

**AUDITORS' REPORT
AND
FINANCIAL STATEMENTS
OF
AMBALA FOUNDATION**

For the year ended 30th June 2020

FAMES & R
CHARTERED ACCOUNTANTS

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Auditor's Report

We have audited the accompanying Financial Statements of "AMBALA FOUNDATION" which comprise the Statement of Financial Position as at June 30, 2020 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Receipts & Payments, Statement of Changes in Equity and Statement of Cash Flows for the year then ended June 30, 2020 and a summary of significant accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS), MRA Rules 2010 and other applicable Laws and Regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion, the financial statements prepared are in accordance with the International Financial Reporting Standards (IFRS) give a true and fair view of the state of the Organisation's affairs as of June 30, 2020 and of the results of its operations and cash flows for the year then ended and comply with the MRA Rules 2010 and the other applicable laws and regulations.

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 purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account have been kept by the organization management so far as it appeared from our examination of those books;
- c) the financial statements of the Organisation dealt with by the report are in agreement with the books of accounts; and
- d) the expenditure incurred was for the purposes of the project.

Date : 30 September, 2020

Place : Dhaka



FAMES & R


Chartered Accountants



AMBALA FOUNDATION
Statement of Financial Position
As at 30 June 2020

Particulars	Notes	Amount in Taka			Amount in Taka		
		FY 2019-2020			FY 2018-2019		
		Micro Finance	Development	Total	Micro Finance	Development	Total
Non-Current Assets							
Property, Plant & Equipment	6	153,106,636	13,446,858	166,553,494	155,854,765	4,782,564	160,637,329
Intangible Assets	7	6,123,501	-	6,123,501	7,246,333	-	7,246,333
Other Non Current Assets	8	194,920	-	194,920	363,361	-	363,361
Total Non-Current Assets		159,425,057	13,446,858	172,871,915	163,464,459	4,782,564	168,247,023
Current Assets							
Investment FDR	9	286,841,621	-	286,841,621	328,468,219	-	328,468,219
Advance, Security & Prepaid	10	27,293,229	238,456,363	265,749,592	29,194,472	198,632,430	227,826,902
Loan to Group Members	11	3,463,816,774	918,338	3,464,735,112	3,091,718,301	1,484,973	3,093,203,274
Accounts Receivable	12	1,518,090	-	1,518,090	1,953,402	-	1,953,402
Others Current Assets	13	3,990,274	-	3,990,274	265,031	-	265,031
Cash in Hand and at Bank	14	72,885,168	6,540,481	79,425,649	93,243,180	3,878,125	97,121,305
Total Current Assets		3,856,345,156	245,915,182	4,102,260,338	3,544,842,605	203,995,528	3,748,838,133
Total Assets		4,015,770,213	259,362,040	4,275,132,253	3,708,307,064	208,778,092	3,917,085,156
Capital Fund and Reserves							
Retained Surplus		645,057,207	25,218,246	670,275,453	587,005,751	22,625,575	609,631,326
Reserve Fund	15	71,673,023	-	71,673,023	65,222,861	-	65,222,861
Development Program Fund	16	-	605,980	605,980	-	699,365	699,365
Total Capital Fund and Reserves		716,730,230	25,824,226	742,554,456	652,228,612	23,324,940	675,553,552
Non Current Liabilities							
Long Term Borrowings-PKSF	17	108,500,000	-	108,500,000	69,400,000	-	69,400,000
Long Term Borrowings-Bank & Others	18	1,377,136,507	2,912,000	1,380,048,507	1,450,011,826	1,960,000	1,451,971,826
		1,485,636,507	2,912,000	1,488,548,507	1,519,411,826	1,960,000	1,521,371,826
Current Liabilities							
Member Savings	19	1,462,774,575	359,344	1,463,133,919	1,238,558,664	331,312	1,238,889,976
Short Term Loan & Liability	20	231,934,045	102,682,935	334,616,980	192,105,106	93,335,685	285,440,791
Loan Loss Provision	21	61,145,004	19,944	61,164,948	51,681,885	19,944	51,701,829
PF, WF, Gratuity, IT etc.	22	50,370,105	125,833,745	176,203,850	52,028,850	87,727,318	139,756,168
Accounts Payable	23	7,179,747	1,729,846	8,909,593	2,292,121	2,078,893	4,371,014
Total Current Liabilities		1,813,403,476	230,625,814	2,044,029,290	1,536,666,626	183,493,152	1,720,159,778
Total Capital Fund and Liabilities		4,015,770,213	259,362,040	4,275,132,253	3,708,307,064	208,778,092	3,917,085,156

The annexed notes form an integral part of this financial statement.


M. Azizur Rahman
Chairperson


Arif Sikder
Executive Director


Dewan Taufiq Hossain
Director

Signed as per our separate report of even date.

Date : 30 September, 2020
Place : Dhaka


FAMES & R
Chartered Accountants



AMBALA FOUNDATION
Statement of Profit or Loss and Comprehensive Income
For the year ended 30 June, 2020

Particulars	Notes	Amount in Taka			Amount in Taka		
		FY 2019-2020			FY 2018-2019		
		Micro Finance	Development	Total	Micro Finance	Development	Total
Income							
Service Charge	24	705,590,489	20,980,796	726,571,285	755,001,606	16,182,219	771,183,825
Interest on Regular & FDR account	25	21,107,365	112,041	21,219,406	12,375,638	91,218	12,466,856
Others Income	26	2,645,231	1,931,464	4,576,695	1,873,877	2,232,760	4,106,637
Donation, Subscription & Reimbursable Income	27	424,793	2,908,800	3,333,593	265,513	2,300,800	2,566,313
Donor grants	28	-	10,299,117	10,299,117	-	5,683,043	5,683,043
Total		729,767,878	36,232,218	766,000,096	769,516,634	26,490,040	796,006,674
Expenditure							
Salary & benefits	29	258,192,931	924,249	259,117,180	192,284,885	959,046	193,243,931
General & Administration expenses							
Office rent & utilities	30	13,225,162	54,230	13,279,392	13,279,669	63,919	13,343,588
Printing & stationary	31	3,521,983	8,152	3,530,135	5,422,053	7,052	5,429,105
Communication	32	1,061,151	22,116	1,083,267	1,086,393	23,478	1,109,871
Tours & travel	33	10,227,847	30,106	10,257,953	10,994,545	79,434	11,073,979
Repairs & maintenance	34	15,619,921	175,899	15,795,820	15,414,122	24,984	15,439,106
Advertisement & publications	35	734,425	3,100	737,525	950,293	3,550	953,843
Legal expenses	36	12,236,120	49,973	12,286,093	3,796,664	34,467	3,831,131
Training / Workshop / Meeting etc.	37	684,297	-	684,297	873,642	-	873,642
Other admin & general expenses	38	25,705,363	287,596	25,992,959	19,897,482	2,816,635	22,714,117
Gratuity, pension & insurance	39	12,168,480	-	12,168,480	13,311,305	-	13,311,305
Lose On Disposal of Fixed Assets	40	498,763	-	498,763	378,448	-	378,448
Corporate Social Responsibility	41	2,774,817	-	2,774,817	133,665	-	133,665
Sub-total		98,458,329	631,172	99,089,501	85,538,281	3,053,519	88,591,800
Financial expenses							
Interest to PKSF & Bank	42	146,292,397	38,229	146,330,626	155,472,844	5,241	155,478,085
Interest on savings	43	115,581,504	-	115,581,504	66,180,717	6,686	66,187,403
Interest on other loan fund	44	20,381,420	21,527,776	41,909,196	16,215,369	16,265,505	32,480,874
Sub-total		282,255,321	21,566,005	303,821,326	237,868,930	16,277,432	254,146,362
Programmatic expenses							
Programmatic exp. & contributions	45	-	10,083,664	10,083,664	-	5,661,483	5,661,483
Sub-total		-	10,083,664	10,083,664	-	5,661,483	5,661,483
Expenses for provision & reserve							
Expenses for provision & reserved	46	15,677,617	-	15,677,617	15,413,726	16,568	15,430,294
Sub-total		15,677,617	-	15,677,617	15,413,726	16,568	15,430,294
Depreciation on non current assets							
Depreciation	47	10,682,062	434,457	11,116,519	8,239,822	8,853	8,248,675
Sub-total		10,682,062	434,457	11,116,519	8,239,822	8,853	8,248,675
Total expenditure		665,266,260	33,639,547	698,905,807	539,345,644	25,976,901	565,322,545
Excess of income over expenditure		64,501,618	2,592,671	67,094,289	230,170,990	513,139	230,684,129
		729,767,878	36,232,218	766,000,096	769,516,634	26,490,040	796,006,674

The annexed notes form an integral part of this financial statement.

M. Azizur Rahman
Chairperson

Arif Sikder
Executive Director

Dewan Taofiq Hossain
Director

Signed as per our separate report of even date.

