



FFFF
FFFF
FFFF
FFFF
FFFF
FFFF
FFFF
FFFF
FFFF
FFFF

APDS

ASSOCIATION FOR PEOPLES DEVELOPMENT STREAM

**ANNUAL REPORT
2024 - 2025**



**ANNUAL REPORT
2024 - 2025**



Annual Report 2024 - 2025

Association for Peoples Development Stream (APDS)

Published By

Association for Peoples Development Stream
House: 548, Flat: N/1, Road: 13, Baridhara DOHS,
Dhaka- 1206, Bangladesh.

Advised By

Md. Mozammel Huq, Chief Executive Officer, APDS
Md. Fazlur Rahman Anis, Program Manager, APDS
Monirujjaman Gazi, AGM (Finance & Accounts, APDS
Md. Ayub Ali, Audit Officer, APDS

Edited By

Mohammad Ala, Officer- Support & Service, APDS

Designed By

Mohammad Ala, Officer- Support & Service, APDS

December, 2025

CONTENTS

- Table of Contents ----- 3
- Message from the Chairperson ----- 5
- Message from the Chief Executive Officer ----- 7
- About APDS ----- 8
- Where APDS Works ----- 9
- APDS's Governing Process and Structure ----- 10
- APDS's Information on Registration & Partnership ----- 11
- APDS's Strategic Partner ----- 12
- APDS's Microfinance Programme ----- 13
- APDS's Case Study ----- 16
- APDS's Social Activities ----- 17
- APDS's Departments ----- 19
- APDS's External Audit Report ----- 21



MESSAGE FROM THE CHAIRPERSON



Living in one of the most climate-impacted countries of the world, with communities exposed to repeated disasters, APDS commits to making a meaningful impact on the livelihoods of intra-migrants. This mission, is anything but easy. Lack of communication and infrastructure even to reach them is a daily challenge.

This year marks a decade of working with microfinance, a powerful tool which, if implemented well, can transform lives.

From the beginning, APDS has focused on those left behind, working where systems do not reach, services do not exist, and safety nets are missing. In the char and coastal regions worst hit by climate stress, we are anchored in purpose. APDS does not just deliver financial products. It offers possibility. It offers the chance to begin again, grounded in the truth that livelihoods are shared efforts, not isolated ones.

A pillar of APDS is our focus on people, planet and biodiversity. Alongside this is our deep commitment to empowering women. Because when women lead, families rise. They invest in their homes, children and communities. We also believe in family and individual entrepreneurship, recognising that livelihoods are community-shaped.

Internally, APDS has grown. Staff development and skill building are key, especially as we adapt to digital transformation. But this shift is not about technology alone. It is about efficiency, tracking better, and reaching communities faster, with transparency and care.

Yet, above all, let us remember: the success of APDS is not measured in numbers nor growth of its financials. It is measured in lives changed, in the courage it supports, and in the dignity it restores.

In solidarity and commitment,

A handwritten signature in cursive script that reads "Runa Khan".

Runa Khan
Chairperson
APDS



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



The year 2024–2025 marked a phase of steady progress and institutional strengthening for the Association for Peoples Development Stream (APDS). Working in remote, climate-vulnerable char and coastal regions continues to challenge us, yet it also reinforces our commitment to serve communities that remain beyond the reach of formal systems.

Through our microfinance programme, savings mobilisation, and capacity-building efforts, APDS has continued to support marginalised households in strengthening livelihoods and building economic resilience. Our focus remains on responsible, client-centred financial services, with particular attention to women and extremely vulnerable families.

During the year, we placed strong emphasis on improving operational efficiency and transparency. The gradual adoption of digital systems and staff capacity development has enhanced service delivery, monitoring, and accountability across branches. Despite economic and environmental pressures, portfolio performance remained strong, reflecting both prudent management and the discipline and trust of our members.

I sincerely acknowledge the guidance of the Governing Body, the dedication of our staff, and the continued partnership with Friendship. As we move forward, APDS remains committed to strengthening governance, expanding inclusive financial services, and delivering meaningful impact with dignity and responsibility.

With appreciation and commitment,

A handwritten signature in black ink, appearing to read 'Mozammel Huq', written in a cursive style.

Md. Mozammel Huq
Chief Executive Officer
APDS

ABOUT APDS

The Association for Peoples Development Stream (APDS), founded in 1999 and registered under the Ministry of Social Welfare, is a Bangladeshi NGO dedicated to improving the lives of impoverished communities in remote char and coastal areas. Originating from the microfinance portfolio of Friendship, APDS continues to promote financial inclusion and socio-economic development, operating under a license from the Microcredit Regulatory Authority (MRA).

MISSION

To improve the quality of life of the poor through appropriate quality economic development programmes, skill development programmes, and various social programmes.

VISION

To create a society free from poverty and discrimination where every person lives with dignity and rights.

OBJECTIVE

To eliminate all kinds of discriminations including poverty alleviation of the marginalized and under privileged people by taking integrated initiative including health, education, financial assistance, and sustainable development approaches.

