan	313	284	5,368,407	30,180,713	362,353
28	Bordor	Narayangonj, Bondor	356	285	4,305,888	15,050,375	86,690
29	Dhamrai	Dhaka, Dhamrai	374	258	1,480,142	5,044,750	292,196
30	Bangla Bazar	Cox's Bazar, Sadar	607	543	2461369	6428725	134667
31	Shilkhali	Cox's Bazar, Pekua	499	301	2,323,745	5,831,392	-
32	Mirer Bazar	Mirer Bazar, Gazipur	318	254	2,810,265	8,302,181	171,761
33	Palash	Palash, Narasandi	389	337	3,179,311	9,834,993	-
Total			**24,995**	**17,723**	**297,309,315**	**869,720,939**	**10,740,247**

Microfinance Program Five Years Summary
Comparative Statement of Financial Position (Five Years)
As At June 30,2017

Annex-A/6

As would be evident from the audit report, BASTOB has been implementing multiple programs since its inception for which it is receiving fund, grants & soft loan from a number of organization. The financial status of the organization for the year ended June 2016 may be glanced below :

Particulars:	Amount in Taka				
	Financial Year				
	June-17	June-16	June-15	June-14	June-13
Non- Current Assets:					
Property, Plant and Equipment	25,490,864	36,456,632	29,199,956	28,430,981	24,278,086
Accumulated Depreciation Fund	2,058,856	1,222,939	2,024,556	1,966,019	1,446,567
Net Property, Plant and Equipment	**23,432,008**	**35,233,693**	**27,175,400**	**26,464,962**	**22,831,519**
Investment	109,196,238	48,237,250	41,509,388	32,696,570	26,730,586
Total Non-Current Assets	**132,628,246**	**83,470,943**	**68,684,788**	**59,161,532**	**49,562,105**
Current Assets:					
Loan to Clients:	869,720,939	538,970,404	272,708,903	183,286,915	164,702,557
Accounts Receivable-Advance	15,039,296	5,707,918	4,236,460	13,738,503	11,698,779
Cash in hand	1,104,596	380,517	273,103	306,596	161,746
Cash at Bank	16,981,529	10,886,518	18,980,861	11,744,700	15,754,986
Total Current Assets:	**902,846,360**	**555,945,357**	**296,199,327**	**209,076,714**	**192,318,068**
Total Properties and Assets	**1,035,474,606**	**639,416,300**	**364,884,115**	**268,238,246**	**241,880,173**
Capital Fund & Liabilities					
Cumulative Surplus	85,799,116	59,761,024	40,335,201	27,878,645	24,893,930
Reserve Fund	9,533,235	6,640,114	4,481,689	3,097,627	2,765,992
Loan Loss Reserve Fund (Good Loan)	8,697,209	5,295,417	2,640,145	-	-
Disaster Management Fund (DMF)	-	-	2,675,558	2,232,814	1,827,293
Total Capital Fund:	**104,029,560**	**71,696,555**	**50,132,593**	**33,209,086**	**29,487,215**
Non- Current Liabilities:					
Accounts Payable PKSF	180,316,663	127,849,998	108,116,665	107,950,000	93,166,666
Bank Loan Payable	407,700,711	197,900,000	53,500,000	-	-
Anukul Foundation	23,893,865	33,693,252	29,874,647	30,553,799	27,799,466
Project Loan Payable	-	191,852	1,075,071	2,397,297	10,521,657
Total Non- Current Liabilities	**611,911,239**	**359,635,102**	**192,566,383**	**140,901,096**	**131,487,789**
Current Liabilities:					
Members Savings Deposit	297,309,315	191,655,705	106,672,746	80,222,736	67,393,623
Loan risk Fund (Member welfare)	18,391,731	12,982,435	12,518,903	9,023,653	6,948,206
Loan Loss Reserve Fund	3,246,032	3,383,213	2,993,490	4,765,635	6,554,816
Provision on Expenses	(13,271)	63,290	-	116,040	8,524
Other Fund Payable	600,000		-	-	-
Total Current Liabilities	**319,533,807**	**208,084,643**	**122,185,139**	**94,128,064**	**80,905,169**
Total Capital Fund & Liabilities	**1,035,474,606**	**639,416,300**	**364,884,115**	**268,238,246**	**241,880,173**