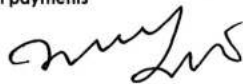
Date : 30 September, 2020
Place : Dhaka



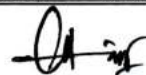
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Chartered Accountants

AMBALA FOUNDATION
Receipts & Payments Statement
Period from 1st July 2019 to 30th June 2020

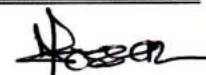
Particulars	Amount in Taka			Amount in Taka		
	FY 2019-2020			FY 2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
Receipts						
Opening Balance						
Cash in hand	24,204,033	200,473	24,404,506	42,806,964	576,011	43,382,975
Cash at bank	69,039,147	3,677,652	72,716,799	78,341,095	4,160,557	82,501,652
Sub-Total	93,243,180	3,878,125	97,121,305	121,148,059	4,736,568	125,884,627
Long Term Borrowings-PKSF	75,000,000	-	75,000,000	75,000,000	-	75,000,000
Long Term Borrowings-Bank & Others	1,017,956,705	1,820,000	1,019,776,705	1,197,694,795	1,820,000	1,199,514,795
Development Program Fund	-	96,369,811	96,369,811	-	10,556,466	10,556,466
Member Savings Receipt	1,297,457,191	86,219	1,297,543,410	1,237,925,087	997,161	1,238,922,248
General & Others Loan /Fund Account	444,649,200	264,471,349	709,120,549	419,085,253	154,200,627	573,285,880
PF, WF, Security, IT etc.	16,382,530	2,654,500	19,037,030	21,273,840	2,668,800	23,942,640
Loan to Group Members Recovery	2,922,619,696	566,634	2,923,186,330	3,432,636,999	716,699	3,433,353,698
Advance, Security & Prepaid	989,733	270,373,780	271,363,513	3,478,973	200,472,520	203,951,493
Investment Withdrawal	225,044,398	-	225,044,398	160,665,625	808,083	161,473,708
Accounts payable & provision	-	39,645	39,645	-	196,375	196,375
Stock & Stores	-	-	-	-	-	-
Suspense Accounts	46,460	-	46,460	-	-	-
Sale/Fixed Assets Sale	-	-	-	-	-	-
Revenue Income Received	669,487,360	726,008	670,213,368	754,224,444	1,762,044	755,986,488
Sub-Total	6,669,633,273	637,107,946	7,306,741,219	7,301,985,016	374,198,775	7,676,183,791
Total receipts	6,762,876,453	640,986,071	7,403,862,524	7,423,133,075	378,935,343	7,802,068,418
Payments						
Capital Expenditure	6,412,609	9,098,750	15,511,359	21,405,596	5,394,530	26,800,126
Long Term Borrowings-PKSF	35,900,000	-	35,900,000	74,700,000	-	74,700,000
Long Term Borrowings-Bank & Others	1,212,483,130	868,000	1,213,351,130	1,343,222,768	280,000	1,343,502,768
Development Program Fund	-	86,164,653	86,164,653	-	4,271,483	4,271,483
Member Savings Return	910,465,776	58,187	910,523,963	882,833,278	766,097	883,599,375
General & Others Loan /Fund Account	475,013,051	266,522,003	741,535,054	465,402,070	192,599,227	658,001,297
PF, WF, Security, IT etc.	-	163,362	163,362	-	4,483,728	4,483,728
Loan to Group Members	3,475,393,000	-	3,475,393,000	4,008,482,000	1,820,000	4,010,302,000
Advance, Security & Prepaid paid	11,825,943	250,579,941	262,405,884	28,198,155	148,077,586	176,275,741
Payment against Provision	2,964,352	11,856,516	14,820,868	2,679,874	6,547,187	9,227,061
Investment against Provision	184,500,000	-	184,500,000	233,450,000	-	233,450,000
Suspense Accounts	5,035,391	-	5,035,391	-	-	-
Material / Stock & Stores	-	-	-	930,619	-	930,619
Sub-Total	6,319,993,252	625,311,412	6,945,304,664	7,061,304,360	364,239,838	7,425,544,198
Staff Salary & Benefits	208,300,564	800,504	209,101,068	152,161,206	842,924	153,004,130
General & Administrative Expenses	74,051,132	611,798	74,662,930	66,550,326	2,944,306	69,494,632
Financial Cost	87,646,337	2,023,133	89,669,470	49,874,003	1,599,099	51,473,102
Programmatic Expenses	-	5,698,743	5,698,743	-	5,431,051	5,431,051
Sub-Total	369,998,033	9,134,178	379,132,211	268,585,535	10,817,380	279,402,915
Closing Cash & Bank Balance						
Cash in hand	9,842,425	133,372	9,975,797	24,204,033	199,423	24,403,456
Cash at bank	63,042,743	6,407,109	69,449,852	69,039,147	3,678,702	72,717,849
Sub-Total	72,885,168	6,540,481	79,425,649	93,243,180	3,878,125	97,121,305
Total payments	6,762,876,453	640,986,071	7,403,862,524	7,423,133,075	378,935,343	7,802,068,418



M. Azizur Rahman
Chairperson



Arif Sikder
Executive Director



Dewan Tofiq Hossain
Director

Signed as per our separate report of even date.

Date : 30 September, 2020
Place : Dhaka


FAMES & R
Chartered Accountants



AMBALA FOUNDATION
Statement of Cash Flows
for the year ended June 2020

Particulars	Amount in Taka			Amount in Taka		
	FY 2019-2020			FY 2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
A. Cash flows form operating activities						
Surplus for the period	64,501,618	2,592,671	67,094,289	230,170,990	513,139	230,684,129
Add: Amount considered as non cash items						
Expenses						
Expenses for provision & reserve	15,677,617	-	15,677,617	15,413,726	16,568	15,430,294
Depreciation for the year	10,682,062	434,457	11,116,519	8,239,822	8,853	8,248,675
Non cash staff salary & benefits	49,892,367	123,745	50,016,112	40,123,679	116,122	40,239,801
Non cash general & administrative expenses	24,407,196	19,374	24,426,570	18,987,955	109,213	19,097,168
Non cash financial cost	194,608,985	19,542,872	214,151,857	187,994,927	14,678,333	202,673,260
Non cash program cost	-	4,384,921	4,384,921	-	230,432	230,432
Sub-total of non cash items expenses	295,268,227	24,505,369	319,773,596	270,760,109	15,159,521	285,919,630
Less: Amount considered as non cash items income						
Non cash FDR & Revenue income	(60,280,518)	(35,506,209)	(95,786,727)	(15,292,190)	(24,727,996)	(40,020,186)
Sub-total of non cash items income	(60,280,518)	(35,506,209)	(95,786,727)	(15,292,190)	(24,727,996)	(40,020,186)
Increase/decrease in disbursement to members	(552,773,304)	566,634	(552,206,670)	(575,845,001)	(1,103,301)	(576,948,302)
Increased /decrease in payment for provision	(2,964,352)	(11,816,871)	(14,781,223)	(2,679,874)	(6,350,812)	(9,030,686)
Increase/decrease in loan, advance & prepaid	(10,836,210)	19,793,839	8,957,629	(24,719,182)	52,394,934	27,675,752
Net cash used in operating activities	(267,084,539)	135,433	(266,949,106)	(117,605,148)	35,885,485	(81,719,663)
B. Cash flows from Investing Activities						
Increase/decrease in acquisition of property, plant and equipment	(6,412,609)	(9,098,750)	(15,511,359)	(21,405,596)	(5,394,530)	(26,800,126)
Increase/decrease in short term investment	40,544,398	-	40,544,398	(72,784,375)	808,083	(71,976,292)
Increase/decrease in others current assets	(4,988,931)	-	(4,988,931)	(930,619)	-	(930,619)
Net Cash Used in Investing Activities	29,142,858	(9,098,750)	20,044,108	(95,120,590)	(4,586,447)	(99,707,037)
C. Cash Flows from financing Activities						
Increase/decrease in Long Term Borrowings-PKSF	39,100,000	-	39,100,000	300,000	-	300,000
Increase/decrease in Long Term Borrowings-Bank & Others	(194,526,425)	952,000	(193,574,425)	(145,527,973)	1,540,000	(143,987,973)
Increase/decrease in members savings	386,991,415	28,032	387,019,447	355,091,809	231,064	355,322,873
Increase/decrease in short term loan & others current liabilities	(30,363,851)	(2,050,654)	(32,414,505)	(46,316,817)	(38,398,600)	(84,715,417)
Increase/decrease in staff EP,EG,EW & ES fund	16,382,530	2,491,138	18,873,668	21,273,840	(1,814,928)	19,458,912
Increase/decrease in Development Program Fund	-	10,205,157	10,205,157	-	6,284,983	6,284,983
Net Cash Used in Financing Activities	217,583,669	11,625,673	229,209,342	184,820,859	(32,157,481)	152,663,378
D. Net cash increase / Decrease (A+B+C)	(20,358,012)	2,462,356	(17,695,656)	(27,904,879)	(858,443)	(28,763,322)
Add. Cash and Bank Balance Beginning of the year	93,243,180	3,878,125	97,121,305	121,148,059	4,736,568	125,884,627
Cash and Bank Balance at the end of the year	72,885,168	6,540,481	79,425,649	93,243,180	3,878,125	97,121,305