CORE VALUES



Honesty



Dignity



Justice

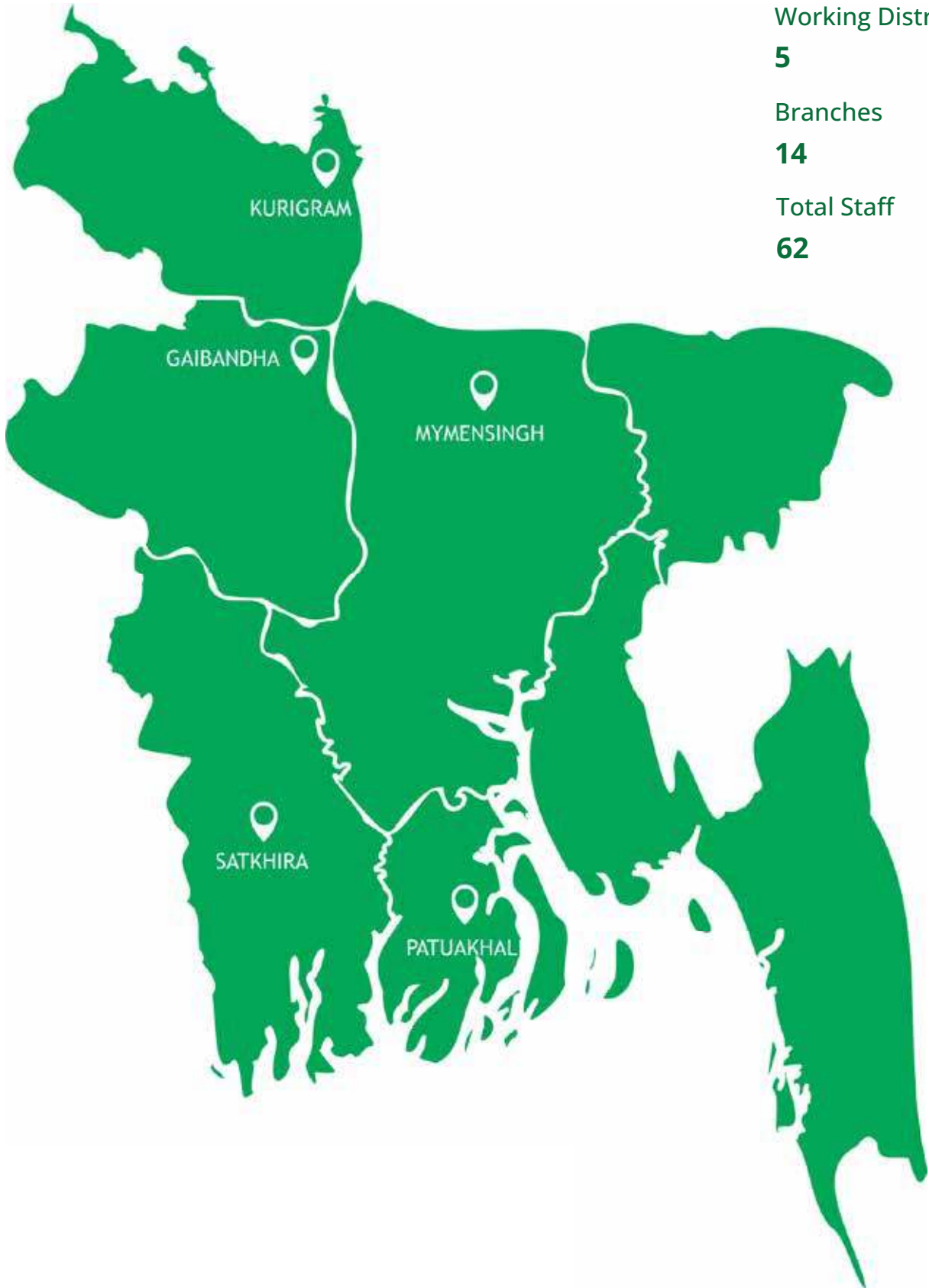


Humanity



Quality
Services

WHERE APDS WORKS



Working Districts

5

Branches

14

Total Staff

62

APDS'S GOVERNING PROCESS & STRUCTURE



General Body

The General Body is the highest policy-making body of the organization. All members of the Executive Committee are also the member of the General Body. The Body includes twenty-one learned, experienced and distinguished citizens from various professions representing different strides of social life. At the Annual General Meeting, members of the General Body evaluate all APDS activities, approve future plans and budgets. In addition, the General Body elects a 7-members Executive Committee in every 3 (three) years interval.

Executive Committee

The APDS has an executive committee of seven members to execute plan and to carry out its functions. The Executive Committee conducts activities, formulates policies, makes important decisions, and performs a variety of approvals. The Executive Committee meets (one in every quarter at least) regularly to review the activities of the organization and take necessary decision.

S/L No.	Name	Position
1	Zakiya Shahrood Khan Runa	Chairperson
2	Mahbuba Haque	Vice - Chairperson
3	Mollah Md. Abdul Baset	Secretary
4	Shah Alam	Executive member
5	Md. Monerul Islam Khan	Executive member
6	Md. Rafiquzzaman	Executive member
7	Tarik Sayed Harun	Executive member

APDS'S INFORMATION ON REGISTRATION & PARTNERSHIP

Name of Organization: Association for Peoples Development Stream (APDS)

CEO & Focal Person Information:

Md. Mozammel Huq

Head Office: House- 548, Road- 13, Baridhara DOHS, Dhaka- 1206, Bangladesh

Mobile: +880 1712-244515

Phone: +8802-226618385

Email: apds.bd@gmail.com

Website: apds.ngo

APDS's Registration and Compliances

S/L No.	Registration Information	Registration Number
1	Social Welfare	DHA-04570
2	NGO Affairs Burreau (NGOAB)	3032
3	Microcredit Regulatory Authority (MRA)	21112-00537-00812
4	Income Tax Information	862920928205

Regulators, Development and Network Partners



Ministry of Social Welfare
Bangladesh



NGO Affairs Burreau
Bangladesh



Microcredit Regulatory Authority
Bangladesh



Friendship Bangladesh



Friendship International



ADA asbl.



ibisa asbl.



Green Delta Insurance



Sena Insurance
PLC



Credit and Development
Forum (CDF)

APDS'S STRATEGIC PARTNER

There is a unique and long-standing partnership between APDS and Friendship. Friendship is widely recognised for its flagship programmes, including Health (Floating Hospitals dedicated to river island communities), Climate Action, Inclusive Citizenship, Sustainable Economic Development (SED), and Education for climate-vulnerable populations, particularly those living in char (river island) areas. Friendship initially piloted its microfinance programme during 2007–08.

Subsequently, Friendship transferred its microfinance portfolio to APDS, which later obtained a licence from the Microcredit Regulatory Authority (MRA). APDS continues to serve poor communities within Friendship's working areas, sharing the same vision of supporting the most underserved populations.

Under this collaboration, Friendship's SED programme provides training to farmers, while APDS extends loans to these trained farmers, ensuring that capacity building and financial support are delivered in an integrated manner. In addition, Farmers' Clubs serve as regular meeting platforms for farmers, facilitating ongoing capacity building and knowledge sharing. Agricultural extension services are also delivered by trained and experienced field facilitators.



MICROFINANCE PROGRAMME

Program Description

APDS's Microfinance Programme was launched in 2014 with the social objective of improving the quality of life of poor communities through appropriate economic development, skills development, and social programmes. The programme primarily targets marginalised and climate-vulnerable populations.

Since its inception, APDS has focused on promoting intensive and sustainable development for marginalised groups. In this context, the microfinance programme has achieved notable progress. APDS prioritises an integrated development approach and, through its partnership with Friendship, seeks to bring the target population into a holistic development process by combining microfinance operations with capacity building and knowledge transfer.

The programme has provided loan and savings services to thousands of households across five districts. Its key objectives include poverty alleviation, employment generation, income growth, economic mobility, and the reduction of income inequality. APDS strives to ensure high levels of client satisfaction through appropriate loan and savings products and services, while maintaining a strong commitment to customer service and the protection of clients' interests.

Although the COVID-19 pandemic during 2019–2021 adversely affected the loan programme, APDS managed the challenges effectively. Currently, the programme is implemented in Gaibandha, Kurigram, Mymensingh, Satkhira, and Patuakhali districts, with plans to expand to additional districts in the near future.

The programme is implemented through both group-based and individual lending models. Loan applications, repayments, and savings deposits are conducted through weekly, fortnightly, or monthly group meetings. APDS offers both seasonal and general loans under a fully collateral-free and client-friendly system, with special emphasis on extremely low-income households. To ensure the productive use of loans and strengthen repayment discipline, a guarantor is required to co-sign the loan agreement, assuming responsibility in case of repayment failure.

