

Private & Confidential

AUDITOR'S REPORT  
AND  
CONSOLIDATED AUDITED FINANCIAL STATEMENTS  
AND  
MANAGEMENT REPORT  
OF  
BASTOB-INITIATIVE FOR PEOPLE'S SELF-DEVELOPMENT  
FOR THE YEAR ENDED JUNE 30, 2023



**Habib Sarwar Bhuiyan & Co.**  
Chartered Accountants

Member of



, Affiliates worldwide



**INDEPENDENT AUDITOR'S REPORT  
OF  
BASTOB-INITIATIVE FOR PEOPLE'S SELF-DEVELOPMENT**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the Consolidated Financial Statements of BASTOB-Initiative for People's Self-Development, which comprise the Consolidated statement of financial position as at June 30, 2023, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Receipts and Payments, Statement of Changes in Equity and Statement of Cash Flows for the year then ended June 30, 2023, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view of the financial position of the organization as at June 30, 2023, and of its financial performance and its cash flows for the year then ended June 30, 2023, in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations including MRA guidelines.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the Consolidated Financial Statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with IFRSs and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organizations ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organizations financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.



# Habib Sarwar Bhuiyan & Co.

## Chartered Accountants

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

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

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

**We also report that:**

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- b) In our opinion, proper books of accounts as required by law and MRA Act & Rule have been kept by BASTOB-Initiative for People's Self-Development so far as it appeared from our examination of those books, and
- c) In our opinion, the statement of financial position and the statement of comprehensive income dealt with by the report are in agreement with the books of accounts.

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

Signed By:

  
**Md. Shah Alam Mridha FCA**  
**Partner**  
Enrolment No. - 0733  
DVC: 2309110733AS963435

Place: Dhaka  
Date: September 11, 2023

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**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**  
Consolidated Statement of Financial Position  
As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30.06.2023	30.06.2022
<b>Non- Current Assets:</b>		<b>222,489,344</b>	<b>262,313,252</b>
Property, Plant and Equipment	6.00	34,212,789	30,853,630
Investment Against Bank Undertakings	7.00	188,276,555	231,459,622
<b>Current Assets:</b>		<b>2,970,939,271</b>	<b>2,640,449,379</b>
<b>Loan to Members:</b>	8.00		
General Microcredit Sector	8.01	796,206,913	675,413,106
Micro Enterprise Sector	8.02	1,009,608,565	944,427,264
Agriculture Sector	8.03	847,335,779	928,825,271
Other Sector	8.04	317,788,013	91,783,738
<b>Current Assets:</b>		<b>383,768,842</b>	<b>244,619,434</b>
Accounts Receivable	9.00	121,338,995	21,129,714
Investment unrestricted Part	10.00	147,567,448	175,245,438
Project Unspent Fund	11.00	1,735,379	2,319,281
Cash in hand	12.00	3,496,910	5,038,071
Cash at Bank	13.00	109,630,110	40,886,930
<b>Total Properties and Assets</b>		<b>3,577,197,457</b>	<b>3,147,382,065</b>
<b>Capital Fund:</b>		<b>372,582,538</b>	<b>295,114,767</b>
Cumulative Surplus	14.00	335,324,284	265,603,290
Reserve Fund	15.00	37,258,254	29,511,477
<b>Non- Current Liabilities:</b>		<b>1,628,146,642</b>	<b>1,610,459,292</b>
Accounts Payable	16.00	1,628,146,642	1,610,459,292
<b>Current Liabilities:</b>		<b>1,576,468,276</b>	<b>1,241,808,006</b>
Members Savings Deposit	17.00	1,390,483,947	1,098,778,816
Loan Loss Provision	18.00	102,676,446	69,740,646
Loan risk Fund (Member Welfare)	19.00	83,307,883	73,288,544
<b>Total Capital Fund &amp; Liabilities</b>		<b>3,577,197,457</b>	<b>3,147,382,065</b>

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



Prof. Dr. Md. Golam Samdani Fakir  
Chairperson



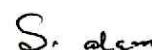
Ruhi Das  
Executive Director



Md. Jamal Hossain  
Director Admin

Signed as per report of even date.

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



Md. Shah Alam Mridha FCA  
Partner

Enrolment No. - 0733  
DVC: 2309110733AS963435

Place: Dhaka  
Date: September 11, 2023



**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**

Consolidated Accounts  
Statement of Other Comprehensive Income  
For the year ended June 30, 2023

Particulars	Amount in Taka	
	2022-2023	2021-2022
<b>Income:</b>		
Service Charges on Loan	600,095,735	422,612,573
Bank Interest	2,060,531	1,513,851
Bank Interest on FDR	13,964,159	11,349,356
Membership Fees/ Admission Fee	115,832	290,550
Sale of pass books and loan forms	368,398	718,620
Miscellaneous Income/ Local Income	316,374	133,533
Recovery from Write off Loan	5,685,051	3,572,064
Contributions from MFP	-	-
<b>Donation Received:</b>		
Foreign Part	11,955,285	5,950,942
Country Part	32,961,195	20,655,393
<b>Total Income</b>	<b>667,522,560</b>	<b>466,796,882</b>
<b>Expenditure:</b>		
Microfinance Program	458,631,130	328,317,996
Goethe-Tagore Academy (GTA) Project	1,866,679	72,396
BRAC Social Cohesion Fund for Cox's Bazar District	2,447,096	535,955
Anukul Foundation Suchala Project	178,142	278,472
Anukul Foundation Health Project	387,751	310,938
BASTOB Education Dev. For poor Children of Bangladesh	662,249	440,865
Re-Integration of Migrant Workers in Bangladesh Project	790,549	357,252
BASTOB ENRICH & Uplifting The Livelihood of Senior Citizen Projects	5,594,728	3,694,401
PKSF Raise Project	6,119,119	22,801
Emergency Support for Rohingya Camp Fire Victims in Camp 11, Cox's Bazar, Bangladesh	725,420	1,116,014
PKSF -SEP Electric Project	7,691,828	1,772,711
PKSF -SEP Machinery Project	9,075,400	1,245,500
Promotion of Myanmar language and culture, through establishment of a community center and library for the Rohingya refugees in Cox's Bazar, Bangladesh.	3,386,900	8,425
VGD Program	2,221	333,097
Rohingya Education Project	3,117	10,433,876
Emergency Program for Rohingya, Cox's Bazar (HELP-1)	2,341,262	4,177,793
Bangabandhu Higher Education Stipend(BES).	257,808	1,665



Particulars	Amount in Taka	
	2022-2023	2021-2022
Barishal city Nook self designed learning and education for marginalized communities	1,714,650	1,479,129
Adolescent Program	477,175	604,933
Learning 360	653,122	517,841
LLP Expenditure	84,171,920	38,825,360
Depreciation	2,292,621	3,400,969
<b>Total Expenditure</b>	<b>589,470,887</b>	<b>397,948,389</b>
Surplus from Microfinance Program	77,467,771	69,582,593
Project Unspent/Overspent Fund	583,902	(734,100)
<b>Total</b>	<b>667,522,560</b>	<b>466,796,882</b>

Prof. Dr. Md. Golam Samdani Fakir  
Chairperson

Ruhi Das  
Executive Director

Md. Jamal Hossain  
Director Admin

Signed as per report of even date.

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

Signed By:

Place: Dhaka  
Date: September 11, 2023

Md. Shah Alam Mridha FCA  
Partner  
Enrolment No. - 0733  
DVC: 2309110733AS963435



**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**  
**Consolidated Accounts**  
Statement of Receipts and Payments  
For the year ended June 30, 2023

Particulars	Amount in Taka	
	2022-2023	2021-2022
<b>Opening Balance:</b>		
Cash in Hand	5,038,071	2,609,360
Cash at Bank	40,886,930	123,213,294
Service Charges on Loan	600,095,735	422,612,573
Bank Interest	2,060,531	1,513,851
Bank Interest on FDR	13,964,159	11,349,356
Membership Fees/ Admission Fee	115,832	290,550
Sale of pass books and loan forms	368,398	718,620
Miscellaneous Income/ Local Income	316,374	133,533
Recovery from Write off Loan	5,685,051	3,572,064
Loan Received from PKSF	517,000,000	500,800,000
Loan Received from Anukul Found.	26,000,000	24,000,000
Bank Loan Received	940,000,000	985,000,000
Other Loan Received	79,448,639	80,281,299
Project Loan Realized	13,781,088	9,693,920
Advance/Loan Realization	43,344,607	64,184,837
Un Settlement Savings	642,882	-
Members Savings Collection:	1,189,817,424	857,397,007
Loan risk Fund Received (Insurance)	53,659,295	45,926,820
Contributions from MFP	-	-
Loan Realization Principal	4,317,992,109	3,032,874,242
Investment Encashment	269,477,509	129,615,000
Bank Security	348,725,452	103,658,423
Donation Received	-	-
Foreign Donation	11,955,285	5,950,942
Local Donation	32,961,195	20,655,393
<b>Total Receipts</b>	<b>8,513,336,566</b>	<b>6,426,051,084</b>
<b>PAYMENTS:</b>		
Microfinance Program	8,342,259,300	6,342,196,320
Goethe-Tagore Academy (GTA) Project	2,230,154	72,396
BRAC Social Cohesion Fund for Cox's Bazar District	2,447,096	535,955
Anukul Foundation Suchala Project	178,142	278,480
Anukul Foundation Health Project	761,227	310,938
BASTOB Education Dev. For poor Children of Bangladesh	662,249	440,865
Re-Integration of Migrant Workers in Bangladesh Project	814,456	358,345
BASTOB ENRICH & Uplifting The Livelihood of Senior Citizen Projects	5,594,728	8,044,136
PKSF Raise Project	12,761,473	22,801
Emergency Support for Rohingya Camp Fire Victims in Camp 11, Cox's Bazar, Bangladesh	725,420	1,116,014
PKSF -SEP Electric Project	9,312,024	4,262,994
PKSF -SEP Machinery Project	13,424,435	4,365,936
Promotion of Myanmar language and culture, through establishment of a community center and library for the Rohingya refugees in Cox's Bazar, Bangladesh.	3,386,900	8,425



Particulars	Amount in Taka	
	2022-2023	2021-2022
VGD Program	2,221	544,968
Rohingya Education Project	3,117	10,433,876
Emergency Program for Rohingya, Cox's Bazar (HELP-1)	2,341,262	4,177,793
Bangabandhu Higher Education Stipend(BES).	257,808	1,665
Barishal city Nook self designed learning and education	1,714,650	1,479,129
Adolescent Program	679,762	-
Learning 360	653,122	-
Adolescent Program	-	957,206
Senior Citizen Joypara	-	-
Learning 360	-	517,841
<b>Total Payments:</b>	<b>8,400,209,546</b>	<b>6,380,126,083</b>
<b>Closing Balance:</b>	<b>113,127,020</b>	<b>45,925,001</b>
Cash in hand	3,496,910	5,038,071
Cash at Bank	109,630,110	40,886,930
<b>Total</b>	<b>8,513,336,566</b>	<b>6,426,051,084</b>

Prof. Dr. Md. Golam Samdani Fakir  
Chairperson

Ruhi Das  
Executive Director

Md. Jamal Hossain  
Director Admin

Signed as per report of even date.