M. Azizur Rahman
Chairperson

Arif Sikder
Executive Director

Dewan Taqfiqa Hossain
Director

AMBALA FOUNDATION
Statement of Changes in Capital Fund
For the year ended 30 June 2020

Particulars	FY 2019-2020			FY 2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
Opening balance	652,228,612	22,625,575	674,854,187	422,057,622	22,112,436	444,170,058
Add: Opening Adjustment	-	-	-	-	-	-
Prior year adjustment	-	-	-	-	-	-
Surplus for the Year	64,501,618	2,592,671	67,094,289	230,170,990	513,139	230,684,129
Closing balance	716,730,230	25,218,246	741,948,476	652,228,612	22,625,575	674,854,187
Add: Adjustment during the year	-	-	-	-	-	-
Less: Adjustment during the year	-	-	-	-	-	-
Less: Transferred to reserve	71,673,023	-	71,673,023	(65,222,861)	-	(65,222,861)
Total Fund (After transfer to reserve)	788,403,253	25,218,246	813,621,499	587,005,751	22,625,575	609,631,326
Add: Reserve fund	(71,673,023)	-	(71,673,023)	65,222,861	-	65,222,861
Balance as on 30-06-2019	716,730,230	25,218,246	741,948,476	652,228,612	22,625,575	674,854,187



M. Azizur Rahman
Chairperson



Arif Sikder
Executive Director



Dewan Tufiq Hossain
Director



Ambala Foundation
Notes to the Financial Statement
for the year ended June 30, 2020

1.0 BACKGROUND

1.01 ORGANIZATION BACKGROUND

- In terms of global population density, Bangladesh is one of the highest ranking countries in the world accompanied with poor socio-economic conditions, acute malnutrition, low literacy rate and high population growth rate which triggers the country towards severe poverty and dreadful environmental crisis. A group of young and energetic students with innovative mind realized its consequences and came forward to put their efforts together to contribute for the development of the poor and destitute people and to reduce the poverty and environmental impact from local level to national level. Keeping this notion in their mind these group of student established Ambala Foundation as a non-profit and non-political voluntary organization in 1994 and initiated their development activities all over the Bangladesh from 1998.

Mission

Poverty elimination through establishing social unity and integrated development

Vision/Goal

Reducing poverty through eliminating inequality, promotion of education, socio-economic development, strengthens environment and climate change adaptability.

Core Values

- Integrity and Collaborative
- Innovation for Sustainability
- Dignity and Gender Sensitivity
- Passionate and Respect
- Accountability and Transparency

2.0 Corporate Information of the Organization

1	Name of the MFI/NGO	Ambala Foundation
2	Year of establishment	February 12, 1994
	Year of commencement	1998
3	Legal Entity/ Registration	<ul style="list-style-type: none"> • Registered on 01st January 2008 with Microcredit Regulatory Authority (MRA) No. 00350-01308-00086 • Registered on 28th February 1994 with the Department of Social Services. No. Dha- 03055 • Registered on 28th June 1995 with NGO Affairs Bureau. No. 952 • Registered on 27th July 2009 with Directorate of Youth Development. No. Jovoao/Munshigonj Sadar-60/Munshi-160
4	Nature of operations (programs)	Operating Microfinance Program and Development Program.
5	Statutory Audit conducted up to	June 30, 2020
6	Name of statutory auditor for last year	FAMES & R
7	Name of statutory auditor for current year	FAMES & R
8	No. Executive Committee meeting held FY 2019-2020	06
9	Date of Last AGM held	July 18, 2019



2.1 List of Executive Committee Members

Sl.	Name	Designation	Qualification	Profession	Present Address
1	M. Azizur Rahman	Chairperson	MA	Former - Chairman, Board of Trusty, National Museum BD. Secretary & Chief Information Commissioner (State Minister status) of Information Commission. Peoples Republic of BD.	358, South Paiek Para Mirpur, Dhaka.
2	Rajia Sultana	Vice-chairperson	MA	Service	92, Centarl Road, Kolabagan, New Market, Dhaka-1205
3	Arif Sikder	Secretary General	MA, MBA	Service	6/7, Block-F, Lalmatiya, Dhaka-1207.
4	S.M. Mahedi Hasan	Finance Secretary	MSS	Service	12/4 Road -2, Shyamoli, Dhaka-1207.
5	Salina Iqbal	Executive Member	MA	Service	14/5 Babor Road\, Mohammadpur, Dhaka

Basis of Preparation of Financial Statements

3.0 Basis of Accounting

The financial report has been prepared under the historical cost conventions on accrual basis except service charges which are computed following cash basis of accounting.

3.01 Preparation of Financial Statements

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

Ambala Foundation's accounting records and financial statements are maintained and presented in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and internal reporting into funds established according to their nature and purposes based on the existence or absence of donor-imposed restrictions.

3.02 Reporting Period

The financial statements cover the period from 1st July 2019 to 30th June 2020.

4.0 Summary of significant accounting policies

4.01 Currencies

The financial statements are presented in Bangladesh Taka which is the MFI's functional currency. All financial information presented in BD Taka has been rounded off to the nearest Taka.



4.02 Revenue Recognition

As per BAS-18 "Revenue", Revenue is to be recognized when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of revenue and related cost can be measured reliably.

Accordingly, Income from Service Charge on loan is recognized on cash basis when it is collected and other income is recognized when it is earned in the relevant period.

4.03 (i) Interest income

Interest on bank accounts, fixed deposits, revenue is recognized as the interest accrues unless collectability is in doubt.

Service charge on loan

The Organization is collecting Service Charges from beneficiaries/end users at a declining rate of maximum 24% on the loan provided to them. The principal loan and proportional service charges are collected in 46 equal weekly installments.

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

Interest expenses

Interest expenses have been accounted for on accrual basis.

(ii) Interest paid on savings

a) Regular Savings

Ambala Foundation Microfinance program has a mandatory savings provision, with a view to facilitating and encouraging savings by Center Member/Individual Member. The interest rate on mandatory savings is 6%. Saving amounts are decided at the center level with a minimum weekly savings requirement of Tk. 50. Each center members deposits a minimum of Tk. 50 in a weekly meeting. For consecutive loans members are eligible to withdrawal savings as long as they maintain a saving balance of 10% of the loan amount. This savings is to be mentioned in the Pass book, Subsidiary Ledger, General ledger individually/Separately.

A minimum savings of 10% of the loan amount is required for the first loan period.

The entire amount of savings deposits of a center member or individual will be refunded when the member retires or is terminated from membership.

b) Monthly Voluntary Savings (MVS)

Ambala Foundation implemented an optional voluntary savings program called **Monthly Voluntary Savings**. The interest on this program is 8% annually, compounded monthly. The special voluntary savings accounts are like a current account. Beneficiaries can save monthly one time or withdraw the amount on demand. This voluntary savings stands for those who deposit voluntarily beyond their regular savings. The minimum depositing amount of this fund is Tk. 100. This special voluntary savings is to be mentioned in the pass book, subsidiary ledger and general ledger individually. While refunding the special voluntary savings the beneficiaries have to come to office and complete the required process for withdrawal.



c) SAMRIDI Savings

Ambala Foundation implemented an optional term savings program called **SAMRIDI**. It is tied up with fixed deposit. Profit will be given at different rate based on different period (6 & 10 years) & deposited amount (1,000-100,000 tk.). Amount of deposits will be doubled in 6 years period & tripled in 10 years period. The special savings accounts are like a current account. This term savings stands for those who deposit voluntarily beyond their regular savings.

d) One Time Savings (OTS)

Ambala Foundation implemented another optional term savings program called **OTS**. It is tied up with fixed deposit. Profit will be given in this program at 14.40% to 15.60% annually, compounded monthly. The special savings accounts are like a current account. This savings stands for those who deposit voluntarily beyond their regular savings.

4.04 Property, Plant and Equipment

Recognition

- Its expected useful life is more than one year,
- It is tangible assets and
- Future economic benefit associated with the item will flow to entity.

Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided for on a straight-line basis over the estimated useful lives at the following annual rates:

The rates of depreciation applied are as follows:

Particulars	Rate
Furniture & Fixtures	10%
Equipments & Machineries	20%
Motor Vehicles	20%
Intangible	20%
Others Assets	20%

Subsequent Recognition

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the organization and its cost reliably measured. The cost of the day to day servicing of the property and equipment are recognized in the statement of income and expenditure as incurred expenditure.

Sale of Property, Plant and Equipment

Sale price of property, plant and equipment are determined on the basis of fair value of the assets. Gain or losses on sale of property, plant and equipment are recognized in the statement of income and expenditure incurred as per provision of IAS-16, property, plant and equipment.

4.05 Basis of Reporting

Financial statements presentation follows the recommendations and guideline of the partners & donors. They also conform to specific sections of IFRS (International Financial Reporting Standard) applicable for non-profit organization.

4.06 Grant/Donation Accounting

Grants are recognized as income in accordance with International Accounting Standard (IAS) 20, "Accounting for Government Grants and Disclosure of Government Assistance", over the periods necessary to match them with the corresponding costs as incurred.