Microfinance At A Glance

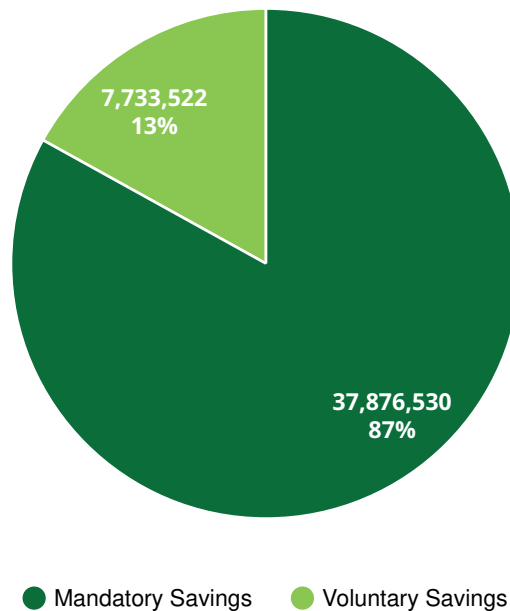
Districts Covered	Number of Branches	Number of Staff	Number of Members	Number of Borrowers
5	14	62	7,407	5,579
Loan Disbursement	Loan Outstanding	Average Loan Size	OTR	CRR
256.2 million	146.3 million	36,000	98.7%	98%

Savings

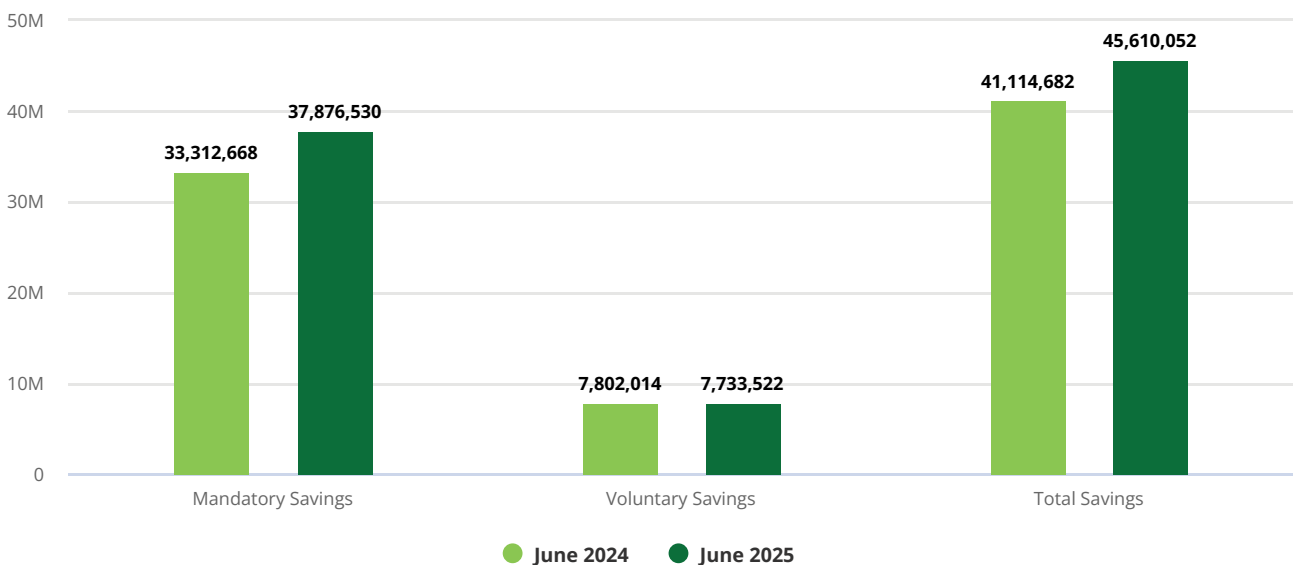
APDS places special emphasis on savings as a key component of a sustainable development model for extremely marginalised communities. Historically, the level of savings motivation in the programme areas was low. In the period immediately following the COVID-19 pandemic, APDS therefore placed renewed focus on promoting savings among its members. As part of this effort, the organisation provided financial literacy training to group members, which yielded positive results.

Members now save on a weekly, bi-weekly, or monthly basis according to programme arrangements. Savings are maintained through two types of deposit accounts: compulsory savings linked to loan instalments and voluntary savings based on individual capacity. As a result of these initiatives, savings grew by 11 percent during the last financial year.

Total Savings of 2024 - 2025



Savings Trend in 2024 and 2025



APDS Loan Products and Its Features

Under Agriculture, it provides-

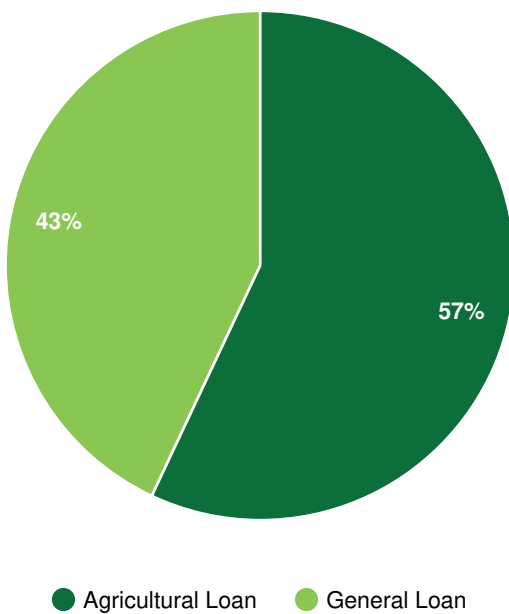
- 1) Crop loan, and
- 2) Input supply/ equipment loan.

The repayment tenure of crop loan being disbursed is based on the crop cycle. The loan ceiling can be from BDT 15,000 to 200,000. The first loan usually disbursed is up to BDT 25,000. The increment of next cycle loan depends on crop and land portion but normally not over 30%.

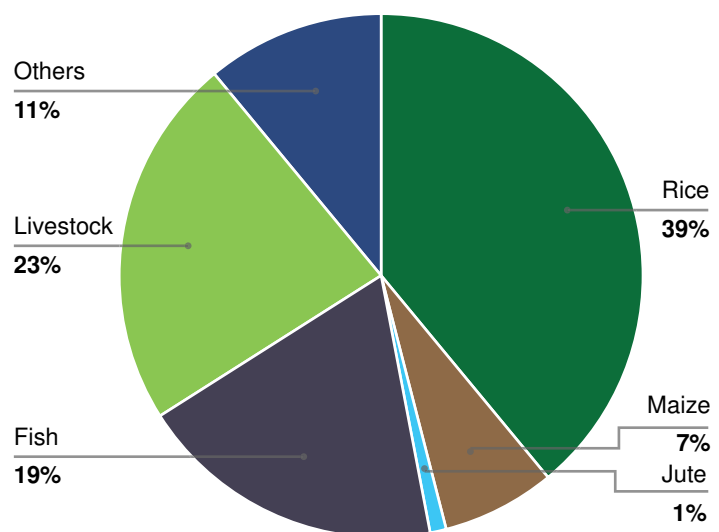
In the case of loan for input supply (equipment), the tenure may be for long term between 12 and 24 months. The loan amount for equipment may be from BDT 10,000 to 200,000. There is no ceiling bar for equipment loan. For all loans a minimum 10% savings is mandatory.

