

AUDITOR'S REPORT

On The

FINANCIAL STATEMENTS

OF

Association for Peoples Development Stream

House-548, Flat-N-1, Road-13, Baridhara DOHS, Dhaka - 1206, Bangladesh

Consolidated Statement of Financial Position

FOR THE YEAR ENDED 30TH JUNE, 2024

Ashraf Uddin & CO.

Chartered Accountants

142/B, Green Road (04th Floor),

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**INDEPENDENT AUDITOR'S REPORT IN THE FINANCIAL STATEMENTS
TO GOVERNING BOARD OF ASSOCIATION FOR PEOPLES DEVELOPMENT STREAM**

Opinion

We have audited the financial statements of Micro Finance Program of **"Association for Peoples Development Stream"**, which comprise the Statement of Consolidated Financial Position as at 30th June 2024, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Receipts and Payments Accounts and Statement of Change in Equity for the year then ended 30th June 2024, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our Opinion, the accompanying financial statements of the micro credit program of **"Association for Peoples Development Stream"** give a true and fair view of the financial position as at 30th June 2024 and its financial performance, Statement of Cash Flows and its Receipts & Payments for the year then ended in accordance with International Financial Reporting Standards (IFRS) 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 Auditors' Responsibilities for the Audit of the 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 the 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 Consolidated and Separate Financial Statements and Internal Controls.

Management is responsible for the preparation of financial statement that give a true and fair view in accordance with the Accounting policies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether 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, international 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of the organization's 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 Organization's 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 reports to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal & Regulatory Requirements

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 purposes of our audit and made due verification thereof.
- b) In our opinion, proper books of accounts as required by law have been kept by MRA ACT & Rules have been kept by "**Association for Peoples Development Stream**" so far as it appeared from our examination of these books, and
- c) The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka

Date: September 25, 2024


Md. Ashraf Uddin Ahmed FCA, CFC

Enrolment No: 210

Managing Partner

Ashraf Uddin & Co.

Chartered Accountants

DVC: 2409250210AO284015



Association for Peoples Development Stream

MICRO CREDIT PROGRAMME

Statement of Financial Position

As at 30 June 2024

Particulars	Notes	Amount in Taka	
		30-Jun-24	30-Jun-23
Assets			
Non-Current Assets			
Property Plant and Equipment	6	2,326,144	2,425,422
		2,326,144	2,425,422
Current Assets:			
Loan to Beneficiaries	7	162,765,986	146,306,642
FDR	8	31,242,473	20,771,875
Advance	9	740,841	737,138
Cash and Cash Equivalents	10	7,140,081	19,796,445
		201,889,381	187,612,100
Total Assets		204,215,525	190,037,522
Capital Fund and Liabilities:			
Capital Fund:			
Fund Account	11	88,601,823	87,735,607
Statutory Reserve Fund	12	1,070,977	975,291
Total		89,672,800	88,710,898
Non-Current Liabilities:			
Loan From Friendship	13	-	-
Loan from General Member	14	4,655,560	12,000,000
Loan from Commercial Bank of ceylon PLC		25,399,585	23,085,310
Loan from Friendship Luxumbourg		20,000,000	20,000,000
Loan from One Bank PLC		9,167,153	-
Loan from Employees provident fund		900,000	-
Total		60,122,298	55,085,310
Member welfare Fund	15	3,921,991	3,182,137
Group Members Savings	16	41,114,682	34,362,757
Loan Loss Provision (L.L.P)	17	6,818,446	8,202,690
Liabilities for Expenses	18	2,565,308	492,153
Grant Liabilities		-	1,577
Total Current Liabilities:		54,420,427	46,241,314
Total Capital Fund and Liabilities:		204,215,525	190,037,522

The accompanying notes from 1 to 21 an integral part of the financial statements


Finance Manager


Chief Executive Officer


Chairman

Signed in terms of our report of even date annexed

Place: Dhaka

Date: September 25, 2024


Md. Ashraf Uddin Ahmed FCA, CFC

Enrollment no: 210

Managing Partner

Ashraf Uddin & Co.

Chartered Accountants

DVC: 2409250210AO284015



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Notes	Amount in Taka	
		2023- 2024	2022-2023
INCOME:			
Service Charge	19	36,308,412	32,996,539
Other Income :			
Admission Fees		27,060	28,165
Bank Interest		61,505	47,022
FDR Interest		1,070,598	243,040
Sale of Passbook		35,260	40,150
Grant received from ADA asbl-APPui Development Autonome		-	2,827,621
Local Contribution from own fund		-	357,022
Sale of loan Form		80,320	82,125
Old Motorbike Sale		257,000	-
Total Income		37,840,155	36,621,684
EXPENDITURE:			
Administrative Expenses	20	10,691,487	5,595,950
Staff Salary & Bonus	21	23,954,579	22,231,348
Interest paid on Member Savings		1,710,461	1,386,084
Loan Loss Provision		36,538	3,616,390
Project Expenses	22	-	3,184,643
Audit Fees		69,000	63,250
Income Tax Provision		421,228	126,842
Total Expenditure		36,883,293	36,204,507
Surplus/(Deficit) of Income over Expenditure		956,862	417,177
Total		37,840,155	36,621,684

The accompanying notes from 1 to 21 an integral part of the financial statements.