Microfinance Program Five Years Summary
Statement of Comprehensive Income (Five Years)
For the year ended June,30, 2017

Annex-A/6

Particulars:	Amount in Taka				
	Financial Year				
	June-17	June-16	June-15	June-14	June-13
INCOME:					
Service Charges on Loan	149,623,006	95,611,986	46,088,957	37,312,555	36,659,325
Overhead from Projects Fund	-	-	8,545,275	-	-
Bank Interest	609,863	326,402	685,969	524,027	449,192
Bank Interest on FDR	3,369,224	3,430,197	1,578,134	2,059,052	1,952,239
Membership Fees	91,070	202,560	67,420	1,620	-
Sale of Pass Books and Loan Forms	255,825	339,445	166,740	117,175	117,145
Seat Rent Income	339,780	-	-	-	-
Miscellaneous Income	974,000	20,500	90,676	183,648	249,877
Total Income:	**155,262,768**	**99,931,090**	**57,223,171**	**40,198,077**	**39,427,778**
EXPENDITURE:					
Service Charge paid to PKSF	8,142,295	5,848,584	6,189,076	4,458,250	4,219,049
Service Charge paid to Bank	25,135,377	10,622,448	-	-	-
Service Charge paid to Anukul Foun.	2,929,475	2,453,701	2,748,246	2,456,947	2,466,598
Service Charge Rebate	2,011,018	383,737	439,643	174,745	122,321
Bank and TT/DO Charges	483,182	168,957	175,785	125,000	137,930
Interest on Members Savings	12,779,087	8,950,044	4,149,240	3,811,192	3,160,069
Salary & other Benefits	53,443,630	35,947,123	21,548,269	18,580,206	16,914,205
Residence Facilities for staff	2,515,271				
Conveyance	789,783	565,492	377,152	240,292	248,558
Oil & Fuel	955,916	725,955	410,425	336,762	328,558
Office Maintenance	1,067,279	1,637,031	611,599	390,756	277,671
Gas, WASA & Electricity Bill	950,222	932,399	636,531	745,813	558,915
Phone, Inter, Mobile & Currier	278,028	258,631	281,598	218,884	195,831
Stationary	935,970	1,410,896	618,996	495,146	389,976
Legal Fee	156,395	335,208	77,761	7,662	209,583
Training, Meeting,Seminer	719,528	1,258,962	616,787	568,230	211,832
Registration Fee	126,518	-	-	-	-
Office Rent Expenses	1,257,635	3,130,712	1,371,800	1,313,375	1,286,650
Entertainment/Refreshment	652,873	515,882	316,513	188,334	149,249
Income Tax and VAT	502,107	412,167	95,111	190,194	230,488
Audit fee	125,000	100,000	45,000	42,670	40,000
Software Charge	171,735	299,600	500,000	90,450	-
Education	277,494	325,367	227,975	270,688	-
Donation to Enrich program	655,437				
Miscellaneous Expenses	533,157	477,368	300,727	290,522	412,891
Provision for Expenses		610,028	-	116,040	8,524
LLP Expenditure	7,609,890	3,233,500	868,000	958,000	1,500,565
Depreciation	1,127,253	319,087	393,537	389,778	410,074
Vehicle Maintenance Cost	-	157,667	124,782	202,791	142,292
DMF Expenditure	-	39,000	258,000	219,000	270,000
Member welfare fund Exp.	-	-	-	-	-
Total Expenditure	**126,331,555**	**81,119,546**	**43,382,553**	**36,881,727**	**33,891,829**
Excess of Income over Expenditure	-	-	-	-	-
Microcredit Surplus	28,931,213	18,811,544	13,840,618	3,316,350	5,535,949
Total	**155,262,768**	**99,931,090**	**57,223,171**	**40,198,077**	**39,427,778**