Product	Tenure	Repayment Mode	Rate of Interest
Agri Seasonal	5 to 8 months	Single	20% to 24%
Agri Equipment	Max 24 months	Monthly	Not over 24%
General (SL & EPL)	12 months	Weekly/Bi-weekly /Monthly	20% to 24%
Emergency Loan	As per core loan	As per core loan	As per core loan

Distribution of Loan Portfolio



Distribution of Agricultural Loan



CASE STORY

Transforming Char Livelihoods Through Confidence and Opportunity

Char Choumohon is a riverine char where extreme poverty once affected nearly 90 percent of households. Since 2014, APDS (Association for People's Development Stream) has been supporting vulnerable families in this area through savings, skills development, and access to finance. Mrs. Kajli Begum's journey illustrates the impact of this long-term engagement.

Several years ago, Kajli Begum lived with her husband and children with no stable income or productive assets. Determined to improve her family's situation, she joined an APDS group and began saving BDT 20 per week. This small step marked the beginning of her journey toward financial security.

With her first loan of BDT 10,000, Kajli invested in goat rearing and earned a profit of BDT 12,000. Encouraged by this success, she received livestock training and expanded her activities. She later accessed a loan of BDT 20,000 to purchase a cow and cultivate rice on two bighas of land, producing 45 maunds of rice and earning BDT 8,500 in profit. A subsequent loan of BDT 30,000 supported Aman rice cultivation on three bighas, generating an additional profit of BDT 7,000.

Building on these gains, Kajli mortgaged one bigha of land using her savings and profits. She then took a loan of BDT 40,000 to purchase an irrigation pump and cultivate maize on three bighas of land, earning BDT 30,000. In the current season, she plans to expand maize cultivation and provide irrigation services, with an expected income of approximately BDT 100,000.

Alongside crop production, Kajli diversified into vegetable cultivation on five decimals of land, improving household nutrition and income. Today, her household owns three cows, two goats, and an irrigation pump. Her weekly savings have increased to BDT 100, with a current balance of BDT 11,553.

Kajli Begum is now financially resilient, able to mobilize BDT 10,000–25,000 in cash when needed. Beyond improving her own household, she actively encourages other women in her community to pursue income-generating activities. Her story reflects how APDS's integrated livelihood approach is transforming lives and strengthening resilience in vulnerable char communities.



SOCIAL ACTIVITIES

Scholarships provides
3

Seeds Distributed
1,300

Trees Planted
10,000

Cows Vaccinated
100

APDS, despite resource constraints, carried out a number of development initiatives apart from microfinance.

Scholarship

Under the Bangabandhu Scholarship Scheme, scholarships are awarded to meritorious students from the char community. Since 2022, APDS has also been providing assistance from its surplus funds to poor but meritorious students admitted to public universities and institutions. In the last year, three students received need-based scholarships. The recipients—Asadul, Sufi, and Sayed—were enrolled in MBBS, Textile Engineering, and Geography and Environmental Science programmes, respectively. APDS plans to extend support to a greater number of students in the future.



Seed Distribution

Seed distribution to support the Honourable Chief Advisor’s campaign to assist flood-affected people during the November 2024 floods was another initiative of APDS. Under this initiative, all borrowers of the organisation received seeds to enable them to grow vegetables on unused land adjacent to their homes or on rooftops, with the objective of maximising household-level food production.



Tree Plantation

Tree plantation in support of the green movement is another key initiative of APDS. Trees and plants play a crucial role in protecting and preserving the environment by purifying the air, conserving water, and contributing to climate regulation. APDS has undertaken this initiative as a mission to raise awareness among its members about the importance of tree planting as a means of ensuring a safer environment for future generations. The organisation firmly believes that small individual efforts by its members can collectively create a significant positive impact on the surrounding environment. During the current year, APDS planted 10,000 trees and will continue this initiative in the years ahead.



Vaccination for Cows

During the year, APDS provided awareness training on improved cattle rearing practices to enhance livestock health and productivity among its members. The awareness sessions covered key aspects such as proper feeding, housing, hygiene, and basic disease prevention measures. In addition to capacity-building activities, APDS facilitated vaccination services for 100 cows to protect them from various infectious and seasonal diseases. This intervention aimed to reduce livestock mortality, improve milk production, and strengthen the economic resilience of beneficiary households that depend on cattle rearing as an important source of income. Through such initiatives, APDS continues to promote sustainable livestock management practices and improve the livelihoods of rural communities.



APDS DEPARTMENTS

Internal Audit

APDS intends to establish a dedicated internal audit unit headed by a qualified personnel to further strengthen its governance, transparency in financial reporting, and accountability mechanisms. At present, all programmes, projects, and branch offices are audited at least twice a year by an internal supervisory team. In cases where closer oversight is required, audits are conducted more frequently to ensure compliance with organisational policies and operational standards. APDS has skilled personnel to institutionalise systematic risk management, financial control, and performance monitoring across the organisation.

External Audit

APDS consistently strives to follow internationally accepted principles and rules in the preparation and presentation of its financial accounts and to maintain compliance with international accounting standards. In addition to internal audit mechanisms, APDS's accounts are audited annually by a renowned audit firm recognised for its professionalism and quality. Each year, the audited financial statements are shared with all relevant regulators, partners, and stakeholders to ensure transparency and accountability.

Finance

APDS's Finance and Accounts Department strives to ensure excellence, accuracy, and transparency in financial reporting. The reports produced by the department provide high-quality and reliable financial information, thereby supporting informed management decision-making, enhancing organisational efficiency, and promoting transparency and accountability across the organisation. APDS has developed a comprehensive finance and accounts manual containing clearly defined rules, procedures, and internal control mechanisms to guide sound financial management. All branches, programmes, and projects of APDS operate under separate budgets approved by management to ensure effective financial planning and control. In addition, each branch uses real-time accounting software to capture accurate and timely financial data, enabling effective monitoring and reporting.

Procurement

APDS has a clearly defined and well-documented procurement policy, under which a procurement committee consisting of three members is formed in each operational unit. Where necessary, and with prior management approval, an ad hoc procurement committee may also be constituted to address urgent procurement needs. The procurement committee is responsible for overseeing all types of purchases and ensuring compliance with organisational procurement procedures. In carrying out its responsibilities, the committee seeks to uphold the principles of transparency, fairness, competitiveness, and integrity throughout the procurement process.

Human Resources

APDS's Human Resources Unit, currently headed by the Chief Executive Officer, is primarily responsible for recruitment, staffing, performance evaluation, grievance management, and staff capacity development. The unit works to ensure fairness, equality, and the overall welfare of all employees. A three-member team supports and guides the human resources functions of the organisation. As of the reporting date, APDS employs a total of 62 staff members.

Staff recruitment is conducted in line with APDS's organisational values and strategic objectives, ensuring that all candidates meet the required qualifications and competencies. Gender equality remains a key priority in the recruitment policy of APDS. The Human Resources Unit is responsible for maintaining individual personnel files for all employees and ensuring proper documentation.