Finance Manager


Chief Executive Officer


Chairman

Signed in terms of our report of even date annexed

Place: Dhaka

Date: September 25, 2024


Md. Ashraf Uddin Ahmed FCA, CFC

Enrollment no: 210

Managing Partner

Ashraf Uddin & Co.

Chartered Accountants

DVC: 2409250210AO284015



Association for Peoples Development Stream

MICRO CREDIT PROGRAMME

STATEMENT OF RECEIPTS AND PAYMENTS

For the year ended 30 June 2024

	Notes	Amount in Taka	
		2023-2024	2022-2023
RECEIPTS:			
Opening Cash at Bank and Hand:			
Cash at Bank		13,821,905	8,518,643
Cash in Hand	10	5,974,540	1,020,461
Opening Balance		19,796,445	9,539,104
Service Charge Received		36,308,412	32,996,539
Savings Collection		25,164,309	24,007,126
Loan Recovery Principle		267,036,656	228,491,853
Advance refund		161,297	719,705
Loan from Friendship		5,000,000	2,000,000
Loan from Commercial Bank of ceylon PLC		10,000,000	25,600,000
Loan from One Bank PLC		9,000,000	
Loan from Friendship Luxembourg		-	20,000,000
Grant received from ADA asbl-APPui Development Autonome		-	2,829,198
Local Contribution from own fund		-	357,022
Loan from Employees Provident Fund		900,000	
Loan received from Board Member		200,000	-
Branch Transfer		94,274,226	145,295,137
Sale Motorbike		257,000	-
Group Member Welfare fund Recovery		2,834,960	1,238,804
Bank Interest-FDR		53,375	-
Subscription		5,040	4,740
Admission Fees		27,060	28,165
Sale of Passbook		35,260	40,150
Application form Sales		80,320	82,125
		451,337,915	483,690,564
Total Receipts:		471,134,360	493,229,668
PAYMENTS:			
Administrative Expenses	20	10,324,418	5,331,005
Staff Salary		22,309,353	22,231,348
Savings Refund		20,122,845	13,590,369
Loan refund to Board Member		7,544,440	-
Bank Loan refund		7,683,748	2,514,690
Furniture		86,213	395,415
Equipment		169,265	33,950
Motorbike		-	670,000
Fund Transfer to branch		95,471,891	145,704,110
Software		-	80,000
Advance to Employee & Others		165,000	784,147
Income Tax		126,000	76,406
Loan refund to Friendship		5,000,000	2,000,000
Project Expenses	22	-	3,154,643
Loan Disbursement		283,496,000	254,871,000
Group Member welfare fund Refund		2,095,106	1,246,140
FDR		9,400,000	20,750,000
Total Payments:		463,994,279	473,433,223
Cash in Hand		4,562,692	5,974,540
Cash at Bank		2,577,389	13,821,905
Total		7,140,081	19,796,445
		471,134,360	493,229,668

The accompanying notes from 1 to 21 an integral part of the financial statements.



Finance Manager



Chief Executive Officer



Chairman

Signed in terms of our report of even date annexed



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
STATEMENT OF CHANGE IN EQUITY
For the year ended 30 June 2024

(Amount In BDT)

	Capital Fund	Retained Earnings	Total Taka
Opening Balance (1 July 2023)	79,813,184	7,922,423	87,735,607
Add: Surplus/(Deficit) for this period		956,862	956,862
Less: Reserve Fund		95,686	95,686
Board Member subscription	5,040	-	5,040
Closing Balance 30th June 2024	79,818,224	8,783,599	88,601,823

The Accompanying notes from 1 to 21 an integral part of these financial statements.


 Finance Mahager


 Chief Executive Officer


 Chairman

Signed in terms of our report of even date annexed



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Cash Flows
For the year ended 30th June 2024

Particulars	Amount in Taka	
	2023-2024	2022-2023
A. Cash Flows from Operating Activities:		
Surplus for the year	956,862	417,177
Add: Amount considered as non-cash items:		
Depreciation	354,757	315,075
Loan Loss Provision (L.L.P)	(1,384,244)	(637,716)
Sub Total of non-cash items:	(72,625)	94,536
Loan to beneficiaries	(16,459,344)	(26,379,147)
Advance	(3,703)	(64,442)
Group Members Savings	6,751,925	11,802,841
Liabilities for expenses	2,070,001	(125,399)
Member welfare Fund	739,854	(7,336)
Net cash used in Operating Activities:	(6,973,892)	(14,678,947)
B. Cash Flows from Investing Activities:		
FDR	(10,391,357)	(16,074,399)
Fixed Asset (Furniture & Equipment, Motorbike)	(255,478)	(1,189,159)
Software		(80,000)
Net cash used in Investing Activities:	(10,646,835)	(18,243,558)
C. Cash Flows from Financial Activities:		
Loan from Bank & Others	5,036,988	43,085,310
Net cash from Financial Activities:	5,036,988	43,085,310
D. Net increase/(decrease) in	(12,656,364)	10,257,341
Cash and Bank Balance at the beginning of the year	19,796,445	9,539,104
Cash and Bank Balance at the end of the year	7,140,081	19,796,445

The accompanying notes from 1 to 21 an integral part of the financial statements.