Microfinance Program Five Years Summary

General Information

As At June 30,2017

Annex-A/6

Particulars	Amount in Taka				
	Financial Year				
	June-17	June-16	June-15	June-14	June-13
A. Institutional Profile					
Number of Districts	9	9	8	6	6
Number of Upazilas	25	25	24	12	12
Number of Unions	94	92	59	34	34
Number of Villages	1278	778	357	235	235
Number of Branches	33	33	18	10	10
Number of Loan	17,615	22,582	11,429	7,695	8,131
Total Personnel	207	166	96	71	71
Total Collection Personnel	124	106	53	38	38
Number of Clients	24,995	26,951	14,497	10,665	11,576
Number of Active borrowers	17,723	21,744	11,171	8,739	9,170
Brower/Client ratio	70.91%	80.68%	77.06%	81.94%	79.22%
B Savings Portfolio (BD Taka)					
Yearly Savings Deposit	290,776,894	164,459,082	90,844,530	55,763,460	48,067,973
Cumulative Savings Deposit	867,190,815	537,605,794	373,146,712	282,302,182	226,538,722
Interest on savings	12,779,087	8,950,044	4,149,240	3,811,192	3,160,069
Yearly Savings Withdrawals	185,123,284	79,476,123	64,394,520	42,934,347	37,649,148
Savings Portfolio	297,309,315	191,655,705	106,672,746	80,222,736	67,393,623
Savings Portfolio Growth	55.13%	44.34%	24.80%	15.99%	15.46%
Savings Portfolio to Total Assets	28.68%	29.92%	29.07%	29.69%	27.70%
Savings Portfolio to Loan Portfolio	34.18%	35.56%	39.12%	43.77%	40.92%
C Loan Portfolio (BD Taka)					
Yearly Loan Disbursed	1,325,369,000	891,518,000	467,246,000	320,388,000	289,768,000
Cumulative Loan Disbursed	4,487,898,000	3,161,519,000	2,270,001,000	1,802,755,000	1,482,367,000
Yearly Loan Recovered	994,618,465	625,256,499	377,824,012	301,803,642	286,484,878
Cumulative Loan Recovered	3,618,177,061	2,622,548,596	1,997,292,097	1,619,468,085	1,317,664,443
Loan Portfolio	869,720,939	538,970,404	272,708,903	183,286,915	164,702,557
Loan Portfolio Growth	61.37%	97.64%	48.79%	11.28%	2.03%
D Assets & Liabilities					
Total Assets	1,036,746,733	640,639,239	366,908,671	270,204,265	243,326,740
Total Liabilities	942,214,382	568,942,684	316,776,078	235,222,638	215,666,818
Total Equity	94,532,351	71,696,555	50,132,593	34,981,627	27,659,922
Liquidity	28.63%	23.13%	37.39%	42.39%	51.82%
E Sustainability/ Profitability					
Return on Equity (ROE)	27.81%	34.94%	32.30%	9.98%	19.97%
Return on Assets	3.45%	4.22%	4.31%	1.22%	2.21%
Financial Self-Sufficiency	110.99%	118.33%	123.27%	101.83%	105.76%
Operating Self-Suffiency	122.90%	126.61%	131.90%	108.96%	116.33%
F Portfolio Quality					
On Time Recovery Rate (OTR)	98.96%	97.26%	97.04%	98.92%	99.62%
Portfolio at Risk	1.35%	1.75%	3.19%	3.29%	3.40%
G Assets/ Liability Management					
Yield on Gross Portfolio	22.04%	24.38%	24.10%	21.69%	22.70%
Current Ratio	1.04:1	1.21 : 1	0.65 : 1	1.29 : 1	1.34 : 1
Annual Growth to Total Assets	61.63%	74.91%	35.79%	11.05%	14.64%
H Leverage					
Debt to Equity	8.97:1	8.50 : 1	6.96 :1	7.43 : 1	7.20 : 1
Debt Service Coverage Ratio	1.57	1.06	1.13	1.04	1.07
Equity as Percent of Total Assets	9.12%	11.17%	13.66%	12.29%	12.12%
I Efficiency/Productivity					
Credit Officer (CO) Productivity	124	106	106	53	38
Credit Officer (CO) Loan BDT	7,013,878.54	5,084,626	5,084,626	5,145,451	4,823,340
Credit Officer (CO) Savings BDT	2,397,655.77	1,808,073	1,808,073	2,012,693	2,111,125
Loan Disbursed Per Credit Officer (CO)	10,688,459.68	8,410,547	8,410,547	8,815,962	8,431,263
Average Disbursement Loan Size (BDT)	75,241	39,479	39,479	40,882	41,636
Average Outstanding Loan Size (BDT)	49,073	24,787	23,867	23,861	23,819
Cost of per Loan Made (BDT)	7,172	3,592	1,921	3,238	4,315
Income of per Loan Made (BDT)	8,814	4,548	2,534	3,529	5,124
Cost of per Money Lent Tk.1.00 (BDT)	0.10	0.09	0.05	0.08	0.10

