


Independent Auditors' Report and Financial Statements
of
Association for Under-Privileged People-AUP
Micro Finance Program (MFP)
For the year ended 30 June 2024

 **mic** **M I Chowdhury & Co.**

.....Since 1985 Chartered Accountants & Management Consultants

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**Independent Auditors' Report
To the General Members of
Association for Under-privileged People (AUP)**

Opinion

We have audited the accompanying financial statements of **Association for Under-privileged People (AUP)**, which comprise the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of receipts & payments, statement of cash flows and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Association for Under-privileged People (AUP)** as at 30 June 2024, and its financial performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the 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 Financial Statements and Internal Controls

Management of **Association for Under-privileged People (AUP)** is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities activities within the project to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit.

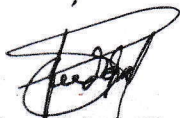
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Micro Credit Regulatory Authority (MRA) Act, 2006 and the Micro Credit Regulatory Authority (MRA) Rules, 2010, we also report the following:

- 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 **Association for Under-privileged People (AUP)** 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.

Date: 27 August 2024
Place: Dhaka


Sajeed Iqbal Chowdhury ACA
Enrolment No.: 1914
Partner
M I Chowdhury & Co.
Chartered Accountants
DVC No.: 2408271914AS981923



Association for Under-privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects
 Statement of Financial Position
 As at 30 June 2024

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Assets			
Non-Current Assets			
Property, Plant & Equipment	6.00	17,053,387	17,079,744
Current Assets			
Loan to Beneficiaries	7.00	1,116,722,127	823,345,327
Advance, Deposits & Pre-payments	8.00	10,355,662	8,798,336
Investment on FDR	9.00	39,108,445	33,629,983
Advance Income Tax	10.00	384,774	233,754
MAC Foundation	11.00	195,077	195,077
Accounts Receivable	12.00	305,896	234,352
Staff Suspense Account	13.00	325,200	325,200
Cash & cash equivalents	14.00	52,479,265	59,487,884
Total Assets		1,236,929,833	943,329,657
Capital Fund & Liabilities			
Capital and Reserve Fund	15.00	182,198,286	134,246,870
Non-Current Liabilities			
Bangladesh Bank Grihayan Project	16.00	13,794,449	10,173,892
Loan from PKSF (Long Term)	17.01	202,999,989	138,558,326
Loan from Others	18.00	31,290,000	26,280,000
Loan from RDA against Water projects	19.00	120,000	120,000

1. Figures have been rounded off to the nearest taka.
2. The notes and annexures on page 10 to 40 are an integral part of these financial statements.

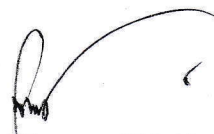



Particulars

Notes

		Amount in Taka	
		30 June 2024	30 June 2023
Current Liabilities		806,527,109	633,950,569
Loan from PKSf (Short Term)	17.02	197,225,002	134,675,005
Loan from Bank	20.00	87,003,796	102,500,904
Group Members Savings Deposits	21.00	416,875,735	306,435,313
Loan Loss Provision (LLP)	22.00	32,778,140	23,473,922
BD Wash Advance	23.00	-	548,698
BD Wash Grant Received	24.00	955,500	2,100,000
Employee Security Deposit	25.00	1,889,500	1,242,500
Staff Provident Fund	26.00	-	-
PF Loan to Branch	27.00	13,968,690	14,892,402
Insurance Fund	28.00	40,301,705	29,247,775
Provision for Audit fee, Utilities & Telephone Bil	29.00	94,000	141,825
Provision for Interest on Loan	30.00	7,212,427	4,302,606
Staff Welfare fund	31.00	553,452	437,900
Gratuity Fund	32.00	1,519,736	8,055,422
Voluntary Savings Provision	33.00	583,906	315,798
Family Welfare Fund (FWF) Provision	34.00	634,496	728,627
VAT Payable	35.00	45,500	39,825
Tax Payable	36.00	30,335	26,860
Loan from Child Labor Project	37.00	4,288,735	4,288,735
Loan from Enrich Project	38.00	370,000	300,000
Savings Payable	39.00	196,454	196,452
Total Capital Fund & Liabilities		1,236,929,833	943,329,657

1. Figures have been rounded off to the nearest taka.
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Director (F&A)
AUP


Executive Director
AUP

Signed in terms of our report of even date annexed.


Sajeed Iqbal Chowdhury ACA

Partner

Enrolment No. 1914

M I Chowdhury & Co

Chartered Accountants

DVC No : 2408271914AS981923

Place : Dhaka

Dated: 27 August 2024



Association for Under-privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects
 Statement of Comprehensive Income
 For the year ended 30 June 2024


Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Income			
Service charge		213,336,671	152,167,129
Member's subscription fee		2,670	2,640
Bank interest		211,423	88,986
Investment profit	49.00	2,099,557	1,469,185
Group members' admission fee		405,560	360,265
House rent		784,364	517,568
Interest on Motor Cycle		88,035	82,354
Miscellaneous income		429,163	350,883
Training Fees		158,500	86,500
Grant Income from PKSF ENRICH Project		3,173,692	3,040,611
Grant Income from PKSF Probin Jonogosti Project		165,597	88,820
Total Income		220,855,231	158,254,941
Expenditure			
Salaries, allowance other benefits		75,372,622	53,885,134
Audit & Professional fee		194,400	88,275
Wages		34,480	25,400
Entertainment		1,392,842	1,046,541
Repairs & Maintenance		876,429	1,712,885
News Paper and Periodicals		3,290	1,729
Bank charge and commission		588,654	487,133
Reg. & Renewal		444,788	267,891
Oil & Fuel		3,081,479	2,375,314
Office & stationary		560,551	453,521
E-mail & Website		26,193	31,158
Office Rent		3,450,310	2,469,120
Postage & Telephone		550,094	202,467
Utilities		712,176	453,572
Cost of printing Materials		533,930	875,945
Motorcycle Subsidy		8,000	-
Traveling and conveyance		1,323,810	1,154,554
VAT & Tax		1,601,278	897,843
Photocopy		7,420	4,965
Training (Staff)		1,337,657	900,545
Legal Expenses		147,650	57,500
Provident Fund Contribution		2,603,972	1,824,866
Miscellaneous Expenses		1,209,546	480,350
Service Charge Rebate		2,401,175	1,171,884
FWF Interest		1,703,226	5,700,200
EC Sitting Allowance		189,000	241,000
Donation & Subscription		444,000	230,880



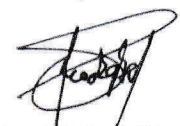
Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Interest on loan		32,944,364	19,792,182
Interest on Savings		15,912,641	12,701,899
LLP Expense		9,304,218	10,004,525
Gratuity Expense		6,391,913	1,846,321
Loan Processing Fee		600,000	-
Advertisement		87,500	39,445
Depreciation		1,679,941	2,445,771
Software Bill		187,110	260,295
Day Celebration Exp.		27,975	
Enrich Program Expenses Health		959,208	820,649
Enrich Program Expenses Education		299,292	594,504
Enrich Program Expenses Training (Member)		77,907	96,042
ENRICH Program Other Exp.		505,078	228,132
Elderly People Program Expenses		165,597	88,820
Total Expenditure		169,941,715	125,959,257
Excess of Income over Expenditure		50,913,516	32,295,684
Total		220,855,231	158,254,941

1. Figures have been rounded off to the nearest taka.
2. The notes and annexures on page 10 to 40 are an integral part of these financial statements.


Director (F&A)
AUR


Executive Director
AUP

Signed in terms of our report of even date annexed.


Sajeed Iqbal Chowdhury ACA
Partner
Enrolment No. 1914
M I Chowdhury & Co
Chartered Accountants
DVC No.: 2408271914AS981923

Place : Dhaka
Dated: 27 August 2024



Association for Under-privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects

Statement of Receipts & Payments

For the year ended 30 June 2024

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Receipts			
Opening Cash & Cash Equivalents		59,487,884	72,099,126
Cash in Hand		421,866	401,291
Cash at Bank		59,066,018	71,697,835
Loan Received From		334,940,000	274,420,000
PKSF	40.00	283,500,000	215,100,000
Southeast Bank		20,000,000	-
Grihayan Tahabil (Bangladesh Bank)		5,720,000	5,590,000
Trust Bank		-	30,000,000
Pubali Bank		-	20,000,000
EC/Other's Person Loan		5,720,000	3,730,000
NRBC Bank		20,000,000	-
Loan Recovery	41.00	1,479,877,000	1,064,665,223
Service Charges Received	42.00	210,932,160	151,057,480
Savings Collection	43.00	233,727,635	188,695,291
Other Receipts		117,548,308	111,363,281
Family Welfare Fund (FWF)		62,530,150	47,903,001
Security Deposit (Staff)		900,000	578,000
Micro Insurance		15,580,710	10,503,310
FDR Encashment		2,164,323	-
Provident Fund		3,044,721	2,123,041
Staff PF Loan Payable		6,464,846	5,342,971
Staff Welfare Fund		145,552	113,300
Enrich Advance		-	1,800,000
Grant Income from PKSF ENRICH Project		-	1,801,898
Grant Income from PKSF Probin Jonogosti Project		-	76,231
Reimbursement Received (Enrich)		-	898,368
BD Wash Grant Received		4,131,000	3,900,000
PF Loan Recovery Branch		8,660,383	9,200,000
Gratuity Fund Loan Recovery		1,911,136	-
Loan from Child Labor Project		-	4,288,735
Loan from ENRICH Project		70,000	300,000
Receivable Interest (FDR)		-	147,760
Savings Payable		8,053	207,594
Advance Received		9,848,273	22,007,556
Staff Loan Recovery (By-Cycle & Motor Cycle)		1,921,395	-
Tax payable		167,766	171,516
Other Operating Income		1,101,726	2,016,361
Bank interest		211,423	88,986
Interest on Motor Cycle		59,635	9,354
Interest on FDR		-	1,234,833
GC Members' subscription		2,670	2,640
Group Members Admission Fee		405,560	360,265
Miscellaneous Income	44.00	422,438	320,283
Non-Operating Income		941,876	604,068
House rent		783,376	517,568
Training Fees		158,500	86,500
Total		2,438,556,589	1,864,920,830



Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
Payments			
Loan/Fund Refund		233,648,737	146,856,771
Trust Bank		15,961,291	11,384,571
Housing Fund		2,484,444	1,139,111
PKSF	45.00	156,508,340	87,691,669
Southeast Bank		26,070,290	22,379,225
PF Loan Refund		9,584,095	4,094,000
EC/Other's Person Loan		710,000	250,000
Jamuna Bank		4,042,383	4,898,119
NRBC Loan		4,680,076	-
Pubali Bank		13,607,818	15,020,076
Loan Disbursement	46.00	1,773,286,000	1,337,016,500
Saving Refund	47.00	173,779,229	158,685,035
FDR Investment	48.00	6,000,000	5,135,423
Administrative Expenses		89,916,832	65,870,477
Salaries, allowance other benefits		74,117,610	53,305,134
Wages		34,480	25,400
Entertainment		1,392,842	1,046,541
Repairs & Maintenance		876,429	1,712,885
News Paper and Periodicals		3,290	1,729
Bank Charge and Commission		543,004	487,133
Legal Expenses		147,650	57,500
Reg. & Renewal		444,788	267,891
Reserve Expense		141,825	49,500
Fuel Costs		3,023,993	2,350,114
Office & Stationary		543,164	453,521
E-mail & Website		24,193	29,508
Office Rent		3,316,790	2,359,360
Postage & Telephone		529,694	192,267
Utilities		695,886	439,351
Cost of Printing Materials		533,930	789,810
Motorcycle Subsidy		8,000	-
Traveling and Conveyance		1,323,810	1,154,554
VAT & Tax		1,306,524	844,743
Loan Processing Fee		600,000	-
Audit & Professional Fee		114,400	38,275
Software Bill		187,110	260,295
Photocopy		7,420	4,965
Training and Development		1,337,657	900,545
Training (Staff)		1,337,657	900,545
Other Payments		85,619,658	67,242,914
Provident Fund Contribution		2,603,972	1,816,425
Gratuity Expeses		61,136	
Advances to the Party		13,149,101	25,730,197
Advance Income Tax		45,197	233,754
Staff Loan Payment (By-Cycle & Motor Cycle)		3,917,500	
Provident Fund		3,044,721	2,131,482
PF Loan Payable		6,464,846	5,342,971
Security Money (Staff)		226,275	180,000
Family Welfare Fund (FWF)		23,490,715	16,033,335
Insurance Adjustment		4,526,780	1,986,073
Miscellaneous Expenses		1,208,937	480,350
Service Charge		2,914	62,235