Finance Manager


Chief Executive Officer


Chairman



Association for Peoples Development Stream

MICRO CREDIT PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30th June 2024

1.00 BACKGROUND OF THE ORGANIZATION:

Association for Peoples Development Stream is a non-profit voluntary development organization registered with Department of Social Welfare, Government of the People's Republic of Bangladesh vide Registration No. Dhaka-04570 dated 20 May 1999. It is also registered with the NGO affairs Bureau, Government of the People's Republic of Bangladesh vide registration No. 3032 dated 28 July 2016. Association for Peoples Development Stream has also taken approval from Micro Credit Regulatory Authority (MRA) vide registration No.21112-00537-00812 dated 20 November 2018.

2.00 CORPORATE INFORMATION OF THE MFI:

Name of the MFI	Association for Peoples Development Stream			
Year of establishment	1999			
Legal entity:	Registration Authority	Registration No.	Registration No.	Date
	Social Welfare Department	Dhaka-04570	Dhaka-02317	5/20/1999
	NGO Bureau Affairs	3032	488	7/28/2016
	MRA	21112-00537-00812	01153-01347-00323	20 November 2018
Nature of operations (programs)	Micro-credit Program.			
Statutory audit conducted up to	30.06.2024			
Name of statutory auditor for last year	Ashraf Uddin & Co, Chartered Accountants			
Name of auditor for current year	Ashraf Uddin & Co, Chartered Accountants			
No. Executive Committee meeting held FY 2023-2024	4			
Date of Last AGM held				

List of Executive Committee Members:

Name	Designation	Profession	Qualification	Present Address
Zakia Sharud Khan Runa	Chairman	Founder, Friendship	MA	Flat-402, House 12, Road 136, Gulshan-1, Dhaka
Enayet E Rabbi	Vice Chairman	Retired Banker	B. Com	House 15, Road-8, Gulshan-1, Dhaka
Molla Md. Abdul Based	Secretary General	Retired	B. Com	3/A Ahmuda Monjil, New baily Road, Dhaka-1000
Mr. Muhammed Shamim Reza	Treasurer	Private Service	FCA	Navana Garden, Flat no 2c, Building Tulip, Shahid Miner Road, Mohammadpur-1207
Mr. Md Rafiquzzaman	Executive Member	Self Employee	M. A	Road -4, House 21, Block -D, Section 6, Mirpur Dhaka
Tareq Shahid Harun	Executive Member	private Service	M. A	Flat 7B, House 437, Road 2, Adabar, Mohammadpur
Mahmuba Haque	Executive Member	private Service	MSC	Mia Bazar, Post Raja rampur, Thana Chapinababgonj, Chapinababgonj



3.00 Basis of Accounting:

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

4.00 Summary of significant accounting policies:

Insurance policy

APDS makes provision of 1% insurance on the disbursement amount for each disbursement. This provision amount is deducted from the disbursement amount given to the borrowers. This insurance can be claimed only for two instances.

1. Death of the borrower or the earning member of the family; and
2. For the above-mentioned instances, the outstanding of the borrower can be adjusted with the insurance provision amount.

Service charge on Agriculture product

All Agriculture risk sharing products will have a tenure of 6 months and will be repaid at the end of tenure in one single payment. The organization charged @ 24% p a under reducing balance declining method as service charge on local loan fund and also charged @ 20% p a under reducing balance declining method as service charge on foreign loan fund as per approval of Bangladesh bank Circular no -FEPD (EDG)/7004(2.2)/2023-1627 date 28/03/2023 and MRA circular number 53.04.0000.011.34.812.22.539 date 23 October 2022.

4.01 Currencies:

The financial statements have been prepared and presented in Bangladeshi Taka.

4.02 Revenue Recognition:

Association for Peoples Development Stream collects service charges from beneficiaries, sale of loan form & Pass book and recognized as income in the financial Statements only when the service charges and sales are actually received.

4.03 a. Interest Income and Expenses:

Service Charges on Loan:

Service Charges have been recognized on cash basis.

Interest Expenses:

Interest Expenses have been recognized on accrual basis.