BASTOB-Initiative for People's Self-Development

Micro Finance Program

Annex-A/7

Budget Variance Statement

For the Year ended 30th June, 2017

Description	Proposed	Actual	Variance	%
Area Coverage				
District	1	-	1	0%
Upazila	2	-	2	0%
Union	10	2	8	20%
Village	50	50	-	100%
Branch Opening	2	-	2	0%
Group formation	428	92	336	21%
New Member	18,965	10,721	8,244	57%
New Brower	16,729	17,615	(886)	105%
Recuriment of Staff	20	41	(21)	205%
Savings Collection	265,834,015	290,776,894	(24,942,879)	109%
Savings Refund	159,824,844	185,123,284	(25,298,440)	116%
Loan Realization	1,444,602,884	994,618,465	449,984,419	69%
Loan Disbursement	1,851,405,178	1,325,369,000	526,036,178	72%
Loan Outstanding	889,409,081	869,720,939	19,688,142	98%
Loan Received	688,500,000	746,200,000	(57,700,000)	108%
Loan refund	480,000,000	493,732,011	(13,732,011)	103%
Insurance fund received	18,514,052	9,530,250	8,983,802	51%
Insurance fund Given	4,473,000	4,120,954	352,046	92%
Total Income	206,656,797	155,262,768	51,394,029	75%
Total Expenditure	136,867,830	126,331,555	10,536,275	92%
Surplus	58,288,967	28,931,213	29,357,754	50%
Sales of Flat	11,500,000	12,336,377	(836,377)	107%

Annex-A/8

Prevention of Money Laundering and Terrorist Financing for the NGO

Compliance with the Guidelines on prevention of money laundering and terrorist financing for NGO/NPO sector (Prevention of Money Laundering Act. 2012, 2 (ba) (a) (1) and (2) BASTOB fully comply the guidelines of Money Laundering and Terrorist Financing. For all the transaction BASTOB made through bank transfer and Account Payee cheque. Apart from banking channel BASTOB does not use any other channel to transact money.

As per MRA circular No. 27, dated-15 June-2011, and circular no. 09, dated 13 July, 2011 BASTOB has followed all the rules and regulators regarding Prevention **of Money Laundering and Terrorist Financing Act 2009 and 2012.**

M M Rahman & co
M. M. RAHMAN & CO.
Chartered Accountants

Date: 14th September, 2017

BASTOB-Initiative for People's Self Development
Investment Schedule
For the year ended June 2017

Sl No	FDR NO	Opening Balance			New FDR Principal	Accrued Interest on FDR this year				FDR in Cashment			Closing Balance		
		Principal	Interest	Total		Total	Tax	Bank Charge	Net Interest	Intersst	Principal	Total	Intersst	Principal	Total
1	Member Savings Fund	29,053,008	4,012,122	33,065,130	50,000,000	2,363,501	291,069	21,008	2,051,424	-	-	-	6,063,546	79,053,008	85,116,554
2	Reserve Fund	6,200,000	1,112,851	3,790,726	-	426,644	42,972	4,500	379,172	-	-	-	1,492,023	6,200,000	7,692,023
3	Members Welfare Fund	5,500,000	2,359,269	7,859,269	8,000,000	579,079	47,687	3,000	528,392	-	-	-	2,887,661	13,500,000	16,387,661
	Total	40,753,008	7,484,242	44,715,125	58,000,000	3,369,224	381,728	28,508	2,958,988	-	-	-	10,443,230	98,753,008	109,196,238