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

S. alam  
Md. Shah Alam Mridha FCA  
Partner  
Enrolment No. - 0733  
DVC: 2309110733AS963435

Place: Dhaka  
Date: September 11, 2023





**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**

**Consolidated Accounts**

Statement of Cash Flows

For the year ended June 30, 2023

SI NO.	Particulars	Amount in Taka	
		2022-2023	2021-2022
<b>A</b>	<b>Cash Flow From Operating Activities:</b>		
	Surplus for the period	77,467,771	69,582,593
	Prior year adjustment	-	-
	<b>Add:</b> Amount considered as non cash items:		
	Loan loss provision	32,935,800	23,688,506
	Depreciation for the year	-	3,051,094
	<b>Sub-Total of non cash items</b>	<b>32,935,800</b>	<b>26,739,600</b>
	Loan Outstanding to Members	330,489,892	883,561,758
	Increase/decrease in staff loan	-	-
	Increase/decrease in interest receivables	-	-
	Increase/decrease in loan to Project unspent	-	-
	Increase/decrease in advance deposit & prepayment	100,209,281	6,940,912
	Other Investment	-	-
	Increase/decrease in Provision for Expenses	-	-
	<b>Sub-Total of non cash items</b>	<b>430,699,173</b>	<b>890,502,670</b>
	<b>Net Cash used in Operating Activities</b>	<b>(320,295,602)</b>	<b>(794,180,477)</b>
<b>B</b>	<b>Cash Flows from Investing Activities:</b>		
	Acquisition of Property, Plant and equipment	3,359,159	4,797,179
	Investments	(43,183,067)	(30,808,048)
	Bank Security	(27,677,990)	(3,545,150)
	<b>Net Cash used in Investing Activities</b>	<b>(67,501,898)</b>	<b>(29,556,019)</b>
<b>C</b>	<b>Cash flows from Financing Activities:</b>		
	Loan received from PKSf, Bank, Anukul & Others	17,687,350	444,347,766
	Members Savings Deposits	291,705,131	221,855,696
	Loan Risk Fund	10,019,339	19,257,442
	Staff Security Fund	-	-
	Staff Family Security Fund (SFSF)	-	-
	Provision for Expenses	-	-
	Project unspent Fund	583,902	(734,099)
	Revaluation Reserve Fund	-	-
	<b>Net Cash used in Financing Activities</b>	<b>319,995,722</b>	<b>684,726,805</b>
<b>D</b>	<b>Net Increase/decrease (A-B+C)</b>	<b>67,202,019</b>	<b>(79,897,653)</b>
	<b>Add. Cash and Bank Balance at the beginning of the year</b>	<b>45,925,001</b>	<b>125,822,654</b>
	<b>Cash and Bank Balance end of the year</b>	<b>113,127,020</b>	<b>45,925,001</b>

**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**  
**Consolidated Accounts**  
Statement of Changes in equity  
For the year ended June 30, 2023

Particulars	Amount in Taka		
	Surplus	Reserve Fund	Total
<b>Balance as on 01.07.2022</b>	<b>265,603,290</b>	<b>29,511,477</b>	<b>295,114,767</b>
Add: Surplus during the year	77,467,771	-	77,467,771
Transfer to Reserve Fund	(7,746,777)	7,746,777	-
<b>Balance as on 30.06.2023</b>	<b>335,324,284</b>	<b>37,258,254</b>	<b>372,582,538</b>

Particulars	Amount in Taka		
	Surplus	Reserve Fund	Total
<b>Balance as on 01.07.2021</b>	<b>202,978,957</b>	<b>22,553,218</b>	<b>225,532,174</b>
Add: Surplus during the year	69,582,593	-	69,582,593
Transfer to Reserve Fund	(6,958,259)	6,958,259	-
<b>Balance as on 30.06.2022</b>	<b>265,603,290</b>	<b>29,511,477</b>	<b>295,114,767</b>



**BASTOB-Initiative for People's Self-Development**  
House No-549, Road No-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.  
Consolidated Accounts  
Notes to the Financial Statements  
For the Year ended June 30, 2023

**1.0 A. 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 20 books of accounts for its programme/projects and organizational management. These 20 books of accounts named Microfinance Programme (MFP), Goethe-Tagore Academy (GTA), BRAC Social Cohesion Fund for Cox's Bazar District, Anukul Foundation Suchala Project, Anukul Foundation Health Project, BASTOB Ashar-Alo Education Development Project, Re-Integration of Migrant Workers in Bangladesh Project, Enhancing Resources and Increasing Capacities of Poor Households towards Elimination of Their Poverty (ENRICH), Uplifting the lives of the Elderly People, Adolescent Program, Sustainable Enterprise Project (SEP) – Electric, Sustainable Enterprise Project (SEP) – Light machine and Parts, RAISE, Emergency Support for Rohingya Camp Fire Victims in Camp 11, Cox's Bazar, Bangladesh, Promotion of Myanmar language and culture, through establishment of a community center and library for the Rohingya refugees in Cox's Bazar, Bangladesh, Rohingya Education Project, Emergency Program for Rohingya, Cox's Bazar, Bangabandhu Higher Education Stipend(BES), Barishal city Nook self-designed learning and education for marginalized communities, VGD Program & Learning 360: Learning for Change and Resilience project.

**BASTOB** is a national NGO in Bangladesh. Its working Districts are Dhaka, Manikganj, Munshiganj, Cox's Bazar, Bandorban, Barishal, Narshingdi, Gazipur and Narayanganj.

**BASTOB** consists of 23 (twenty three) members in 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 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 and peace for the disadvantaged segment of the society especially 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 30 October 2018 for next 10 years and valid till 05<sup>th</sup> May 2028. Later on, it is also registered on 22<sup>nd</sup> 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. Tax Identification No. (TIN): 340108794091, Value Added Tax Registration No. (BIN): 003152588-0402.

**Corporation Information of the MFI :**

Sl. No.	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, Youth Development, Relief and Rehabilitation etc.
04	Statutory Audit conducted up to	Year ended June 30, 2022
05	Name of Statutory auditor for last year	Habib Sarwar Bhuiyan & Co.
06	Name of Statutory auditor for current year	Habib Sarwar Bhuiyan & Co.
07	No. of E.C Committee Meeting held FY 2022-2023	5 (Five)
08	Date of Last AGM held	15 <sup>th</sup> March, 2023

**List of Executive Committee Members:**

Sl.	Name	Designation	Qualification	Profession	Present Address
1	Prof. Dr. Md. Golam Samdani Fakir	Chairperson	PhD in Economics	Vice-Chancellor Green University of Bangladesh & International Trainer	143 Masjid Road, Lane-22, New DOSH, Mohakhali, Dhaka
2	Ms. Sharmind Neelormi	Vice-Chairperson	Master's in Economics	Associate Professor Dept. of Economics Jahangir Nagor University, Savar Dhaka.	House-22/18, Flat No. 102, Khilji Road, Mohammadpur, Dhaka.
3	Md. Khalilur Rahman Chowdhury	Treasurer	Master's in Management	Chief Executive ENDEVOPUR NGO	456/1, East Kazipara, Kafrul, Mirpur, DHAKA-1216.
4	Md. Ataur Rahman Miton	Member	Master's in Social Science	Country Director, The Hunger Free World	2/8, Block-F, Lalmatia Dhaka.
5	Mr. Ranjit Halder	Member	Master's in Public Health	Project Coordinator, Dhaka Community Hospital	House No-13(3rd .Fl.) Rd.1, Sanbadik Abasik colony, Mirpur-11, Dhaka
6	Mr. Jiptha Boiragee	Member	Master's in Social Science	Program Support Coordinator The Leprosy Mission International, Bangladesh	131 Jahanara Garden Flat No. 1/2, Green Road, Farmgate, Dhaka
7	Ms. Masuma Parvin	Member	Master's in Home Economics	Project Manager The Leprosy Mission International, Bangladesh	16/15 Babor Road, Mohammadpur, Dhaka

**2.0 Basis of preparation of financial statements:**

2.1 BASTOB prepares its financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS). BASTOB processes its accounting data in a systematic way ensuring required control. It receives donations & funds from different sources through bank account (mother account). Then funds are transferred to the related programs and branch accounts. Branch authorities disburse it to beneficiaries following rules and regulations and record transactions in software systems "Grameen Communication". In branch level for recording the transaction in software system two individuals are allowed with same access control (password) one is branch manager and another person is branch accountant. Transactions are recorded in the systems on daily basis and produces vouchers, ledgers, trial balance and financial statements on periodical basis. Any omission or adjustment is corrected by the concern personnel of Software Company which should be administered by organization personnel. Head office general fund account and other projects accounts are also maintained in software systems.

Branch offices prepare financial statements and submit to head office on monthly basis. All collected amounts are deposited to the bank account by the branch. Head office maintains control ledgers and other subsidiary books of accounts based on monthly statements of branch office and prepares consolidated financial statements.

**3.01 Preparation of financial statements:**

Financial statements are prepared in accordance with Bangladesh Financial Reporting Standard (BFRS) except for service charge on loan to members, which are recognized on cash basis as disclosed in the summary of Significant Accounting Policies. The financial statements are expressed in Bangladeshi Taka.

**3.02. Use of estimates and judgments:**

The preparation of financial statements in conformity with BFRS requires management 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.

**3.03. Summary of Significant Accounting Policies:**

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

**Currencies:**

All transactions have been carried out in Bangladeshi Taka currency.

**Revenue Recognition:**

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

**Interest Income:**

The FY 2022-2023 the organization is collecting service charges from Microfinance loan recovery as per Rules of MRA and PKSF Guideline. It is earned from investments that pay interest, such as in a Bank account and FDR deposit.

Service charges area accounted for on cash basis. The amount of service charges actually collected from the members 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

**Interest Paid on Savings:**

Interest paid on savings is accounted for on accrual basis and shown as expenses in the related period.

**Property, Plant and Equipment and Depreciation:**

An asset which meets 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. 3,000.
- 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:

<u>Items</u>	<u>Annual Depreciation Rate (%)</u>
Furniture & Fixtures	15%
Electrical Equipment	16%
Software Installation	50%
Vehicles	20%
Building	5%

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 repairing and maintenance, is normally charged 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, plant and equipment identified as such in the financial statements. Depreciation is not provided on such assets.

#### **3.04. 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.

#### **3.05. Taxation:**

Under the Income Tax Act 2023, **BASTOB** is subject to taxation for his present activities/projects. As per 6th Schedule, Part-A Para 11 & 13 of ITA 2023, 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

#### **3.06. 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.



#### 4.00 Significant Organizational Policies:

##### 4.01 Loan loss provision:

Management regularly assesses the adequacy of loan loss provision based on the age of the loan portfolio. At the end of the half yearly, BASTOB calculates required provision for loan loss based on the loan classification and provisioning methodology which is shown below and any adjustment if required are made and accounted for in the financial statements.

Loan classification	Days in arrears	Provision required %	Remarks
Regular	Current (no arrears)	1	BASTOB has charged LLP as per MRA Circular No: 75 Dated: 22-06-2023
Watchful	1-30	5	
Sub-Standard	31-180	25	
Doubtful	181-365	75	
Bad	Over 365	100	

##### Loan 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. Which loan remains outstanding over a year of their maturity period is considered as Bad loan.

Loan recovery efforts for the delinquent loan over two years have been taken but loan collectability has proved extremely difficult. The list of such loan s is presented to Governing Board for written off approval. Generally, loans are written off twice a year. Any collections realize from loans previously written off are credited to the statement of Income and Expenditure.

##### 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.

BASTOB microcredit is implemented through a group and individual model whereby members from groups of five and subsequently from centers composed of roughly six groups. Centre meetings are held each week by Credit Officer (CO). At such meetings members can submit loan applications, make loan repayments and deposit savings. Target families are identified on the basis of sex, age and household income, after which interested persons are invited for group discussions regarding BASTOB microcredit products and regulations.

BASTOB has various loan outstanding with the members (Detail shown in note no. 8)

##### 5.00 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. But those who are loanee cannot withdraw their general savings. 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 organization gives 6-13% interest to the members depending on savings and product and their duration. The members can withdraw their savings at any time.



**5.01 Employee Benefits 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 below:

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 one-month basic salary last drawn 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 less than 24 years	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
24 years to less than 28 years	avail 4.0 times of last drawn basic salary for each completed year of service	avail 4.0 times of last drawn basic salary for each completed year of service	avail 4.0 times of last drawn basic salary for each completed year of service	avail no benefit
28 years to and above	avail 6.0 times of last drawn basic salary for each completed year of service	avail 6.0 times of last drawn basic salary for each completed year of service	avail 6.0 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.

**Family Security Fund (FSF) :**

**BASTOB** introduced Family Security Fund for its staffs with a view to stand by them at the time of distress. The FSF 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 as per last deduction if he/she leaves the organization.

**Free Accommodation Facility:**

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

**Leave Encashment:**

**BASTOB** pays to staff leave encashment 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 and maximum 365 days balance will be carried forward. When a staff leaves the organization, he/she gets leave encashment against leave balance.

**Food Allowance Facility:**

**BASTOB** introduced food allowance facilities for all staff members. The staffs can be taken Tk. 100.00 per working day (monthly maximum 2,000.00). **BASTOB** provides 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 for loan. 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 30% of monthly salary.

**Inflation Adjustment Facilities:**

**BASTOB** introduced Inflation adjustment allowance facilities for the regular staff members. The central Bank (Bangladesh Bank)/Bangladesh Bureau of statistics (BBS) of Bangladesh declare monthly inflation growth. **BASTOB** management collect data from BB/BBS and make yearly average rate of inflation and pay to the staffs.



**Motorcycle 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 Motorcycle & bi-cycle loan. BASTOB has followed the rule accordingly.