Other Expenses:

Other Expenses have been recognized on accrual basis.

b. Interest Paid on Savings:

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

4.04 Fixed Assets and Depreciation:

Fixed assets has been shown in the financial position at book value less depreciation. Depreciation has been charge on the reducing

Name of Assets	%
Furniture & Fixture	10%
Equipment	20%
Motorbike	10%

5.00 SIGNIFICANT ORGANIZATIONAL POLICIES:

5.01 Loan Loss Provision:

Loan Classification:

Loans are classified in accordance with the guideline of **Microcredit Regulatory Authority** as noted below:

Particulars	Loan Loss Provision Ratio
Good Loan Outstanding	1%
1-30 days Doubtful Loan Outstanding	5%
31-180 days Doubtful Loan Outstanding	25%
181-365 days Doubtful Loan Outstanding	75%
Above 365 days Bad Loan Outstanding	100%

Loan Loss Provisioning:

Provision for loan loss is made in accordance with the guideline of **Microcredit Regulatory Authority**.

Write Off Policy:

Loan loss is written off in the financial statements having approval of competent authority if it becomes established that the loan will never be recovered.



5.02 Policy on Loan to Beneficiaries:

To avail loan a beneficiary should deposit 5-10% of required loan amount to the savings fund. The loan has to be refunded by the beneficiaries on weekly basis with 15 days Grace period. The beneficiaries have to pay for the pass book. The organization charged @ 24% p a under reducing balance declining method as service charge on local loan fund and also charged @ 20% p a under reducing balance declining method as service charge on foreign loan fund as per approval of Bangladesh bank Circular no -FEPD (EDG)/7004(2.2)/2023-1627 date 28/03/2023 and MRA circular number 53.04.0000.011.34.812.22.539 date 23 October 2022.

5.03 Policy on Savings Collection:

A group has to be established consisting of at least 5 members. Savings will be collected minimum Tk.20 for micro finance on weekly basis. The collected savings are deposited to the Bank. 6% interest is paid to the members on yearly basis on their savings.

5.04 Policy on Group Member Welfare:

Group member insurance are taken from borrower as of 1% of the loan amount. means 10 taka per thousand. Group member Insurance is refunded only after borrower's death, and husband's death in case of female borrower.



	Amount in Taka	
	30 Jun 2024	30 Jun 2023
6.00 Property Plant & Equipment:		
A. Cost		
Opening balance	3,054,019	1,874,654
Add: Addition During the year	255,478	1,179,365
Total	3,309,497	3,054,019
B. Depreciation		
Opening	628,597	313,522
Add: Depreciation during the year	354,757	315,075
Accumulated Depreciation	983,354	628,597
Written Down Value (A-B)	2,326,144	2,425,422

Details shown in Annexure A/4

7.00 Loan to Beneficiaries:		
Opening Balance	146,306,642	119,927,495
Add: Disbursed during the year	283,496,000	254,871,000
Less: Collection during the year	267,036,656	228,491,853
Closing Balance	162,765,986	146,306,642

8.00 FDR :		
Opening Balance	20,771,875	3,797,476
Add: During the year	9,400,000	20,750,000
	30,171,875	24,547,476
Add: Interest Receivable	1,070,598	21,875
Less: AIT	-	-
Encash		3,797,476
Closing Balance	31,242,473	20,771,875

9.00 Advance		
Advance to employee	574,185	618,756
Advance office rent	160,500	98,500
Advance Income Tax	6,156	19,882
	740,841	737,138

10.00 Cash and Cash Equivalents

The cash and cash equivalents are made up as under:

Cash in Hand:	4,562,692	5,974,540
Cash at Bank (₹) 10.01	2,577,389	13,821,905
	7,140,081	19,796,445

10.01 Cash at Bank:

The bank balances were held with the following bank:

Janata Bank Ltd (A/C-100112992345)	962,460	932,062
Janata Bank Ltd (A/C-10112989867)	144,460	589,357
Janata Bank Ltd (A/C-0100012048879)	13,300	17,220
Pubali Bank PLC(A/ C-0565901034012)	355,321	
Agrani Bank Ltd Chilmari (A/C-0200013480328)	18,784	339,388
Janata Bank Ltd, Haluaghat (A/C-0100173214256)	131,583	1,737,463
Janata Bank Ltd, Gaibandha (A/C-0100017740398)	73,669	422,921
Agrani Bank Ltd, Kuakata (A/C-0200013651462)	84,423	327,340



Janata Bank Ltd, Kurigram(A/C-01290320001007))
Janata Bank Ltd, Shamnagar (A/C-020001380516)
Janata Bank Ltd, Dhubaura (A/C-0100230355848)
Janata Bank Ltd, Munshirhat (A/C-0100232654192)
Janata Bank Ltd, Sundargonj (A/C-0100232525996)
Janata Bank Ltd, Ulipur (A/C-0100232774864)
Agrani bank (0200019556411) Kalapara
Commercial Bank of Ceylon PLC (A/ C 1804019377)
One Bank Ltd(A/ C 1003000000217)
Hatlxmipur Janata bank (A/ C 0100238386564)
Kaligonj Janata bank (A/ C 0100238726241)
Uzirpur Janata Bank Ltd (A/ C 0100238728741)
Total