MANAGEMENT REPORT ON THE ACCOUNTS

BASTOB-Initiative for People's Self-Development
For the year ended June 30, 2017

Ruhi Das
Executive Director
BASTOB-Initiative for People's Self-Development
6/20, Humayun Road (5th Floor)
Block-B, Mohammadpur
Dhaka-1207, Bangladesh

Annex-B

Dear Sir,

As per your office appointment we have conducted audit of the books of accounts of **BASTOB-Initiative for People's Self-Development** for the year ended June 30, 2017. Accordingly we have conducted audit of accounts and are pleased to submit here with the management letter detailing our observations and comments.

Accounting System:

Overall Review of BASTOB's Financial Recording and Reporting System:

The **BASTOB** is maintaining required books of record in accordance with the generally accepted accounting practice and recording transaction in order to generate accurate financial reports that reflect the overall financial position of the BASTOB.

Observation

Following instances were found while preparation of accounts related documents during the period of our audit:

A. During the course of our audit it has been observed that BASTOB has showed Non-Current Assets into project accounts but they didn't charge depreciation. But according to BAS 16 they should charge depreciation when it is ready for use.

Moreover, they purchased Non-Current Assets for the project such as Furniture, Electric Equipment etc but they recorded as expenditure on the Statement of comprehensive Income.

B. During the course of our audit it has been observed that when BASTOB purchased a fridge they recorded the Asset in purchase value without adding the other direct cost such as transportation cost, handling charge etc. But as per BAS 16 they should include the direct cost with the Asset cost.

C. Income Tax has not been deducted from the Employee's salary statement.

D. During the audit of General Account we found that BASTOB paid taka to Alok Bangla BDT.12,70,000, Faruk Ahmed BDT.8,00,000, Barada Bhusan BDT.10,00,000 but BASTOB didn't get any benefit from the loan.

MMR

E. During the course of our audit it has been observed that we visited GTA School and felt that it has not enough space for conducting their activities.

F. In some cases Procurement policy is not follow properly.

G. In some cases, money receipts, revenue stamps have not been affixed with some of the vouchers.

H. BASTOB provided account pay cheque BDT.34,500, DV-1891 from Paragram Branch for purchase Computer & Other Equipment but didn't mention any name in the cheque.

1.0 Internal control systems were not effectiveness (As like loan schedule form was not fulfill)
2.0 Miss posting in Accounting treatment and procedures.
3.0 Management estimates (Budget)
4.0 VAT and withholding tax.
5.0 In some cases, Rent Agreement was not updated.

▲ Erasing & Overwriting found in Cash book, Ledger book and Registered book in some cases.

▲ Supporting papers were not attached with the Debit &Credit vouchers.

▲ Vat & Tax were not calculated properly.

Implication

It indicates that the monitoring and controlling system is weak.
It indicates that the record keeping of BASTOB is weak.

Recommendation

BASTOB should rectify the observations mentioned above. BASTOB should install web based software immediately and management should take proper step to develop recording system. BASTOB management team should be strict about the whole system.

Management Response

Agreed with the opinion.

INVESTMENT
Observation:

BASTOB has invested the following amount as FDR with the bank during year:-

Saving-FDR	52,051,424
Statutory reserve fund-FDR	8,907,564
Total amount in Taka	**60,958,988**

Recommendation

BASTOB should maintain the process of investment as per MRA &PKSF guideline.

Management Response

No comment.

PURCHASE OF FIXED ASSETS:

Observations

BASTOB procured fixed assets amounting to **TK.16,61,945/-** during the year under audit. We have examined all the vouchers and relevant papers of fixed assets and found that the said purchase was done in line with the proper procedure. During the year under audit Asset Register not found update.

Recommendation

BASTOB should update the Asset Register.

Management Response

We do agree with the recommendation.