4.07 Donor Grants

Income from donor grants is recognized when conditions on which they depend have been met. Substantially, Ambala Foundation donor grants are for the funding of projects and programs, and for these grants, income is recognized to equate the expenditure incurred on projects and programs. Donor's grants that are utilized for the purchase of fixed assets are spent as program-related expenditure. All donor grants received are initially recorded at fair value as liabilities in Grants Received in Advance Account. For ongoing projects and programs, any expenditure yet to be funded but for which funding has been agreed upon at the end of the reporting period is recognized as donation receivable.

5.0 Significant Organization Policies

5.01 Loan Classification & Loan Loss Provision Policy

Management regularly assesses the adequacy of the loan loss provision based on the age of the loan portfolio. At the end of the each month, Ambala Foundation calculate required provision for loan loss based on the loan classification and provisioning methodology which is shown below and any adjustment, if required, are made and accounted for in the financial statements:

Loan Classification

Particulars	Status of Loan	Loan Loss Provision Ratio
1 to 30 days due	Watchful Loan (WL)	5%
31 to 180 days due	Sub Standard Loan (SSL)	25%
181 to 365 days due	Doubtful Loan Outstanding (DLO)	75%
365+ days past due	Bad Loan Outstanding (BLO)	100%

5.02 Write Off Policy

The write off of loans, if necessary, are charged against the provision for loan losses. Loans within their maturity period are classified as "current loan". Loan which remains outstanding over a year of their maturity period is considered as "Bad loans".

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

5.03 Policy on Loan to beneficiaries under the Microfinance Program

Main Process of the Microfinance Program

Ambala Foundation microfinance is implemented through a group model whereby members from groups of five and subsequently form centers composed of roughly six groups. Center meetings are held each week by field/credit officer. At such meetings, members can submit loan applications, make loan repayments and deposit savings. Target families are identified on the basis of sex, age and household income, after which interested persons are invited for group discussions regarding Ambala Foundation microfinance products and regulations.

Ambala Foundation activities include providing micro-finance loans to group members without collateral, on a service charge basis under various components. This represents various loans outstanding with the clients in the following categories:



Various Component of the Microfinance Program

JAGORON (Microfinance Program for Rural & Urban People)

This is to allow rural people to finance their economic activities. Jagoron loans are working capital loans given to poor and disadvantaged households. Jagoron loan ranges from Tk. 10,000 to 49,000 are given for refund within one year and service charge 24% (declining rate) per year.

AGROSOR (Microfinance Program for Entrepreneurs)

Available to both men & women, the micro-enterprise program provides services on either a group or individual basis. Most members are recruited through surveys, with the majority of loans given on an individual basis. A small number of micro-credit member's graduate from the micro-credit program to become micro-enterprise program members. Subsequently more emphasis will be put towards such members. The micro-enterprise program seeks members who would like to expand their businesses; the loan amount is not intended as start-up capital. Ambala Foundation seeks members with a minimum of 02 years business experience, a visible venture and those who have scope to generate employment opportunities. Agrosor loan ranges from Tk. 1,00,000 to Tk. 25,00,000 are given for refund within one year and service charge 24% (declining rate) per year.

SUFOLON (Microfinance Program for Agriculture)

This loan is exclusive for agriculture, enterprise, livestock etc. activities and is designated to increase the farm and business activities. Sufolon loan also enhances "Social food security net" of the households. Sufolon loan ranges from Tk. 10,000 to Tk. 1,000,000 are given for Agri. Production and refund within 3-9 months and service charge 24% (declining rate) per year.

BUNIAD (Microfinance Program for Ultra and Extreme Poor)

This loan is exclusive for ultra-poor beneficiaries. Buniad loan ranges from Tk. 10,000 to TK. 49,000 are given for refund within one year and service charge maximum 20% (declining rate) per year.

GRIHAYAN Loan (Microfinance Program for House Construction)

To reduce the housing vulnerability of the disadvantaged rural community this loan is taken from the housing fund of Bangladesh Government and disbursed among the right deprived disadvantage community people particularly those who are victims of river erosion, cyclone, flood and fir with view to build and rebuild their houses. This loan is given from three years and the rate of interest is 05%.

5.04 Savings collection

There are four types of members savings collected by the Ambala Foundation:

- Regular Savings.
- Monthly Voluntary Savings (MVS).
- SAMRIDI Savings.
- One Time Savings (OTS).

a) Regular Savings

Ambala Foundation Microfinance program has a mandatory savings provision, with a view to facilitating and encouraging savings by Center Member/Individual Member. Saving amounts are decided at the center level with a minimum weekly savings requirement of Tk. 50. Each center members deposits a minimum of Tk. 50 in a weekly meeting. For consecutive loans members are eligible to withdrawal savings as long as they maintain a saving balance of 10% of the loan amount. This savings is to be mentioned in the Pass book, Subsidiary Ledger, General ledger individually/Separately.

The entire amount of savings deposits of a center member or individual will be refunded when the member retires or is terminated from membership.



b) Monthly Voluntary Savings (MVS)

Ambala Foundation implemented an optional voluntary savings program called **Monthly Voluntary Savings**. Beneficiaries can save monthly one time or withdraw the amount on demand. This savings stands for those who deposit voluntarily beyond their regular savings. The minimum depositing amount of this fund is Tk. 100. This special savings is to be mentioned in the pass book, subsidiary ledger and general ledger individually. While refunding the special savings the beneficiaries have to come to office and complete the required process for withdrawal.

c) SAMRIDI Savings

Ambala Foundation implemented an optional term savings program called **SAMRIDI**. It is tied up with fixed deposit. Amount of deposits will be doubled in 6 years period & tripled in 10 years period. The special savings accounts are like a current account. This savings stands for those who deposit voluntarily beyond their regular savings.

d) One Time Savings (OTS)

Ambala Foundation implemented another optional term savings program called **OTS**. It is tied up with fixed deposit. The special savings accounts are like a current account. This savings stands for those who deposit voluntarily beyond their regular savings.

5.05 Motorcycle Loan

Motorcycle loan can be provided to staff to expedite the field work and project implementation of Ambala Foundation with the approval from the approval committee. The concerned staff has to be a valid license holder if he wants to avail this loan. The amount of loan, duration of loan, number of installments etc. is to be decided by the approval committee. The motorcycle has to be registered under the name of the Ambala Foundation.

Ambala Foundation provides the motorcycle allowance to staff. The amount of motorcycle allowance is based on the mileage run verified from the log book of each loaner. The motorcycle allowance is Tk. 3.00 per KM, Tk. 600.00 for monthly maintenance and provided to the respective staff in the following month.

If any staff resigns or retires or terminated before paying all installments, he will have to hand over the motorcycle to Ambala Foundation. If the life of Motorcycle exceeds 5 years, the staff may pay all the rest of the installments, the authority will hand over the motorcycle to the concerned staff. If the staff pays all the installments, the authority will hand over the motorcycle to the concerned staff. The cost of providing motorcycle loan to staff is recovered through monthly salary deductions.

5.06 Member welfare fund

Ambala Foundation has created a Member welfare fund to cover the outstanding risk of death members.

5.07 Employees' Provident Fund

Ambala Foundation maintains recognized contributory provident fund for its eligible permanent employees. The fund is operated by the Board of Trustee. All confirmed employees are contribution 10% of their basic salary as subscription of the fund. Ambala Foundation also contributes equal amount of the employees.

5.08 Employees' Gratuity Fund

Ambala Foundation makes provision for an Employee Gratuity fund, on the basis of one month's basic salary for each completed year in employment (based on basic salary of the last month). The fund is



held as a provision within 'other liabilities', and is not externally funded. Gratuity is disbursed upon retirement or resignation of employees provided the employee has completed five years service at the rate of one month's basic salary last drawn for each completed year of service.

5.09 Employees' Security Fund

Ambala Foundation has created an employee security fund to cover the risks of accident or deprivation of eye-sight. Security amount collects from the respective staff at the rate of Tk.10,000 to Tk. 20,000 at the time of joining in the service or collecting installment basis from the respective staff. Security amounts refund with 6% interest compounded annually to the respective staff at the time of retirement or termination from the service. The fund is held as a provision within other liabilities.

5.10 Accommodation Facilities for Staff

Ambala Foundation provides accommodation facilities at each branch for the respective staff and paid as house rent allowance Tk. 1000 per month for female staff.

5.11 Incentive for Microfinance program

Ambala Foundation provides incentive for microfinance staff. Incentive paid monthly on the basis of performance.

5.12 Employee Pension Scheme

- The company will provide contributory pension benefits for all permanent employees called contributory Pension Scheme.
- According to the level / grade of the salary structure of the organization, the amount of deposit for each employee according to the assigned grade / level for his / her assigned level / grade is as follows:

1 st grade	10,000/-
2 nd grade	10,000/-
3 rd grade	5,000/-
4 th grade	3,000/-
5 th grade	2,000/-
6 th grade	1,000/-
7 th grade	500/-

- If the grade / level of the promoted or demoted staff is changed, the amount assigned to the current grade / level will be credited as before.
- In case of grant / receipt of benefits, the grade / level of the recruitment period will be calculated at maturity, the additional deposit rate for the employees who have been promoted or demoted will start to be calculated from 1st (1st) year.
- Each employee will be entitled to pension benefits at the following rate for a specified period.