Particulars


Notes

	Amount in Taka	
	30 June 2024	30 June 2023
FWF Provision	1,598,131	5,176,250
Savings Payble	8,051	11,142
General Savings Provision	-	1,900
Voluntary Savings Provision	4,196,892	3,632,226
Interest on Loan Provision	29,050	7,000
EC Sitting Allowance	189,000	241,000
Donation & Subscription	444,000	230,880
Advertisement	87,500	39,445
Enrich Program Expenses Health	-	442,509
Enrich Program Expenses Education	-	454,592
Enrich Program Expenses Training (Member)	-	96,042
ENRICH program Other Exp.	-	156,812
Elderly People Program Expenses	-	76,231
Gratuity fund Payment	14,777,599	141,032
PKSF BD Rural Wash Incentive	5,269,500	2,331,000
Vat Payable	39,825	8,775
Tax Payable	180,041	194,257
Day Celebration	27,975	
Welfare fund Payment	30,000	5,000
Financial Cost	20,835,628	17,515,732
Interest on Loan	20,765,742	17,407,732
Interest On Voluntary Savings	10,910	
Interest on Monthly Savings	58,976	108,000
Purchase of Fixed Assets	1,653,584	6,209,548
Furniture & Fixtures	545,410	885,080
Vehicle Purchases	-	3,490,356
Office Equipment	1,108,174	1,834,112
Closing Cash & Cash Equivalents	52,479,265	59,487,884
Cash in Hand	763,664	421,866
Cash at Bank	51,715,601	59,066,018
Total	2,438,556,589	1,864,920,830

1. Figures have been rounded off to the nearest taka.

2. The notes and annexures on page 10 to 40 are an integral part of these financial statements.


Director (F&A)
AUR


Executive Director
AUP

Signed in terms of our report of even date annexed.

Association for Under-privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects
Statement of Cash flows
For the year ended 30 June 2024

Particulars	Amount in Taka	
	30 June 2024	30 June 2023
A. Cash flows from Operating Activities		
Surplus for the period	50,913,516	32,295,684
Add: Amount considered as on non cash item	(2,962,100)	
Loan Loss Provision(LLP)	9,304,218	10,004,525
Depreciation for the year	1,679,941	2,445,771
Subtotal of non cash items	58,935,575	44,745,980
Change in working Capital		
Loan to Beneficiaries	(293,376,800)	(272,351,277)
Advance & Prepayments	(1,557,326)	(2,139,885)
Advance In Tax	(151,020)	(133,530)
Accounts Receivable	(71,544)	1,347,825
Insurance Fund	11,053,930	8,517,237
Provision for Audit fee, Utilities & Telephone Bill	(47,825)	92,325
Staff Welfare fund	115,552	108,300
Gratuity Fund	(6,535,686)	1,705,289
FWF Provision	(94,131)	415,950
Interest on Loan Provision	2,909,821	2,377,450
Voluntary Savings Provision	268,108	(41,726)
VAT Payable	5,675	31,050
Tax Payable	3,475	(109,690)
Net cash used in operating Activities	(228,542,195)	(215,434,702)
B. Cash Flows from Investing Activities		
Acquisition of Property, plant and equipment	(1,653,584)	(6,426,890)
Investment	(5,478,462)	(5,135,423)
Net cash used in investing Activities	(7,132,046)	(11,562,313)
C. Cash Flows from Financing Activities		
Bangladesh Bank Housing Project	3,620,557	4,450,889
Members savings deposits	110,440,422	70,989,421
Loan from PKSF (Long Term)	64,441,663	70,999,992
Loan from Bank	(15,497,108)	(3,681,991)
Loan from PKSF (Short Term)	62,549,997	56,408,339
Employee Security Deposit	647,000	398,000
Loan from EC/Other.s Person	5,010,000	3,480,000
PF Loan to Branch	(923,712)	5,105,999
Loan from Child Labor Project	-	4,288,735
Loan from Enrich Project	70,000	300,000
Savings Payble	2	196,452
Enrich Advance	(548,698)	(119,063)
BD wash Grant	(1,144,500)	1,569,000
Net Cash used in financing Activities	228,665,623	214,385,773
D. Net increase/(decrease) in Cash & Cash Equivalents (A+B+C)	(7,008,619)	(12,611,241)
Add : Cash and Cash Equivalents at the beginning of the year	59,487,884	72,099,125
E. Cash and Cash Equivalents at end of the year	52,479,265	59,487,884


Director (F&A)




Executive Director
AUP

Association for Under-privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects
 Statement of Change of Equity
 For the year ended 30 June 2024

Particulars	2023-2024			2022-2023		
	Statutory Reserve	Cumulative Surplus	Total	Statutory Reserve	Cumulative Surplus	Total
Balance as at 01 July, 2023	13,424,686	120,822,184	134,246,870	10,195,118	91,756,068	101,951,186
Prior year adjustment for LLP	-	-	-	-	-	-
Prior year adjustment	(296,210)	(2,665,890)	(2,962,100)	-	-	-
Surplus for the year 2023-2024	-	50,913,516	50,913,516	-	32,295,684	32,295,684
Transfer to statutory reserve fund as per MIRA Policy	5,091,352	(5,091,352)	-	3,229,568	(3,229,568)	-
Balance as at 30 June 2024	18,219,828	163,978,458	182,198,286	13,424,686	120,822,184	134,246,870


 Director (F&A)
 AUP




 Executive Director
 AUP

Association for Under-privileged People (AUP)
Summary of significant accounting policies and other explanatory notes
For the year ended 30 June 2024

Annexure- A1/7

1.00 Background

Association for Under-privileged People (AUP) was founded in 1998 in Dhaka, the Organization has been established as a national non-profit development organization.

It implements a wide range of social development and financial services activities to achieve its vision, mission and objectives i.e., AUP Education Program, Water and Sanitation, Water Supply and Irrigation Project, Skill Develop Training, Housing Loan Program, ENRICH Program and Micro Finance Program. It also implements a good number of activities related to project which are complements to its objectives.

Legal status of the organization

The NGO is registered with

- Directorate of Social Welfare (Registration and Control Ordinance 1961) vide Registration No.- Dhaka 04160, Dated 24/06/1998.
- Registered with Micro Credit Regulatory Authority Act 2006, Registration No. Dhaka 00527-00392-00058, Dated 05 September 2007
- Registered with NGO Affairs Bureau. Vide Reg. No. 1692, Dated 04-11-2001 under Foreign Donation (Voluntary Activities) Regulation Ordinance 1978.

2.00 Corporate Information's of the NGO -Association for Under-privileged People (AUP)

Name of NGO-MFI	Association for Under-privileged People (AUP)
Year of establishment	1998
Legal Entity	Directorate of Social Welfare vides Registration no. Dhaka 04160, Dated 24.06.1998. NGO Affairs Bureau vide Registration No. 1692, Dated 04-11-2001 and Micro Credit Regulatory Authority vide Registration No. Registration No. Dhaka 00527-00392-00058, Dated 05 September 2007.
Name of the Operations (Programs)	Micro Credit Program and other social development programs
Statutory Audit conducted up-to	30 June 2024
Name of the statutory auditor for last year	Islam Jahid & Co.
Name of the statutory auditor for current year	M I Chowdhury & Co
Number of Executive Committee meeting held FY 2023-2024	11
Date of Last AGM held	07/10/2023

LIST OF EXECUTIVE COMMITTEE

Sl. No	Name	Designation	Qualification	Profession	Present Address
01.	M. Abdur Rashid	Chairman	M.A	Deputy General Manager of Uttara Bank Ltd. (Rtd.)	House no-04, Road No-63, Block-B, Section-12, Pallabi, Dhaka.
02.	Md. Mujibur Rahman Masud	Vice - Chairman	M.S.S	Chief Reporter of Dainik Jugantor	Gress Haque 162, West Dhanmondi, Dhaka.
03.	Md, Mohiuddin Khan Babul	Secretary General	H,S,C	Private Service	K.J Tower(2 nd Floor), Polashpur, Kachua, Chandpur.
04.	Md, Shah Jamal	Finance Secretary	M.Com (Management)	Private Service	23, East Tejturi Bazar, Farmgate, Dhaka.
05.	Muzibul Islam Faruque	Executive Member	Honors (Law)	Social Worker	Society Bhaban-01, Holding No-1139, Titas Road, Banasree, Khilgaon, Dhaka-1219
06.	Mrs. Tahmina Mahmud	Executive Member	B.Sc (Diploma in health technology)	Businessmen	Gouripur Bazar, Gouripur, Daudkandi, Cumilla.
07.	Mrs. Josna Akter	Executive Member	H.S.C	Housewife	151/114, Monohorpur, Cumilla, Adorsho Nagar, Cumilla
08.	Anwar Hossain	Executive Member	M.Com (Hon's)	Private Service	Village-Tatuakandi, Daria Doulat, Morichakandi-3418, Bancharampur, B.Barria.
09.	Md.Mofizul Islam	Executive Member	M.A	Private Service	20, Paschim Dhanmondi, Shankar, Dhanmondi, Dhaka.

Basis of Preparation of Financial Statements

3.00 Basis of Accounting

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

4.00 Summary of Significant Accounting Policies

4.01 Currencies

All of organization's assets, liabilities, capital fund, income and expenses are denominated in terms of the Taka, (BD Taka).

4.02 Revenue Recognition

- Service charge from beneficiaries/ end-users is recognized in the financial statement on the basis of actual realization/ cash basis.
- The PO is giving interest @6% on the savings deposit from to the group members on product basis calculates on the savings received from them time to time.
- Other expenses are recognized on accrual basis.
- Interest on savings is recognized on cash basis.

4.03 Interest Income

➤ Service charges on loan

The Organization is collecting Service Charges from beneficiaries/end users at a Decline rate of 24% and Housing Loan @ 5% per annum calculated on the loan disbursed to them. The principal loan and proportional service charges are collected in 46 equal weekly installments.

Service charges are accounted for on cash basis. The amount of service charges actually collected from the beneficiaries is recognized as income. The service charges due but not collected is 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 @ 6% per annum is recognized on accrual basis.

4.04 Fixed Assets & Depreciation

Fixed assets are valued at cost less accumulated depreciation. Depreciation is charged on Written down Value method at rates determined on the basis of effective life of individual assets.

5.00 Significant Organizational Policies

5.01 Loan Loss Provision

The PO makes a provision on loan loss as per MRA Circular letter no-14 dated 07 June 2012.

Loan Classification	Overdue Days	Rate
Regular	No Overdue	1%
Special Mention Accounts (SMA)	1-30 days	5%
Substandard Loan	31-365 days	25%
Doubtful Loan Outstanding (DLO)	181-365 days	75%
Bad loan Outstanding (BLO)	365+days	100%

5.02 Policy on Loan to Beneficiaries

- The PO follows the flowing policies to disburse loan to the beneficiaries:
- To avail loan a beneficiary should deposit at least 10% of required loan amount to the Savings fund.
- 24% interest is charged on Jagoron, Agrosor and Sufolon loan program & 5% on Housing loan program for the loan amount on reducing balance method.
- The service charge on loan is being charged on reducing balance method. The loan has to be refunded by the beneficiaries on generally weekly and monthly basis.
- The beneficiaries have to buy /take the pass book and loan form of the said PO.
- The beneficiaries have to be the numbers of the group savings fund of the said PO.

5.03 Policy on Savings Collection

The PO has followed the following policy to collect the savings

- Samity has to be established consisting of at least 10 members and average member per Samity 20 members.
- The collected savings will be deposited to the bank on the same day.
- Saving will be collected at TK 50 to 100 on weekly basis.
- Interest will be paid to the member on the half yearly basis.
- Interest will be paid to the member on the half yearly basis of their savings @ 6% per annum.

5.04 Grant/ Donation Accounting

Grant / Donation's Account has been accounted for as income/ expense in the financial statements when they are received and paid.