LOAN OPERATION MANAGEMENT:

Observations:

BASTOB has disbursed total TK.1,32,53,69,000 to the beneficiaries under the components of Small Business Sector 26,23,57,000, Services Sector -TK. 6,04,65,000, Processing Sector- TK. 1,34,13,000, Agricultural Sector-TK. 98,91,34,000. The system of internal control in operation particularly in respect of loan operation management is considered to be satisfactory except the following observations.

Particular	Year 2016-17	Year 2015-16
Total Loan disbursed	1,32,53,69,000 /=	891,518,000/=
Total loan collection	99,46,18,465/=	625,256,499/=
Loan Outstanding	869,720,939/=	538,970,404/=
Percentage of growth of loan Outstanding	61.37%	97.64%

▲ Daily collection against loan and savings were not deposited to their concerned bank account.
▲ Overwriting in the daily collection sheet and register in some cases.

Implication

It indicates, the internal control system of some of the branches of BASTOB is weak.
It indicates, record keeping of some of the branches of BASTOB in not satisfactory.
It is a violation of PKSF established polices.

Recommendation

BASTOB should rectify and improve the operational system mentioned above.

Management Response

Agreed with the opinion and BASTOB will follow the recommendations in future.

TRAINING NEEDS OF BASTOB:

Observations

During the period under audit it has been observed that training should be imparted in case of monitoring system of fund disbursement and realization.

Implication

It indicates the monitoring system and controlling system is weak.

Recommendation

BASTOB should arrange training to their staffs against fund disbursement and realization and also arrange training to the monitoring personnel.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

GENERAL OBSERVATION:

REVENUE STAMP WAS NOT FOUND:

Verification and observation

In course of our verification, we have observed that revenue stamp was not affixed on the supporting documents of the voucher. Such as:

Date	Voucher No.	Amount
23/01/17	DV-466	1,400/=

Comments and suggestion

We suggest that Revenue stamp should be affixed with the supporting voucher where applicable.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

STOCK REGISTER NOT UPDATE

Verification and observation

In course of our verification we have observed that Stock register and found some difference between Register book and Stock. Such as:

Sl No.	Name of Items	Branch Name	As per Register	As per Physical
1	Stapler Pin Small	Paragram	61	41
2	Cost tape	Paragram	20	3
3	Pencil	Paragram	17	15
4	Passbook	Sholla	441	0
5	Stapler Pin	Sholla	0	11
6	Stamp Pad	Sholla	3	0
7	Loan Application From	Sholla	4	0

Comments and suggestion

We suggest that stock register should maintain properly.

Management Response: Agreed with the opinion

.

DID NOT FOUND ANY SUPPORTING WITH VOUCHER:

In course of our verification we have observed that no supporting with voucher. Such as:

Particulars	Date	Voucher No.	Voucher Amount
Advertisement & Printing	14/01/2017	DV-424	142,000/=
Electricity bill	12/07/2016	DV-04	25,000/=
Oil & Fuel	09/01/2017	DV-541	4,488/=
Legal Fee	26/07/2016	DV-35	2,000/=
Fund to Nimtola, Nowabgonj,Uttarkhan	19/07/2016	DV-13	25,00,000/=
Fund to Paragram, Sholla,Ruhitpur	31/07/2016	DV-52	61,845/=

Implication

It indicates the internal control and monitoring system of BASTOB is week.
It is a gross violation of BASTOB established policy.

Recommendation

We recommend that voucher & supporting should be maintained in a proper manner.

Management Response

Agreed with the suggestion.

NO APPROVAL SIGN IN VARIOUS EXPENSES:

Verification and observation:

In course of our audit we have observed that in supporting there was no signature:

Particular	Date	Voucher No.	Amount
Advance salary	31/07/2016	DV-47	1,88,317/=

Comments and suggestion

We suggest that sign should be mentioned as evidence.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

Branch office Observation of BASTOB

During the year, course of our audit, we have visited 04 (Four) branches under PKSF funded Micro Credit Program.

Observation
Following instances were found while preparation of accounts related documents during the period of our audit:

▲ Erasing & Overwriting found in Cash book, Ledger book, Volt Register and other registered book in some cases.

▲ Supporting papers were not attached with the Credit vouchers.

▲ Attendance sheet did not maintain properly.