Amount in Taka	
30 Jun 2024	30 Jun 2023
9,934	426,416
6,899	276,064
47,480	116,840
83,157	378,682
182,698	44,501
4,762	66,094
126,870	404,503
69,910	2,248,435
1,000	4,647,963
872	100,907
74,369	104,505
185,438	641,244
2,577,389	13,821,905

11.00 Fund Account:

Opening Balance
Add: Surplus during the year
Less: Transfer to reserve fund on Surplus (10%)
Add: Salary provision
Less: Previous year Income Tax provision
Add: Previous year climate protection
Add: Previous Year default Payment
Add: Previous Year loan waive from Friendship amount treated as Capital
Add: Subscription
Closing Balance

87,735,607	87,355,408
956,862	417,177
95,686	41,718
-	-
-	-
-	-
-	-
-	-
5,040	4,740
88,601,823	87,735,607

12.00 Statutory Reserve Fund

Opening Reserve Fund
Add: Transfer from Surplus & Service Charge
Less: Previous year Service Charge
Add: 10% on surplus
Closing Balance

975,291	933,573
-	-
-	-
95,686	41,718
1,070,977	975,291

12.02 Reserve Fund:

Opening Balance
Add: Transfer from Surplus
Closing Balance

Note:10₂

975,291	933,573
95,686	41,718
1,070,977	975,291

13.00 Loan from Friendship:

Opening Loan Fund
Add: Loan received during the year
Less: Loan refund during the Year
Closing Balance

5,000,000	2,000,000
5,000,000	2,000,000
-	-

14.00 Loan from General Member

Opening Loan Fund
Add: Loan Collection During the year
Less: Loan Payment During the Year
Closing Balance (14.01)

12,000,000	12,000,000
200,000	-
12,200,000	12,000,000
7,544,440	-
4,655,560	12,000,000



		Amount in Taka	
		30 Jun 2024	30 Jun 2023
14.01	Loan from General member Breakdown:		
	Muhammed Shameem Reza	3,655,560	4,500,000
	Zakia Sharood Khan Runa	1,000,000	7,500,000
		4,655,560	12,000,000
15.00	Member Welfare Fund:		
	Opening Balance	3,182,137	3,189,473
	Add: Collection during the year	2,834,960	1,238,804
		6,017,097	4,128,214
	Less: Refund during the year	2,095,106	1,246,140
	Closing Balance	3,921,991	3,182,137
16.00	Group Members Savings:		
	Opening Balance	34,362,757	22,559,916
	Add: Savings Collection during the year	25,164,309	24,007,126
	Add: Savings Interest during the year	1,710,461	1,386,084
		61,237,527	24,853,858
	Less: Savings Refund during the year	20,122,845	13,590,369
	Closing Balance	41,114,682	34,362,757
17.00	Loan Loss Provision (L.L.P):		
	Opening Balance	8,202,690	8,840,406
	Add: Provision during the year	36,538	3,616,390
		8,239,228	12,456,796
	Less: Adjustment (Write off) during the year	1,420,782	4,254,106
	Closing Balance	6,818,446	8,202,690
18.00	Liabilities for Expenses:		
	Accrued Salaries & Allowance	1,775,540	94,334
	Audit Fee	69,000	63,250
	Vat & Tax Payable	47,189	-
	Software Maintenance fee	23,625	-
	Training & Meeting	186,726	186,726
	Provision of income tax	421,228	126,842
	Scholarship Payable	42,000	21,000
	Total	2,565,308	492,152
18.01	Provision of income tax		
	Opening	-	34,973
	Add: Tax during the year	421,228	-
	Less: Adjustment	-	34,973
	Closing	421,228	-



	Amount in Taka	
	2023-2024	2022-2023
19.00 Service Charge		
Service Charge	36,308,412	32,996,539
	36,308,412	36,308,412
20.00 Administrative Expenses:		
Stationary	200,882	395,418
Bank Charge	267,087	180,541
Office Rent	1,574,348	844,633
Local Conveyance	1,159,738	1,367,632
MRA Fees	56,919	33,550
Office Supplies	224,660	174,724
Repairs & Office Maintenance	1,534,752	696,180
Utilities	220,246	51,065
Medicin	-	14,280
Bank Interest Paid	3,640,932	238,663
Computer Accessories	420	
Postage & Courier	15,769	26,216
Renewal Registration	9,141	21,400
Car Stikar	2,000	
Entertainment	193,086	91,546
Communication	594,780	448,607
Advertisement	-	56,671
Transport	104,370	71,090
Legal Expenses	24,260	36,230
Donation	23,500	20,000.00
Service Charge Rebate Expenses	213,616	-
IT Material Expenses	-	28,870.00
Annual General Meeting	-	22,257.00
VAT & Tax	62,200	
Credit Rating	21,500	21,500.00
Audit fees	132,250	96,750.00
Software Monthly Fees	283,500	286,125
Scholarship Paid	84,000	36,000
Website Development	84,467	
Membership Subscription	5,040	-
Training & Meeting	15,118	71,057
Depreciation	354,757	315,075
	10,748,581	5,646,080
AIT on Interest	6,156	1,620
Less : Previous Year Audit fees Paid	63,250	51,750
	10,691,487	5,595,950
Less: Depreciation	354,757	315,075
	10,324,418	5,331,005
21.00 Staff Salary :		
Staff Salary & Bonus	23,954,579	22,231,348