**Festival Bonus:**

BASTOB introduced yearly three festival bonuses for all staff members. One is monthly gross salary, and another is monthly Basic salary, and another is 25% of monthly basic salary. The Bonus is calculated on pro-rata basis.

**5.02 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.



Notes	Particulars	Amount in Taka	
		2022-2023	2021-2022
6.00	<b>Property, Plant and Equipment :</b>		
	<b>Balance as on 01.07.2022</b>	43,869,379	39,072,200
	Add: Acquisition during the year	5,651,780	5,147,054
	Less: Adjustment/write-off during the year	-	349,875
	Less: Amortization of intangible assets	106,688	
	<b>Net Property, Plant and Equipment as on 30.06.2023</b>	<b>49,414,472</b>	<b>43,869,379</b>
	<b>Less: Accumulated Deprecation up to 30.06.2023</b>	<b>15,201,683</b>	<b>13,015,749</b>
	<b>Written down Value as on 30.06.2023</b>	<b>34,212,789</b>	<b>30,853,630</b>
7.00	<b>Investment Against Bank Undertakings :</b>		
	<b>Balance as on 01.07.2022</b>	<b>231,459,622</b>	<b>235,004,772</b>
	Add: New FDR this year	305,542,385	100,113,273
	Less: Encashment	348,725,452	103,658,423
	<b>Balance as on 30.06.2023</b>	<b>188,276,555</b>	<b>231,459,622</b>
8.00	<b>Loan to Members :</b>		
	<b>Balance as on 01.07.2022</b>	<b>2,640,449,379</b>	<b>1,756,887,621</b>
	Add : Disbursement during the year	4,648,482,001	3,916,436,000
	Less : Realization during the year	4,317,992,109	3,032,874,242
	<b>Balance as on 30.06.2023</b>	<b>2,970,939,271</b>	<b>2,640,449,379</b>
8.01	<b>General Microcredit Sector:</b>		
	<b>Balance as on 01.07.2022</b>	<b>675,413,106</b>	<b>583,869,815</b>
	Add : Disbursement during the year	1,477,500,000	1,168,556,000
	Less : Realization during the year	1,356,706,193	1,077,012,709
	<b>Balance as on 30.06.2023</b>	<b>796,206,913</b>	<b>675,413,106</b>
8.02	<b>Micro Enterprise Sector :</b>		
	<b>Balance as on 01.07.2022</b>	<b>944,427,264</b>	<b>946,870,963</b>
	Add : Disbursement during the year	195,670,000	288,045,000
	Less : Realization during the year	130,488,699	290,488,699
	<b>Balance as on 30.06.2023</b>	<b>1,009,608,565</b>	<b>944,427,264</b>
8.03	<b>Agricultural Sector :</b>		
	<b>Balance as on 01.07.2022</b>	<b>928,825,271</b>	<b>210,314,763</b>
	Add : Disbursement during the year	2,105,860,000	2,305,860,000
	Less : Realization during the year	2,187,349,492	1,587,349,492
	<b>Balance as on 30.06.2023</b>	<b>847,335,779</b>	<b>928,825,271</b>
8.04	<b>Others Sector :</b>		
	<b>Balance as on 01.07.2022</b>	<b>91,783,738</b>	<b>15,832,080</b>
	Add : Disburse during the year	869,452,000	153,975,000
	Less : Realization during the year	643,447,725	78,023,342
	<b>Balance as on 30.06.2023</b>	<b>317,788,013</b>	<b>91,783,738</b>
9.00	<b>Accounts Receivable :</b>		
	<b>Balance as on 01.07.2022</b>	<b>21,129,714</b>	<b>14,188,802</b>
	Add : Payment during the year	223,002,527	80,819,669
	Less : Realized during the year	122,793,246	73,878,757
	<b>Balance as on 30.06.2023</b>	<b>121,338,995</b>	<b>21,129,714</b>
10.00	<b>Investment unrestricted Part:</b>		
	<b>Balance as on 01.07.2022</b>	<b>175,245,438</b>	<b>206,053,486</b>
	Add: FDR Investment during the year	241,799,519	98,806,952
	Less: Encashment during the year	269,477,509	129,615,000
	<b>Balance as on 30.06.2023</b>	<b>147,567,448</b>	<b>175,245,438</b>



Notes	Particulars	Amount in Taka	
		2022-2023	2021-2022
<b>10.01 Savings FDR :</b>			
	<b>Balance as on 01.07.2022</b>	<b>141,273,340</b>	<b>175,191,776</b>
	Add: FDR Investment during the year	170,990,934	85,696,564
	Less: Encashment during the year	204,696,826	119,615,000
	<b>Balance as on 30.06.2023</b>	<b>107,567,448</b>	<b>141,273,340</b>
<b>10.02 Reserve Fund FDR :</b>			
	<b>Balance as on 01.07.2022</b>	<b>33,972,098</b>	<b>30,861,710</b>
	Add: FDR Investment during the year	70,808,585	13,110,388
	Less: Encashment during the year	64,780,683	10,000,000
	<b>Balance as on 30.06.2023</b>	<b>40,000,000</b>	<b>33,972,098</b>
<b>11.00 Project Unspent Fund</b>			
	<b>Balance as on 01.07.2022</b>	<b>2,319,281</b>	<b>1,585,182</b>
	Add: Received during the year	-	(734,099)
	Less: Payment during the year.	583,902	-
	Less: Amortization of Fixed Assets	-	-
	<b>Balance as on 30.06.2023</b>	<b>1,735,379</b>	<b>2,319,281</b>
<b>12.00 Cash in hand</b>			
	<b>Balance as on 01.07.2022</b>	<b>5,038,071</b>	<b>2,609,360</b>
	Add: Cash received during the year	9,821,372,439	2,976,503,307
	Less: Cash payments during the year	9,822,913,600	2,974,074,596
	<b>Balance as on 30.06.2023</b>	<b>3,496,910</b>	<b>5,038,071</b>
<b>13.00 Cash at Bank</b>			
	<b>Balance as on 01.07.2022</b>	<b>40,886,930</b>	<b>123,213,294</b>
	Add: Deposit during the year	9,865,863,803	3,323,725,123
	Less: Withdrawal during the year	9,797,120,623	3,406,051,487
	<b>Balance as on 30.06.2023</b>	<b>109,630,110</b>	<b>40,886,930</b>

**Break-up of the above amount is as follows:**

Sl. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
1.00	Paragram Branch	Bank Asia Ltd.	Paragram Br. Dhaka	SND-07436000001	2,847,870
2.00	Sollah Branch	DBBL	Nawabgonj Br. Dhaka	SND-271.120.135	1,099,744
3.00	Ruhitpur Branch	Bank Asia Ltd. And Sonali Bank	Ruhitpur Br. Dhaka	SND-03136000013 and SND- 5627110000007	346,928
4.00	Kholamora Branch	National Bank Ltd.	Kholamora Br. Dhaka	SND- 1150000131008	327,655
5.00	Badalghi Branch	Mercantile Bank Ltd. Uttara Bank Ltd.	Gareeb-e-Newaz Br. Dhaka	SND- 1131000024143, SND- 160214100004141, S ND-00061090000291	2,611,679
6.00	Cox's Bazar Branch	Southeast Bank Ltd.	Cox's Bazar Br., Cox's Bazar	SND- 002213100001095	483,609
7.00	Chakoria Branch	Southeast Bank Ltd.	Chakaria Br. Cox's Bazar	SND- 0013100000034	76,990
8.00	Malumghat Branch	Southeast Bank Ltd., Al-Arafah Islami Bank Ltd.	Chakaria Br. Cox's Bazar	SND- 0013100000053, SND- 9901280024154, SND- 0904336000036	268,818
9.00	Rajendrapur Branch	Mercantile Bank, Ltd.	Abdullahpur Br. Dhaka	SND- 119113125275092	194,992

Sl. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
10.00	Tongi Branch	Jamuna Bank Ltd. & Southeast Bank Ltd.	Tongi Br. Gazipur	SND-00650320000185, SND-005013100000024	313,533
11.00	Nawabgonj Branch	Mercantile Bank, Ltd. & Dutch-Bangla Bank Ltd.	Nawabgonj Br. Dhaka	SND-133413126325636, SND-2711200000086	641,664
12.00	Sonargaon Branch	EBL	Sonargaon Br. Narayangonj	SND-1281290000923	558,166
13.00	Tarabo Branch	IFIC Bank Ltd.	Rupgonj Br. Narayangonj	SND-1198-7079-50041	43,845
14.00	Boardbazar Branch	DBBL & SOCIAL ISLAMI BANK LTD	Board Bazar Br, Gazipur	SND-123.120.1372, SND-5941360000145	1,122,297
15.00	Nimtola Branch	Premier Bank Ltd., Bank Asia	Nimtala Branch, Munsigonj	SND-0013100000004, SND-07036000005	1,609,209
16.00	Bhagyakul Branch	Al-Arafa Islami Bank Ltd.	Bhagyakul Br. Munsigonj	SND-1111220000615	998,926
17.00	Meghula Branch	IFIC Bank Ltd.	Meghula Br. Dhaka	SND-1213707950041	37,578
18.00	Joypara Branch	Prime Bank Ltd.	Joypara Br. Dhaka	SND-2166314000542	235,342
19.00	Delpara Branch	NRBC Bank Ltd.	Bhuighar Br. Dhaka	SND-014336000000003	96,766
20.00	Sarulia Branch	Southeast Bank Ltd.	Sarulia Br. Dhaka	SND-00851-3100000015	529,423
21.00	Panchrukhi Branch	NRBC Bank Ltd. & Midland Bank Ltd.	Bhulta Br, Panchrukhi Booth, Rupganj	SND-500936000000028, SND-00121090000088	202,380
22.00	Madhobdi Branch	Bank Asia Ltd. & Trust Bank Ltd.	Madhobdi Br. Narsingdi	SND-05936000027, SND-50030320000492	770,965
23.00	Mouchak Branch	Exim bank Ltd.	Mouchak Raipur	SND-07913100045266	631,137
24.00	Birulia Branch	First Security Islami Bank	City University Br, Savar.	0178131-00000019	407,063
25.00	Jamgora Branch	Bank Asia Ltd.	Asulia Br. Dhaka	SND-016360000033	1,298,974
26.00	Panchdona Branch	Al-Arafa Islami Bank Ltd. & IFIC Bank	Panchdona Br. Narsingdi	SND-0791220000193, SND-1233445209041	527,722
27.00	Uttarkhan Branch	UCBL	Uttorkhan Br. Dhaka	SND-1122301000000038	501,697
28.00	Bandar Branch	IFIC Bank Ltd. & Sonali Bank	Bandor Br. Narayangonj	SND-1228440084041, SND-3612902000318	377,751
29.00	Dhamrai Branch	IFIC Bank Ltd.	Dhamrai Br. Dhaka	SND-1178781331041	777,385
30.00	Ramu Branch	First Security Islami Bank & Global Islami Bank.	Ramu Br, Cox's Bazar	SND-020013100000059, SND-1130000000783	166,439
31.00	Shilkhali Branch	First Security Islami Bank	Pekua Br. Cox's Bazar	SND-192131-00000045	4,911,641
32.00	Mirerbazar Branch	DBBL	Mirer Bazar, Gazipur	SND-215-120-1202	596,104
33.00	Polash Branch	Rupali Bank Ltd., Pubali Bank Ltd.	Palash Branch Narasindi	SND-5827024000003, 0435102000600	265,112