Job Duration	Benefits received
00-01 years until complete	Employee own deposit
01-10 years until complete	Employee's own portion is entitled to 8% dividend
10-15 years until complete	2.5 times Employee's own deposit
15-20 years until complete	4 times Employee's own deposit
20-25 years until complete	7 times Employee's own deposit
Above 25 Years	10 times Employee's own deposit



- All permanent employees employed on July 1, 2019 and all permanent employees employed in the future shall be entitled to pension benefits at the rate stated only if they have continuously submitted their contribution to the contributory Pension Scheme for a period of at least 10 years or 120 months.
- If an employee receiving pension benefits is interested in getting his pension benefits on a monthly basis, then the company can enjoy the monthly benefit of dividends at the prevailing rate against the amount earned.

5.13 Special Advance Salary

Ambala Foundation provides special advance salary to regular staff to overcome the medical treatment, natural disaster, arising out of death of any family member. One can apply for this loan after completion at least 6 month membership of provident fund. A staff is allowed to avail that much amount which is maximum of 02 months equivalent total salary without any interest. The duration of this loan will be maximum 12 months.

5.14 Loan Against Provident Fund

Employee can take loan at 80% amount of his own contribution if loan is taken within 5 years and if loan is taken after 5 years employee can take 80% of his/her total fund (Own & Organization). Interest charged at 10% on loan, maximum duration of repayment will be 36 months.

5.15 Taxation and VAT

Under the Income Tax Ordinance (ITO), 1984 as amended, Ambala Foundation is subject to taxation for some of its projects and properties. As per 6th Schedule, Part-A, para-1A of ITO 1984, Income from Microfinance activities are Tax exempted. Ambala Foundation submits its Return for tax for the organization as a whole Ambala Foundation and TIN number is 871703359207/ Taxes Circle-90(Company), Taxes Zone 05, Dhaka.

Under the Value Added Tax (VAT) Act. 2012, VAT Registration Number is for Head Office 000802704.

5.16 Other Facilities to Beneficiaries

Ambala Foundation provides pass book to beneficiaries for recording their loan and savings related transactions. During the loan period members are eligible to take the pass book by paying Tk. 5 for each one and Tk. 10 for Loan Application form. If any member loses the pass book, he will pay Tk. 10 to take another pass book. The income from selling of pass books is being recognized as income in the Statement of Comprehensive Income in the period in which they are incurred. Ambala Foundation activities also include providing microfinance loans to beneficiaries without loan processing fee. Ambala Foundation activates also include providing microfinance loans to beneficiaries without admission fee & any other services. After completion of 3 weeks membership, the member will be eligible to take the first period loan. Ambala Foundation also provides an opportunity of rebate against service charge if the loan installments are paid in advance.

5.17 General

- i. Where necessary, comparative figures and accounts titles in the financial statements have been rearranged to conform to the current year's presentation.
- ii. The figures appearing in the financial statements have been rounded off to the nearest Taka.



AMBALA FOUNDATION
Notes to the Statement of Financial Position

Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
6. Property, Plant and Equipment	153,106,636	13,446,857	166,553,493	155,854,763	4,782,565	160,637,327
Cost Value						
Opening balance	172,973,326	5,728,106	178,701,432	94,458,524	47,608,489	142,067,013
Add: Purchase during the year	6,266,425	9,098,750	15,365,175	78,514,802	16,933,227	95,448,029
Add: Adjustment during the year	-	-	-	-	-	-
Less : Sale/Transfer during the year	-	-	-	-	(58,813,610)	(58,813,610)
Less : Adjustment during the year	(3,587,158)	-	(3,587,158)	-	-	-
Total Cost Value	175,652,593	14,826,856	190,479,449	172,973,326	5,728,106	178,701,432
Less : Accumulated Depreciation						
Opening balance	17,118,563	945,541	18,064,104	10,603,623	936,688	11,540,311
Add. Depreciation during the year	8,601,344	434,457	9,035,801	6,571,469	8,853	6,580,323
Add. Disposal during the year	-	-	-	-	-	-
Less Transfer during the year	-	-	-	(56,529)	-	(56,529)
Less Adjustment during the year	(3,173,950)	-	(3,173,950)	-	-	-
Accumulated Depreciation	22,545,957	1,379,998	23,925,955	17,118,563	945,541	18,064,105
Written Down Value	153,106,636	13,446,857	166,553,494	155,854,763	4,782,565	160,637,327
7. Intangible assets	6,123,501	-	6,123,501	7,246,334	-	7,246,334
Cost Value						
Opening balance	9,545,000	-	9,545,000	8,350,000	-	8,350,000
Add. Purchase during the year	850,000	-	850,000	3,240,000	-	3,240,000
Add: Adjustment during the year	-	-	-	-	-	-
Less : Sale/Transfer during the year	-	-	-	-	-	-
Less : Adjustment during the year	-	-	-	(2,045,000)	-	(2,045,000)
Total Cost Value	10,395,000	-	10,395,000	9,545,000	-	9,545,000
Less : Accumulated Amortisation						
Opening balance	2,298,666	-	2,298,666	2,328,158	-	2,328,158
Add. Depreciation during the year	1,972,833	-	1,972,833	1,580,532	-	1,580,532
Add. Disposal during the year	-	-	-	378,448	-	378,448
Add. Transfer during the year	-	-	-	56,529	-	56,529
Less Adjustment during the year	-	-	-	(2,045,000)	-	(2,045,000)
Accumulated Depreciation	4,271,499	-	4,271,499	2,298,666	-	2,298,666
Written Down Value	6,123,501	-	6,123,501	7,246,334	-	7,246,334
8. Others Non Current Assets	194,920	-	194,920	363,361	-	363,361
Cost Value						
Opening balance	578,123	-	578,123	327,389	-	327,389
Add. Purchase during the year	24,999	-	24,999	250,734	-	250,734
Add: Adjustment during the year	-	-	-	-	-	-
Less : Sale/Transfer during the year	-	-	-	-	-	-
Less : Adjustment during the year	(315,090)	-	(315,090)	-	-	-
Total Cost	288,032	-	288,032	578,123	-	578,123
Less : Accumulated Depreciation						
Opening balance	214,762	-	214,762	126,941	-	126,941
Add. Depreciation during the year	107,885	-	107,885	87,821	-	87,821
Add. Disposal during the year	-	-	-	-	-	-
Less Adjustment during the year	(229,535)	-	(229,535)	-	-	-
Accumulated Depreciation	93,112	-	93,112	214,762	-	214,762
Written Down Value	194,920	-	194,920	363,361	-	363,361
9. Investment FDR	286,841,621	-	286,841,621	328,468,219	-	328,468,219



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
9.1 FDR for SAVINGS	92,173,641	-	92,173,641	138,531,250	-	138,531,250
Opening balance	138,531,250	-	138,531,250	89,000,000	-	89,000,000
Add: Addition principal during the	60,000,000	-	60,000,000	133,000,000	-	133,000,000
Add: Adjustment from receivable	5,190,990	-	5,190,990	952,350	-	952,350
Less : FDR withdrawal	(111,548,599)	-	(111,548,599)	(84,391,985)	-	(84,391,985)
Less: Adjustment tax & charged	-	-	-	(29,115)	-	(29,115)
Closing balance	92,173,641	-	92,173,641	138,531,250	-	138,531,250
9.2 FDR for Reserve Fund	75,187,556	-	75,187,556	76,787,938	-	76,787,938
Opening balance	76,787,938	-	76,787,938	45,000,000	-	45,000,000
Add: Addition principal during the	54,500,000	-	54,500,000	71,000,000	-	71,000,000
Add: Adjustment from receivable	3,504,159	-	3,504,159	1,121,135	-	1,121,135
Less : FDR withdrawal	(59,544,541)	-	(59,544,541)	(40,333,197)	-	(40,333,197)
Less: Adjustment tax & charged	(60,000)	-	(60,000)	-	-	-
Closing balance	75,187,556	-	75,187,556	76,787,938	-	76,787,938
9.3 FDR-Lien & Others	119,480,425	-	119,480,425	113,149,031	-	113,149,031
Opening balance	113,149,031	-	113,149,031	113,269,677	-	113,269,677
Add: Addition during the year	70,000,000	-	70,000,000	29,450,000	-	29,450,000
Add: Interest earned during the year	7,876,768	-	7,876,768	6,391,297	-	6,391,297
Less: Recovery during the year	(71,545,374)	-	(71,545,374)	(35,940,443)	-	(35,940,443)
Less: Adjustment During the year	-	-	-	(21,500)	-	(21,500)
Closing balance	119,480,425	-	119,480,425	113,149,031	-	113,149,031
9.4 Interest Receivable	-	-	-	-	-	-
Opening balance	-	-	-	1,489,798	-	1,489,798
Add: Addition during the year	-	-	-	-	-	-
Add: Provision during the year	-	-	-	-	-	-
Add: Interest earned during the year	-	-	-	-	-	-
Less: Realised/Adjustment during the	-	-	-	(1,489,798)	-	(1,489,798)
Closing balance	-	-	-	-	-	-
10. Advance, Security & Prepaid	27,293,229	238,456,363	265,749,592	29,194,472	198,632,430	227,826,902
10.1 Loan to Staffs & Others Fund	17,371,984	238,427,454	255,799,438	20,874,256	2,608,277	23,482,533
Opening balance	20,874,256	198,334,067	219,208,323	8,181,189	1,993,037	10,174,226
Add: Disbursement during the year	297,292	626,088,436	626,385,728	18,804,075	2,818,000	21,622,075
Add: Adjustment during the year	9,520,080	-	9,520,080	-	-	-
Less: Recovery during the year	(4,446,822)	(585,995,049)	(590,441,871)	(948,530)	(204,771)	(1,153,301)
Less: Adjustment / Transfer during	(8,872,822)	-	(8,872,822)	(5,162,478)	(1,997,989)	(7,160,467)
Closing balance	17,371,984	238,427,454	255,799,438	20,874,256	2,608,277	23,482,533
10.2 Advance against Prepaid & Security	7,428,812	15,000	7,443,812	8,320,216	196,024,154	204,344,370
Opening balance	7,044,060	149,500	7,193,560	5,905,670	131,690,570	137,596,240
Add: Disbursement during the year	7,901,780	10,185,632	18,087,412	9,439,043	145,259,586	154,698,628
Add: Adjustment during the year	-	-	-	957,757	401,967,754	402,925,511
Less: Recovery during the year	(7,517,028)	(10,320,132)	(17,837,160)	(2,530,443)	(200,414,281)	(202,944,724)
Less: Adjustment / Transfer during	-	-	-	(5,451,810)	(282,479,475)	(287,931,285)
Closing balance	7,428,812	15,000	7,443,812	8,320,216	196,024,154	204,344,370