Staff performance evaluations are conducted annually to recognise achievements, assess performance, and provide constructive feedback for professional growth and improvement. APDS is committed to creating a fair, congenial, and supportive working environment for its staff. All forms of grievances are encouraged to be formally reported to the Human Resources Unit so that appropriate remedial actions can be taken in a timely manner. In addition, APDS actively promotes staff development through regular training programmes and career development opportunities to enhance organisational effectiveness and employee satisfaction.

Capacity Building

Capacity-building initiatives are essential to strengthening organisational effectiveness and ensuring long-term sustainability. Accordingly, APDS places high priority on the capacity development of its employees at all levels to achieve both organisational objectives and individual professional growth. The organisation firmly believes that systematic capacity development enhances institutional structures, improves management efficiency, and strengthens overall staff competency.

APDS endeavours to ensure that each employee participates in at least one training programme annually to enhance professional skills and contribute to the achievement of the organisation's long-term goals. The overarching objective of this policy is to support comprehensive human resource development through continuous skill enhancement. During the current year, all field-level staff received training on software-based digital skills, focusing on admission processes, loan disbursement, savings management, and reporting systems, thereby improving operational efficiency and data accuracy across programmes.





**Association for Peoples Development Stream
Micro Credit Program
For the year ended 30 June 2025**

**Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
For the year ended 30 June 2025**

Si. No.	Particulars	Page No.
01	Independent Auditor's Report	01 - 02
02	Statement of Financial Position	03
03	Statement of Profit or Loss and Other Comprehensive Income	04
04	Statement of Receipts & Payments	05 - 06
05	Statement of Change in Equity	07
06	Statement of Cash Flows	08
07	Notes to the Financial Statement	09 - 16
08	Eligibility Criteria Compliance Certification	17 - 19
09	Review of Loan Classification and Provision	20 - 21
10	Statement of Property Plant & Equipment	22
11	Auditor's Comments on Terms of Reference (TOR) given by	23 - 27



Independent Auditor's Report
Association for Peoples Development Stream

We have audited the accompanying financial statements of "**Association for Peoples Development Stream**" which comprise the statement of Consolidated financial position as at 30 June 2025 and the statement of Statement of Profit or Loss and Other Comprehensive Income, statement of receipts and payments, statement of cash flows, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects of the financial position of **Association for Peoples Development Stream**, as at 30 June 2025, and of its financial performance, its cash flows and its receipts and payments for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations including Microcredit Regulatory Authority (MRA) guidelines.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 jurisdictions, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. 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 is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.



MARHK & CO.

Chartered Accountants

Affiliated firm of MRH Business Accountants, Australia

House # 05 (8th Floor)
Block-C, Main Road
Aftabnagar, Dhaka-1212
Bangladesh.

Mob : +88 01819-425214
E-mail : marhkco@gmail.com
mizankhanfca@gmail.com
website: www.marhk.com

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.

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

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the organization so far as it appeared from our examinations of those books and
- c) The Statement of Financial Position, the Statements of Income & Expenditure, the Statement of Receipts & Payments and Notes to the Financial Statement dealt with by the report are in agreement with the books of accounts.

Place: Dhaka
17 September 2025

Mizanur Rahman Khan FCA
Enrollment no: 843
Partner
MARHK & Co.
Chartered Accountants
DVC:2509170843AS874717

Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Financial Position
As at 30 June 2025

Particulars	Notes	Amount in Taka	
		30-Jun-25	30-Jun-24
Assets			
Non-Current Assets			
Property Plant and Equipment	6.00	2,061,253	2,326,144
		2,061,253	2,326,144
Current Assets:			
Loan to Beneficiaries	7.00	178,662,259	162,765,986
FDR	8.00	23,299,726	31,242,473
Advance	9.00	1,374,355	740,841
Cash and Cash Equivalents	10.00	11,381,156	7,140,081
		214,717,496	201,889,381
Total Assets		216,778,749	204,215,525
Capital Fund and Liabilities:			
Capital Fund:			
Fund Account	11.00	89,461,946	88,601,823
Statutory Reserve Fund	12.00	1,154,679	1,070,977
Total		90,616,625	89,672,800
Non-Current Liabilities:			
Loan From Friendship	13.00	-	-
Loan from General Member	14.00	3,088,900	4,655,560
Loan from Commercial Bank of Ceylon PLC		42,158,237	25,399,585
Loan from Friendship Luxembourg		20,000,000	20,000,000
Loan from One Bank PLC		-	9,167,153
Loan from Employees provident fund		3,336,571	900,000
Total		68,583,708	60,122,298
Member welfare Fund	15.00	4,854,087	3,921,991
Group Members Savings	16.00	45,610,052	41,114,682
Loan Loss Provision (L.L.P)	17.00	4,655,130	6,818,446
Liabilities for Expenses	18.00	2,459,147	2,565,308
Total Current Liabilities:		57,578,416	54,420,427
Total Capital Fund and Liabilities:		216,778,749	204,215,525

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
 17 September 2025


 Mizanur-Rahman Khan FCA
 Enrollment no: 843
 Partner
 MARHK & Co.
 Chartered Accountants
 DVC: 2509170843AS874717



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

	Notes	Amount in Taka	
		2024- 2025	2023-2024
INCOME:			
Service Charge	19.00	36,826,570	36,308,412
Grant Fund			
Grant received from ADA asbl-APPui Development		4,645,826	-
Local Contribution from own fund		595,439	-
Other Income :			
Admission Fees		24,590	27,060
Bank Interest		92,345	61,505
FDR Interest		1,010,738	1,070,598
Sale of Passbook		29,010	35,260
Sale of loan Form		71,895	80,320
Old Motorbike Sale		-	257,000
Total Income		43,296,413	37,840,155
EXPENDITURE:			
Administrative Expenses	20.00	10,799,930	10,691,487
Staff Salary & Bonus	21.00	23,399,052	23,954,579
Interest paid on Member Savings		2,032,107	1,710,461
Loan Loss Provision		520,944	36,538
Project Expenses	22.00	5,300,502	-
Audit Fees		69,000	69,000
Income Tax Provision		337,859	421,228
Total Expenditure		42,459,394	36,883,293
Surplus/(Deficit) of income over Expenditure		837,019	956,862
Total		43,296,413	37,840,155

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
17 September 2025


Mizanur Rahman Khan FCA
Enrollment no: 843
Partner
MARHK & Co.
Chartered Accountants
DVC:2509170843AS874717



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Receipts & Payments
For the year ended 30 June 2025