Sl. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
34.00	Ati Bazar SME Br	Southeast Bank Ltd.	Ati Bazar Br. Dhaka	SND-008013100000026	76,433
35.00	BKSP Branch	NRBC Bank Ltd., Uttara Bank Ltd.	Zirani Bazar Br. Dhaka	SND-012736000000010,163614100004186	1,151,368
36.00	Hemayetpur Branch	Southeast Bank Ltd.	Hemayatpur Br. Dhaka	SND-006813100000022	94,342
37.00	Ichhapur Branch	National Bank Ltd.	Ichhapura Br. Munsigonj	SND-1136002529905	1,089,171
38.00	Baligaon Branch	Jamuna Bank Ltd.	Baligaon Br. Munsigonj	SND-1201000032030	1,339,151
39.00	Kashipur Branch	National Bank Ltd.	Nitaigonj Br. Narayangonj	SND-1128002524800	995,298
40.00	Sikaripara Branch	EXIM Bank Ltd.	Balirtek Bazar Br. Dhaka	SND-08913100199328	79,588
41.00	Mohajanpur Bran	Al-Arafa Islami Bank Ltd.	Nayapur Br. Narayangonj	SND-0991220000432	284,616
42.00	Bhawal Mirzapur	Midland Bank Ltd.	Mirzapur Bazar Br. Gazipur	SND-00041090000391	716,106
43.00	Maniknagar Branch	Midland Bank Ltd., Agrani Bank Ltd.	Paragram Br. Dhaka	SND-00251090000074	385,530
44.00	Singair Branch	Southeast Bank Ltd.	Singair Br. Manikgonj	SND-0013100000009	948,966
45.00	Deghirpar Branch	Shahjalal Islami Bank Ltd, Agrani Bank Ltd.	Digirpar Br. Munshigonj	SND-4052-131-00000012	1,686,785
46.00	Donia Branch	Southeast Bank Ltd.	Donia Br. Dhaka	SND-007213100000070	278,427
47.00	Zinzira Branch	Southeast Bank Ltd.	Aganagar Br. Keraniganj, Dhaka	SND-00311100005733	95,239
48.00	Dholaikhal Branch	Jamuna Bank Ltd.	Dholaikhal Br. Dhaka	SND-00270320000627	214,698
49.00	Lohagora Branch	First Security Islami Bank	Lohagara Br. Chattogram	SND-014713100000651	140,333
50.00	Eidgaon Branch	First Security Islami Bank	Eidgah Br. Cox's Bazar	SND-015113100000429	176,348
51.00	Dohazari Branch	Bank Asia Ltd.	Dohazari Br. Chattogram	SND-06136000075	32,464
52.00	Rowshanhat Branch	First Security Islami Bank LTD, United Commercial Bank.	Chandanisa Br. Chattogram	SND-215613100000056,1742301000000282	169,862
53.00	Kaliakoir Branch	NRBC Bank Ltd.	Gorai Br. Kaliakoir Sub Br. Gazipur	SND-500536000000009	66,221
54.00	Salna Branch	IFIC Bank Ltd.	Gazipur Chowrasta Br, Salna Sub Br. Gazipur	SND-0190057518041	413,714
55.00	Harbang Branch	GIB Bank	Harbang Br. Cox's Bazar	SND-1130000005200	211,275
56.00	Banigram Branch	First Security Islami Bank	Gunagori Sub Br. Baskhali. Chattogram	SND-20911310000191	59,960
57.00	Santirhat Branch	UCBL	Shantirhat Br, Chattogram	SND-'1912301000000134	332,899
58.00	Jaldimia Bazar Br	FSIBL	Baskhali Br. Chattogram	SND-018713100000183	288,838

SI. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
59.00	Bazalia Branch	IFIC Bank Ltd.	Karaniarhat Br. Chattogram	SND-0100100390041	119,344
60.00	Chatori Chowmoh	Al-Arafa Islami Bank Ltd.	Anowara Branch, Chottagram	SND-1541220000455	15,216
61.00	Balochar Branch	Premier Bank Ltd.	Baluchar branch, Munsiganj	SND-01980013100000009	119,225
62.00	Tongibari Branch	National Bank Ltd	Tongibari Branch, Munsiganj	SND-1094005318875	93,699
63.00	Dhalagaon Branch	Al-Arafa Islami Bank Ltd.	Rampal Branch, Munsiganj	SND-1001220000837	286,628
64.00	Munshirhat Branch	Jamuna Bank Ltd.	Munsiganj SME Branch, Munsiganj	SND-1201000104143	388,953
65.00	Chitolia Branch	Jamuna Bank Ltd.	Aldi Bazar Branch, Munsiganj	SND-1201000101471	355,015
66.00	Head office	Bank Asia	Shyamoli Br.	SND-05536000022,00139	3,004,298
67.00	Head office	Uttara bank	Pallabi Branch, Dhaka	SND-138814100004159	368,194
68.00	Head office	Premier Bank Ltd.	Newmarket Branch, Dhaka	SND-0013100000140	36,513
69.00	Head office	AB Bank	Shyamoli Br.	CA-4032-793090-000	9,126
70.00	Head office	Southeast Bank	Donia Branch	SND-0013100000045	44,630,275
71.00	Head office	DBBL	Ring Road Br.	SND-148.110.3581	10,436,590
72.00	Head office	FSIB	Rayer Bazar	SND-11100000084	2,230,795
73.00	Head office	Mercantile Bank Ltd.	Donia Branch, Dhaka	SND-130513117506826	8,266
74.00	Head office	MTB Ltd.	Dumni Branch, Dhaka	SND-0820320000111	202,027
75.00	Head office	One Bank	Bijoy Saroni Branch	SND-0223000000423	45,153
76.00	Head office	NRBC Bank Ltd.	Dhanmondi Branch, Dhaka	SND-011136000000021	32,991
77.00	Head office	Midland Bank Ltd.	Dhanmondi Branch, Dhaka	SND-0008-1460000276	473,350
78.00	Head office	Pubali Bank	Asad Avenue Branch	SND-2706102000804	326,792
79.00	Head office	Trust Bank Ltd.	Taranagar Branch	SND-00980210002258	3,909,022
80.00	Head office	NRB Bank Ltd.	Mirpur Branch	1211030028808	48,636
81.00	Head office	SBAC Bank Ltd	Dhanmondi Branch, Dhaka	0015130000704	9,214
82.00	Goethe-Tagore Academy (GTA) Project	Bank Asia Ltd.	Shyamoli Br. Dhaka	SND-05536000149	852,350
83.00	BRAC Social Cohesion Fund for Cox's Bazar District	Southeast Bank Ltd.	Cox's Bazar Br., Cox's Bazar	SND-002213100001149	1,727
84.00	Anukul Foundation Suchala Project	Bank Asia Ltd.	Shyamoli Br. Dhaka	SND-05536000117	190,820
85.00	Anukul Foundation Health Project	South East Bank Ltd.	Uttara Br. Dhaka	SND-001313100000414	1,283



Sl. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
86.00	BASTOB Education Dev. For poor Children of Bangladesh	Bank Asia	Shyamoli Br. Dhaka	SND- 05536000116	32,425
87.00	Re-Integration of Migrant Workers in Bangladesh Project	Bank Asia	Ring Road Br. Dhaka	SND- 08636000161	204,714
88.00	BASTOB ENRICH & Uplifting The Livelihood of Senior Citizen Projects	First Security Islami Bank	Pekua Br. Cox's Bazar	SND-192131- 00000059-60	176,719
89.00	PKSF Raise Project	Southeast Bank	Donia Branch, Dhaka	SND- 0013100000082	374,363
90.00	Emergency Support for Rohingya Camp Fire Victims in Camp 11, Cox's Bazar, Bangladesh	N/A	N/A	N/A	-
91.00	PKSF -SEP Electric Project	Southeast Bank	Donia Branch, Dhaka	SND- 0013100000066	2,038,449
92.00	PKSF -SEP Machinery Project	Bank Asia	Shyamoli Br. Dhaka	SND-05536000137	312,056
93.00	Promotion of Myanmar language and culture, through establishment of a community center and library for the Rohingya refugees in Cox's Bazar, Bangladesh.	Southeast Bank Ltd.	Cox's Bazar Br., Cox's Bazar	SND- 002213100001120	2,000
94.00	VGD Program	Bank Asia	Shyamoli Br. Dhaka	SND-05536000097	124,660
95.00	Rohingya Education Project	N/A	N/A	N/A	-
96.00	Emergency Program for Rohingya, Cox's Bazar (HELP-1)	N/A	N/A	N/A	-
97.00	Bangabandhu Higher Education Stipend(BES).	Bank Asia	Shyamoli Br. Dhaka	SND-05536000151	330,918

Sl. #	Branch Name	Bank & Branch Name		Account No.	Amount in Taka
98.00	Barishal city Nook self designed learning and education for marginalized communities	Southeast Bank Ltd.	Barisal Br., Barisal	SND-004913100000638	203,796
99.00	Adolescent Program	DBBL	Nawabganj Br. Dhaka	SND-271.120.140	93,267
100.00	Learning 360	Al-Arafa Islami Bank Ltd.	Panchdona Br. Narsingdi	SND-0791220000261	334,205
<b>Total</b>					<b>109,630,110</b>

Notes	Particulars	Amount in Taka	
		2022-2023	2021-2022
<b>14.00</b>	<b>Cumulative Surplus</b>		
	Balance as on 01.07.2022	265,603,290	202,978,956
	Add: Surplus during the year	77,467,771	69,582,593
	Add: Prior year adjustment	-	-
		<b>343,071,061</b>	<b>272,561,549</b>
	Less: Transfer to Reserve Fund	7,746,777	6,958,259
	Balance as on 30.06.2023	<b>335,324,284</b>	<b>265,603,290</b>
<b>15.00</b>	<b>Reserve Fund</b>		
	Balance as on 01.07.2022	29,511,477	22,553,218
	Add: Created during the year	7,746,777	6,958,259
	Less: Adjustment during the year	-	-
	Balance as on 30.06.2023	<b>37,258,254</b>	<b>29,511,477</b>
<b>16.00</b>	<b>Accounts Payable</b>		
	Balance as on 01.07.2022	1,610,459,292	1,166,111,526
	Add: Received this year	1,497,423,970	1,590,081,299
	Less: Loan Refund	1,479,736,620	1,145,733,532
	Balance as on 30.06.2023	<b>1,628,146,642</b>	<b>1,610,459,292</b>
<b>17.00</b>	<b>Members Savings Deposit</b>		
	Balance as on 01.07.2022	1,098,778,816	876,923,120
	Add: Received during the year	1,189,817,424	857,397,007
	Less: Refund during the year	898,112,293	635,541,311
	Balance as on 30.06.2023	<b>1,390,483,947</b>	<b>1,098,778,816</b>
<b>18.00</b>	<b>Loan Loss Provision</b>		
	Balance as on 01.07.2022	69,740,646	46,052,140
	Add: Provision made during the year	84,171,920	38,825,360
	Less: Write off during the year	51,236,120	15,136,854
	Balance as on 30.06.2023	<b>102,676,446</b>	<b>69,740,646</b>
<b>19.00</b>	<b>Loan risk Fund (Member Welfare)</b>		
	Balance as on 01.07.2022	73,288,544	54,031,102
	Add: Received during the year	53,659,295	45,926,820
	Less: LLP Adjustment	-	-
	Less: Refund during the year	43,639,956	26,669,378
	Balance as on 30.06.2023	<b>83,307,883</b>	<b>73,288,544</b>

**BASTOB-Initiative for People's Self-Development**  
**House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.**  
**Consolidated Accounts**  
Portfolio Report Review of Loan Classifications and Provisions  
For the year ended June 30, 2023

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

Sl. No.	Particular	No. of days Outstanding	Outstanding Loan Amount in Taka as per June 2023	Required Provision as per MRA Circular No: 71 Dated: 30-06-2023	
				Rate	Amount (Tk).
1	Total Loan Outstanding	as per June 2023	2,970,939,270		
2	Total Overdue	as per 30th June 2023	103,285,669		
3	Regular	Loans with no overdue Installments 30 June 2023	2,809,805,517	1%	28,098,055
4	Watchful	Loan default duration between 1-30 days 30 June-2023	37,940,864	5%	1,897,043
5	Sub-Standerd	Loan default duration between 31-180 days 30 June-2023	51,001,396	25%	12,750,349
6	Doubtful	Loan default duration between 181-365 30 June-2023	22,577,155	65%	14,675,151
7	Bad Loan	Loan default duration above 365 days 30 June-2023	49,614,338	80%	39,691,470
	<b>Total</b>	<b>As per MRA Instruction LLP Needed</b>			<b>97,112,069</b>

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

Particular	Amount (Tk.)
Required provision as per MRA Policy June 2023	97,112,069
Actual Provision made by the MFI	102,676,446
Exces of Provision	5,564,377

**(i) Classification of Loan and Loan Loss Provision as per MRA Circular No: 53 Dated: 22-03-2020, Circular No: 58 Dated: 23-06-2021 & Circular No: 71 Dated: 16-06-2022**

Sl. No.	Particular	No. of days Outstanding	Outstanding Loan Amount in (Tk.) as per June 2022	Required Provision as per MRA Circular No: 71 Dated: 16-06-2022	
				Rate	Amount (Tk).
1	Total Loan Outstanding	as per June 2022	1,599,017,204		
2	Total Overdue	as per 30th June 2022	119,768,913		
3	Regular	Loans with no overdue Installments 29 February 2020	1,354,070,586	1%	13,540,706
4	Watchful	Loan default duration between 1-30 days 29 February 2020	2,089,400	5%	104,470
5	Sub-Standerd	Loan default duration between 31-180 days 29 February 2020	18,004,753	25%	4,501,188
6	Doubtful	Loan default duration between 181-365 days 29 February	13,477,674	75%	10,108,256
		Loan default duration between 31-180 days after 1st March 2020 to 30 June 2022	24,923,759	25%	6,230,940
7	Bad Loan	Loan default duration above 365 days 29 February	8,685,629	100%	8,685,629
		Loan default duration above 365 days after 1st March 2020 to 30 June 2022	50,942,400	35%	17,829,840
	<b>Total</b>	<b>As per MRA Instruction LLP Needed</b>			<b>61,001,028</b>

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

Particular	Amount (Tk.)
Required provision as per MRA Policy June 2022	61,001,028
Actual Provision made by the MFI	-
Excess of Provision	(61,001,028)

iii. Loan Operational Report.