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
10.3 Advance against Income Tax	2,492,433	13,910	2,506,342	-	-	-
Opening balance	1,276,156	15,818	1,291,974	-	-	-
Add: Disbursement during the year	344,126	22,031	366,157	-	-	-
Add: Adjustment during the year	2,148,307	-	2,148,307	-	-	-
Less: Recovery during the year	-	-	-	-	-	-
Less: Adjustment / Transfer during	(1,276,156)	(23,939)	(1,300,095)	-	-	-
Closing balance	2,492,433	13,910	2,506,342	-	-	-
11. Loan to Group Members	3,463,816,774	918,339	3,464,735,112	3,091,718,301	1,484,973	3,093,203,273
11.1 MFP Loan to Beneficiaries-	314,792,028	-	314,792,028	172,482,667	-	172,482,667
Opening balance	172,500,838	-	172,500,838	174,490,180	-	174,490,180
Add. Disbursement during the year	491,478,000	-	491,478,000	271,029,000	-	271,029,000
Add. Balance transferred from UMC	-	-	-	-	-	-
Less : Recovery during the year	(327,799,021)	-	(327,799,021)	(272,099,941)	-	(272,099,941)
Less: Adjustment recovery	(21,387,789)	-	(21,387,789)	(936,572)	-	(936,572)
Closing balance	314,792,028	-	314,792,028	172,482,667	-	172,482,667
11.2 Loan to Beneficiaries-AGROSOR	1,838,651,634	-	1,838,651,634	1,646,416,696	-	1,646,416,696
Opening balance	1,646,554,513	-	1,646,554,513	1,264,253,095	-	1,264,253,095
Add. Disbursement during the year	1,875,645,000	-	1,875,645,000	2,254,289,000	-	2,254,289,000
Less : Recovery during the year	(1,584,214,965)	-	(1,584,214,965)	(1,862,218,940)	-	(1,862,218,940)
Less: Adjustment / Recovery	(99,332,914)	-	(99,332,914)	(9,906,459)	-	(9,906,459)
Closing balance	1,838,651,634	-	1,838,651,634	1,646,416,696	-	1,646,416,696
11.3 Loan to Beneficiaries-BUNIAD	-	-	-	45,806	-	45,806
Opening balance	45,806	-	45,806	46,348	-	46,348
Add. Disbursement during the year	-	-	-	-	-	-
Less : Recovery During the year	-	-	-	(542)	-	(542)
Less: Adjustment	(45,806)	-	(45,806)	-	-	-
Closing balance	-	-	-	45,806	-	45,806
11.4 Loan to Beneficiaries-SUFOLON	150,392,304	-	150,392,304	140,506,328	-	140,506,328
Opening balance	140,506,328	-	140,506,328	128,033,936	-	128,033,936
Add. Opening Adjustment	179,390,000	-	179,390,000	250,579,000	-	250,579,000
Add. Disbursement during the year	-	-	-	-	-	-
Less : Recovery During the year	(164,026,377)	-	(164,026,377)	(236,984,893)	-	(236,984,893)
Less: Adjustment	(5,477,647)	-	(5,477,647)	(1,121,715)	-	(1,121,715)
Closing balance	150,392,304	-	150,392,304	140,506,328	-	140,506,328
11.5 Loan to Beneficiaries-GRIHAYAN	1,159,980,809	918,339	1,160,899,148	1,132,266,804	1,484,973	1,133,751,777
Opening balance	1,132,110,815	1,484,973	1,133,595,788	965,565,078	337,615	965,902,694
Add. Disbursement during the year	928,880,000	-	928,880,000	1,232,585,000	1,820,000	1,234,405,000
Add: Adjustment	-	-	-	-	-	-
Less : Recovery During the year	(846,579,332)	(566,634)	(847,145,966)	(1,061,332,683)	(672,643)	(1,062,005,325)
Less : Adjust / Transfer	(54,430,674)	-	(54,430,674)	(4,550,592)	-	(4,550,592)
Closing balance	1,159,980,809	918,339	1,160,899,148	1,132,266,804	1,484,973	1,133,751,777
12. Accounts Receivable	1,518,090	-	1,518,090	1,953,402	-	1,953,402
Opening balance	1,953,402	-	1,953,402	-	100,000	100,000
Add. Disbursement during the year	-	-	-	1,953,402	-	1,953,402
Add. Adjusted during the year	1,659,672	-	1,659,672	-	96,375	96,375
Less : Recovery During the year	-	-	-	-	(196,375)	(196,375)
Less. Adjusted during the year	(2,094,984)	-	(2,094,984)	-	-	-
Closing balance	1,518,090	-	1,518,090	1,953,402	-	1,953,402



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
13. Others Current Assets	3,990,274	-	265,032	265,032	-	265,032

13.1 Stock & Stores

Opening balance	-	-	-	-	-	-
Add. Purchase during the year	-	-	-	-	-	-
Add. Adjustment during the year	-	-	-	-	-	-
Less : Sale during the year	-	-	-	-	-	-
Less : Adjustment during the year	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

13.2 Unsettled Advance	3,990,274	-	265,032	265,032	-	265,032
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Opening balance	265,032	-	265,032	-	-	-
Add. Provision during the year	5,035,391	-	5,035,391	930,619	-	930,619
Add. Adjustment during the year	787,760	-	787,760	-	-	-
Less : Recovery during the year	(46,460)	-	(46,460)	(665,587)	-	(665,587)
Less : Adjustment during the year	(2,051,449)	-	(2,051,449)	-	-	-
Closing balance	3,990,274	-	265,032	265,032	-	265,032

14. Cash in Hand and at Bank	72,885,168	6,540,481	79,425,649	93,243,180	3,878,125	97,121,305
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14.1 Cash in hand	9,842,425	133,372	9,975,797	24,204,033	199,423	24,403,456
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Head Office	223,515	127,846	351,361	44,156	166,322	210,478
Branch Office	9,618,910	5,526	9,624,436	24,159,877	33,101	24,192,978
Total	9,842,425	133,372	9,975,797	24,204,033	199,423	24,403,456

14.2 Cash at Bank	63,042,743	6,407,109	69,449,852	69,039,147	3,678,702	72,717,849
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Head Office	22,843,703	6,063,806	28,907,509	29,841,048	3,598,192	33,439,240
Branch Office	40,199,040	343,303	40,542,343	39,198,099	80,510	39,278,609
Total	63,042,743	6,407,109	69,449,852	69,039,147	3,678,702	72,717,849

15. Retained Surplus	716,730,230	25,218,246	741,948,476	652,228,612	22,625,576	674,854,188
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Opening balance	652,228,612	22,625,576	674,854,188	422,057,622	22,112,437	444,170,059
Add : Prior year adjustment	-	-	-	-	-	-
Less : Prior year adjustment	-	-	-	-	-	-
Sub total	652,228,612	22,625,576	674,854,188	422,057,622	22,112,437	444,170,059
Add: Surplus/(Deficit) during the year	64,501,618	2,592,670	67,094,289	230,170,990	513,139	230,684,129
Add: Adjustment during the year	-	-	-	-	-	-
Less: Adjustment during the Year	-	-	-	-	-	-
Sub total	64,501,618	2,592,670	67,094,289	230,170,990	513,139	230,684,129
Total Retained Surplus After	716,730,230	25,218,246	741,948,476	652,228,612	22,625,576	674,854,188
Less: Provision for Reserve Fund	(71,673,023)	-	(71,673,023)	(65,222,861)	-	(65,222,861)
Total Retained Surplus After Reserved	645,057,207	25,218,246	670,275,453	587,005,751	22,625,576	609,631,327
Add: Reserve Fund	71,673,023	-	71,673,023	65,222,861	-	65,222,861
Closing balance	716,730,230	25,218,246	741,948,476	652,228,612	22,625,576	674,854,188