▲ Voucher no. did not match with cash book in some cases.

Implication:

It indicates the monitoring system and controlling system is weak.
It indicates record keeping of BASTOB is weak.
It indicates the preparation of accounts did not follow IAS.

Recommendation

BASTOB should rectify the observations mentioned above. BASTOB should install the software immediately provided by PKSF and management should take proper step to develop rerecording system. And BASTOB management team should be strict about the whole system

BRANCH NAME: Paragram

DID NOT FOUND ANY SUPPORTING WITH VOUCHER:

In course of our verification we have observed that no supporting with voucher. Such as:

Date	Particular	Vouchers	Actual Amount
06/02/2017	Mobile bill	DV-1889	316/=
23/02/2017	Stationery	DV-2026	2,100/=
22/06/2017		DV-2829	18,000/=

Implication

It indicates the internal control and monitoring system of BASTOB is week.
It is a gross violation of BASTOB established policy.

Recommendation

We recommend that voucher & supporting should be maintained in a proper manner.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

Cash book erasing and overwriting

During the course of our audit we have observed that cash book amount was over written, erasing was made on the closing balance.

Implication

It indicates the internal control and monitoring system of branch is week.

Recommendation

We recommend that Cash Book should be maintained properly.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

CASH HOLDING LIMIT

Observation

During the course of our audit, we have observed that in few cases cash holding has exceeded the limit of Tk.10,000/=. Examples are given below:

Sl.	Date	Cash Limit	Amount in Taka	Exceed Amount
01	08/06/2017	10,000	47,880/=	37,880/=
02	02/08/2016	10,000	20,647/=	10,647/=
03	31/07/2016	10,000	22,148/=	12,148/=
04	20/07/2016	10,000	21,318/=	11,318/=
05	14/07/02016	10,000	18,298/=	8,298/=
06	13/07/2016	10,000	17,891/=	7891/=

Implication

It indicates the internal control and Monitoring system of branch is weak.
It is a gross violation of BASTOB established polices

.

Recommendation

The branch personnel should try to collect the installment amount from the field within the banking hour and should deposit the same into the bank on the same day for controlling the cash in hand limit of Tk.10,000/=

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

BRANCH NAME: Nawabganj

CASH HOLDING LIMIT

Observation:

During the course of our audit, we have observed that in few cases cash holding has exceeded the limit of Tk.10,000/=. Examples are given below:

Sl.	Date	Cash Limit	Amount in Taka	Exceed Amount
01	31/05/2017	10,000	43,108/=	33,108/=
02	06/06/2017	10,000	24,323/=	14,323/=
03	28/05/2017	10,000	25,706/=	15,706/=

Implication

It indicates the internal control and Monitoring system of branch is weak.
It is a gross violation of BASTOB established polices

.

Recommendation

The branch personnel should try to collect the installment amount from the field within the banking hour and should deposit the same into the bank on the same day for controlling the cash in hand limit of Tk.10,000/=

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

DID NOT FIND ANY SUPPORTING WITH VOUCHER

In course of our verification we have observed that no supporting with voucher. Such as:

Date	Particulars	Vouchers	Actual Amount
05/12/2016	Advance	DV-1053	3,000/=
19/12/2016	Advance	DV-1149	11,000/=
12/12/2016	MMBLMB Project	DV-1105	6,000/=

Implication

It indicates the internal control and monitoring system of Branch is weak.
It is a gross violation of BASTOB established policy.

Recommendation

We recommend that voucher & supporting should be maintained in a proper manner.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

BRANCH NAME: BADALDI

REVENUE STAMP WAS NOT AFFIXED

Verification and observation

In course of our verification we have observed that revenue stamp was not affixed on the supporting documents of the voucher. Such as:

Date	Voucher No.	Amount
23/03/2017	DV-2615	8,400/=
24/04/2017	DV-2908	2,650/=

MMR

Comments and suggestion

We suggest that Revenue stamp should be affixed with the supporting voucher where applicable.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

CASH HOLDING LIMIT

Observation:
During the course of our audit we have observed that in few cases cash holding has exceeded the limit of Tk.10,000/=. Examples are given below:

Sl.	Date	Cash Limit	Amount in Taka	Exceed Amount
01	21/03/2017	10,000	3,36,502/=	3,26,502/=
02	29/03/2017	10,000	52,235/=	42,235/=
03	26/04/2017	10,000	34,773/=	24,773/=

Implication

It indicates the internal control and Monitoring system of branch is weak.
It is a gross violation of BASTOB established polices

.