5.05 Report on MRA Guidelines on Prevention of Money Laundering and Terrorist Financing for NGO/NPO Sector

To review an internal control and fund management system our examination through the loan distributions process, Pass Books of Beneficiaries, Cash Book and Ledger Book up to 30 June, 2024 of the organization **Association for Under-privileged People (AUP)**, ARMA Ferdousi Villa, House No.-11 (1st Floor), Main Road, Block-B, Aftabnagar (Jahurul Islam City), Badda, Dhaka-1212. Bangladesh and also the Bank Reconciliation and by scrutinizing them we found no activities that go against Money Laundering Act. We found that this organization is run Money Laundering Act. 2012 ML Circular no.-27 Chapter-3 (JA-OA) and this organization maintains and preserves all necessary documents updated.

Pursuant to MRA Circular: MRA / Circular Letter No-Regu-24, dated 06 May 2014, we report that based on our verification of the records of the Micro Credit program of the NGO on test basis, we are of the opinion that the NGO's Micro Credit Program was not involved in Money Laundering and Terrorist activities.

5.06 Taxation

As per Six Schedule, Part-A, Para-3 (1A) of the Income Tax Ordinance 1984, income from operation of micro credit by a non-government organization registered with NGO Affairs Bureau is exempted from tax.

Assessment for the assessment year 2023-2024 has been completed and due taxes thereon paid in full as per the certificate issued by NBR dated February 13, 2024

5.07 Legal Status

There are one (1) ongoing legal claim of AUP against employee amounting to Taka 3, 25,200 show as Misappropriated fund in Statement of Financial Position as at June 30, 2024.

Association for Under-Privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects

Notes to the Financial Statement
For the year ended 30 June 2024

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
6.00	Property, plant & equipment			
	Cost			
	Balance as on 01.07.2023		28,014,963	21,588,073
	Add: Addition during the year		1,653,584	6,426,890
			29,668,547	28,014,963
	Less: Adjustment		1,158,027	-
	Balance as on 30.06.2024		28,510,520	28,014,963
	Less: Accumulated depreciation			
	Balance as on 01.07.2023		10,935,219	8,489,448
	Add: Addition during the year		1,679,941	2,445,771
			12,615,160	10,935,219
	Less: Adjustment		1,158,027	-
	Balance as on 30.06.2024		11,457,133	10,935,219
	Written down value as on 30 June, 2024		17,053,387	17,079,744
	Details have been shown in Annexure - G			
7.00	Loan to Beneficiaries			
	Opening balance 01.07.23		823,345,327	550,994,050
	Add : Disbursed during the year		1,773,286,000	1,337,016,500
			2,596,631,327	1,888,010,550
	Less: Recovery during the year		1,479,909,200	1,064,665,223
	Less: Loan Write Off with LLP		-	-
	Balance on 30.06.2024		1,116,722,127	823,345,327
8.00	Advance, Deposits & Pre-payments			
	Balance on 01.07.2023		8,798,336	6,658,451
	Add: Disbursement during the year		17,066,601	25,845,797
			25,864,937	32,504,248
	Less: Realized during the year		15,509,275	23,705,912
	Balance as on 30.06.2024		10,355,662	8,798,336
9.00	Investment on FDR			
	Savings FDR	9.01	27,356,668	25,998,596
	Equity FDR	9.02	11,751,777	7,631,386
			39,108,445	33,629,983
9.01	Investments-Savings FDR			
	Opening balance 01.07.23		25,998,596	21,128,764
	Add: Addition during the year		-	4,000,000
	Add: Net Interest during the year		1,358,072	869,832
			27,356,668	25,998,596
	Less: Encash during the year		-	-
	Balance on 30.06.2024		27,356,668	25,998,596

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
9.02	Investments-Equity FDR			
	Opening balance 01.07.23		7,631,386	7,365,796
	Add: Addition during the year		6,000,000	-
	Add: Net Interest during the year		284,714	265,590
			<u>13,916,100</u>	<u>7,631,386</u>
	Less: Encash during the year		2,164,323	-
	Balance on 30.06.2024		<u>11,751,777</u>	<u>7,631,386</u>
10.00	Advance Income Tax			
	Balance on 01.07.2023		233,754	100,224
	Add: Disbursement during the year		384,774	233,754
			<u>618,527</u>	<u>333,978</u>
	Less: Realized during the year		233,754	100,224
	Balance as on 30.06.2024		<u>384,774</u>	<u>233,754</u>
11.00	MAC Foundation			
	Balance as on 01.07.23		195,077	195,077
	Add: Disbursement During the Year		-	-
			<u>195,077</u>	<u>195,077</u>
	Less: Realize During the Year		-	-
	Balance as on 30.06.2024		<u>195,077</u>	<u>195,077</u>
12.00	Accounts Receivable			
	Receivable Interest	12.01	305,896	234,352
	Reimbursement Receivable Enrich	12.02	-	-
	Reimbursement Receivable Probin	12.03	-	-
	Total		<u>305,896</u>	<u>234,352</u>
	Note: Breakup of the above amount is as follows (Component Wise)			
12.01	Receivable Interest			
	Balance as on 01.07.23		234,352	147,760
	Add: Disbursement During the Year		305,896	234,352
			<u>540,248</u>	<u>382,112</u>
	Less: Realize During the Year		234,352	147,760
	Balance as on 30.06.2024		<u>305,896</u>	<u>234,352</u>
12.02	Reimbursement Receivable Enrich			
	Balance as on 01.07.23		-	1,343,666
	Add: Disbursement During the Year		-	-
			<u>-</u>	<u>1,343,666</u>
	Less: Realize During the Year		-	1,343,666
	Balance as on 30.06.2024		<u>-</u>	<u>-</u>
12.03	Reimbursement Receivable Probin			
	Balance as on 01.07.23		-	90,751
	Add: Disbursement During the Year		-	-
			<u>-</u>	<u>90,751</u>
	Less: Realize During the Year		-	90,751
	Balance as on 30.06.2024		<u>-</u>	<u>-</u>
13.00	Staff Suspense Account			
	Balance as on 01.07.23		325,200	325,200
	Add: Suspense During the year		-	-
			<u>325,200</u>	<u>325,200</u>
	Less: Adjustment during the year		-	-
	Balance as on 30.06.2024		<u>325,200</u>	<u>325,200</u>

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
14.00	Cash & cash equivalents			
	Cash in Hand	14.01	763,664	421,866
	Cash at Banks	14.02	51,715,601	59,066,018
			52,479,265	59,487,884

Note: Breakup of the above amount is as follows (Component Wise)

14.01 Cash in Hand

Name of Branch	Amount in Taka	
Nandanpur	-	41,122
Tinchita	18,397	19,900
Nayergoan	182,991	24,812
Pirojpur	133,155	527
Chandpur Sadar	-	562
Changarchar	55,392	19,975
Wuaruk	21,530	134,711
Jagatpur	53,466	44,799
Bharasar Bazar	-	4,631
Bijoypur Bazar	-	11,207
Kachua	112,034	35,779
Amratoly	82,922	53,425
Fakir Bazar	69,015	
Head Office	34,762	30,416
Total:	763,664	421,866

We could not confirm cash in hand as our audit was postdated. However, we have obtained cash custody certificate (Head office and branches office respectively) from the management of the organization.

14.02 Cash at Banks

Name of Bank & Branch	Bank Account No	Amount in Taka	
South East Bank, Banasree Br.	CD '001110000277	2,908,398	12,079,616
Pubali Bank Railway station Br	CD-0852901029866	1,119	39
pubali Bank, Rampura Br.	CD-2714901027593	55	193
Pubali Bank Shantinagar Br	CD-2940901022260	595,107	1,280,985
Pubali Bank Shantinagar Br	CD-2940901022282	28,970	22,944
Janata Bank Rampur Br	CD-0100014489937	540	4,932
Janata Bank Rampur Br	CD-0100017912521	-	20
Midland Bank, Aganagar Br.	CD-00071480000284	294	294
Sonali Bank, Gulshan Br.Dhaka	CD-0115602000680	888	888
Community Bank.Corprate Br. Gu	CD-0010301733101	86	661
Trust Bank, Maligaon, Daudkandi	CD-0083-0210002773	543	588
Jamuna Bank, Progati Sarani Bran	CD-0067-0210008857	167	572
Sonali Bank, Sonargaon Hotel Br.	CD-012300200274	975	1,665
NRBC Bank, Motujheel Cor. Br.	SND-010136000000287	110,730	
Janata Bank, Palakhal Br.	CD-0100070100007	780,836	3,788,027
Janata Bank, Palakhal Br.	CD-0100229349338	49,540	388
IFIC Bank, PalaKhal Upa- Br.	SND-0210294129041	2,140,457	
Pubali Bank, Kachua Branch	SND-4189102000178	122,153	37,235
Pubali Bank, Kachua Branch	CD-4189901010061	1,092,705	2,707,184
Pubali Bank, Kachua Branch	CD-4189901011019	898	204,956
Janata Bank, Sujatpur Br. Baganba	CD-0100108387267	1,603,647	1,157,347
Janata Bank, Sujatpur Br. Baganba	CD-0100229387957	32	952

Notes

Particulars

Sub: Notes

Amount in Taka

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
	Janata Bank, Barura Br.	CD-0100220555695	207,004	1,526,527
	Trust Bank, Maligaon, Daudkandi	CD-0083-0210000819	3,954,226	1,926,222
	Trust Bank, Maligaon, Daudkandi	CD-0083-0210003129	77,459	101,485
	Trust Bank, Maligaon, Daudkandi	SND-00830320000085	3,609	
	Social Islami Bank, Nayergaon Ba	CD-1341330001311	2,542,676	2,107,756
	Social Islami Bank, Nayergaon Ba	CD-1341330002288	12,863	317,703
	Pubali Bank, Nayergaon Br.	CD-2576901007453	88,447	2,135
	Pubali Bank, Nayergaon Br.	STD-2576102000066	7,145	8,397
	Pubali Bank, Nayergaon Br.	CD-2576901008299	6,787	101,145
	Pubali Bank, Poduar Bazar Br.	CD-3356901023584	2,552	39,340
	Janata Bank, Co-operative Br. Cha	CD-0100040035189	2,485,896	487,989
	Social Islami Bank, ChandpurSada	CD-0371330014609	708,980	1,795,473
	Social Islami Bank, ChandpurSada	CD-0371330016501	1,368	35,783
	Social Islami Bank, Munshirhat Su	CD-5211330015342	4,228,862	3,433,762
	Social Islami Bank, Munshirhat Su	CD-5211330015634	45,245	9,053
	Agrani Bank, Munshirhat	CD-0200004018848	165,941	31,296
	Agrani Bank, Amratoli Bazar Br.	CD-0200016199201	2,565,812	169,476
	Agrani Bank, Amratoli Bazar Br.	CD-0200020582003	687	4,655
	Janata Bank, Changarchar Br.	CD- 0100053435020	1,541,499	1,282,275
	Janata Bank, Changarchar Br.	CD- 0100229341965	1,935	455,855
	Janata Bank, Kachua Br.	CD-0100047205071	123,822	49,352
	Janata Bank, Nawri Br.	CD-0100047240209	17,823	3,825
	Jamuna Bank, Kachua Branch	CD-1001001324076	3,975,146	3,728,764
	Jamuna Bank, Kachua Branch	CD-1001001324305	4,467	8,387
	Jamuna Bank, Kachua Branch	SND-1201000109481	3,588	-
	Meghna Bank, Nawri Br.	CD-211011100000080	2,424,246	1,697,530
	Meghna Bank, Nawri Br.	CD-211011100000288	7,045	20,965
	Rupali Bank, Mohamaya Br.	CD-2360020000466	1,736,188	2,272,880
	Rupali Bank, Mohamaya Br.	CD-2360020000548	1,080	1,815
	Social Islami Bank, Hajigonj Br.	CD-0571330010664	8,944	1,671,279
	Social Islami Bank, Hajigonj Br.	CD-0571330010901	18,670	23,280
	Sonali Bank, Wuaruk Bazar Br.	CD-1519802000197	2,140,951	672,711
	Pubali Bank, Wuaruk Bazar Br.	SND-0289102000348	408,803	
	Global Islami Bank, Jagatpur Baza	CD-1111000014957	787,540	3,514,691
	Global Islami Bank, Jagatpur Baza	CD-1111000021667	7,022	8,322
	Rupali Bank, Jagatpur Br.	CD-2303020003029	23,997	
	SBAC Bank, Adda Bazar Br.	CD-0065111002739	2,755	41,790
	SBAC Bank, Adda Bazar Br.	CD-0065111000651	3,187,818	1,610,776
	IFIC Bank, Adda Bazar Br.	SND-0210256548041	15,206	
	Janata Bank, Bharasar Bazar Br.	CD-0100242063958	1,156,669	3,101,140
	Janata Bank, Bharasar Bazar Br.	CD-0100245534854	1,475	
	IFIC Bank, Bharasar Bazar Br.	SND-0210031814041	1,107,154	
	Janata Bank, Fakir Bazar Br.	CD-0100236730659	1,377,033	2,123,911
	Janata Bank, Fakir Bazar Br.	CD-0100244499761	1,713	4,713
	Global Islami Bank, Fakir Bazar B	CD-1130000008665	2,362,249	-
	Union Bank, Bijoypur Br.	SND-4491210000079	1,540,581	-
	Social Islami Bank, Bijoypur Br.	CD-1051360000298	1,176,104	3,379,176
	Social Islami Bank, Bijoypur Br.	CD-1051360000344	10,387	4,907
	Total:		51,715,601	59,066,018