Sl. No.	Particulars	2022-2023			2021-2022		
1	<b>Financial Service Product</b>						
	<b>Loan Product</b>						
	PKSF Loan	879,833,332			737,666,464		
	Bank Loan	667,727,166			803,946,655		
	Anukul Foundation Loan	51,075,036			51,399,311		
	Member's Savings	1,390,483,947			1,098,778,816		
	Insurance product	-			-		
	Loan Risk Fund (Member Welfare Fu	83,307,883			73,288,544		
2	Number of Branches	65			65		
		<b>M</b>	<b>F</b>	<b>Total</b>	<b>M</b>	<b>F</b>	<b>Total</b>
3	Number of Samities	61	3,209	3,270	101	2,947	3,048
4	Number of Members	786	57,296	58,082	709	60,886	61,595
5	Number of Borrowers	400	42,848	43,248	346	43,350	43,696
6	Number of Staff	354	42	396	321	36	357
	Number of Credit Officer	193	25	218			
7	Amount (Tk.) of Loan outstanding with somiti members	2,970,939,270			2,640,449,379		
8	Member : Borrower	74.46%			73.94%		
9	Average Loan Outstanding	68,695			60,428		

**BASTOB-Initiative for People's Self Development**  
House No-549, Road No-10, Baitul Aman Housing Society, Adabor, Dhaka-1207  
**Consolidated Accounts**  
**Schedule of Fixed Assets**  
As on June 30, 2023

Sl. No.	Particulars	Cost			Rate of Dep.	Depreciation			Written down Value as on 30.06.2023
		Balance as on 01.07.2022	Addition during the year	Adjustment during the year		Balance as on 30.06.2023	Charged during the year	Adjustment during the year	
1	Furniture & Fixture	6,750,451	1,477,507		15%	810,462	-	3,716,947	4,511,011
2	Electric Equipment	7,175,417	2,224,273		16%	634,844	-	5,955,158	3,444,532
3	Land	15,727,506	-		0%	-	-	-	15,727,506
4	Building	9,816,170	1,800,000		5%	441,157	-	2,391,019	9,225,151
5	Vehicle	4,336,460	-		20%	299,470	-	3,138,559	1,197,901
	<b>Total</b>	<b>43,806,004</b>	<b>5,501,780</b>	<b>-</b>		<b>2,185,934</b>	<b>-</b>	<b>15,201,683</b>	<b>34,106,101</b>
6	Software Installation	63,375	150,000		50%	106,688	-	-	106,688
	<b>Total</b>	<b>43,869,379</b>	<b>5,651,780</b>	<b>-</b>		<b>2,292,621</b>	<b>-</b>	<b>15,201,683</b>	<b>34,212,789</b>

Annexure A/4



**BASTOB-Initiative for People's Self Development**  
House No-549, Road No-10, Baitul Aman Housing Society, Adabor, Dhaka-1207

**Consolidated Accounts**  
Investment Schedule  
For the year ended June 30, 2023

Sl. No.	FDR No.	Opening Balance	FDR Investment during the year	FDR Encashment	Closing Balance	Remarks
1	Investment Against Bank Undertakings	231,459,622	305,542,385	348,725,452	188,276,555	10 to 20% of approved Bank Loan
2	Member Savings Fund	141,273,340	170,990,934	204,696,826	107,567,448	12.86% of Members Savings Fund
3	Reserve Fund	33,972,098	70,808,585	64,780,683	40,000,000	115.11% of Statutory Reserve Fund
	<b>Total</b>	<b>175,245,438</b>	<b>241,799,519</b>	<b>269,477,509</b>	<b>147,567,448</b>	

BASTOB-Initiative for People's Self-Development  
House-549, Road-10, Baitul Aman Housing Society, Adabor, Dhaka-1207.  
Segmental Financial Information  
As at June 30, 2023

Particulars	MFP	GTA	BRAC	Su-chala	A. Health	BEDPCB	MJF	ENRICH	RAISE	CSI-1	SEP-1	SEP-2	CSI-2	VGD	UNICEF HELP-1	BES	NOOK	Adolescent	L360	2021-2022	2022-2023		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20			
<b>Financial Position as on 30 June, 2022</b>																							
<b>Non-Current Assets:</b>																							
Property Plant and Equipment	34,212,789	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,212,789	45,869,379	
Investment Against Undertakings	188,276,555	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188,276,555	1,752,454,938	
<b>Total Non-Current Assets</b>	<b>222,489,344</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>222,489,344</b>	<b>219,114,817</b>	
<b>Current Assets:</b>																							
Loan to Clients:																							
General Microcredit Sector	796,208,913	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	796,208,913	875,413,106	
Micro Enterprise Sector	1,009,608,565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,009,608,565	944,427,264	
Agriculture Sector	847,355,779	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	847,355,779	929,825,271	
Other Sector	317,788,013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	317,788,013	81,783,738	
<b>Total Loan to Clients</b>	<b>2,970,939,270</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>2,970,939,270</b>	<b>2,840,449,379</b>	
Accounts Receivable-Advance	103,596,922	-	-	-	-	-	-	-	5,005,744	4,314,858	7,431,871	-	-	-	-	-	-	-	-	-	121,338,995	21,129,714	
Investment unrestricted Part	147,967,448	-	-	-	-	-	-	-	-	-	-	-	(2,000)	(99,660)	-	-	(330,918)	319,525	(334,205)	-	147,967,448	231,459,622	
Receivable from Project	3,472,899	(852,350)	(1,727)	(190,820)	11,467	(32,425)	(204,714)	3,834,201	22,801	-	-	2,000	-	-	-	-	203,796	83,267	334,205	-	3,472,899	5,038,071	
Cash in hand	104,356,358	852,350	1,727	190,820	1,283	32,425	204,714	1,76,719	374,363	2,038,449	312,056	-	2,000	124,680	-	-	203,796	83,267	334,205	-	104,356,358	40,886,930	
Cash at Bank	368,983,627	-	-	-	12,750	-	-	3,834,931	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	368,983,627	300,833,618
<b>Total Current Assets:</b>	<b>3,552,412,241</b>	-	-	-	12,750	-	-	3,834,931	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	<b>3,577,197,457</b>	<b>3,160,397,814</b>
<b>Capital Fund &amp; Liabilities</b>																							
Capital Fund:																							
Cumulative Surplus	335,324,284	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	335,324,284	265,603,290	
Reserve Fund	37,258,254	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,258,254	29,311,477	
<b>Total Capital Fund:</b>	<b>372,582,538</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>372,582,538</b>	<b>295,114,767</b>	
<b>Non-Current Liabilities:</b>																							
Accounts Payable	1,603,361,427	-	-	-	12,750	-	-	3,834,831	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	1,628,145,642	1,610,459,292
Staff Security Fund	1,603,361,427	-	-	-	12,750	-	-	3,834,831	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	1,628,146,642	1,610,459,292
<b>Total Non-Current Liabilities</b>	<b>1,603,361,427</b>	-	-	-	12,750	-	-	3,834,831	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	<b>1,628,146,642</b>	<b>1,610,459,292</b>
<b>Current Liabilities:</b>																							
Members Savings Fund	1,390,483,947	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,390,483,947	1,098,778,816	
Loan Loss Provision	102,675,446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,675,446	69,740,646	
Loan Risk Fund (Member Welfare Fund)	83,307,883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,307,883	73,286,544	
Accumulated Depreciation	1,576,468,276	-	-	-	12,750	-	-	3,834,931	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	1,576,468,276	1,254,823,755	
<b>Total Current Liabilities</b>	<b>3,062,412,241</b>	-	-	-	12,750	-	-	3,834,931	6,402,908	6,353,107	7,743,727	-	-	25,000	-	-	-	412,792	412,792	-	-	<b>3,077,197,457</b>	<b>3,160,397,814</b>
<b>Total Capital Fund &amp; Liabilities</b>																							







Particulars	MFP	GTA	BRAC	Su-chala	A. Health	BEDPCB	MJF	ENRICH	RAISE	CSI -1	SEP-1	SEP-2	CSI -2	VGD	UNICEF	HELP-1	BES	NOOK	Adolescen t	L360	2022-2023	2021-2022
Miscellaneous Expenses	25,021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,021	82,621
<b>Total</b>	<b>234,447,572</b>	<b>1,866,679</b>	<b>2,447,096</b>	<b>176,142</b>	<b>387,751</b>	<b>562,249</b>	<b>790,649</b>	<b>5,694,728</b>	<b>6,119,119</b>	<b>725,420</b>	<b>7,691,828</b>	<b>9,075,400</b>	<b>3,386,900</b>	<b>921</b>	<b>-</b>	<b>2,341,262</b>	<b>257,808</b>	<b>1,714,650</b>	<b>477,175</b>	<b>653,122</b>	<b>278,818,371</b>	<b>197,569,668</b>
LLP Expenditure	84,171,920	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	84,171,920	38,825,360
Depreciation	2,292,621	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,292,621	3,400,969
<b>Total Operating Expenditure</b>	<b>370,912,113</b>	<b>1,866,679</b>	<b>2,447,096</b>	<b>176,142</b>	<b>387,751</b>	<b>562,249</b>	<b>790,649</b>	<b>5,694,728</b>	<b>6,119,119</b>	<b>725,420</b>	<b>7,691,828</b>	<b>9,075,400</b>	<b>3,386,900</b>	<b>921</b>	<b>-</b>	<b>2,341,262</b>	<b>257,808</b>	<b>1,714,650</b>	<b>477,175</b>	<b>653,122</b>	<b>365,282,912</b>	<b>239,795,997</b>
<b>Total Expenditure</b>	<b>545,095,671</b>	<b>1,866,679</b>	<b>2,447,096</b>	<b>176,142</b>	<b>387,751</b>	<b>662,249</b>	<b>790,649</b>	<b>5,694,728</b>	<b>6,119,119</b>	<b>725,420</b>	<b>7,691,828</b>	<b>9,075,400</b>	<b>3,386,900</b>	<b>2,221</b>	<b>3,117</b>	<b>2,341,262</b>	<b>257,808</b>	<b>1,714,650</b>	<b>477,175</b>	<b>653,122</b>	<b>569,470,887</b>	<b>397,948,359</b>
Microcredit Surplus	77,467,771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77,467,771	69,582,593
Project Unspent Fund	-	911,040	1,727	105,241	(13,513)	(108,821)	223,621	(745,938)	-	-	-	-	2,000	850	(3,117)	-	330,918	(115,140)	2,687	(7,453)	583,902	(734,100)
Transferred to PF OSF FSF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>622,563,442</b>	<b>2,777,719</b>	<b>2,448,823</b>	<b>283,383</b>	<b>374,238</b>	<b>553,328</b>	<b>1,014,170</b>	<b>4,848,790</b>	<b>6,119,119</b>	<b>725,420</b>	<b>7,691,828</b>	<b>9,075,400</b>	<b>3,386,900</b>	<b>3,071</b>	<b>-</b>	<b>2,341,262</b>	<b>588,726</b>	<b>1,599,510</b>	<b>479,762</b>	<b>645,669</b>	<b>667,522,660</b>	<b>466,796,832</b>