22.00 Project Expenses:

Income Generating Activities to Promote Savings & Agri Input Supply

Material Development

Training Activities (with Refreshers)

Refreshment Cost

Input Supply after Training

Office Operation Cost

Overhead cost

Add: Provision for Audit fees

	2023-2024	2022-2023
	Amount in Taka	Amount in Taka
		272,000
		1,805,388
		291,525
		490,000
		89,811
		205,919
	-	3,154,643.00
		30000
	-	3,184,643.00



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
ELIGIBILITY CRITERIA COMPLIANCE CERTIFICATION
FOR THE YEAR ENDED 30 JUNE 2024

ANNEXURE: A/2

Sl	Ratio		Calculation of Ratio	Calculations	Ratio	Standard		
1	Minimum Loan recovery rates, computed quarterly, based on the following:							
(I)	Cumulative Recovery Rate (CRR)	=	Cum. Recovery-Advance Recovery (at the end of this year)	91,19,00,388	*100	98%	95%	
			(Cum. Recovery-Advance Recovery)+ Overdue(Principal)	93,01,09,575				
(II)	Minimum Loan Collection ratio on current dues	=	Summation of regular recovery in the last 12 months	23,98,40,704	*100	97%	92%-100%	
			Summation of Regular recoverable in the last 12 months					
			Total Loan Recovery (Principal) for the Year-Advance Recovery - Previous years overdue recovery in the current year					
			{Total Loan Recovery (Principal) for the year-Advance Recovery-Previous year's overdue recovery in the current year}+ This Year New overdue					24,74,01,828
2	Minimum Liquidity		STD+Govt. Securities	71,40,081	*100	17.36%	15%	
			Total Savings Fund	4,11,14,682				
3	Minimum Current Ratio	=	Current Asset	201,889,381	=	3.71	2:01	
			Current Liability	54,420,427				
		=	Loan Outstanding unspent due + overdue - More than One year passed overdue + Cash+Bank+STD+Advance					
		=	PKSF fund refundable in the next year (as per schedule) + Savings + Other short term loan					
4	Minimum Capital Adequacy Ratio	=	Total Capital (Net Worth)	8,96,72,800	*100	45.50%	10%	
			Total Asset -(Cash+Bank+STD*+Govt. Securities)	19,70,75,444				
			*STD (Short Term Deposits) includes - All FDR (Because it is encashable at any time)					
5	Minimum Debt Service Cover Ratio	=	Surplus+Total interest payments+Principial Collection on PKSF Funded Loan	2,667,323	*100	2.78:1	1.25:1	
		=	Total Interest Payments+Principal payments on PKSF loan					
		=	Surplus for the year + Total Principal & Service Charge Payable to PKSF for the year					956,862
		=	Total Principal & Service Charge Payable to PKSF for the year					
6	Debt to Capital Ratio	=	Debt	1,012,36,980		1.13:01	9:01	
		=	Total Capital (Net Worth)					
		=	Savings + Other Loan					
			Total Capital (Accumulated Surplus)	8,96,72,800				



			*Other Loan: eg; Micro Insurance fund, Director's Loan, Bank Loan & Others, etc			
7	Minimum Rate of Return of Capital		Net Surplus Capital Fund			
			Surplus for the Year	9,56,862	*100	1.08%
			Average Capital Fund	8,84,99,940		1%
	*Average Capital		Opening Capital+Closing Capital			
			2			

Place: Dhaka
Date: September 25, 2024


Md. Ashraf Uddin Ahmed FCA, CFC
Enrollment no: 210
Managing Partner
Ashraf Uddin & Co.
Chartered Accountants
DVC: 2409250210AO284015



**Association for Peoples' Development Stream
Micro Credit Programme
Portfolio report for the year ended 30th June 2024
Review of Loan Classification and Provision**

(1) Classification of Loan and loan Loss provision

Sl	Particulars	No. of days Outstanding	Loan outstanding (Amount in Taka)	Required Provision	
				Percentage	Amount (TK)
1	Regular loan	Loan with no Overdue Installment	149,685,409	1%	1,496,854
2	Watchful loan	Loan default duration between 1-30 days	3,341,037	5%	167,052
3	Sub-standard loan	Loan default duration between 31-180 days	5,336,686	25%	1,334,172
4	Doubtful loan	Loan default duration between 181-365 days	2,329,943	75%	1,747,457
5	Bad loan	Above 365 days	2,072,911	100%	2,072,911
Total			162,765,986		6,818,446