Bank balances are verified with bank statement/confirmation certificate and reconciliation

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
15.00	Capital and Reserve Fund			
	Cumulative Surplus	15.01	163,978,458	120,822,183
	Statutory Reserve Fund	15.02	18,219,828	13,424,687
			182,198,286	134,246,870
	Note: Breakup of the above amount is as follows (Component Wise)			
15.01	Cumulative Surplus			
	Opening balance 01.07.23		120,822,183	91,756,068
	Add: Surplus during the year		50,913,516	32,295,684
			171,735,700	124,051,751
	Less: Adjustment		(2,665,890)	-
	Less: Transfer To Reserve Fund		5,091,352	3,229,568
	Balance as on 30.06.2024		163,978,458	120,822,183
15.02	Statutory Reserve Fund			
	Opening balance 01.07.23		13,424,686	10,195,118
	Add: Transfer From Capital Fund		5,091,352	3,229,568
	Less: Adjustment		(296,210)	-
	Balance as on 30.06.2024		18,219,828	13,424,686
16.00	Bangladesh Bank Grihayan Project			
	Opening balance 01.07.23		10,173,892	5,723,003
	Add: Received during the year		6,105,001	5,590,000
			16,278,893	11,313,003
	Less: Refund during the period		2,484,444	1,139,111
	Balance as on 30.06.2024		13,794,449	10,173,892
17.00	Loan from PKSF			
	Opening balance 01.07.23		273,233,331	145,825,000
	Add: Received during the year		283,500,000	215,100,000
			556,733,331	360,925,000
	Less: Refund during the period		156,508,340	87,691,669
	Balance as on 30.06.2024		400,224,991	273,233,331
	Loan from PKSF			
17.01	Long Term Loan		202,999,989	138,558,326
17.02	Short Term Loan		197,225,002	134,675,005
	Balance as on 30.06.2024		400,224,991	273,233,331
18.00	Loan from Others			
	Opening balance 01.07.23		26,280,000	22,800,000
	Add: Received during the year		5,720,000	3,730,000
			32,000,000	26,530,000
	Less: Refund during the period		710,000	250,000
	Balance as on 30.06.2024		31,290,000	26,280,000
19.00	Loan from RDA against Water projects			
	Opening balance 01.07.23		120,000	120,000
	Add: Received during the year		-	-
			120,000	120,000
	Less: Refund during the period		-	-
	Balance as on 30.06.2024		120,000	120,000

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
20.00	Loan from Bank			
	Southeast Bank	20.01	34,659,791	36,669,908
	Trust bank	20.02	12,234,904	26,535,461
	Pubali bank	20.03	24,219,793	35,358,752
	Jamna bank	20.04	-	3,936,783
	NRBC bank	20.05	15,889,307	-
	Balance as on 30.06.2024		87,003,796	102,500,904
20.01	Loan from Southeast Bank			
	Opening balance 01.07.23		36,669,908	59,049,133
	Add: Received during the year		24,060,172	-
			60,730,080	59,049,133
	Less: Refund during the period		26,070,290	22,379,225
	Balance as on 30.06.2024		34,659,791	36,669,908
20.02	Loan from Trust bank			
	Opening balance 01.07.23		26,535,461	7,920,032
	Add: Received during the year		1,660,734	30,000,000
			28,196,195	37,920,032
	Less: Refund during the period		15,961,291	11,384,571
	Balance as on 30.06.2024		12,234,904	26,535,461
20.03	Loan from Pubali bank			
	Opening balance 01.07.23		35,358,752	30,378,828
	Add: Received during the year		2,468,859	20,000,000
			37,827,611	50,378,828
	Less: Refund during the period		13,607,818	15,020,076
	Balance as on 30.06.2024		24,219,793	35,358,752
20.04	Loan from Jamna bank			
	Opening balance 01.07.23		3,936,783	8,834,902
	Add: Received during the year		105,600	-
			4,042,383	8,834,902
	Less: Refund during the period		4,042,383	4,898,119
	Balance as on 30.06.2024		-	3,936,783
20.05	Loan from NRBC bank			
	Opening balance 01.07.23		-	-
	Add: Received during the year		20,569,383	-
			20,569,383	
	Less: Refund during the period		4,680,076	
	Balance as on 30.06.2024		15,889,307	
21.00	Group Members Savings Deposits			
	Members Savings Deposits	21.01	321,663,534	250,325,347
	Family welfare Fund (FWF)	21.02	95,212,201	56,109,966
	Balance as on 30.06.2024		416,875,735	306,435,313
21.01	Members Savings Deposits			
	Opening Balance 01.07.23		250,325,347	211,205,592
	Add: Collection during the year		233,727,635	188,695,291
	Add: Interest Charge during the year		11,436,731	9,111,399
			495,489,713	409,012,282
	Less: Savings refund during the year		173,826,179	158,685,035
	Less: Interest Savings refund during the year		-	1,900
	Balance as on 30.06.2024		321,663,534	250,325,347

Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
	Sub: Notes		
21.02	Family welfare Fund (FWF)		
	Opening balance 01.07.23	56,109,966	24,240,300
	Add: Received during the year	62,597,450	47,903,001
		118,707,416	72,143,301
	Less: Paid during the year	23,495,215	16,033,335
	Balance as on 30.06.2024	95,212,201	56,109,966
22.00	Loan Loss Provision (LLP)		
	Opening Balance 01.07.23	23,473,922	13,469,397
	Add: Charged during the year	9,304,218	10,004,525
		32,778,140	23,473,922
	Less: LLPI	-	-
	Less: Adjusted with Loan Write Off	-	-
	Balance as on 30.06.2024	32,778,140	23,473,922
23.00	Enrich Advance		
	Opening balance 01.07.23	548,698	667,761
	Add: Received during the year	-	1,800,000
		548,698	2,467,761
	Less: Refund during the period	548,698	1,919,063
	Balance as on 30.06.2024	-	548,698
24.00	BD Wash Advance		
	Opening balance 01.07.23	2,100,000	531,000
	Add: Received during the year	4,131,000	3,900,000
		6,231,000	4,431,000
	Less: Refund during the period	5,275,500	2,331,000
	Balance as on 30.06.2024	955,500	2,100,000
25.00	Employees' Security Deposits		
	Opening Balance 01.07.23	1,242,500	844,500
	Add: Collection during the year	900,000	578,000
		2,142,500	1,422,500
	Less: Savings refund during the year	253,000	180,000
	Balance as on 30.06.2024	1,889,500	1,242,500
26.00	Staff Provident Fund		
	Opening balance 01.07.23	-	-
	Add: Received during the year	3,044,721	2,131,482
		3,044,721	2,131,482
	Less: Paid during the year	3,044,721	2,131,482
	Balance as on 30.06.2024	-	-
27.00	PF Loan to Branch		
	Opening balance 01.07.23	14,892,402	9,786,402
	Add: Received during the year	8,660,383	9,200,000
		23,552,785	18,986,402
	Less: Paid during the year	9,584,095	4,094,000
	Balance as on 30.06.2024	13,968,690	14,892,402

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
28.00	Insurance Fund			
	Opening balance 01.07.23		29,247,775	20,730,538
	Add: Received during the year		15,580,710	10,503,310
			44,828,485	31,233,848
	Less: Paid during the year		4,526,780	1,986,073
	Balance as on 30.06.2024		40,301,705	29,247,775
	The Break up of the above balance is as under			
	Br. Name			
	Nandanpur		4,280,247	3,489,356
	Tinchita		4,602,877	3,390,546
	Nayergaon		4,027,809	3,266,349
	Pirozpur		4,456,690	3,685,258
	Chandpur sadar		2,993,357	2,491,098
	Munshirhat		3,264,932	2,338,365
	Baganbari		1,971,119	1,584,699
	Nauri		1,764,155	1,415,064
	Changarchar		1,560,693	993,452
	Mohamaya		2,073,748	1,554,750
	Adda Bazar		2,437,732	1,287,982
	Wuaruk		1,543,097	855,146
	Jagatpur		1,090,404	705,146
	Amratoly		1,246,374	818,984
	Kachua		268,650	96,050
	Fakir Bazar		654,023	169,850
	BijoyPur Bazar		1,378,470	992,980
	Bharasar Bazar		687,328	112,700
	Total		40,301,705	29,247,775
29.00	Provision for Audit fee, Utilities & Telephone Bill			
	Opening balance 01.07.2023		141,825	49,500
	Add: During the year (Audit Fee)		80,000	50,000
	Add: During the year(Electricity & Utility Bill)		12,000	11,500
	Add: During the year(Email & Web)		2,000	1,650
	Add: During the year(Cost of Printing)		-	78,675
			235,825	191,325
	Less: Paid during the year		141,825	49,500
	Balance as on 30.06.2024		94,000	141,825
30.00	Provision for Interest on Loan			
	Opening balance 01.07.2023		4,302,606	1,925,156
	Add: During the year		3,323,872	2,384,450
			7,626,478	4,309,606
	Less: Paid during the year		414,051	7,000
	Balance as on 30.06.2024		7,212,427	4,302,606
31.00	Staff welfare fund			
	Opening balance 01.07.23		437,900	329,600
	Add: Received during the year		145,552	113,300
			583,452	442,900
	Less: Adjustment during the year		30,000	5,000
	Balance as on 30.06.2024		553,452	437,900

Notes	Particulars	Sub: Notes	Amount in Taka	
			30 June 2024	30 June 2023
32.00	Gratuity Fund			
	Opening balance 01.07.23		8,055,422	6,350,133
	Add: Addition during the year		8,241,913	1,846,321
			16,297,335	8,196,454
	Less: Disbursement During The Year		14,777,599	141,032
	Balance as on 30.06.2024		1,519,736	8,055,422
33.00	Voluntary Savings Provision			
	Opening balance 01.07.23		315,798	357,524
	Add: Provision During The Year		4,475,910	3,590,500
			4,791,708	3,948,024
	Less: Adjustment during the year		4,207,802	3,632,226
	Balance as on 30.06.2024		583,906	315,798
34.00	Family Welfare Fund (FWF) Provision			
	Opening balance 01.07.23		728,627	312,677
	Add: Provision During The Year		1,701,782	5,700,200
			2,430,409	6,012,877
	Less: Adjustment during the year		1,795,913	5,284,250
	Balance as on 30.06.2024		634,496	728,627
	The Breakup of the above balance is as under			
	Br. Name			
	Nandanpur		56,535	111,245
	Tinchita		24,613	4,988
	Nayergaon		16,241	99,041
	Pirozpur		168,254	68,654
	Chandpur sadar		50,625	53,256
	Munshirhat		30,538	29,178
	Baganbari		37,383	60,583
	Nawri		83,855	126,400
	Changarchar		58,482	66,537
	Mohamaya		14,000	50,000
	Adda Bazar		36,498	21,589
	Wuaruk		1,578	1,343
	Jagatpur		6,345	6,730
	Amratoly		21,473	17,473
	Kachua		18,432	2,794
	BijoyPur Bazar		9,644	8,816
	Total		634,496	728,627
35.00	VAT Payable			
	Opening balance 01.07.23		39,825	8,775
	ADD : Addition during the year		45,500	39,825
			85,325	48,600
	Less: Disbursement During The Year		39,825	8,775
	Balance as on 30.06.2024		45,500	39,825
36.00	Tax Payable			
	Opening balance 01.07.23		26,860	136,550
	Add: Tax Received		168,016	171,516
	Add: Received House Rent Tax		15,500	13,275
			210,376	321,341
	Less: Disbursement During The Year		180,041	294,481
	Balance as on 30.06.2024		30,335	26,860



Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
	Sub: Notes		
37.00	Loan From Child Labor Project		
	Opening balance 01.07.23	4,288,735	-
	Add: Addition during the year	-	4,288,735
		4,288,735	4,288,735
	Less: Disbursement During The Year	-	-
	Balance as on 30.06.2024	4,288,735	4,288,735
38.00	Loan From Enrich Project		
	Opening balance 01.07.23	300,000	-
	Add: Addition during the year	70,000	300,000
		370,000	300,000
	Less: Disbursement During The Year	-	-
	Balance as on 30.06.2024	370,000	300,000
39.00	Savings Payable		
	Opening balance 01.07.23	196,452	-
	Add: Addition during the year	8,053	207,594
		204,505	207,594
	Less: Disbursement During The Year	8,051	11,142
	Balance as on 30.06.2024	196,454	196,452
40.00	Loan Received From PKSF		
	Loan From Jagoron	65,000,000	37,500,000
	Loan From Agrossor	60,000,000	45,000,000
	Loan From Sufolon	35,000,000	20,000,000
	Loan From ENRICH, IGA	9,500,000	9,500,000
	Loan From ENRICH, ACL	300,000	300,000
	Loan From ENRICH, LIL	200,000	200,000
	Loan From Buniad	10,000,000	5,000,000
	Loan From MFCE-Agrosor	70,000,000	50,000,000
	Loan From MDP-Agrosor	-	10,000,000
	Loan From Household Water Loan	6,000,000	11,600,000
	Loan From Household Sanitation Loan	27,500,000	26,000,000
	Balance as on 30.06.2024	283,500,000	215,100,000
40.01	ENRICH Advance Received from pksf		
	ENRICH Advance	-	1,800,000
	Total	-	1,800,000
41.00	Loan Recovery		
	JAG	407,114,321	229,855,241
	Grihayan Loan	14,491,515	4,540,804
	AGR	738,349,121	723,160,908
	Buniad	11,098,686	1,011,614
	Agriculture loan/Sufolon	42,379,870	19,348,999
	ENRICH ,IGA	72,653,760	43,869,211
	ENRICH ,ACL	850,280	460,668
	ENRICH ,LIL	202,140	129,708
	Sanitation Loan	9,426	148,867



Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
	LRL	-	819,280
	MDP-Agrosor	15,090,076	7,467,377
	LRL-2nd Phase	12,119,761	12,355,924
	Household water Loan	30,197,145	12,987,317
	Household Sanitation Loan	55,619,679	8,509,305
	MFCE-Agrosor Loan	79,701,220	
	Total	1,479,877,000	1,064,665,223
42.00	Service Charge Received		
	JAG	53,958,802	30,336,926
	Grihayan Loan	1,300,791	407,436
	AGR	122,239,205	109,045,516
	Buniad	1,168,700	115,176
	Agriculture loan/Sufolon	3,917,930	1,595,456
	ENRICH, IGA	10,713,964	6,668,372
	ENRICH, ACL	73,320	34,162
	ENRICH, LIL	17,160	8,912
	Sanitation Loan	860	13,628
	LRL	-	93,674
	MDP-Agrosor	1,538,751	715,098
	LRL-2nd Phase	787,696	650,020
	Household water Loan	3,055,191	804,502
	Household Sanitation Loan	4,511,583	543,515
	MFCE-Agrosor Loan	7,594,961	
	Income from Wiite Off	53,246	25,087
	Total	210,932,160	151,057,480
43.00	Savings Collection		
	General Saving	168,938,526	128,477,724
	Grihayan Saving	2,173,409	452,977
	Voluntary Savings	52,398,400	54,223,980
	GS, IGA	10,217,300	5,540,610
	Total	233,727,635	188,695,291
44.00	Miscellaneous Income		
	Miscellaneous	422,438	320,283
	Collection Of Written Off Loan	-	-
		422,438	320,283
	LLP Income	-	-
	Total	422,438	320,283
45.00	PKSF Loan Refund		
	JAG	28,050,000	19,750,000
	Agriculture loan/Sufolon	25,000,000	18,000,000
	AGR	30,300,000	19,000,000
	Buniad	3,750,003	416,667
	ENRICH, IGA	8,200,000	7,000,000
	ENRICH, ACL	175,000	225,000
	ENRICH, LIL	100,000	100,000
	Sanitation Loan	-	1,000,000
	LRL	7,000,000	8,000,000
	MDP-Agrosor	8,000,000	5,000,000
	LRL-2nd Phase	10,000,000	7,000,000

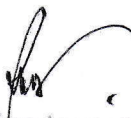



Notes	Particulars	Amount in Taka	
		30 June 2024	30 June 2023
	Household Water Loan	6,600,002	200,001
	Household Sanitation Loan	19,333,335	2,000,001
	MFCE-Agrosor Loan	10,000,000	
	Total	156,508,340	87,691,669
46.00	Loan Disbursement		
	JAG	413,683,000	349,707,000
	Grihayan Loan	46,280,000	18,590,000
	AGR	874,010,000	770,893,000
	Buniad	13,500,000	5,619,000
	Agriculture loan/Sufolon	40,415,000	28,877,000
	ENRICH, IGA	93,405,000	61,022,000
	ENRICH, ACL	1,170,000	895,000
	ENRICH, LIL	160,000	230,000
	Sanitation Loan	-	15,000
	MDP-Agrosor	-	22,490,000
	LRL-2nd Phase	-	15,080,000
	Household Water Loan	19,934,000	33,936,000
	Household Sanitation Loan	118,519,000	29,662,500
	MFCE-Agrosor Loan	152,210,000	-
	Total	1,773,286,000	1,337,016,500
47.00	Saving Refund		
	General Saving	128,701,250	106,199,592
	Grihayan Saving	272,294	323,868
	Voluntary Savings	36,973,378	48,207,410
	GS, IGA	7,832,307	3,954,165
	Total	173,779,229	158,685,035
48.00	FDR Investment		
	Savings FDR	-	5,135,423
	Equity FDR		
	Southeast Bank	2,000,000	-
	NRBC Bank	4,000,000	-
	Total	6,000,000	5,135,423
49.00	Investment Profit		
	FDR Interest Received	2,028,013	1,382,593
	Add. This year Receivable Interest	305,896	234,352
		2,333,909	1,616,945
	Less: Previous Year Receivable Interest	234,352	147,760
	Total	2,099,557	1,469,185


Association for Under-Privileged People (AUP)
Overall Loan Program Including PKSF Funded Other Programs and Projects
 Eligibility Criteria Compliance Certification
 For the year ended 30 June 2024

We have audited the financial statements of the Association for Under-Privileged People (AUP) for the year ended June 30, 2024. On the basis of our audit, we certify below the compliance of AUP with the eligibility criteria under the Loan agreement between Palli Karma- Sahayak Foundation and AUP.

Performance Parameters	Different Aspects	PKSF Standard	2023-2024	2022-2023
Long Term Solvency Ratio	Debt : Capital	Max 9:1	5.79:1	5.46:1
	Capital Adequacy	Min 10%	15.91%	15.79%
	Debt service cover ratio	1.25:1	1.57:1	1.94:1
Short Term Solvency Ratio	Current Ratio	Min 2:1	1.46:1	1.49:1
	Liquidity to Saving Ratio	Min 15%	6.56%	8.48%
Profitability Ratio	Return on Capital (ROE)	Min 1%	32.18%	27.35%
	Return on Assets (ROA)	Min 3%	4.67%	3.99%
Productivity Ratio	Member/ Branch	1500-2000	1291	1024
	Credit Officer:Member	1:300-400	1:176	1:225
	Borrower Coverage	Min:70%	64.00%	69.00%
	Credit Officer/Borrower	1:240-250	1:112	1:155
	Credit Officer: Total Staff	1:1.50-1.70	1 : 1.40	1 : 1.62
	Credit Officer : Loan Outstanding (Lac Tk.)	1:25-30	1 : 85	1 : 100
Portfolio Quality Ratio	Total Overdue (Tk.)		25374002	16790676
	Bad Loan		15292211	12462141
	OTR (%)	Min 92%	99.08%	99.42%
	CRR	Min 95%	99.79%	99.78%
	PAR (%)	< 10%	2.81%	2.51%
	Good Loan as a percentage of loan outstanding		97.19%	97.49%


 Md. Firoz Anwar Prodhan
 Director (F & A)
 Association for Under-privileged People (AUP)


 Muzibul Islam Faruque
 Executive Director
 Association for Under-privileged People (AUP)


Sajeed Iqbal Chowdhury ACA
 Partner
 Enrolment No. 1914
MI Chowdhury & Co
 Chartered Accountants



Association for Under-Privileged People-AUP
Overall Loan Program Including PKSF Funded Other Programs and Projects
 Statement of Performance Analysis
 For the year ended 30 June 2024

a) Ratio Analysis

1.	On Time Regular Return (OTR)	=	$\frac{\text{Summation of regular recovery in the last 12 month}}{\text{Summation of regular recoverable in the last 12 month}}$	X	100
		=	$\frac{1433746873}{1447039656}$	X	100
		=	99.08%		
2.	Cumulative Recovery Ratio (CRR)	=	$\frac{\text{Cumulative Recovery - Advance Recovery at the end of this year}}{(\text{Cumulative Recovery - Advance Recovery}) + \text{Overdue Principal loan}}$	X	100
		=	$\frac{7264140503}{7279432714}$	X	100
		=	99.79%		
3.	Liquidity to Savings Ratio	=	$\frac{\text{FDR on Savings}}{\text{Total Member Savings}}$	X	100
		=	$\frac{27356668}{416875735}$	X	100
		=	6.56%		
4.	Currents Ratio	=	$\frac{\text{Current Asset}}{\text{Current Liability}}$		
		=	$\frac{(\text{Loan outstanding - More than one year passed overdue}) + \text{Cash} + \text{Bank} + \text{STD} + \text{Advance}}{\text{PKSF fund refundable in the next year} + \text{Savings} + \text{Other short term loan}}$		
		=	$\frac{1116722127-15292211+763664+51715601.01+39108445+195077.4+10740435.63}{253967891+416875735+40301705+87003796+13968690+13794449}$		
		=	$\frac{1203953140.00}{825912266}$		
		=	1.46 : 1		
5.	Capital Adequacy Ratio	=	$\frac{\text{Total Capital Fund (Net Worth)}}{\text{Total Asset - (Cash + Bank + STD + Govt. Securities)}}$	X	100
		=	$\frac{182198286}{1236929833-(763664+51715601+39303523)}$	X	100
		=	$\frac{182198286}{1145147045}$	X	100
		=	15.91%		
6.	Debt Service Cover Ratio	=	$\frac{\text{Surplus} + \text{Total interest payments} + \text{Principal collections on PKSF funded loan}}{\text{Total interest payments} + \text{Principal payments on PKSF loan}}$		
		=	$\frac{50913516+11436731+4475910+1703226+986196+3310872+15700+16867333+11764262+283500000+70000+5720000+8660383+5720000+20000000+20000000}{11436731+4475910+1703226+986196+3310872+15700+16867333+11764262+156508340+710000+9584095+2484444+26070290+13607818+4042383+15961291+4680076}$		
		=	$\frac{445144129}{284208967}$		
		=	1.57 : 1		

7. Debt to Capital Ratio	=	Debt		
		Total Capital (Net Worth)		
	=	400224991+416875735+31290000+13794449+34659791+24219793+15889307+12234904+13968690		
	=	182198286		
	=	5.79 : 1		
8. Rate of Return of Capital	=	Net Surplus for the year	X	100
		Average Capital Fund		
	=	50913516	X	100
	=	32.18%		
9. Portfolio At Risk (PAR)	=	Loan outstanding of Overdue Loanee	X	100
		Total Loan Outstanding		
	=	31366494	X	100
	=	2.81%		
10. Return on Total Asset (ROA)	=	Surplus for the year	X	100
		Average Asset		
	=	50913516	X	100
		(1236929833+943329657) / 2		
	=	4.67%		
11. Borrower Coverage	=	Total no. of borrowers during the period	X	100
		Total no. of members during the period		
	=	14816	X	100
	=	64%		
12. Member/Branch	=	Total Member	X	100
		Total no. of Branch		
	=	23,239	X	100
	=	1291		
13. Credit Officer/Borrower	=	Total Borrower	X	100
		Credit Officer		
	=	14816	X	100
	=	1:112		
14. Credit Officer/Member	=	Total Member	X	100
		Credit Officer		
	=	23239	X	100
	=	1:176		
15. Credit Officer/Total Staff	=	Total Staff	X	100
		Credit Officer		
	=	185	X	100
	=	1:1.40		