16. Development Program Fund	-	605,980	605,980	-	699,365	699,365
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Opening balance	-	699,365	699,365	-	-	-
Add: Receipt during the year	-	96,338,573	96,338,573	-	6,271,483	6,271,483
Add: Fund against bank interest	-	31,813	31,813	-	-	-
Less: Return/Transfer donation during	-	(96,463,771)	(96,463,771)	-	-	-
Less: Fund adjusted current year	-	-	-	-	(5,572,118)	(5,572,118)
Closing balance	-	605,980	605,980	-	699,365	699,365



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
17. Long Term Borrowings-PKSF	108,500,000	-	108,500,000	69,400,000	-	69,400,000

17.1 Long Term Borrowings-PKSF- RMC

Opening balance	-	-	-	150,000	-	150,000
Add: Receipt during the year	-	-	-	-	-	-
Less: Return during the year	-	-	-	(150,000)	-	(150,000)
Less: Adjust / Transfer	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

17.2 Long Term Borrowings-PKSF- ME

Opening balance	-	-	-	300,000	-	300,000
Add: Receipt during the year	-	-	-	-	-	-
Less: Return during the year	-	-	-	(300,000)	-	(300,000)
Less: Adjust / Transfer	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

17.3 Long Term Borrowings-PKSF-

Opening balance	-	-	-	200,000	-	200,000
Add: Receipt during the year	-	-	-	-	-	-
Less: Return during the year	-	-	-	(200,000)	-	(200,000)
Less: Adjust / Transfer	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

17.4 Long Term Borrowings- PKSF-

Opening balance	-	-	-	-	-	-
Add: Receipt during the year	40,000,000	-	40,000,000	40,000,000	-	40,000,000
Less: Return during the year	-	-	-	(40,000,000)	-	(40,000,000)
Less: Adjust / Transfer	-	-	-	-	-	-
Closing balance	40,000,000	-	40,000,000	-	-	-

17.5 Long Term Borrowings- PKSF-

Opening balance	44,000,000	-	44,000,000	39,350,000	-	39,350,000
Add: Receipt during the year	20,000,000	-	20,000,000	25,000,000	-	25,000,000
Less: Return during the year	(22,000,000)	-	(22,000,000)	(20,350,000)	-	(20,350,000)
Closing balance	42,000,000	-	42,000,000	44,000,000	-	44,000,000

17.6 Long Term Borrowings- PKSF-
AGROSOR

Opening balance	25,400,000	-	25,400,000	28,100,000	-	28,100,000
Add: Receipt during the year	15,000,000	-	15,000,000	10,000,000	-	10,000,000
Less: Return during the year	(13,900,000)	-	(13,900,000)	(12,700,000)	-	(12,700,000)
Closing balance	26,500,000	-	26,500,000	25,400,000	-	25,400,000

17.7 Long Term Borrowings- PKSF-
RIINIAD

Opening balance	-	-	-	1,000,000	-	1,000,000
Add: Receipt during the year	-	-	-	-	-	-
Less: Return during the year	-	-	-	(1,000,000)	-	(1,000,000)
Closing balance	-	-	-	-	-	-



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
18. Long Term Borrowings-Bank & Others	1,377,136,507	2,912,000	1,380,048,507	1,450,011,826	1,960,000	1,451,971,826
Opening balance	1,450,011,826	1,960,000	1,451,971,826	1,450,981,842	420,000	1,451,401,842
Add: Receipt during the year	1,017,956,705	1,820,000	1,019,776,705	1,197,694,795	1,820,000	1,199,514,795
Add: Adjustment during the year	139,103,640	-	139,103,640	144,557,957	-	144,557,957
Less: Return during the year	(1,212,483,130)	-	(1,212,483,130)	(1,343,222,768)	(280,000)	(1,343,502,768)
Less: Adjust / Transfer / Refund during	(17,452,534)	(868,000)	(18,320,534)	-	-	-
Closing balance	1,377,136,507	2,912,000	1,380,048,507	1,450,011,826	1,960,000	1,451,971,826
19. Member Savings	1,462,774,575	359,344	1,463,133,919	1,238,558,664	331,312	1,238,889,976
19.1 Members Regular Savings	336,822,345	181,647	337,003,992	475,465,474	146,615	475,612,089
Opening balance	475,465,474	146,615	475,612,089	447,003,798	93,562	447,097,360
Add: Receipt during the year	406,716,819	86,219	406,803,038	500,556,929	812,161	501,369,090
Add: Adjustment during the year	121,089,235	-	121,089,235	109,656,627	6,589	109,663,216
Less: Return during the year	(368,279,574)	(51,187)	(368,330,761)	(490,939,306)	(765,697)	(491,705,003)
Less: Adjust / Transfer / Refund during	(298,169,609)	-	(298,169,609)	(90,812,574)	-	(90,812,574)
Closing balance	336,822,345	181,647	337,003,992	475,465,474	146,615	475,612,089
19.2 Members Voluntary Savings - Monthly	244,016,230	2,697	244,018,927	210,551,190	2,697	210,553,887
Opening balance	210,551,190	2,697	210,553,887	165,059,718	-	165,059,718
Add: Receipt during the year	120,150,372	-	120,150,372	137,289,158	3,000	137,292,158
Add: Adjustment during the year	40,769,301	-	40,769,301	33,261,401	97	33,261,498
Less: Return during the year	(100,990,202)	-	(100,990,202)	(102,733,972)	(400)	(102,734,372)
Less: Adjust / Transfer / Refund during	(26,464,431)	-	(26,464,431)	(22,325,115)	-	(22,325,115)
Closing balance	244,016,230	2,697	244,018,927	210,551,190	2,697	210,553,887
19.3 Members Savings-SAMRIDDI	169,063,000	175,000	169,238,000	142,345,000	182,000	142,527,000
Opening balance	142,345,000	182,000	142,527,000	115,257,000	-	115,257,000
Add: Receipt during the year	78,975,000	-	78,975,000	87,974,000	182,000	88,156,000
Add: Adjustment during the year	37,149,000	-	37,149,000	34,716,000	-	34,716,000
Less: Return during the year	(52,257,000)	(7,000)	(52,264,000)	(60,886,000)	-	(60,886,000)
Less: Adjust / Transfer / Refund during	(37,149,000)	-	(37,149,000)	(34,716,000)	-	(34,716,000)
Closing balance	169,063,000	175,000	169,238,000	142,345,000	182,000	142,527,000
19.4 Members Savings-OTS	712,873,000	-	712,873,000	410,197,000	-	410,197,000
Opening balance	410,197,000	-	410,197,000	126,366,000	-	126,366,000
Add: Receipt during the year	691,615,000	-	691,615,000	512,105,000	-	512,105,000
Add: Adjustment during the year	24,500,000	-	24,500,000	29,967,000	-	29,967,000
Less: Return during the year	(388,939,000)	-	(388,939,000)	(228,274,000)	-	(228,274,000)
Less: Adjust / Transfer / Refund during	(24,500,000)	-	(24,500,000)	(29,967,000)	-	(29,967,000)
Closing balance	712,873,000	-	712,873,000	410,197,000	-	410,197,000
20. Short Term Loan & Liability	231,934,045	102,682,935	334,616,980	192,105,105	93,335,685	285,440,790
20.1 Ambala Foundation General	96,735,915	4,022,914	100,758,829	97,992,235	3,620,685	101,612,920
Opening balance	97,992,235	3,220,685	101,212,920	61,398,192	2,209,372	63,607,564
Add: Receipt during the year	442,609,200	17,833,884	460,443,084	414,207,567	3,733,031	417,940,598
Add: Adjustment during the year	92,309,978	-	92,309,978	71,790,909	5,954,454	77,745,363
Less: Return during the year	126,703,151	(17,031,655)	109,671,496	(447,911,562)	(7,410,491)	(455,322,053)
Less: Adjust / Transfer / Refund during	(662,878,648)	-	(662,878,648)	(1,492,871)	(865,681)	(2,358,552)
Closing balance	96,735,915	4,022,914	100,758,829	97,992,235	3,620,685	101,612,920