Recommendation

The branch personnel should try to collect the installment amount from the field within the banking hour and should deposit the same into the bank on the same day for controlling the cash in hand limit of Tk.10,000/=

Management Response
Agreed with the opinion and Bastob will follow the recommendations in future.

BRANCH NAME: Sholla

CASH HOLDING LIMIT

Observation:

During the course of our audit we have observed that in few cases cash holding has exceeded the limit of Tk.10,000/=. Examples are given below:

Sl.	Date	Cash Limit	Amount in Taka	Exceed Amount
01	04/12/2016	10,000	72,520/=	62,520/=
02	12/12/16	10,000	16,470/=	6,470/=
03	14/12/16	10,000	29,054/=	19,054/=
04	15/02/17	10,000	16,137/=	6,137/=
05	22/02/17	10,000	17,407/=	7,407/=

Implication

It indicates the internal control and Monitoring system of branch is weak.
It is a gross violation of BASTOB established polices

Recommendation

The branch personnel should try to collect the installment amount from the field within the banking hour and should deposit the same into the bank on the same day for controlling the cash in hand limit of Tk.10,000/=

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

REVENUE STAMP WAS NOT AFFIXED

Verification and observation

In course of our verification we have observed that revenue stamp was not affixed on the supporting documents of the voucher. Such as:

Date	Particulars	Voucher No.	Amount
09/10/2016	Furniture	DV-838	4,500/=
24/04/2017		DV-2908	2,650/=

Comments and suggestion

We suggest that Revenue stamp should be affixed with the supporting voucher where applicable.

Management Response

Agreed with the opinion and Bastob will follow the recommendations in future.

CONCLUSION

BASTOB is involved in social welfare activities with a view to extending hands for the downtrodden people of the society and to make them self-reliant through provision of income generating projects and to give them light through literacy program to face the social challengers and to lead them comfortable life in the society. BASTOB is not only the believer of loving people but to keep them fit for survival in the society. This is a beginning to achieve the target to build up its own and the fortune of the employees those who are member of the foundation. Here is no question of disparity amongst the employees but the sign of harmonious relationship avoiding all the discriminations.

The goals of Micro Credit to the hard core people are addressed in such a manner that everyone can stand on their own feet and to survive in the society with due care for the people.

BASTOB should have a special drive to assess the quality of works of the project being performed by the working group and to go for restructuring the man power where it is necessary.

Problems associated with the project are to be solved by taking all the consideration to improve the efficiency of the working people.

We record our appreciation to the management of BASTOB for their whole hearted cooperation extended to us during the period of our audit.

Yours faithfully

M M Rahman & Co

M. M. RAHMAN & CO.
Chartered Accountants

Date: 14th September, 2017

ACRONYMS

01. PF	= Provident Fund
02.OSF	= Organizational Sustainability Fund
03.SFSF	= Staff Family Security Fund
04.FDR	= Fixed Deposit Receipt
05.PKSF	= Pally Karma-Sahayak Foundation
06.TT	= Telephonic Transfer
07. OD/DO	= Overdraft
08. MFP	= Microfinance Program
09.GTA	= Goethe-Tagore Academy
10. SDTCCV	= Skill Development Training for Climate Change Victim
11. B.ESP	= BRAC Education Support Program
12. A. Health	= Anukul Foundation Health
13.BEDPCB	= Bangladesh Education Development for Poor Children in Barisal
14. C. Change	= Climate Change
15.MMBLMB	= Making Migration Better for the Labour Migrants in Bangladesh
16.Enrich	= Enhancing Resources and Increasing Capacities of Poor Households towards Elimination of Their Poverty
17.SGF	= Staff Gratuity Fund
18.G. Acc.	= General Account.
19. NGO	= Non-Government Organization