Particulars	MFP	GTA	BRAC	Su-chala	A. Health	BEDPCB	MJF	ENRICH	RAISE	CSI-1	SEP-1	SEP-2	CSI-2	VGD	UNICEF	HELP-1	BES	NOOK	Adolescent	L360	2022-2023	2021-2022	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	21	23			
Phone, Internet, Mobile & Courier	1,000,651																				1,000,551	934,517	
Stationery	863,379																				963,379	1,189,190	
Printing	1,139,228																				1,139,278	49,982	
Legal Fee	253,187																				253,187	45,281	
Training	436,597																				436,597	407,844	
Registration Fee	1,016,093																				1,016,093	639,920	
Office Processing Fees	5,574,735																				5,574,735	4,710,381	
Office Expenses	1,284,207																				1,284,207	1,046,812	
Entertainment/Refreshment	1,155,097					2,489															1,155,097	673,397	
Monitoring	6,221,571													1,300							5,225,370	4,227,571	
Income Tax and VAT	1,553,654																				1,553,654	1,668,000	
Excise Duty	180,000																				180,000	150,000	
Audit fee	50,370																				50,370	1,480,000	
Day Observation	1,480,000																				1,480,000	1,812,988	
Picnic & Yearly Gathering	1,026,000																				1,026,000	524,400	
25 Years Celebration	1,612,988																				1,612,988	5,080,089	
Software Maintenance	395,365																				395,365	5,980,089	
Donation to Education Project	133,900																				133,900	3,845,122	
Donation to Health Project	108,000																				108,000	81,000	
Donation to Bargabandhu Higher Education Student Project	737,450																				737,450	1,073,097	
Senior Citizen Project Expenses	2,931,150																				2,931,150	3,222,150	
Sports & Culture Expenses	2,931,150																				2,931,150	3,222,150	
Donation to SSP Project																							
Health Program Expenses																							
Wash Program (Latrine & Tube-well)																							
Sports & Culture Program Expenses																							
Uplifting the Quality of Lives of the elderly People																							
Rohingya Relief Work & Education																							
WASH & Shelter Support																							
Empowering Woman (JANUS)																							
Batikal City Nook																							
Adolescent Program																							
SEP Electric																							
Miscellaneous Expenses	25,021																						
Provision paid																							
Accumulated Dep. Paid																							
L/P Provision Paid	51,248,120																						
Staff Security Fund Balance																							
Total Payments:	8,342,259,300	2,230,154	2,447,096	178,142	781,227	662,249	814,456	5,594,728	12,761,473	725,420	9,312,024	13,424,435	3,385,900	2,221	3,117	2,341,282	257,808	1,714,650	679,762	653,122	8,400,209,548	6,380,126,033	
Closing Balance:	107,829,257	852,350	1,727	190,820	1,263	32,425	204,714	200,730	374,363	-	2,038,449	317,056	2,000	124,680	-	-	3,309,918	203,798	93,267	334,205	113,127,020	45,925,001	
Cash in hand	3,472,659							24,011														3,486,910	5,038,071
Cash at Bank	104,356,598	852,350	1,727	190,820	1,263	32,425	204,714	176,719	374,363	-	2,038,449	312,056	2,000	124,680	-	-	330,918	203,798	93,267	334,205	109,630,110	40,886,930	
	8,450,088,557	3,082,504	2,448,823	368,992	769,510	694,674	1,019,170	5,769,458	13,135,838	725,420	11,350,413	13,736,491	3,385,900	125,881	3,117	2,341,282	568,726	1,918,446	773,029	987,327	8,513,336,566	6,429,051,064	



**MANAGEMENT REPORT ON THE ACCOUNTS OF  
BASTOB-Initiative for People's Self-Development  
FOR THE YEAR ENDED JUNE 30, 2023  
OBSERVATIONS AND RECOMMENDATIONS**

**CURRENT YEAR'S (2022-2023) OBSERVATIONS:**

**Review of internal control of financial management system ensuring accountability and transparency:**

**1.00 ACCOUNTING SYSTEM**

**1.01 Registers and Record as per MRA Guidelines:**

**Observation:**

During the course of our audit we observed that the organization maintained the prescribed Registers and Record books manually at the Organization's head office, branch level as required under section 41 of MRA Rules 2010 such as:

Head Office		Branch Office		Samity	
Record book / Register	Implementation Status	Record book / Register	Implementation Status	Record book / Register	Implementation Status
Cash and Bank Book	Maintained	Cash and Bank Book	Maintained	Loan Pass Book	Maintained
General Ledger	Maintained	General Ledger	Maintained	Deposit Pass Book	Maintained
Client based subsidiary ledger (loans, deposit and Insurance)	Maintained	Client based subsidiary ledger (loans, deposit and Insurance collection sheet)	Maintained	Insurance Pass Book	N/A
Consolidated Loan Distribution Ledger (Branch wise)	Maintained	Loan Distribution Book (Master Roll)	Maintained		
Consolidated branch level Loans Due and Realization Register	Maintained	Loans Due and Realization Register	Maintained		
Consolidated branch level deposit return / adjustment register	Maintained	Deposit return / adjustment register	Maintained		
Cheque issue register	Maintained	Cheque issue register	Maintained		
FDR register	Maintained	FDR register	Maintained		
Fixed Asset register (Head	Maintained	Fixed Asset register	Maintained		



Office and branch office)		(branch wise)	
Dues register (branch wise)	Maintained	Dues register	Maintained
Advance register	Maintained	Advance register	Maintained
Pay register	Maintained	Pay register	Maintained
Consolidated branch wise write off and other necessary registers	Maintained	Loan write off register and other necessary registers	Maintained
Fully depreciated asset register	Maintained	Fully depreciated asset register	Maintained
Bad Loans register branch wise	Maintained	Bad Loans	Maintained

**Recommendation:**

The organization should maintain Registers and Record Books both physically and electronically through installation of accounting software for reliable and timely production of report.

**Management Response:** No Comment.

**1.02 Tax on salary not deducted as per section 86 of ITA 2023**

**Observation:**

During the course of our audit, we observed that the organization deducts appropriate amount of Tax from salary and the amount so deducted do not deposit into the bank immediate after deduction which is done on a quarterly basis which is a non-compliance of ITA 2023.

**Recommendation:**

The management should deduct appropriate amount of Tax from salary and should deposit on a monthly basis.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.03 Excess cash in hand above approved limit:**

**Observations:**

While checking vault registers at branch offices we observed several instances of Excess cash in hand above approved limit. Details are given below:

HO/Branch Name	Date	Approved cash in hand Limit	Vault Register Amount	Difference
Chatori Chowmohoni Branch	17.04.2023	50,000	345,456	Due to Late Collection
	30.04.2023	50,000	86,882	Due to Late Collection
Ramu Branch	18.03.2023	50,000	55,895	Due to Late Collection
	01.08.2023	50,000	45,172	Due to Late Collection
Eidgaon Branch	30.05.23	50,000	33,835	Due to Late Collection
	11.04.23	50,000	33,744	Due to Late Collection
Eidgaon Branch	01.01.2023	50,000	106,306	Due to Late Collection

**Recommendation:**

Management should avoid keeping excess cash in hand in order to avoid fund misappropriation.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.04 Difference between MIS and Ledger:**

**Observations:**

During the period of our audit while cross checking MIS Report and Ledger amounts, we observed few differences. Some instances are given below:

HO/Branch Name	Date	Particular/Code No.	Page no.	MIS amount	Ledger Calculation Amount	Difference
Chatori Chowmohoni Branch	June 30,2023	1301 Jagaron Loan	10	11,970,762	11,832,414	138,348
Jaldi Mia Bazar Branch	June 30,2023	5301 Bank Charge		6,602	6,841	-239
Cox's Bazar Branch	June 30,2023	Jagaron Loan	11	35,585,398	36,105,594	-520,196
Malumghat Branch	June 30,2023	Net surplus		799,876	606,380	193,496

**Recommendation:**

It implies that the Ledgers were not recorded/ updated properly in line with the software inputs, indicating Inefficient bookkeeping system.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.05 Difference between cheque muri and cash book.**

**Observation:**

While checking cash book and vault registers at branch offices we observed some cases where the registers did not match. Details are given below:

Date	HO/Branch Name	M. Name	As per Cash Book	As per cheque Muri
6.02.2022	Ramu Branch	Rojina	5,000	50,000
22.11.2022	Malumghat Branch	Rokeya Begum Chq. No. 1347904	50,000	Cancelled this cheque
21.07.2022		913542	150,000	1,500,000
26.10.2022		923234	120,000	0
04.02.2022		13479412	120,000	Cancelled this cheque

**Recommendation:**

We recommend that Management should ensure all registers are cross checked and matched appropriately to avoid mistakes.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.06 Difference between loan disburse amount and Non-Judicial Stamp /deed amount**

**Observations:**

While checking loan disburse registers and Loan application Form at branch offices, we observed some cases where the Non-Judicial Stamp /deed loan amount did not match. Details are given below:

Date	HO/Branch Name	Particular	Loan Name	Loan Disburse Amount	Deed Amount	Difference	Remark
10.01.2023	Santir Hat	Agrosor Loan disburse	Agrosor	100,000	50,000	50,000	

**Recommendation:**

We recommend that Management should ensure all registers are cross checked and matched appropriately to avoid mistakes.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.07 Bank withdrawn and Voucher Expenses do not match.**

**Observations:**

While checking bank statement and voucher at branch offices we observed some cases where the Bank withdrawn and Voucher Expenses do not match. Details are given below:

Date	HO/Branch Name	Cheque muri No.	Bank Amount	Cash /Expenses	Difference	Remark
24.07.2022	Santir Hat	1063901	3,600	3,532	68	

**Recommendation:**

We recommend that Management should ensure all registers are cross checked and matched appropriately to avoid mistakes.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.08 Difference between Loan Application form Savings amount and Actual calculation amount**

**Observations:**

While checking loan application form at branch offices we observed some cases where the loan application form saving amount loan disburse time actual calculation amount did not match. Details are given below:

Date	HO/Branch Name	Particular	Savings amount as per loan form	Actual calculation amount as per loan form	Difference	Remark
13.06.2023	Santir Hat	Savings amount	35,700	33,700	2,000	
30.06.2023	Banigram Branch	Monowara Begum Jagoron-Savings amount	35,900	30,100	5,800	S.L.-299
30.06.2023	Banigram Branch	Chara Begum Jagoron-Savings amount	16,000	16,500	-500	S.L.-312

**Recommendation:**

We recommend that Management should ensure all loan application form are cross checked and matched appropriately to avoid mistakes.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.09 Fixed Assets ID number was not available in fixed asset register:**

**Observations:**

We observed that Verification Code & Asset Location not recorded in Fixed Asset Register. Some instances are given below:

HO/Branch Name	Particulars	As per Register	Physical Existence	Difference	Remark
Head Office	Fan				ID number was not available
	Chair				
	TV				
Chatori Chowmohoni Branch	Wooden Khat				ID number was not available
	Wooden Chair				
	Table				
	Almira				
	Cabinet				
Jaldi Mia Bazar Branch	Fan				ID number was not available
Ramu Branch	Fan				ID number was not available
	Chair				
	Khat				
	Laptop				
Eidgaon Branch	Chair				ID number was not available
	Almira				
Malumghat Branch	Wooden Khat				ID number was not available.
	Wooden Chair				
	Table				
	Still Almira				
	Laptop				

**Recommendation:**

Verification code and Asset Location should be available in all assets.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.