	Notes	Amount in Taka	
		2024-2025	2023-2024
RECEIPTS:			
Opening Cash at Bank and Hand:			
Cash at Bank		2,577,389	13,821,905
Cash in Hand	10.00	4,562,692	5,974,540
Opening Balance		7,140,081	19,796,445
Service Charge Received		36,826,570	36,308,412
Savings Collection		22,749,027	25,164,309
Loan Recovery Principle		281,389,727	267,036,656
Advance refund		263,259	161,297
Loan from Friendship		6,000,000	5,000,000
Loan from Commercial Bank of Ceylon PLC		36,000,000	10,000,000
Loan from One Bank PLC		-	9,000,000
Loan from Friendship Luxembourg		-	-
Grant received from ADA asbl-APPui Development		4,645,826	-
Local Contribution from own fund		595,439	-
Loan from Employees Provident Fund		2,436,571	900,000
Loan received from Board Member		-	200,000
FDR Encashment		9,400,000	-
Branch Transfer		87,446,364	94,274,226
Fund Transfer		-	-
Sale Motorbike		140,000	257,000
Group Member Welfare fund Recovery		2,972,860	2,834,960
Bank Interest		92,345	53,375
Bank Interest-FDR		719,790	-
Subscription		4,080	5,040
Admission Fees		24,590	27,060
Sale of Passbook		29,010	35,260
Application form Sales		71,895	80,320
Total Receipts:		491,807,353	451,337,915
PAYMENTS:		498,947,434	471,134,360
Administrative Expenses	20.00	10,832,738	10,324,418
Staff Salary		23,363,794	22,309,353
Savings Refund		20,285,764	20,122,845
Loan refund to Board Member		1,566,660	7,544,440
Loan refund Commercial Bank of Ceylon		19,241,348	7,683,748
Furniture		101,563	86,213
Equipment		85,464	169,265
Fund Transfer to branch		89,953,000	95,471,891



Loan refund to One Bank		9,167,153	-
Advance to Employee & Others		536,456	165,000
Income Tax paid		415,072	126,000
Loan refund to Friendship		6,000,000	5,000,000
Project Expenses	22.00	5,190,502	-
Loan Disbursement		297,286,000	283,496,000
Group Member welfare fund Refund		2,040,764	2,095,106
FDR		1,500,000	9,400,000
Total Payments:		487,566,278	463,994,279
Cash in Hand		5,185,309	4,562,692
Cash at Bank		6,195,847	2,577,389
Total		11,381,156	7,140,081
		498,947,434	471,134,360

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
17 September 2025

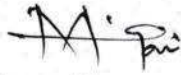

Mizanur Rahman Khan FCA
Enrollment no: 843
Partner
MARHK & Co.
Chartered Accountants
DVC: 2509170843AS874717



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Change in Equity
For the year ended 30 June 2025

(Amount In BDT)

	Capital Fund	Retained Earnings	Total Taka
Opening Balance (01 July 2024)	79,818,224	8,783,599	88,601,823
Add: Surplus/(Deficit) for this period		837,019	837,019
Less: Reserve Fund		83,702	83,702
Lees: Scholarship		84,000	84,000
Add: Previous Year Training & Meeting Cost treated at Capital	186,726		186,726
Board Member subscription	4,080	-	4,080
Closing Balance 30 June 2025	80,009,030	9,452,916	89,461,946



Finance Manager



Chief Executive Officer



Chairman



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Statement of Cash Flows
For the year ended 30th June 2025

Particulars	Amount in Taka	
	2024-2025	2023-2024
A. Cash Flows from Operating Activities:		
Surplus for the year	837,019	956,862
Add: Amount considered as non-cash items:		
Depreciation	311,917	354,757
Loan Loss Provision (L.L.P)	(2,163,316)	(1,384,244)
Sub Total of non-cash items:	(1,014,380)	(72,625)
Loan to beneficiaries	(15,896,273)	(16,459,344)
Advance	(633,514)	(3,703)
Group Members Savings	4,495,370	6,751,925
Liabilities for expenses	(106,161)	2,070,001
Member welfare Fund	932,096	739,854
Net cash used in Operating Activities:	(12,222,862)	(6,973,892)
B. Cash Flows from Investing Activities:		
FDR	9,063,934	(10,391,357)
Fixed Asset (Furniture & Equipment, Motorbike)	(47,027)	(255,478)
Software		
Net cash used in Investing Activities:	9,016,907	(10,646,835)
C. Cash Flows from Financial Activities:		
Loan from Bank & Others	8,461,410	5,036,988
Net cash from Financial Activities:	8,461,410	5,036,988
D. Net increase/(decrease) in	4,241,075	(12,656,364)
Cash and Bank Balance at the beginning of the year	7,140,081	19,796,445
Cash and Bank Balance at the end of the year	11,381,156	7,140,081


Finance Manager


Chief Executive Officer


Chairman



Association for Peoples Development Stream

MICRO CREDIT PROGRAMME

Notes to the Financial Statement For the year ended 30th June 2025

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	30.06.2025			
Name of statutory auditor for last year	Ashraf Uddin & Co, Chartered Accountants			
Name of auditor for current year	Marhk & Co. Chartered Accountants			
No. Executive Committee meeting held FY 2024-2025	4			
Date of Last AGM held	1			
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

4.04 Fixed Assets and Depreciation:

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

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

5.00 SIGNIFICANT ORGANIZATIONAL POLICIES:

5.01 Loan Loss Provision:

✦ **Loan Classification:**

below:

Particulars	Loan Loss Provision Ratio
Good Loan Outstanding	1%
1-30 days Doubtful Loan Outstanding	5%
31-180 days Doubtful Loan	25%
181-365 days Doubtful Loan	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**



✦ **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 October2022.

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 2025	30 Jun 2024
6.00	Property Plant & Equipment:		
	A. Cost		
	Opening balance	3,309,497	3,054,019
	Add: Addition During the year	187,027	255,478
	Less: Adjusted During the year Sale	140,000	-
	Total	3,356,524	3,309,497
	B. Depreciation		
	Opening	983,354	628,597
	Add: Depreciation during the year	311,917	354,757
	Accumulated Depreciation	1,295,271	983,354
	Written Down Value (A-B)	2,061,253	2,326,144

Details shown in Annexure A/4

7.00	Loan to Beneficiaries:		
	Opening Balance	162,765,986	146,306,642
	Add: Disbursed during the year	297,286,000	283,496,000
	Less: Collection during the year	281,389,727	267,036,656
	Closing Balance	178,662,259	162,765,986
8.00	FDR :		
	Opening Balance	31,242,473	20,771,875
	Add: During the year	1,500,000	9,400,000
		32,742,473	30,171,875
	Add: Interest Receivable	200,000	1,070,598
	Add: Interest Received	810,738	
	Less: AIT	366,473	-
	Encash	10,087,012	
	Closing Balance	23,299,726	31,242,473
9.00	Advance		
	Advance to employee	847,382	574,185
	Advance office rent	160,500	160,500
	Advance Income Tax	366,473	6,156
		1,374,355	740,841
10.00	Cash and Cash Equivalents		
	The cash and cash equivalents are made up as under:		
	Cash in Hand:	5,185,309	4,562,692
	Cash at Bank (10.1)	6,195,847	2,577,389
		11,381,156	7,140,081
10.01	Cash at Bank:		
	The bank balances were held with the following bank:		
	Janata Bank Ltd (A/C-100112992345)	1,052,199	962,460
	Janata Bank Ltd (A/C-10112989867)	235,819	144,460
	Janata Bank Ltd (A/C-0100012048879)	9,380	13,300
	Pubali Bank PLC(A/ C-0565901034012)	300,266	355,321
	Agrani Bank Ltd Chilmari (A/C-0200013480328)	712,584	18,784
	Janata Bank Ltd, Haluaghat (A/C-0100173214256)	31,169	131,583
	Pubali bank PLC, Gaibandha (A/C-2022901023020)	679,955	73,669
	Agrani Bank Ltd, Kuakata (A/C-0200013651462)	466,259	84,423