(ii) Loan and Loan Loss Provision (LLP) Status of the MFI:

Particulars	Taka
Required Provision as per MRA policy	6,818,446
Actual Provision made by the MFI	6,818,446
Excess/(Shortfall in Provision)	-
Comment on LLP: It appears from the computation that MFI has made in short provision for the LLP on its outstanding loan balances.	
Disclosure on Written off Loan:	
Loan Written Off Balance 01-07-2023	-
Loan Written Off during the year 2023-2024	1,420,782
Written Off Loan Recovered during the year 2023-2024	-
Loan Written Off Balance 30-06-2024	-

Remark

Provision available 01.07.2023
Add: Provision made during the year 2023-2024
Less: Write Off during the year 2023-2024
Required Provision as per MRA

Taka
8,202,690
36,538
1,420,782
6,818,446



(iii) Loan Operational Report:

Sl. No.	Particulars	2023-2024			2022-2023		
1	Financial Service						
	Loan Product:						
	Total Loan Balance	60,122,298			55,085,310		
	Savings Product:						
	Savings Account	41,114,682			41,114,682		
	Member welfare Fund						
	Member welfare Fund	3,921,991			3,182,137		
		M	F	Total	M		Total
2	Number of Samities	81	698	779	86	564	650
3	Number of Members	936	7125	8061	1094	6313	7407
4	Number of Borrowers	718	5531	6249	829	4760	5589
5	Number of Staff	58	5	63	67	2	69
6	Amount (Taka) of Loan outstanding with Samity	162,765,986			146,306,642		
7	Members: Borrower	8061:6249			6269:4958		
8	Average Loan Size	26,046			26,224		



Association for Peoples' Development Stream
MICRO CREDIT PROGRAMME
STATEMENT OF PROPERTY PLANT & EQUIPMENT
As at 30 June 2024

Annexure-A/4

Sl. No.	Particulars	Cost				Rate of Dep.	Depreciation			Written Down Value as at 30.06.2024	
		Opening Balance as on 01.07.2023	Addition during this year	Adjustment during this year	Closing balance as on 30.06.2024		Charged during this year	Adjustment during this year	Closing balance as on 30.06.2024		
01	Furniture & Fixture	890,616	86,213	-	976,829	10%	143,844	83,299	-	227,143	749,687
02	Equipment	1,329,403	169,265	-	1,498,668	20%	468,003	206,133	-	674,136	824,532
03	Motor vehicle	670,000			670,000	10%	16,750	65,325		82,075	587,925
Intangible Assets											
04	Software (Microfin Anirban)	164,000		-	164,000		-	-	-	-	164,000
	As at 30 June 2024	3,054,019	255,478	-	3,309,497		628,597	354,757	-	983,354	2,326,144
	As at 30 June 2023	1,874,654	1,179,365	-	3,054,019		313,522	315,075	-	628,597	2,425,422



Auditor's Comments on Terms of Reference (TOR) given by Microcredit Regulatory Authority

Name of Organization: Association for Peoples Development Stream

Duration of Audit: For the year ended 30 June 2024.

Auditors' observations in compliance with the conditions (Terms of Reference-TOR) from the Microcredit Regulatory Authority 8, Shahid Sangbadik Selina Pervin Sarak Gulfeshan Plaza, 6th Floor, Baro Moghbazar, Dhaka 1217

Condition-01

To check whether the auditee has complied with the International Financial Reporting Standards (IFRSs) 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.

Auditors' observations and comments

We have conducted the audit in accordance with the International Standards on Auditing and maintained the "ICAB Code of Ethics" to ensure independence. The auditee has complied with the International Financial Reporting Standards (IFRS) as adopted by the (ICAB) for maintaining accounting records and preparing financial statements.

Condition-02

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 against the interest of different donors, beneficiaries or the auditee itself.

Auditors' observations and comments

During the year under audit, and check as per test check there is no activities or transaction which goes against the rules from "Microcredit Regulatory Authority Act-2006." Or "Micro credit Regulatory Authority Ordinance-2010."

Condition-03

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

Auditors' observations and comments

We have matched the closing balances of last year's audited financial statements with current year's opening balances.

Condition-04

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.

Auditors' observations and comments

During the year under audit, all the required books of account are maintained by Organization under the double-entry bookkeeping system and as per regulator authority.



Condition-05

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.

Auditors' observations and comments

The organization has kept the records separately for the collected funds under various components of micro credit activities and kept separate reports on that basis.

Condition-06

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.

Auditors' observations and comments

During the period APDS received donations from ADA ASBL, Luxembourg for its "Digitalization and Sustainable Farming" project. The project is on-going and will be completed in FY 2024-2025.

Condition-07

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.

Auditors' observations and comments

During the year under audit auditee has properly recoded in accounts and deposited into the bank, besides, whether collection and refund of savings has been done according to the principle and paid interest properly to members.