16. Credit Officer : Loan Outstanding	=	Total Loan Outstanding (in Lac)	X	100
		Credit Officer		
	=	11167	X	100
	=	132		
	=	1:85		
17. Total Overdue Tk	=	25374002		
Bad Loan	=	15292211		
18. Good Loan as a percentage of Loan Outstanding	=	Good Loan outstanding	X	100
		Total Loan Outstanding		
	=	1085355633	X	100
	=	1116722127		
	=	97.19%		

Conducive workings :

- Total current assets (TCA) = Total assets - Bad loan outstanding (principal) - unsettled staff Advance - total fixed assets
- Total Debts = PKSF fund + members savings fund + loan from gratuity fund for credit program+ loan from provident fund for credit program + loan from staffs welfare fund for credit program+ risk fund+ bank/ NBF1 loan+ other long term interest bearing loans (if any).
- Adjusted Capital Fund= Total capital fund - revaluation surplus+ 1% of good loan outstanding (principal)
- Total Risk Based assets (RBA) = Total assets - Total investment in FDR & DPS - Cash at Bank - Cash in Hand - Fund transit- Bank demand Drafts- investment in Treasury securities.
- Total Current Liabilities (TCL) = Total liabilities and capital fund - Total Capital Fund - Total Debts (as per 'b' above) - Members savings Fund+ risk fund + Current portion of long term debts refundable in next year.

**B. Income and Expenditure Patterns of Latest 5 Years
(Figures in BDT)**

Year	Total Income	Total Expenditure	Net Income / (Loss)	Total Income to Total Expenditure (%)	Disbursement of Loan to POs	Balance of Loan to Program/Project Participants	Total Expenditure to Disbursement of Loan to Program/Project Participants(%)	Total Expenditure to Loan Balance With Program/Project Participants(%)
1	2	3	4=2-3	5=(3/2)	6	7	8=(3/6)	9=(3/7)
2023-2024	220855231.3	169941714.9	50,913,516	76.95%	1773286000	1116722127	10%	15%
2022-2023	158254941	125959257	32,295,684	79.59%	1337016500	823345327	9%	15%
2021-2022	123783055	95591287	28,191,768	77.22%	929583000	550994050	10%	17%
2020-2021	87,332,769	77,197,163	10,135,606	88.39%	752,925,000	457,684,074	10%	17%
2019-2020	64,423,053	60,862,909	3,560,144	94.47%	528,168,000	341,209,209	12%	18%

Association for Under-Privileged People-AUP

PKSF Funded Micro-Credit Program

Portfolio Report

For the year ended 30 June 2024

(i) Classification of Loan and Loan Provision

Sl. No.	Particulars	Basis of Classification	Overdue Amount	Outstanding Loan	Required Provision	
				Taka	Rate	Taka
1	Total Loan Outstanding (TLO)			1,116,722,127	-	-
2	Total Overdue			25,374,002	-	-
3	Good Loan (Standard)	No Overdue	-	1,085,355,633	1%	10,853,556
4	Watchful Loan	1-30 days	321,726	2,189,176	5%	109,459
5	Sub-standard Loan	31-180 days	4,287,342	7,781,852	25%	1,945,463
6	Doubtful Loan	181-365 days	5,472,723	6,103,255	75%	4,577,441
7	Bad Loan	365+ days	15,292,211	15,292,211	100%	15,292,211
Total				1,116,722,127		32,778,130

(ii) Loan and loan loss Provision (LLP) Status of AUP

Particulars	Amount
Required Provision as per MRA policy	32,778,130
Actual Provision Made by PO	32,778,140
Excess Provision made	10
Comment on LLP for PKSF funded MCP	
It appears from the calculation that AUP made Excess provision of 10 Tk. for LLP on its outstanding loan balance.	
Disclosure on Written off Loan	
Loan Written off Balance 01.07.2023	2,705,532
Loan Written off during the year 2023-2024	-
Written off Loan Recovered during the year 2023-2024	53,246
Loan Written off Balance 30.06.2024	2,652,286



Association for Under-Privileged People (AUP)
Loan Operation Report
For the Year ended 30 June 2024

SI no.	Particulars	FY 2023-2024			FY 2022-2023		
	Financial Service Product						
	Loan Product	551,060,660			439,844,686		
	PKSF Funded Loan	400,224,991			273,233,331		
	Housing Loan	13,794,449			10,173,892		
	Other Loan	-			-		
	Other Loan	137,041,220			156,437,463		
1	Savings Product	416,875,735			306,435,313		
	General Savings	256,750,512			200,837,347		
	Voluntary Savings	64,913,022			49,488,000		
	Long term Savings	95,212,201			56,109,966		
	Seasonal Savings	-			-		
	Grihayan Savings	-			-		
	Micro enterprise Savings	-			-		
2	Number of Branches	18			18		
	2023-2024				2022-2023		
SI no.	Particulars	Male	Female	Total	Male	Female	Total
3	Number of Groups	191	1,153	1,344	188	963	1,151
4	Number of Members	1,693	21,546	23,239	1,596	16,843	18,439
5	Number of Borrower	829	13,987	14,816	996	11,676	12,672
6	Number of staff	175	10	185	124	9	133
7	Amount (Taka) Loan	83,374,449	1,033,347,678	1,116,722,127	90,731,819	732,613,508	823,345,327
8	Member:Borrower	100:49:00	100:65	100:64	100:62	100:69	100:69
9	Average Loan Size	100,572	73,879	75,373	91,096	62,745	64,974



Association for Under-privileged People (AUP)

Overall Loan Program Including PKSF Funded Other Programs and Projects
 Schedule of Property, Plant & Equipment
 As on 30 June 2024

SL No	Particulars	Cost				Rate of Dep.	Depreciation				W.D.V as on 30.06.2024
		Balance as on 01.07.2023	Addition During the Year	Adjustment During the Year	Balance as on 30.06.2024		Balance as on 01.07.2023	Charged During the Year	Adjustment During the Year	Balance as on 30.06.2024	
1	Land	7,840,500	-	-	7,840,500	0%	-	-	-	-	7,840,500
2	Furniture & Fixture	5,083,476	545,410	206,134	5,422,752	10%	359,551	206,134	3,166,893	206,134	2,255,859
3	Office Equipment	6,490,206	1,108,174	951,893	6,646,487	20%	550,546	951,893	3,128,834	951,893	3,517,653
4	Water Pump Tanks	1,800,000	-	-	1,800,000	8%	144,000	-	864,000	-	936,000
5	Transport (Car)	6,800,781	-	-	6,800,781	20%	625,844	-	4,297,406	-	2,503,375
	Total as on 30.06.2024	28,014,963	1,653,584	1,158,027	28,510,520		1,679,941	1,158,027	11,457,133	1,158,027	17,053,387
	Total as on 30.06.2023	21,588,073	6,426,890	-	28,014,963		2,445,771	-	10,935,219	-	17,079,744



Association for Under-Privileged People (AUP)

Overall Loan Program Including PKSF Funded Other Programs and Projects
 Schedule of Fixed Deposit (FDR)
 For the year ended 30 June 2024

SL No.	Bank & Branch Name	FDR No.	Issued Date	Renwal Date	Principal Amount	Balance as on 01.07.2023	Encashment During the Year	Investment During the Year	Interest During the Year	Sources Tax	Exices Duty	Net Interest	Balance as on 30.06.2023
1	2	3	4	5	7	8	9	10	11	12	13	14	15
Savings FDR													
1	Bank Asia	FDR 03955001251	31.01.2013	31.01.2021	100,000	180,063		-	12,144	2,429	150	9,565	189,628
2	Janata Bank	FDR 0100207680952	26.02.2015	26.05.2021	100,000	150,824		-	10,949	3,285		7,664	158,488
3	Janata Bank	FDR 0100207680928	26.02.2015	26.05.2021	100,000	150,824		-	10,949	3,285		7,664	158,488
4	Bank Asia	FDR 03955001850	03.01.2014	04.04.2021	50,000	76,857		-	4,944	989		3,955	80,812
5	Southeast Bank	FDR-008324300001031	12.02.2018	12.05.2021	2,250,000	2,868,904		-	118,005	17,701	3,000	97,304	2,966,208
6	Trust Bank	FDR-00830330002162	15.07.2019	15.04.2021	2,000,000	2,289,718		-	143,121	14,313	3,000	125,808	2,415,526
7	Pubali Bank	FDR-2940104013801	09.02.2021	07.02.2021	10,000,000	10,898,531		-	755,056	151,012	15,000	589,044	11,487,575
8	Pubali Bank	FDR-13877	27.05.2021	27.08.2021	3,000,000	3,246,160		-	224,925	44,985	3,000	176,940	3,423,100
9	Trust Bank	FDR-00830330003867	09.03.2021	09.09.2021	2,000,000	2,117,215		-	137,847	13,785	3,000	121,062	2,238,277
10	Trust Bank	FDR-0083-0330005436	13.03.2023	12.06.2023	2,000,000	2,019,500		-	131,483	13,148	3,000	115,335	2,134,835
11	Pubali Bank	FDR-1258241	02.04.2023	02.07.2023	2,000,000	2,000,000		-	133,412	26,682	3,000	103,730	2,103,730
Sub Total						23,600,000	25,998,596	-	1,682,834	291,613	33,150	1,358,072	27,356,668
Equity FDR													
1	Southeast Bank	FDR-0083-24300001369	12.07.2020	12.04.2021	4,500,000	5,012,750			206,232	30,935	3,000	172,298	5,185,047
2	Southeast Bank	FDR-0083-24300001662	22.05.2022	22.08.2022	500,000	516,966			21,265	3,190	500	17,575	534,541
3	Southeast Bank	FDR-0083-24300002118	14.12.2023	14.03.2024	2,000,000		2,000,000		41,399	6,210	3,000	32,189	2,032,189
4	NRBC Bank	FDR-010171200001064	24.03.2024	24.03.2025	4,000,000		4,000,000		-				4,000,000
5	Jamuna Bank	FDR-2301000390157	24.01.2022	24.04.2022	2,000,000	2,101,671	2,164,323		76,282	7,630	6,000	62,652	0
Sub Total						13,000,000	7,631,386	2,164,323	345,178	47,964	12,500	284,714	11,751,777
Grand Total (as at 30 June 2023)						36,600,000	33,629,983	2,164,323	2,028,013	339,577	45,650	1,642,785	39,108,445



Association for Under-Privileged People (AUP)
Overall Loan Program including PKSF Funded Other Programs and Projects

Loan to Members

For the year ended 30 June 2024

Particulars	Jageron	Agroror	Sufolon	Bumiad	Enrich IGA	ACL	LIL	LRL	LRL-2nd	MDP-Agroror	Sanitation Loan	Household Water	Household Sanitation	MFCE-Agroror	Housing	COVID-19	Total Taka
Opening Balance as at 01 July, 2023	207,358,366	467,960,944	17,022,083	4,607,386	36,366,772	768,440	215,280	-	12,222,001	15,408,668	75,348	21,179,633	21,770,721	-	18,370,308	19,377	823,345,327
Add: Disbursed during the year (2023-2024)	413,683,000	874,010,000	40,415,000	13,500,000	93,405,000	1,170,000	160,000	-	-	-	-	19,934,000	118,519,000	152,210,000	46,280,000	-	1,773,286,000
Sub- Total	621,041,366	1,341,970,944	57,437,083	18,107,386	129,771,772	1,938,440	375,280	-	12,222,001	15,408,668	75,348	41,113,633	140,289,721	152,210,000	64,650,308	19,377	2,596,631,327
Less: Realized during the year (2023-2024)	407,129,871	738,365,771	42,379,870	11,098,686	72,653,760	850,280	202,140	-	12,119,761	15,090,076	9,426	30,197,145	55,619,679	79,701,220	14,491,515	-	1,479,909,200
Closing Balance as at 30 June 2024	213,911,495	603,605,173	15,057,213	7,008,700	57,118,012	1,088,160	173,140	-	102,240	318,592	65,922	10,916,488	84,670,042	72,508,780	50,158,793	19,377	1,116,722,127
Closing Balance as at 30 June 2023	207,358,366	467,960,944	17,022,083	4,607,386	36,366,772	768,440	215,280	-	12,222,001	15,408,668	75,348	21,179,633	21,770,721		18,370,308	19,377	823,345,327