	Amount in Taka	
	30 Jun 2025	30 Jun 2024
Pubali Bank Ltd, Kurigram(A/C-1552901037597)	407,794	9,934
Janata Bank Ltd, Shamnagar (A/C-020001380516)	296,500	6,899
Janata Bank Ltd, Dhubaura (A/C-0100230355848)	52,447	47,480
Janata Bank Ltd, Munshirhat (A/C-0100232654192)	587,542	83,157
Janata Bank Ltd, Sundargonj (A/C-0100232525996)	576,781	182,698
Pubali Bank Ltd, Ulipur (A/C-5192901002200)	326,383	4,762
Pubali bank Ltd, kalapara(5070901007023)	171,006	126,870
Commercial Bank of Ceylon PLC (A/ C 1804019377)	6,904	69,910
One Bank Ltd(A/ C 1003000000217)	50,764	1,000
Hatlaxmipur Janata bank (A/ C 0100238386564)	37,687	872
Kaligonj Janata bank (A/ C 0100238726241)	74,790	74,369
Uzirpur Janata Bank Ltd (A/ C 0100238728741)	119,618	185,438
Total	6,195,847	2,577,389

11.00 Fund Account:

Opening Balance	88,601,823	87,735,607
Add: Surplus during the year	837,019	956,862
Less: Transfer to reserve fund on Surplus	83,702	95,686
Add: Salary provision		
Less: Scholarship	84,000	-
Add: Previous year climate protection	-	-
Add: Previous Year default Payment	-	-
Add: Previous Year Training & Meeting waive from Friendship amount treated as Capital	186,726	-
Add: Subscription	4,080	5,040
Closing Balance	89,461,946	88,601,823

12.00 Statutory Reserve Fund

Opening Reserve Fund	1,070,977	975,291
Add: Transfer from Surplus & Service Charge	-	-
Add: 10% on surplus	83,702	95,686
Closing Balance	1,154,679	1,070,977

12.1 Reserve Fund:

Opening Balance	1,070,977	975,291
Add: Transfer from Surplus	83,702	95,686
Closing Balance	1,154,679	1,070,977

Note:11

13.00 Loan from Friendship:

Opening Loan Fund		
Add: Loan received during the year	6,000,000	5,000,000
Less: Loan refund during the Year	6,000,000	5,000,000
Closing Balance	-	-

14.00 Loan from General Member

Opening Loan Fund	4,655,560	12,000,000
Add: Loan Collection During the year	-	200,000
	4,655,560	12,200,000
Less: Loan Payment During the Year	1,566,660	7,544,440
Closing Balance (14.01)	3,088,900	4,655,560



		Amount in Taka	
		30 Jun 2025	30 Jun 2024
14.01	Loan from General member Breakdown:		
	Muhammed Shameem Reza	2,088,900	3,655,560
	Zakia Sharood Khan Runa	1,000,000	1,000,000
		3,088,900	4,655,560
15.00	Member Welfare Fund:		
	Opening Balance	3,921,991	3,182,137
	Add: Collection during the year	2,972,860	2,834,960
		6,894,851	6,017,097
	Less: Refund during the year	2,040,764	2,095,106
	Closing Balance	4,854,087	3,921,991
16.00	Group Members Savings:		
	Opening Balance	41,114,682	34,362,757
	Add: Savings Collection during the year	22,749,027	25,164,309
	Add: Savings Interest during the year	2,032,107	1,710,461
		65,895,816	61,237,527
	Less: Savings Refund during the year	20,285,764	20,122,845
	Closing Balance	45,610,052	41,114,682
17.00	Loan Loss Provision (L.L.P):		
	Opening Balance	6,818,446	8,202,690
	Add: Provision during the year	520,944	36,538
		7,339,390	8,239,228
	Less: Adjustment (Write off) during the year	2,684,260	1,420,782
	Closing Balance	4,655,130	6,818,446
18.00	Liabilities for Expenses:		
	Accrued Salaries & Allowance	1,810,797	1,775,540
	Audit Fee	69,000	69,000
	Vat & Tax Payable	20,675	47,189
	Software Maintenance fee	23,625	23,625
	Training & Meeting	-	186,726
	Telephone Bill	3,191	-
	Provision of income tax	337,859	421,228
	Scholarship Payable	84,000	42,000
	Project Provision Exp	110,000	-
	Total	2,459,147	2,565,308
18.01	Provision of income tax		
	Opening	421,228	-
	Add: Tax during the year	337,859	421,228
	Less: Adjustment	421,228	-
	Closing	337,859	421,228



	Amount in Taka	
	2024-2025	2023-2024
19.00 Service Charge		
Service Charge	36,826,570	36,308,412
	36,826,570	36,308,412
20.00 Administrative Expenses:		
Stationary	143,811	200,882
Bank Charge	191,355	267,087
Office Rent	1,560,103	1,574,348
Local Conveyance	964,965	1,159,738
MRA Fees	62,705	56,919
Office Supplies	259,341	224,660
Repairs & Office Maintenance Cost	649,565	1,534,752
Utilities	204,822	220,246
Motorcycle Fuel and Maintenance	727,275	
Seed Purchase	175,015	-
Bank Interest Paid	3,593,203	3,640,932
Computer Accessories	5,472	420
Postage & Courier	16,475	15,769
Renewal Registration	111,000	9,141
Car Sticker	1,020	2,000
Entertainment	249,703	193,086
Communication	245,710	594,780
Advertisement	47,179	-
Transport	102,180	104,370
Legal Expenses	28,930	24,260
Liaso Exp with Govt	35,000	
Donation	100,000	23,500.00
Service Charge Rebate Expenses	540,018	213,616.00
Motorbike Tax Token	10,000	-
Annual General Meeting	15,868	-
VAT & Tax	32,352	62,200.00
Credit Rating	21,500	21,500.00
AIT on Interest	337,269	
Audit fees	60,000	132,250.00
Software Monthly Fees	294,500	283,500
Scholarship Paid		84,000
Website Development	35,599	84,467
Membership Subscription	-	5,040
Training & Meeting	10,803	15,118
Depreciation	311,917	354,757
	11,144,655	10,748,581
Less: AIT on Interest	344,725	6,156
Less : Audit fees	-	63,250
	10,799,930	10,691,487
Less: Depreciation	311,917	354,757
	10,832,738	10,324,418