Condition-08

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.

Auditors' observations and comments

We have check as per test basis, the auditee has maintained the formalities and properly complied with the provisions in the rules mentioned before disbursing loan among the beneficiaries.

Condition-09

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.

Auditors' observations and comments

We have checked as per our test check all the mentioned documents have been preserved separately.

Condition-10

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.

Auditors' observations and comments

During the year under audit we have found the auditee properly comply with the rules & regulations relating to the constitutions particularly in respect of formation and meetings of General Body and Governing Body.



Condition-11

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.

Auditors' observations and comments

We have checked the physical existence of assets acquired out of surplus service charge and fund received from different sources for institutional development as loan or grants.

Condition-12

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

Auditors' observations and comments

During the year under audit we have checked on sample basis that the loans was properly utilized by the beneficiary members.

Condition-13

To check, whether all kinds of transactions were done through bank except collection of savings and disbursement of micro credit.

Auditors' observations and comments

During the year under audit we have checked that all kinds of transactions were done through bank except collection of savings and disbursement of micro credit and petty cash transactions.

Condition-14

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

Auditors' observations and comments

In course of our test verification we observed that, the organization has been recovered loan and savings amount from members were duly deposited into bank on the same day.

Condition-15

To check whether collected savings are properly recorded and accounted for at member's level and samity level.

Auditors' observations and comments

During the year under audit we have checked that, collected savings are properly recorded and accounted for at member's level and samity level.

Condition-16

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.

Auditors' observations and comments

The organization charged @ 24% p a under reducing balance declining method as service charge on loan disburse amount. The recovery of loan disbursed out of found received from several sources is made as per



Amortization Schedule and the effective rate of service charges on loan to the members agreed with the terms and condition.

Condition-17

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.

Auditors' observations and comments

During the year under audit we have checked that, loan loss provision has been computed and accounted for as per Microcredit Regulatory Authority Act, 2006 and Micro Credit Regulatory Authority Rules, 2010.

Condition-18

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.

Auditors' observations and comments

During the year under audit we have checked that, the bank reconciliations and found the cash certificate properly.

Condition-19

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".

Auditors' observations and comments

During the year under audit we have checked that, 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".

Condition-20

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

Auditors' observations and comments

During the year under audit we did not found any unused fund.

Condition-21

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

Auditors' observations and comments

We confirm that financial report submitted to concern authority and found them in order.

Condition-22

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.

Auditors' observations and comments

In course of our test verification we observed that, the organization has properly complied with the provision of the Income Tax and value Added Tax (VAT) authority rules.



Condition-23

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.

Auditors' observations and comments

During the year under audit we have checked that, 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.

Condition-24

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

Auditors' observations and comments

In course of our verification we observed that, the organization have internal audit in practices and report Submit to Board Chairman and CEO.

Condition-25

To comment on whether the recommendations on previous year's audit on objections are properly taken care of or not.

Auditors' observations and comments

We have noticed that, auditee has complying last year recommendations.

Condition-26

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

Auditors' observations and comments

During the year under audit we have checked that auditee has shared rent space with another program.

Condition-27

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

Auditors' observations and comments

During the year under audit, we have checked that transactions have taken place through bank for significant amounts.

Condition-28

To check audit fees are fixed on the basis of total loan portfolio and cost centers/branches or not.

Auditors' observations and comments

Audit fees are fixed on lump sum basis.



Condition-29

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.

Auditors' observations and comments

In course of our verification we observed that, the overall micro credit activities of own fund and internal control system of the organization is found to be in order.

The loan recovery position of the organization as provided to us is given below:

Cumulative Recovery Rate	:	98 %
On Time Realization Rate	:	97 %


Condition-30

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

Auditors' observations and comments

In course of our verification we observed that, the organization did not received any fund under different contracts between donor/ financial institution and the microcredit organization.

Place: Dhaka
Date: September 25, 2024


Md. Ashraf Uddin Ahmed FCA, CFC
Enrolment No: 210
Managing Partner
Ashraf Uddin & Co.
Chartered Accountants
DVC: 2409250210AO284015





Ashraf Uddin & Co.

CHARTERED ACCOUNTANTS
Since 1979

Member of



TO WHOM IT MAY CONCERN

The is to certify that we, Ashraf Uddin & Co., Chartered Accountants have performed the audit of **Association for Peoples Development Stream**, House-548, Flat-N-1, Road-13, Baridhara DOHS, Dhaka - 1206, Bangladesh for the Financial year 2023-2024. During the course of our audit nothing has come to our attention that could imply fraudulent activities or money laundering within the organization. And the organization is not involved in any like nature activities.

Place: Dhaka

Date: September 25, 2024


Md. Ashraf Uddin Ahmed, FCA, CFC

Enrollment No: 210

Manging Partner

Ashraf Uddin & Co.

Chartered Accountants

DVC: 2409250210AO284015