**1.10 Revenue stamp was not affixed in few vouchers:**

**Observation:**

During the period of our audit while checking voucher we observed that few instances where revenue stamps were not attached. Some instances are given below

HO/Branch Name	Date	Particular	Amount	Remark
Head Office	07.08.2022	Maintenance	900	Revenue stamp was not affixed
	21.08.2022	Car Maintenance	7,200	Revenue stamp was not affixed
	25.08.2022	Stationery	7,250	Revenue stamp was not affixed

**Recommendation:**

We recommend that all revenue stamp should be affixed for payments over Tk. 500.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.11 Difference between cheque counterfoil amount and cheque issue registers amount:**

**Observations:**

During the period of our audit we observed that some amounts do not match; difference between cheque counterfoil amount and cheque issue register amount. Some instances are given below:

Date	HO/Branch Name	Particular	Loan disburse amount as per chq. Muri	as per cheque issue register	Difference	Remark
10.12.22	Head Office	Picnic Advance	73,000	78,000	5,000	
15.12.2022		Picnic Advance	Canceled	204740		
03.07.2022	Chatori Chowmohoni Branch	Loan disburse Agrosor	50,000	0	50,000	
10.8.2022	Eidgaon Branch	Loan disburse	100,000	1,000,000		4200910
31.08.2022		Loan disburse	40,000	50,000	10,000	c4200956 Reg. & cash book
31.08.2022		Loan disburse	50,000	40,000	10,000	c4200958 Reg. & cash book

**Recommendation:**

We recommend that all cheque amounts must be recorded correctly in cheque issue register amount column.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation

**1.12 Vault Register Not Update**

**Observations:**

During the period of our audit, we observed that cash in hand information not available in Vault Register. Some instances are given below:

Date	HO/Branch Name	Particular	Amount	Remark
26.07.2022	Banigram Branch	Cash in hand	4,692	Not updated
27.07.2022	Banigram Branch	Cash in hand	3,557	Not updated
28.07.22	Banigram Branch	Cash in hand	5,912	Not updated
29.07.2022	Banigram Branch	Cash in hand	2,436	Not updated

**Recommendation:**

We recommend that all vault register information must be daily posted correctly in vault register.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation

**1.13 Physical counting with Vault register Revenue stamp stock does not match**

**Observations:**

During our audit we noticed revenue stamp stock did not match in vault register. Some examples are given below:

Date	Particular	HO/Branch Name	Opening Balance	Closing Balance	Difference	Remark
14.08.22	Revenue Stamp	Banigram Branch	420	370	50	Does not mat with actual Counting
16.08.22	Revenue Stamp	Banigram Branch	370	300	70	Does not mat with actual Counting

**Recommendation:**

We recommend that all revenue stamps must be posted correctly in vault register.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation

**1.14 Difference between cheque issue register balance and bank balance**

**Observations:**

While checking cheque issue register and bank statement at branch offices we observed some cases where the cheque issue register amount did not match. Details are given below:

Date	HO/Branch Name	Balance as per cheque issue register	Balance as per bank balance	Difference	Remark
07.07.22	Jaldi Mia Bazar Branch	64,870	4,008	60,861	
21.02.22	Jaldi Mia Bazar Branch	1,438,059	1,437,193	866	

**Recommendation:**

We recommend that Management should ensure all registers are cross checked and matched appropriately to avoid mistakes.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.15 Difference between collection sheet & passbook**

**Observations:**

We observed an instance where the savings amount and Loan amount recorded in the collection sheet did not match with the pass book. Details are given below:

Date	HO/Branch Name	Member name	Code no.	Collection sheet		Passbook	
				savings	Loan	savings	Loan
04.08.2023	Jaldi Mia Bazar Branch	Hosneara Begum	86	9,220	54,460	9,170	54,460
04.08.2023	Jaldi Mia Bazar Branch	Nurjahan	438	6,779	13,360	6,879	13,360
04.08.2023	Jaldi Mia Bazar Branch	Monowara	83	9,727	48,156	9,727	46,602

**Recommendation:**

We recommend that the savings amount and Loan amount should be recorded correctly in the collection sheet and pass book.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.16 Supporting documents not adjusted with vouchers:**

**Observations:**

While checking vouchers we observed few instances where the supporting documents not adjusted with vouchers. Instances are given below:

Date	HO/Branch Name	Particular	Amount	Remark
5.7.2022	Jaldi Mia Bazar Branch	Other loan & advanced	6,981	Receipt acknowledgement not adjusted
6.7.2022		Loan installment as per list	4,440	Voucher not adjusted
6.7.2023		Saving installment	2,550	Voucher not adjusted
6.7.2024		service charge	560	Voucher not adjusted
6.7.2025		Admission & passbook sale	20	Voucher not adjusted

**Recommendation:**

We recommend that the management should maintain supporting documents with debit and credit vouchers.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.17 Some expenses for June are shown in July month's debit voucher**

**Observations:**

During the course of our audit, we observed that in some cases where some expenses for June are shown in July. Instance is given below:

Top voucher Date	HO/Branch Name	Expense Bill Date	Particular	Amount	Remark
6.07.2022	Jaldi Mia Bazar Branch	04.07.2022	Office Expenses	1,800	June 06,09,18

**Recommendation:**

We recommend that Income and expenditure should be recorded properly.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.18 Findings on recording cashbook**

**1.19 Wrong posting in cashbook Closing Balance and Opening Balance**

**Observation:**

We observed that difference while calculating the total sum of cash book account head during our audit period. Some instances are given below:

Date	HO/Branch Name	Particular	Closing balance	Opening balance	Difference
15.9.22	Eidgaon Branch	Cash in hand	10,495	6,149	4,346

**Recommendation:**

We recommend that cashbook was not recorded/ updated properly in line with the software inputs, indicating Inefficient bookkeeping system which should be avoided in the future.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.20 FDR Form and some documents not found**

**Observation:**

We observed few instances where Picture and copy of the members NID card were not affixed with the FDR form. Details are given below:

Date	HO/Branch Name	Particular	m. name	samity code	m. code	Amount	Remark
30.4.2023	Ramu	FDR	Rajiya	54	2408	100,000	Picture, NID Card, Maturity period not written.
6.12.2022	Eidgaon Branch	FDR	Laxman Dey	24	1078	400,000	Maturity period not written.
30.06.2023	Malumghat Branch	FDR	Rokiya	3	46		Date, application form member signature, photo, account number
30.06.2023	Malumghat Branch	FDR	Belal Uddin	36	38/12		Photo
30.06.2023	Malumghat Branch	FDR	Sumki Dey	2	4087		NID/Birth certificate

**Recommendation:**

Picture and Copy of NID should be available with FDR application forms.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.21 Loan Overdue few month**

**Observations:**

We observed that there are several months of overdue loans. Details are given below:

Date	HO/Branch Name	Member Name	Samity name	Loan Amount
30.06.2023	Jaldi Mia Bazar Branch	Salina Akter	khalifa para mohila samity	50,000
30.06.2024	Jaldi Mia Bazar Branch	Rokia Begum	khalifa para mohila samity	50,000

**Recommendation:**

Area Manager and Manager should be looking for people who are several months of overdue loans.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.22 Deposit slip not found**

**Observations:**

We observed that the management did not collect the deposit slip from the bank in most of the cases. Details are given below:

Date	HO/Branch Name	Particular	Amount
20.11.2022	Ramu Branch	Bank Deposit	311,510

**Recommendation:**

We recommend that the management should preserve money receipt and vouchers properly.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.23 Loan disbursed before 7 days from Application.**

**Observations:**

We observed several instances where loan was disbursed before 7 days from loan application which is a noncompliance of PKSF guidelines. Details are given below:

HO/Branch Name	Samity Name	Samity Member Name	Application Date	Loan Disburse Date	Amount
Santirhat	Borolia Mohila Somity	Diluara Begum	01.06.2023	04.06.2023	100,000
Santirhat	Budhpura Mohila Somity	Raushanara Begum	01.06.2023	06.06.2023	50,000
Santirhat	Chairman Bari	Renu Akter	11.06.2023	14.06.2023	50,000
Banigram Branch	Burirtake Mohila Somity	Rumana Akter	21.08.22	23.08.22	30,000
Banigram Branch	Dighirpar Mohila Samity	Mehrun	21.08.22	23.08.22	30,000

Malumghat Branch	Anar Koli	Agrosor	19.06.2023	22.06.2023	400,000
	Nasina Khatun	Buniad	11.12.2022	13.12.2022	50,000
	Munwara Begum	Buniad	15.12.2022	18.12.2022	20,000

**Recommendation:**

Loan should be disbursed after at least 7 days from application.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.24 Overwriting in Cash Book**

**Observations:**

We observed few instances of overwriting while checking the general ledgers of branch offices. Details are given below:

Date	HO/Branch Name	Folio No	Ledger Page No.	Particular	Overwriting before amount	Overwriting before amount	Remark
20.07.2022	Santirhat	10	1	Jagoron Loan -1301	30,000	50,000	20,000
14.08.2022	Santirhat	26	1	Jagoron Loan -1301	26206	16,206	10,000
25.08.2022	Chatori Chowmohoni Branch	2	33	Jagaron	18,524	18,204	320
28.08.2022		2	34	Jagaron	144132	23,530	120,602
29.08.2022		2	36	Jagaron	50000	40,000	10,000
09.02.2023	Ramu			Service Charge	1000	4,000	
09.02.2023				Admission fee	5575	20	
26.9.2022	Eidgaon Branch			Cash book	0	2,300	
26.9.2022				Cash book	0	9,048	
30.06.2023	Malumghat Branch			FDR- Belal Uddin	1,010,000	101,000	909,000

**Recommendation:**

We recommend that the erasing and overwriting should be avoided as much as possible.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.



**1.25 Overwriting in Ledger**

**Observations:**

We observed few instances of overwriting while checking the general ledgers of branch offices. Details are given below:

Date	HO/Branch Name	Folio No	Ledger Page No.	Particular	Overwriting before amount	Overwriting before amount	Difference
20.07.2022	Santirhat	10	1	Jagoron Loan - 1301	30,000	50,000	20,000
14.08.2022	Santirhat	26	1	Jagoron Loan - 1301	26206	16,206	10,000
15.06.2023	Chatori Chowmohoni	234	24	Agrosor Loan	21,887	21,187	700
15.05.2023	Chatori Chowmohoni	30	277	Monthly benefit interest	1250	2,500	-1,250
07.07.2022	Chatori Chowmohoni	7	1	Jagaron Loan	110000	200,000	-90,000
16.08.2022	Jaldi Mia Bazar Branch	-	10	Jagaron Loan	6595036	6,555,036	40,000
30.06.2023	Cox's Bazar Branch			Loan disburse Jagoron loan	245657666	250,030,602	-4372936
05.06.2023	Cox's Bazar Branch			Loan disburse Sufolon Loan	197389	5,900	191,489
12.04.2023	Malumghat Branch			Loan disburse Jagoron loan	141006	141,046	-40
18.10.2022				Loan disburse Jagoron loan	188032	128,032	60,000
21.08.2022				Loan disburses Voluntary	1183718	1,183,798	-80

**Recommendation:**

We recommend that the erasing and overwriting should be avoided as much as possible.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

### 1.26 Overwriting in Vault Register

#### Observations:

We observed few instances of overwriting while checking the vault register of branch offices. Details are given below:

Date	HO/Branch Name	Ledger Page No.	Particular	Overwriting before amount	Overwriting after amount	Remark
28.02.2023	Santirhat	1	Jagoron Loan - 1301	30,000	50,000	
14.08.2022	Santirhat	1	Jagoron Loan - 1301	26,206	16,206	
20.05.23	Jaldi Mia Bazar Branch	-	Vault Register	16	15	
04.06.23	Jaldi Mia Bazar Branch	-	Vault Register	50	60	

#### Recommendation:

We recommend that the erasing and overwriting should be avoided as much as possible.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

### 1.27 Some registers not Approved by authorized personnel.

#### Observations:

During the course of our audit, while checking registers we observed that some Ledger books were not approved. Instance is given below:

HO/Branch Name	Particular	Reason
Santirhat	Internal Audit Report register	Not approved by authorized personnel
	Loan Disbursement Reg.	
	Cash Book	
	General Ledger	
Chatori Chowmohoni Branch	Vault register	
Banigram Branch	General Ledger	
	Vault register	
Ramu Branch	Internal Audit Report Register	
	General Ledger	
Malumghat Branch	Cash Book	
	Agrosor ME	
	Jagoron	
	Vault Register	
	Assets Register	
	Ledger	

#### Recommendation:

We recommend that all books and registers should be approved by authorized personnel.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

### 1.28 Cheque no. not recorded properly in cheque issue register

#### Observations:

During our audit we observed that some cases where the detailed information of issued cheques was not recorded in the Cheque issue register. Instance is given below:



Date	HO/Branch Name	Particular	Cheque no. as per Cheque muri.	Cheque no. as per cheque issue register	Amount	Remark
26.07.2022	Chatori Chowmohoni Branch	Loan disburse Agrosor	0092349	-	40,000	
23.08.2022	Banigram Branch	Jewel	E1260761		9,000	
12.09.2022	Banigram Branch	Jewel	E1376059	-	300	
07.07.2022	Jaldi Branch	Rima Akter -Loan Disburse	C4128893	-	50,000	
07.07.2022		Nacima Akter -Loan Disburse	C4128894	-	50,000	
07.07.2022		Jasmin Akter -Loan Disburse	C41288995	-	50,000	

**Recommendation:**

We recommend that Cheque no. must be written in cheque issue register.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.29 Not maintain register Observation:**

We observed that few branches where not maintain register book. Details are given below:

HO/Branch Name	Particular	Reason
Banigram Branch	Bank Cheque book stock Register	Not approved by authorized personnel
	Stock Stationery Register	
Chatori Chowmohoni Branch	Bank Cheque book stock Register	

**Recommendation:**

We recommend that the stock register should be used to calculate the stock book properly

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.