21.00 Staff Salary :

Staff Salary & Bonus

23,399,052

23,954,579

22.00 Project Expenses:

Digitalization and Sustainable Farming

Module Development

150,000

-

Programme Activities

4,561,844

-

Provision for Expenses

110,000

-

Refreshment Cost

224,123

-

Overhead cost

254,535

-

5,300,502

-

Less: Provision for Expenses

110,000

5,190,502



Association for Peoples Development Stream
MICRO CREDIT PROGRAMME
Eligibility Criteria Compliance Certification
FOR THE YEAR ENDED 30 JUNE 2025

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)	1,17,82,00,996	*100	98%	
			(Cum. Recovery-Advance Recovery)+ Overdue(Principal)	1,20,76,79,692			95%
(II)	Minimum Loan Collection ratio on current dues	=	Summation of regular recovery in the last 12 months	266,300,608.00	*100	97.56%	
			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				27,29,58,123
			{Total Loan Recovery (Principal) for the year-Advance Recovery-Previous year's overdue recovery in the current year}+ This Year New overdue				
2	Minimum Liquidity Ratio		STD+Govt. Securities	61,95,847	*100	13.58%	
			Total Savings Fund	4,56,10,052			15%
3	Minimum Current Ratio	=	Current Asset	214,717,496		3.73	
			Current Liability	57,578,416			2:01



		=	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)			
			Total Asset -(Cash+Bank+STD*+Govt. Securities)	9,06,16,625		
				20,53,97,593	*100	44.00%
			*STD (Short Term Deposits) includes - All FDR (Because it is encashable at any time)			10%
5	Minimum Debt Service Cover Ratio	=	Surplus+Total interest payments+Principal Collection on Loan			
			Total Interest Payments+Principal collection on loan	284,258,853		
		=	Surplus for the year + Total Principal & Service Charge Payable to PKSF for the year	283,421,834	*100	1:1
			Total Principal & Service Charge Payable to PKSF for the year			1.25:1

6	Debt to Capital Ratio	=	Debt	119,047,847	1.31:01	9:01	
			Total Capital (Net Worth)				
		=	Savings + Other Loan				90,616,625
		Total Capital (Accumulated Surplus)					
			*Other Loan: eg; Micro Insurance fund, Director's Loan, Bank Loan & Others, etc				
7	Minimum Rate of Return of Capital		Net Surplus	8,37,019	*100	0.94%	
			Capital Fund				
			Surplus for the Year				
			Average Capital Fund				8,90,73,885
			Opening Capital+Closing Capital				
			2				
	*Average Capital Fund						



Association for Peoples' Development Stream
Micro Credit Programme
Portfolio report for the year ended 30th June 2025
Review of Loan Classification and Provision

(1) Classification of Loan and loan Loss provision

SI	Particulars	No. of days Outstanding	Loan outstanding (Amount in Taka)	Required Provision	
				Percentage	Amount (TK)
1	Regular loan	Loan with no Overdue Installment	165,296,808	1%	1,652,968
2	Watchful loan	Loan default duration between 1-30 days	7,444,042	5%	372,202
3	Sub-standard loan	Loan default duration between 31-180 days	4,152,584	25%	1,038,146
4	Doubtful loan	Loan default duration between 181-365 days	708,044	75%	531,033
5	Bad loan	Above 365 days	1,060,781	100%	1,060,781
Total			178,662,259		4,655,130

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

Particulars	Taka
Required Provision as per MRA policy	4,655,130
Actual Provision made by the MFI	4,655,130
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 01-07-2024	-
Loan Written Off during the year 2024-2025	2,684,260
Written Off Loan Recovered during the year 2024-2025	-
Loan Written Off Balance 30-06-2025	-
Remark	Taka
Provision available 01.07.2024	6,818,446
Add: Provision made during the year 2024-2025	520,944
Less: Write Off during the year 2024-2025	2,684,260
Required Provision as per MRA	4,655,130



(iii) Loan Operational Report:

Sl. No.	Particulars	2024-2025			2023-2024		
1	Financial Service						
	Loan Product:						
	Total Loan Balance	68,583,708			60,122,298		
	Savings Product:						
	Savings Account	45,610,052			41,114,682		
	Member welfare Fund						
	Member welfare Fund	4,854,087			3,921,991		
		M	F	Total	M		Total
2	Number of Samities	77	744	821	81	698	779
3	Number of Members	786	7428	8214	936	7125	8061
4	Number of Borrowers	574	5750	6324	718	5531	6249
5	Number of Staff	57	5	62	58	5	63
6	Amount (Taka) of Loan outstanding with Samity	178,662,259			162,765,986		
7	Members: Borrower	8214:6324			8061:6249		
8	Average Loan Size	45,000			26,046		



Association for Peoples' Development Stream
MICRO CREDIT PROGRAMME
Statement of Property Plant & Equipment
As at 30 June 2025

Annexure-A/4

Sl. No.	Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value as at 30.06.2025
		Opening Balance as on 01.07.2024	Addition during this year	Adjustment during this year	Closing balance as on 30.06.2025		Opening Balance as on 01.07.2024	Charged during this year	Adjustment during this year	Closing balance as on 30.06.2025	
01	Furniture & Fixture	976,829	101,563	-	1,078,392	10%	227,143	85,125	-	312,268	766,124
02	Equipment	1,498,668	85,464	-	1,584,132	20%	674,136	181,999	-	856,135	727,997
03	Motor vehicle	670,000		140,000	530,000	10%	82,075	44,793		126,868	403,133
Intangible Assets											
04	Software (Microfin Anirban)	164,000		-	164,000		-	-	-	-	164,000
As at 30 June 2025		3,309,497	187,027	140,000	3,356,524		983,354	311,917	-	1,295,271	2,061,253
As at 30 June 2024		3,054,019	255,478	-	3,309,497		628,597	354,757	-	983,354	2,326,143



**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 2025.

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 "Capacity Building & Input Support for Marginal Farmers to reduce risk" project. The project is ongoing will be completed 2025-2026 and also donation from IBISA Luxembourg for its Strengthening the resilience of smallholder Farmers through Paramedic Insurance. The project is ongoing will be completed 2025-2026.

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	:	97.56 %

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 receive any fund under different contracts between donor/ financial institution and the microcredit organization.

Place: Dhaka

Date: 17 September 2025


Mizanur Rahman Khan FCA,
Enrolment No: 843
Partner
MARHK & Co.
Chartered Accountants





MARHK & CO.

Chartered Accountants

Affiliated firm of MRH Business Accountants, Australia


House # 05 (8th Floor)
Block-C, Main Road
Aftabnagar, Dhaka-1212
Bangladesh.

Mob : +88 01819-425214
E-mail : marhkco@gmail.com
mizankhanfca@gmail.com
website: www.marhk.com

TO WHOM IT MAY CONCERN

The is to certify that we, MARHK & 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 2024-2025. 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
17 September 2025


Mizanur Rahman Khan FCA
Enrollment no: 843
Partner
MARHK & Co.
Chartered Accountants
DVC: 2509170843AS874717



Association for Peoples Development Stream (APDS)

Head Office: House- 548, Road- 13, Baridhara DOHS,
Dhaka- 1206, Bangladesh
Mobile: +880 1712-244515
Phone: +8802-226618385
Email: apds.bd@gmail.com
Website: apds.ngo