Overall Loan Program including PKSF Funded Other Programs and Projects

Loan from PKSF
For the year ended 30 June 2024

Particulars	Jagaron	Agrosor	Sufolon	Enrich IGA	ACL	LIL	LRL	LRL-2nd	MDP-Agrosor	Sanitation Loan	Household Water	Household Sanitation	Buniad	MFCE-Agrosor	Total Taka
Opening Balance as at 01 July, 2023	52,350,000	60,800,000	10,000,000	17,050,000	425,000	225,000	7,000,000	18,000,000	13,000,000	-	11,799,999	27,999,999	4,583,333	50,000,000	273,233,331
Add: Received during the year (2023-2024)	65,000,000	60,000,000	35,000,000	9,500,000	300,000	200,000	-	-	-	-	6,000,000	27,500,000	10,000,000	70,000,000	283,500,000
Sub- Total	117,350,000	120,800,000	45,000,000	26,550,000	725,000	425,000	7,000,000	18,000,000	13,000,000	-	17,799,999	55,499,999	14,583,333	120,000,000	422,149,998
Less: Refunded during the year (2023-2024)	28,050,000	30,300,000	25,000,000	8,200,000	175,000	100,000	7,000,000	10,000,000	8,000,000	-	6,600,002	19,333,335	3,750,003	10,000,000	156,508,340
Closing Balance as at 30 June 2024	89,300,000	90,500,000	20,000,000	18,350,000	550,000	325,000	-	8,000,000	5,000,000	-	11,199,997	36,166,664	10,833,330	110,000,000	400,224,991
Closing Balance as at 30 June 2023	52,350,000	60,800,000	10,000,000	17,050,000	425,000	225,000	7,000,000	18,000,000	13,000,000	-	11,799,999	27,999,999	4,583,333	50,000,000	273,233,331



**Overall Loan Program Including PKSF Funded Other Programs and Projects
Budget Variance**
For the year ended 30 June 2024

Sl. No.	Particulars	FY 2023-2024 Approved Budget	FY 2023-2024 Budget Achievement	Schedule-E	
				Variance	
				Taka	%
	Area Coverage				
1	Group/Samity Formation	177	193	(16)	109%
2	Add New Member	5,829	4,800	1,029	82%
3	Add New Borrower	3,747	2,144	1,603	57%
4	Recruitment	17	52	(35)	306%
5	Deposits Collection	264,304,825	296,257,785	(31,952,960)	112%
6	Refund Deposit	172,656,442	197,269,944	(24,613,502)	114%
7	Recovery	1,471,989,717	1,479,877,000	(7,887,283)	101%
8	Loan Disbursement	1,799,354,000	1,773,286,000	26,068,000	99%
9	Borrowing	348,720,000	343,600,383	5,119,617	99%
10	Loan Returns	198,363,032	233,648,737	(35,285,705)	118%
11	Received against insurance service	13,920,840	15,580,710	(1,659,870)	112%
12	Insurance benefits given	4,250,494	4,526,780	(276,286)	107%
13	Total Income	229,025,701	220,855,231	8,170,470	96%
14	Total Expenditure	176,091,338	169,941,714	6,149,624	97%
	Total	4,678,686,159	4,734,851,474	(56,165,315)	101%
Sl. No.	Particulars				
1	Area Coverage				
2	Number of Branch	22	18	4	82%
3	Number of Group	1,328	1,344	(16)	101%
4	Number Member	24,268	23,239	1,029	96%
5	Number Borrower	16,419	14,816	1,603	90%
6	Manpower	99	185	(86)	187%
7	Deposit Balance	398,083,696	416,875,735	(18,792,039)	105%
8	Loan Outstanding	1,150,709,610	1,116,722,127	33,987,483	97%
9	Loan Received	577,437,497	551,060,661	26,376,836	95%
10	Insurance Fund	38,918,121	40,301,705	(1,383,584)	104%
11	Cumulative Surplus	187,181,234	182,198,286	4,982,948	97%
1	Loan Recovery				
	a)Jagoron	362,903,255	407,114,321	(44,211,066)	112%
	b)Agrosor	903,173,594	738,349,121	164,824,473	82%
	c)Sufolon	25,487,425	42,379,870	(16,892,445)	166%
	d)Others	180,425,443	292,033,688	(111,608,245)	162%
	Total	1,471,989,717	1,479,877,000	(7,887,283)	101%
2	Fund Collection				
	I. Savings Collection:				
	Force Savings	171,066,893	179,155,826	(8,088,933)	105%
	Housing	801,757	2,173,409	(1,371,652)	271%
	Voluntary Savings	37,285,200	52,398,400	(15,113,200)	141%
	Monthly Savings	55,150,975	62,530,150	(7,379,175)	113%
	Total	264,304,825	296,257,785	(31,952,960)	112%

Sl. No.	Particulars	FY 2023-2024 Approved Budget	FY 2023-2024 Budget Achievement	Variance	
				Taka	%
	2. PKSf Loan	270,000,000	283,500,000	(13,500,000)	105%
	3. General/ EC Member Loan	3,000,000	5,720,000	(2,720,000)	191%
	4. Bank & Others Loan	75,720,000	54,380,383	21,339,617	72%
	Total	348,720,000	343,600,383	5,119,617	99%
3	Risk fund collection	13,920,840	15,580,710	(1,659,870)	112%
4	Utilization of fund				
	1. Loan Disbursement				
	a) Jagoron	462,689,000	413,683,000	49,006,000	89%
	b) Agrosor	1,045,938,000	874,010,000	171,928,000	84%
	c) Sufolon	29,649,000	40,415,000	(10,766,000)	136%
	d) (Others Disbursement)	261,078,000	445,178,000	(184,100,000)	171%
	Total	1,799,354,000	1,773,286,000	26,068,000	99%
	2. The loans are allocated based on their nature				
	Force Savings	119,215,052	136,805,851	(17,590,799)	115%
	Voluntary Savings	27,332,850	36,973,378	(9,640,528)	135%
	Monthly Savings	26,108,540	23,490,715	2,617,825	90%
	Total	172,656,442	197,269,944	(24,613,502)	114%
	3. Loan Repayment				
	PKSF Loan	134,675,005	156,508,340	(21,833,335)	116%
	General \ EC Loan Member loan	5,000,000	710,000	4,290,000	14%
	Bank & Others Loan	54,188,027	76,430,397	(22,242,370)	141%
	Total	193,863,032	233,648,737	(39,785,705)	121%
5	Insurance Service	4,250,494	4,526,780	(276,286)	107%
6	Fixed Asset Acquisition				
	Building	4,000,000	-	4,000,000	0%
	Furniture & Fixtures	348,410	545,410	(197,000)	157%
	Vehicles	-	-	-	-
	Office Equipment's	412,010	1,108,174	(696,164)	269%
	Computer & Accessories	255,250		255,250	0%
	Total	5,015,670	1,653,584	3,362,086	33%
7	Income	213,328,393	220,855,231	(7,526,838)	104%
	1. Service Charge	205,541,376	213,336,671	(7,795,295)	104%
	2. Interest on Investment	1,836,482	2,099,557	(263,075)	114%
	3. Bank Interest	107,873	211,423	(103,550)	196%
	4. Member Admission Fees	474,161	405,560	68,601	86%
	5. Others Income	1,456,712	1,462,732	(6,020)	100%
	6. Overhead Cost from others program	3,911,789	3,339,289	572,500	85%
8	Expenditure				
	Finance Expense:				
	1. Savings Interest	21,657,735	17,615,867	4,041,868	81%
	2. Interest on PKSf loan	15,034,833	16,867,333	(1,832,500)	112%
	3. Interest on PF Loan	1,327,589	986,196	341,393	74%
	4. Interest on Committee Loan	2,849,390	3,310,872	(461,482)	116%
	5. Bank & Others	9,213,698	11,779,962	(2,566,264)	128%
	Total	50,083,245	50,560,231	(476,986)	101%

Sl. No.	Particulars	FY 2023-2024 Approved Budget	FY 2023-2024 Budget Achievement	Variance	
				Taka	%
	General & Administrative Expense				
	1. Salary & Allowances				
	2. Basic Pay	30,088,810	34,792,431	(4,703,621)	116%
	3. Medical Allowance	1,050,000	1,087,200	(37,200)	104%
	5. Festival Allowance	8,206,443	8,638,880	(432,437)	105%
	6. Launch Allowance	3,500,000	3,654,700	(154,700)	104%
	7. Increased Allowance	550,000	565,222	(15,222)	103%
	8. P.F	2,296,124	2,603,972	(307,848)	113%
	9. House Rent Allowance	24,500,000	25,983,789	(1,483,789)	106%
	10. Others Allowance If any	600,000	650,400.00	(50,400)	108%
	Total	70,791,377	77,976,594	(7,185,217)	110%
	11. Houses Rent	3,076,144	3,450,310	(374,166)	112%
	12. Printing & Stationery				
	13. Printing & Binding	1,051,134	533,930	517,204	51%
	14. Stationery, Seals & Stamp	556,048	560,551	(4,503)	101%
	Total	4,683,326	4,544,791	138,535	97%
	15. Travel Expense				
	a) Domestic	1,317,132	1,323,810	(6,678)	101%
	b). Telephone & Postage				
	16. Telephone, Telex, Fax, Internet	37,390	26,193	11,197	70%
	17. Postal & Courier service	245,749	550,094	(304,345)	224%
	18. Repairs & Maintenance	1,737,648	876,429	861,219	50%
	19. Others			-	
	Total	3,337,919	2,776,526	561,393	83%
	20. Fuel Expense	2,984,780	3,081,479	(96,699)	103%
	21. Gas, Electric & Water Bill	565,732	712,176	(146,444)	126%
	22. Entertainment	1,251,770	1,392,842	(141,072)	111%
	23. Gratuity Exp.	2,321,124	6,391,913	(4,070,789)	275%
	24. Newspaper & Magazine	2,075	3,290	(1,215)	159%
	Total	7,125,481	11,581,700	(4,456,219)	163%
	25. Bank Charge	580,599	588,654	(8,055)	101%
	26. Training Expense	-	-	-	
	27. Local Training	953,722	1,337,657	(383,935)	140%
	Total	1,534,321	1,926,311	(391,990)	126%
	28. Seminar, Conference & Workshop Expense	-	-	-	
	29. Meeting Expense	289,200	189,000	100,200	65%
	30. Loan Processing Fee	-	600,000	(600,000)	
	31. Registration Fee	368,969	444,788	(75,819)	121%
	32. Other Expenses	-	-	-	
	33. Audit Fees	105,930	194,400	(88,470)	184%
	34. Software Fee	312,354	187,110	125,244	60%
	35. Income Tax	603,881	975,564	(371,683)	162%
	36. Custom Duty/ VAT	473,531	625,714	(152,183)	132%
	Total	2,153,865	3,216,576	(1,062,711)	149%

Sl. No.	Particulars	FY 2023-2024 Approved Budget	FY 2023-2024 Budget Achievement	Variance	
				Taka	%
	37. Subscriptions & Donation	276,816	444,000	(167,184)	160%
	38. Depreciation & Amortization	3,436,339	1,679,941	1,756,398	49%
	39. Consultancy Service		-	-	
	40. Service Charge Rebate	2,192,479	2,401,175	(208,696)	110%
	41. Education Program Exp.	713,405	299,292	414,113	42%
	42. Health Program Expenses	984,779	959,208	25,571	97%
	43. Member Training Expenses	115,250	77,907	37,343	68%
	44. Old Man Program Expenses	106,584	165,597	(59,013)	155%
	45. Enrich Other Program Expenses	273,758	505,078	(231,320)	184%
	46. Advertisement	47,334	87,500	(40,166)	185%
	47. Photocopy	5,727	7,420	(1,693)	130%
	48. legal Fee	69,000	147,650	(78,650)	214%
	49. Wages	35,200	34,480	720	98%
	50. Miscellaneous Expenses	597,922	1,245,521	(647,599)	208%
	Total	8,854,593	8,054,769	799,824	91%
	51. Total Operational Expenses	148,564,127	160,637,497	(12,073,370)	108%
	52. Net loss /profit	52,934,363	50,913,516	2,020,847	96%
	53. Loan Loss Provision	11,829,903	9,304,218	2,525,685	79%
	54. Reserve Fund	5,293,436	4,795,142	498,294	91%

Auditor's Compliance on Terms of Reference (ToR) issued for external auditors by Microcredit Regulatory Authority (MRA)

We have compliance with the scope of audit of Terms of Reference (ToR) issued for external auditors by Micro credit Regulatory Authority (MRA). Our Comments on compliance of ToR are as follows:

A. REPORT IN SEQUENCE OF TOR:

As per Terms of Reference (ToR) of Micro Credit Regulatory Authority (MRA) we report as under:

All branches of **Association for Under-privileged People (AUP)** executed in more than 2 districts all over the country by Micro Credit Program. In addition to the audit of consolidated accounts at **Association for Under-privileged People (AUP)** Central office we have audited the accounts of 2 branch offices through spot visit. In order to ensure proper utilization of loan amount we visited some Samity / Group offices and asked some beneficiaries regarding utilization of loan. Moreover, physical verification was also done.