### 1.30 Movement Register Not Updated

#### Observation:

During the period of our audit we observed Movement Register not updated not available for physical verification. Some instances are given below:

Date	HO/Branch Name	Name	Exit	Entry
31.1.23	Ramu Branch	Sumon	8:00	Not found
21.3.23		Sadek	8:30	Not found
12.10.22		Sujit Rudro	8:00	Not found
26.9.22		Sathi	8:00	Not found
30.5.23	Malumghat Branch	Parnin Akter- C.O.	-	-
11.5.23		Shobly- C.O.	-	-

#### Recommendation:

We recommend that Movement Register should be up to dated.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

### 1.31 Overwriting in cheque muri and cheque issue register

#### Observation:

During our audit we noticed overwriting on check counter foil. Some examples are given below:

Date	HO/Branch Name	Member name	Particulars	Before Amount	After Amount	Difference
27.12.2011	Head Office-Bank Asia	Tahai Work-Cheque No-1288160	Other Expenses	12,712	12,000	712
06.02.2023	Ramu	Taifun	Office	50,000	80,000	-30,000
06.02.2023	Ramu	Taifun	Office	50,000	10,000	40,000
26.07.2022	Malumghat Branch	Monowar Begum Loan	Monowar Begum Loan	1,000,000	100,000	900,000
18.10.2022	Malumghat Branch	Monowar Begum Loan	Anju Akter Jagoron loan	0	50,000	-50,000
30.11.2022	Malumghat Branch	Tipu	Tipu	1,200,000	120,000	1,080,000

#### Recommendation:

We recommend that check counter foil should be written carefully.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**1.32 Authorization Signature not found on Loan Disbursement form.**

**Observation:**

While checking vouchers we observed few instances where authorized personnel signatures were not available. Instances are given below:

Date	HO/Branch Name	Particular	Member name	Samity code	Member code	Amount	Remark
14.12.22	Ramu	Loan Disbursement	Nalima	64	2,944	300,000	Area manager's sign was not there

**Recommendation:**

We recommend that Loan Disbursement form should be issued and signed by the area Manager.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**2.00 INVESTMENTS (FIXED DEPOSITS WITH BANKS):**

**2.01 Maintenance of Liquidity fund as Fixed Deposit as per MRA guidelines:**

**Observation:**

As per section 34 "Usage of Deposit Funds and Maintenance of Liquidity" MRA Rules 2010 & SRO No: 289-AIN/22; Sec: 5:

- (1) Every Microcredit Organization must maintain 10% liquidity fund of its entire compulsory, voluntary and term deposit, or whatever name as signature to the deposit funds, in the savings account of a scheduled bank of the branch offices.
- (2) Liquidity fund may be maintained in the form of minimum 5% in cash and the remaining portion as fixed deposit.

We observed that **BASTOB** management has made investment in FDR against all funds as per PKSF and MRA rule / guideline. The comparative position of investment against the available fund is given below:

Head of Accounts	Amount as at 30.06.2018	MRA/PKSF prescribed Rate	Amount to be Invested	Actual Investment	Excess Investment	Actual Rate of Investment
Members Savings Fund	1,390,483,947	5%	139,048,395	107,567,448	38,043,251	7.74%
Statutory Reserve Fund	37,258,254	100%	37,258,254	40,000,000	2,741,746	107.36%

**Recommendation:**

BASTOB has invested more than the amount required by MRA guideline which is highly encouraged. BASTOB should continue the process.

**Management Response:** No Comment.

**3.00 INVESTMENTS (FIXED ASSETS):**

**Observation:**

**BASTOB** has Purchased Tk. 5,651,780 of fixed assets as at June 30, 2023. The Fixed Assets have been recognized at cost less accumulated depreciation. Depreciation has been charged on reducing balance method at rates varying from 10% to 50%.

The organization maintains Fixed Asset Register at head office and branch offices showing detailed information including Type of Asset, Date of Purchase, voucher no. and amount. We have verified all the documents relating to purchases of fixed assets and system of record keeping and found the same in order. We have also verified the calculation of depreciation which we found in order.

**Recommendation:**

**BASTOB** management should continue the process.

**Management Response:** We will continue the process.

**3.01 Deprecation on Fixed Assets.**

**Observation:**

During our audit, we have seen that **Deprecation on Fixed Assets** was deducted as per **BASTOB** policy but in some cases Income Tax Act, 2023 3<sup>rd</sup> Schedule was not followed which is a non-compliance of MRA Rules 2010. The instance has been provided below:

Particular	Rate of Depreciation as per ITA-2023, 3 <sup>rd</sup> Schedule (%)	Rate of BASTOB policy (%)	Actual Deduction (%)
Furniture & Fixture	10%	10%	15%
Electric Equipment	10%	40%	16%
Software Installation	10%	50%	50%
Building	5%	5%	5%
Vehicle	10%	20%	20%

**Reference: Annexure A/4**

**Recommendation:**

Depreciation amount should be charged as per Income Tax Act, 2023 3<sup>rd</sup> Schedule to comply with MRA Rules 2010.

**Management Response:** Agreed with the Observation and we will take necessary steps to overcome the limitation.

**4.00 PAYABLE AND ACCRUALS:**

**Observation:**

**BASTOB** management has prepared the Financial Statements under the historical cost convention on accrual basis of accounting. They have made Accounts Payable of Tk. 4,725,893.00 as on June 30, 2023.

**Recommendation:**

The Organization should continue following accrual basis of accounting for preparation of its financial statements.

**Management Response:** No Comment.

**5.00 COMMERCIAL LOAN:**

**Observation:**

The organization has obtained loan from several banks of which Tk. 985,000,000 was received during the year and Tk. 715,767,932 was refunded.



During our audit, we have observed that, BASTOB has deposited an amount as FDR against Bank Loan. The instance has been provided below:

Name of Bank	Approved Loan Limit	Loan Balance as on 30 <sup>th</sup> June, 2023	FDR against Bank Loan as on 30 <sup>th</sup> June, 2023
MTB	60,000,000	22,004,710	12,446,474
First Security Islami Bank	120,000,000	30,000,000	8,767,894
Southeast Bank	300,000,000	206,352,512	65,474,716
Midland Bank	-	23,495,262	14,806,593
Mercantile Bank	50,000,000	46,676,333	5,096,082
NRBC Bank Ltd.	200,000,000	170,123,499	20,000,000
Uttara Bank Ltd.	50,000,000	30,608,033	10,875,044
AB Bank Ltd.	-	-	4,104,283
One Bank Ltd.	60,000,000	58,847,803	14,923,147
Premier Bank Ltd.	-	12,100,364	21,621,381
Pubali Bank Land	100,000,000	67,518,650	10,160,942
<b>Total</b>	<b>940,000,000</b>	<b>667,727,166</b>	<b>188,276,555</b>

**Recommendation:**

Loan repayment should be made as per loan sanction letter in order to avoid defaulting.

**Management Response:** We will continue the process.

**6.00 LOAN OPERATION MANAGEMENT:**

As per MRA guidelines the following measures need to be ensured for selection of proper beneficiaries:

- i. Whether the beneficiaries are familiar with the microcredit activities and rules & regulations of the organization.
- ii. Whether the beneficiaries are present in group meeting.
- iii. Whether loanee beneficiaries are selected through discussion in the group meeting and so on.

In addition, the following documents need to be maintained:

- i. Loan disbursement by Head office to Branch Office**
  - a. Demand wise money requisition from branch office
  - b. Approved money requisition through the management
  - c. Money transfer to particular branch office through the account payee cheque / Demand Draft/ Pay Order
  - d. Voucher
- ii. Loan disbursement by Branch office to Beneficiaries**
  - a. Admission form
  - b. Loan application form
  - Joint photograph
  - National ID card
  - Guarantor
  - Stamp (Agrosor Loan)
  - c. Member verification
  - d. Loan approved by respective person
  - e. Payment of loan

**iii. Loan recovery from beneficiaries.**

Whether the documents are maintained in branch offices for loan recovered from beneficiaries:

- a. Pass book (Member)
- b. Collection sheet
- c. Daily collection register
- d. Credit voucher
- e. Cash Book



**iii. Loan recovery from beneficiaries.**

Whether the documents are maintained in branch offices for loan recovered from beneficiaries:

- Pass book (Member)
- Collection sheet
- Daily collection register
- Credit voucher
- Cash Book
- Ledger/ Sub ledger

**Management Response:**

**6.01 Compliance regarding Loanee members:**

As per rule 13 (3) of MRA Rule 2010 at least 70% (seventy percent) of the members must be Loanee members. We observed that the organization has 74.46% Loanee members out of the total members which are above the required percentage of MRA Rule 2010.

During the course of our audit we visited few branches and have verified the loan disbursement and recovery procedures. It was revealed that the overall system of internal control in loan operation is considered to be satisfactory with few exceptions appended below.

**Management Response:** No Comment

**6.02 Portfolio Assessment:**

**Observation:**

BASTOB has disbursed total Tk. 4,648,482,000.00 to the beneficiaries, under the components of General Micro Credit Tk. 796,206,913.00, Micro Enterprise Tk. 1,009,608,565.00, Agricultural Sector Tk. 847,335,779.00 and Others Tk. 317,788,013.00. 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 2022-2023	Year 2021-2022	Percentage of growth
Total Loan disbursed	4,648,482,000.00	3,916,436,000.00	84.25%
Total loan collection	4,317,992,109.00	3,032,874,242.00	70.24%
Loan Outstanding	2,970,939,270.00	2,640,449,379.00	88.88%
Total Overdue	103,285,669.00	119,768,913.00	115.96%
Bad Loan	49,614,338	59,628,029.00	150.23%

- Loan disbursement & loan collection has decreased by 84.25% & 70.24% in this year.
- Loan Outstanding has increased by 88.88% in this year
- Total Overdue decreased by 115.96% and Bad Loan by 150.23% which is a huge decrease.
- Overwriting in the daily collection sheet and register in some cases.

**Recommendation:**

BASTOB should improve the operational system in order to improve its profitability.

**Management Response:** No Comment

**7.00 SAVINGS DEPOSITS:**

**Observation:**

Member's savings collection and utilization of funds were verified and we have observed that BASTOB Society followed PKSF and MRA guideline.

**Recommendation:**

BASTOB should continue following the guideline.

**Management Response:** No Comment

**8.00 MANAGEMENT & ACCOUNTING INFORMATION SYSTEM AND SOFTWARE IMPLEMENTATION:**

**Observation:**

During the period of our audit we observed that the organization has installed GBanker accounting software of Grameen Communications and is in operation for its branch offices and head office recording.

**Recommendation:**

This process should be continued.

**Management Response:** No Comment

**9.00 TRAINING NEEDS OF MFI:**

**Observations:**

BASTOB Management should impart appropriate training in accounting and book keeping to the accounts and other related personnel for proper recording including income tax and VAT regulations.

During the course of our audit while questioning samity members during the samity visits we observed that in few cases the field officers do not educate the samity members for proper utilization of the loan and the rate of interest charged on the savings/ loan amount.

**Recommendations:**

BASTOB Management should impart appropriate training in accounting and book keeping to the accounts and other related personnel for proper recording including income tax and VAT regulations.

Training to be arranged to all accounts and other related employees evaluating the individual requirement. We suggest that the Field officers should impart proper training to the samity members so that they gain more knowledge about their investments and improving their livelihood.

**Management Response:** No Comment

**10.00 Declaration of Prevention of Money Laundering and Terrorist Financing:**

As per circular No. 24 dated 26 May 2014 of Microcredit Regulatory Authority (MRA) regarding Prevention of Money Laundering and Terrorist Financing we have conducted our verification and observed that no such act was done by the organization, in course of our test verification we were not observed any Money Laundering and Terrorist Financing of the organization. Moreover, we have obtained a management representation letter about Money Laundering and Terrorist Financing and the management has confirmed that, the organization is not involved in such act of any Money Laundering and Terrorist Financing.

<b>BASTOB-Initiative for People's Self-Development</b>			
<b>COMPLIANCE OF THE STATUS OF THE PRIOR YEAR (2021-2022) AUDIT OBSERVATIONS AND MENTION THE PERCENTAGE THEREOF</b>			
<b>Sl. No.</b>	<b>Observations</b>	<b>Implementation Status</b>	<b>Comments (If Any)</b>
<b>01</b>	Deduction of TDS and VDS	Implemented	N/A
<b>02</b>	Overwriting in registers	Partly Implemented	N/A
<b>03</b>	Cash in hand above approved limit	Partly Implemented	