Based on the findings and observations noted during the course of our audit are as follows:

- a) **To check whether the auditee has complied with the International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) while maintaining accounting records and preparing financial statements, and report if any non compliance was found.**
 - Mostly complied with where applicable.
- b) **To examine whether the auditee has undertaken any activity, involved in transaction or provided services that is contrary to "Microcredit Regulatory Authority Act-2006." Or "Micro Credit Regulatory Authority Ordinance-2010." Further to examine whether any transaction that goes to the Act and Ordinance and Donors interest and against the interest of different donors, beneficiaries or the auditee itself.**
 - No such kind of contrary were found.
- c) **To examine whether closing balance of last year's audited financial statement was carried forward as opening balance in current year's accounts.**
 - Complied with.
- d) **To examine whether the auditee has maintained proper books for sector-wise receipt of funds and whether they properly comply with the rules and regulations as per accounting manual provided by the authority.**
 - Most of the required books of account are maintained by Association for Under-privileged People (AUP) to record Micro Credit Fund i.e. Cash Book, General Ledger, Loan Ledger, Savings Register, Asset Register, Advance Register, Salary Register, Collection Register, etc. are maintained. Accounting Manual issued by MRA was properly followed.

- e) **To check whether the auditee has kept the records separately for the collected funds under various components of micro credit activities and submit separate reports on that basis.**
- During the year under audit (2023-2024) Association for Under-privileged People (AUP) management has received Micro Credit Fund under the different components which are shown in Annexure A1/4 of financial statements.
- f) **To examine whether the auditee has properly recorded and accounted for the receipt and disbursement of fund from different donor organizations and utilized them as per their principles/terms and conditions of the agreement with the donors.**
- Association for Under-privileged People (AUP) has received their fund from PKSF, Bank and other own sources and disbursement thereof are properly recorded in the books of account.
- g) **To examine whether the savings collected from the members are properly recoded in accounts and deposited into the bank, besides, whether collection and refund of savings has been done according to the principle and whether interest on savings are paid to members and also examine the rate of interest etc.**
- Savings collected from Group Members are properly recorded in the books and deposited into the Bank on the same day except the amount collected in the afternoon. However, late collections are deposited in the next banking day. Collection and refund of savings are made as per rules and guidelines of MRA. Association for Under-privileged People (AUP) is usually paying interest on Savings @ 6.00% per annum and interest payable is duly accounted for.
- h) **To check whether the auditee has maintained the formalities and properly complied with the provisions in the rules mentioned before disbursing loan among the beneficiaries.**
- We have verified some loan disbursements procedures on test basis and found in order
- i) **To check whether the documents i.e. passbook, loan/savings collection schedule, and loan application form regarding loan write off, bad loan, have been preserved separately.**
- Our examination of records revealed that savings collected from group members were properly recorded and accounted for at Samity level as well as MFI level.
- j) **To examine whether microcredit organization properly comply with the rules & regulations relating to the constitutions particularly in respect of formation and meetings of General Body and Governing Body.**
- Mostly complied with.
- k) **To examine the physical existence of assets acquired out of surplus service charge and fund received from different sources for institutional development as loan or grants.**
- We have verified and no exception found.
- l) **To conduct a sample check for whether the loans was properly utilized by the beneficiary members.**
- In order to justify proper utilization of loan amount we went to Samities asked the beneficiaries to explain the utilization of loan amount. We are in opinion that loan amount were properly utilized by all the beneficiaries we interviewed.


- m) **To check, whether all kinds of transactions were done through bank except collection of savings and disbursement of micro credit.**
- Mostly complied with.
- n) **To check, whether recovered loan and savings amount from members were duly deposited into bank on the same/earliest date.**
- Loan instalments and savings collected are usually deposited to bank on the same day.
- o) **To check whether collected savings are properly recorded and accounted for at member's level and samity level.**
- Our examination of records revealed that savings collected from group members are properly recorded and accounted for at samity level as well as at MFI level.
- p) **To examine that the recovery of loan disbursed out of fund received from several sources are made as per Amortization Schedule and also to examine the effective rate of service charges on loan to the members and to mention the findings in the report.**
- Complied with
- q) **To examine whether loan loss provision has been computed and accounted for as per Microcredit Regulatory Authority Act, 2006 and Micro Credit Regulatory Authority Rules, 2010.**
- Loan loss provision has been computed & accounted for as per MRA- 2006 and MCRAO- 2010.
- r) **To check the closing cash balance at the time of auditing by counting cash amount physically and issue certificate of balance. To check bank balance of year end by collecting certificate of bank balance and also check Bank Reconciliation Statements that have been prepared.**
- We have not counted the cash in hand balance at head office on 30 June 2024.
 - We have reviewed some bank reconciliation statements prepared for related bank accounts at HO and the bank accounts at branch offices we visited. Bank confirmations have been obtained from the banks for related bank account at HO and the 2 branch offices we visited. The balances confirmed by the respective banks agreed with the bank statement balances (which have been reconciled to book balances).
- s) **To check whether the payments were made with proper approval authority of bills/ voucher, whether payment made as per approved price and to examine the "Budgetary Control System".**
- Payments were made properly and budgetary control system was maintained properly.
- t) **To comment on the reasons for existence of any unused fund if detected during audit and make comments in the audit report.**
- No exception was found.

- u) **To examine appropriateness of audit report and audited financial statement presented to different donor organizations, regulatory authority and other authorities.**
 - Complied with.
- v) **To examine whether there is a proper compliance with the provision of the Income Tax and Value Added Tax (VAT) authority rules implemented by the Government.**
 - Mostly Complied with.
- w) **To check whether all the policies i.e. the procurement policy, service policy, loan and savings policy etc. are in place and are properly followed by the auditee organization.**
 - Association for Under-privileged People (AUP) has complied with the policy section.
- x) **To check whether there is an internal audit arrangement/division in the auditee organization and whether internal audit is conducted regularly and comment thereon.**
 - Association for Under-privileged People (AUP) has internal audit division and the audit is done regularly.
- y) **To comment on whether the recommendations on previous year's audit on objections are properly taken care of or not.**
 - Complied.
- z) **To check cost sharing between of micro-credit and other program and comments therefore in the report.**
 - Cost sharing between micro- credit and other program was followed properly.
- aa) **To check whether transactions have taken place through bank for significant amounts.**
 - No exception was found.
- ab) **To check audit fees are fixed on the basis of total loan portfolio and cost centres/ branches or not.**
 - Audit fees were fixed on lum-sum basis.
- 2. **To examine and comment on the credit activities funded by different source and from own source, internal control system, loan classification, Loan provision principle and loan recovery rate and to comment in the audit report.**
 - We have examined the above and comments on different part of our Audit Report, where applicable.
- 3. **To comment on the utilization of money received under different contracts between donor/ financial institute and the micro credit organization.**
 - The utilization of money received from different donor/ financial institutions or were properly done.

4. **To comment on the compliance of MR/Circular Letter NO. Regu 24 regarding Prevention of Money Laundering and Terrorist activities.**

- To the best of our knowledge and information available to us to no such money laundering and terrorist activities indentified.

On the basis of the above we are in opinion that Association for Under-privileged People (AUP) is a viable organization to continue the micro credit program in the future.



Sajeed Iqbal Chowdhury ACA

Enrolment No.: 1914

Partner

MI Chowdhury & Co.

Chartered Accountants

DVC No.: -2408271914AS981923

Dated, Dhaka

Date : 27 August 2024

Management report on the Audit of Accounts of the
Association for Under-privileged People (AUP)
For the year ended June 30, 2024

Observations & Recommendations

Annexure -L

Current year's (2023-2024) observations:

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

1. Vat & Tax was not paid

Observation

According to section 52AA of Income Tax Ordinance 2023, tax to be deducted at source against the payment of the supplier. During the course of audit, we observed that Tax and VAT was not deducted at source on taxable expenditure other than office rent and Salary for which Tax and VAT deducted at source was applicable.

Instances are given below.

Head of Expenditure	Amount in BDT	VAT Rate	Tax Rat
Fuel Costs	3,023,993	2%	3%
Office & Stationary	543,164	7.5%	N/A
Repairs & Maintenance	876,429	15%	N/A

Recommendation

- IP should comply with the Income Tax Act 2023 & Value Added tax and Supplementary Duty Act. 2012.

2. Suggestion for improvement of administration of fund

Observation

In some cases, the PO failed to comply with the eligibility criteria under the loan agreement between Palli Karma-Sahayak Foundation (PKSF) and the partner organization Details are given below:

SI. NO.	Eligibility criteria	Audited Figures or compliance 2023-2024	Audited Figures or compliance 2022-2023	PKSF Standard
1	Current Ratio	1.46:1	1.49:1	Min 2:1
2	Liquidity to Saving Ratio	6.56%	8.48%	Min 15%
3	Member/ Branch	1291	1024	1500-2000
4	Borrower Coverage	64.00%	69.00%	Min: 70%

Recommendation

- Management should comply with the eligibility criteria under the loan agreement between Palli Karma-Sahayak Foundation (PKSF).

POs Response

- Management has ensured that they will try to comply with the eligibility criteria under the loan agreement between Palli Karma-Sahayak Foundation (PKSF).

3. Field Visit Report

During our audit, we visited. **Nandanpur** branch, **Nayergaon** branch and a reasonable number of samities. We verified the loan, savings pass books and records of the samities. We found that in many cases over-writing was done in cash book, ledger book and pass book and held detailed discussions with the beneficiaries.

Name of branch	Nandanpur Branch		Nayergaon Branch	
Name of Samity	Bonoful-1	Golap	Rajlaxmi	Griholaxmi
Samity Code	0006	0021	0024	0025
Date of visit	18.08.2024	18.08.2024	18.08.2024	18.08.2024
Name of Supervisor	Nasrin Aktar	Omor Faruk	Imran Hussain	Milon
Name of Leader	Hasina	Saleha	Jharna	Yasmin
Total Members	28	21	34	31
Total Borrowers	49	38	35	24
Present Members	19	14	24	23

Branch Name: Nandanpur

Bonoful-1 Samity

3.1 Observation

During our samity visit we have reviewed the attendance register and found that members' attendance was not satisfactory.

Recommendation

- Samity should motivate the member to attend the weekly meeting.

POs Response

- ❖ Management ensures to be more careful in the future.

Golap Samity

3.2 Observation

During the course of our audit, we have observed that there was some overwriting in the cash book and ledger.

Recommendation

- Overwriting should be avoided as much as possible.

POs Response

- ❖ Management ensures to be more careful in the future.

Branch Name: Nayergaon

Rajlaxmi Samity

3.3 Observation

During our visit we have reviewed the attendance register and found that member's attendance was not satisfactory.

Recommendation

- Management should aware to member's attendance satisfactory.

Management's Response

- ❖ Management ensures to be more careful in the future.



Griholaxmi Samity

3.4 Observation

During our visit we have reviewed the attendance register and found that members attendance was not satisfactory.

Recommendation

- Management should aware to member's attendance satisfactory.

Management's Response

- ❖ Management ensures to be more careful in the future.