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
20.2 Employee Gratuity Fund	36,337,095	-	36,337,095	25,900,800	-	25,900,800
Opening balance	25,900,800	-	25,900,800	13,106,450	-	13,106,450
Add: Receipt during the year	-	756,876	756,876	-	-	-
Add: Adjustment during the year	19,237,122	-	19,237,122	13,044,350	-	13,044,350
Less: Return during the year	(770,000)	(756,876)	(1,526,876)	(250,000)	-	(250,000)
Less: Adjust / Transfer / Refund during	(8,030,827)	-	(8,030,827)	-	-	-
Closing balance	36,337,095	-	36,337,095	25,900,800	-	25,900,800
20.3 Employee DPS Fund Account -	-	-	-	-	-	-
Opening balance	-	-	-	5,639,015	-	5,639,015
Add: Receipt during the year	-	-	-	3,200,000	-	3,200,000
Add: Adjustment during the year	-	-	-	-	-	-
Less: Return during the year	-	-	-	(8,839,015)	-	(8,839,015)
Less: Adjust / Transfer / Refund during	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
20.4 Employee Welfare Fund	18,433,613	-	18,433,613	12,870,215	-	12,870,215
Opening balance	12,870,215	-	12,870,215	8,787,147	-	8,787,147
Add: Receipt during the year	-	1,090,900	1,090,900	56,070	-	56,070
Add: Adjustment during the year	8,524,140	-	8,524,140	5,126,998	-	5,126,998
Less: Return during the year	(1,101,450)	(1,090,900)	(2,192,350)	(1,100,000)	-	(1,100,000)
Less: Adjust / Transfer / Refund during	(1,859,293)	-	(1,859,293)	-	-	-
Closing balance	18,433,613	-	18,433,613	12,870,215	-	12,870,215
20.5 Employee Provident Fund	44,063,382	-	44,063,382	31,771,863	-	31,771,863
Opening balance	31,771,863	0	31,771,863	21,641,410	-	21,641,410
Add: Receipt during the year	-	4,482,645	4,482,645	-	-	-
Add: Adjustment during the year	31,294,082	-	31,294,082	15,528,946	-	15,528,946
Less: Return during the year	(6,852,625)	(4,482,646)	(11,335,271)	(5,398,493)	-	(5,398,493)
Less: Adjust / Transfer / Refund during	(12,149,938)	-	(12,149,938)	-	-	-
Closing balance	44,063,382	-	44,063,382	31,771,863	-	31,771,863
20.6 Employee Security Fund	15,596,900	-	15,596,900	13,474,037	-	13,474,037
Opening balance	13,474,037	-	13,474,037	7,396,364	-	7,396,364
Add: Receipt during the year	2,020,000	4,783,054	6,803,054	1,599,616	-	1,599,616
Add: Adjustment during the year	7,141,540	-	7,141,540	5,878,058	-	5,878,058
Less: Return during the year	(4,135,825)	(4,783,054)	(8,918,879)	(1,400,000)	-	(1,400,000)
Less: Adjust / Transfer / Refund during	(2,902,852)	-	(2,902,852)	-	-	-
Closing balance	15,596,900	-	15,596,900	13,474,037	-	13,474,037
20.7 Employee Pension Scheme	20,767,140	-	20,767,140	10,095,955	-	10,095,955
Opening balance	10,095,955	-	10,095,955	-	-	-
Add: Receipt during the year	20,000	3,960,380	3,980,380	22,000	-	22,000
Add: Adjustment during the year	17,857,835	-	17,857,835	10,576,955	-	10,576,955
Less: Return during the year	(3,950,000)	(3,960,380)	(7,910,380)	(503,000)	-	(503,000)
Less: Adjust / Transfer / Refund during	(3,256,650)	-	(3,256,650)	-	-	-
Closing balance	20,767,140	-	20,767,140	10,095,955	-	10,095,955
20.8 OTS	-	98,660,021	98,660,021	-	89,715,000	89,715,000
Opening balance	-	89,715,000	89,715,000	-	105,853,034	105,853,034
Add: Receipt during the year	-	262,100,044	262,100,044	-	144,400,000	144,400,000
Add: Adjustment during the year	-	-	-	-	27,062,030	27,062,030
Less: Return during the year	-	(253,155,023)	(253,155,023)	-	(184,345,126)	(184,345,126)
Less: Adjust / Transfer / Refund during	-	-	-	-	(3,254,938)	(3,254,938)



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
Closing balance	-	98,660,021	98,660,021	-	89,715,000	89,715,000

21.0 Loan Loss Provision (LLP)	61,145,004	19,944	61,164,948	51,681,885	19,944	51,701,829
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Opening balance	51,681,885	19,944	51,701,829	36,268,159	3,376	36,271,535
Add: Provision during the year	15,677,617	-	15,677,617	15,413,726	16,568	15,430,294
Less: Adjust / Transfer	(6,214,498)	-	(6,214,498)	-	-	-
Closing balance	61,145,004	19,944	61,164,948	51,681,885	19,944	51,701,829

22. PF, WF, Gratuity, IT etc.	50,370,105	125,833,745	176,203,850	52,028,849	87,727,318	139,756,168
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22.1 Provident Fund	-	46,610,058	46,610,058	-	34,477,966	34,477,966
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Opening balance	-	34,477,966	34,477,966	-	24,416,236	24,416,236
Add: Receipt during the year	-	-	-	-	-	-
Add: Adjust / Transfer / Refund during	25,792,955	16,212,113	42,005,068	23,696,096	12,585,872	36,281,968
Less: Return during the year	-	-	-	-	-	-
Less: Adjust / Transfer / Refund during	(25,792,955)	(4,080,020)	(29,872,975)	(23,696,096)	(2,524,143)	(26,220,238)
Closing balance	-	46,610,058	46,610,058	-	34,477,966	34,477,966

22.2 Gratuity Fund	-	36,391,611	36,391,611	-	25,942,191	25,942,191
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Opening balance	-	25,942,191	25,942,191	-	13,147,013	13,147,013
Add: Receipt during the year	-	-	-	-	-	-
Add: Adjust / Transfer / Refund during	11,206,296	11,206,296	22,412,591	13,044,350	13,046,551	26,090,901
Less: Return during the year	-	-	-	-	-	-
Less: Adjust / Transfer / Refund during	(11,206,296)	(756,876)	(11,963,172)	(13,044,350)	(251,373)	(13,295,723)
Closing balance	-	36,391,611	36,391,611	-	25,942,191	25,942,191

22.3 Staff Security	-	15,494,317	15,494,317	-	12,373,250	12,373,250
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Opening balance	-	12,373,250	12,373,250	-	6,558,000	6,558,000
Add: Receipt during the year	-	7,664,567	7,664,567	-	2,611,000	2,611,000
Add: Adjusted during the year	6,280,168	-	6,280,168	10,760,500	5,502,000	16,262,500
Less: Return during the year	-	-	-	-	(40,000)	(40,000)
Less: Adjusted during the year	(6,280,168)	(4,543,500)	(10,823,668)	(10,760,500)	(2,257,750)	(13,018,250)
Closing balance	-	15,494,317	15,494,317	-	12,373,250	12,373,250

22.4 Welfare Fund Staff	-	6,474,300	6,474,300	-	4,933,300	4,933,300
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Opening balance	-	4,933,300	4,933,300	-	3,440,100	3,440,100
Add: Receipt during the year	-	2,645,350	2,645,350	-	15,600	15,600
Add: Adjust / Transfer / Refund during	9,079,450	-	9,079,450	8,285,150	2,101,250	10,386,400
Less: Return during the year	-	(1,104,350)	(1,104,350)	-	(28,750)	(28,750)
Less: Adjusted during the year	(9,079,450)	-	(9,079,450)	(8,285,150)	(594,900)	(8,880,050)
Closing balance	-	6,474,300	6,474,300	-	4,933,300	4,933,300

22.5 Welfare Fund Member	50,370,105	31,700	50,401,805	52,028,849	31,700	52,060,549
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Opening balance	52,028,849	31,700	52,060,549	51,692,748	13,500	51,706,248
Add: Receipt during the year	16,382,530	-	16,382,530	21,273,840	18,200	21,292,040
Less: Return during the year	-	-	-	-	-	-
Less: Adjust / Transfer / Refund during	(18,041,275)	-	(18,041,275)	(20,937,739)	-	(20,937,739)
Closing balance	50,370,105	31,700	50,401,805	52,028,849	31,700	52,060,549

22.6 Employee DPS Fund	-	-	-	-	110,912	110,912
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Opening balance	-	110,912	110,912	-	4,956,628	4,956,628
Add: Receipt during the year	-	-	-	-	-	-
Add: Adjusted during the year	-	-	-	-	110,912	110,912
Less: Return during the year	-	(110,912)	(110,912)	-	(4,387,228)	(4,387,228)
Less: Adjust / Transfer / Refund during	-	-	-	-	(569,400)	(569,400)
Closing balance	-	-	-	-	110,912	110,912



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance	Development	Total	Micro Finance	Development	Total
22.7 Employee Pension Scheme	-	20,831,760	20,831,760	-	9,858,000	9,858,000
Opening balance	-	10,124,955	10,124,955	-	-	-
Add: Receipt during the year	-	14,625,185	14,625,185	-	-	-
Add: Adjusted during the year	23,708,185	-	23,708,185	19,753,000	10,358,000	30,111,000
Less: Return during the year	-	(3,918,380)	(3,918,380)	-	(48,000)	(48,000)
Less: Adjust / Transfer / Refund during	(23,708,185)	-	(23,708,185)	(19,753,000)	(452,000)	(20,205,000)
Closing balance	-	20,831,760	20,831,760	-	9,858,000	9,858,000
23. Accounts Payable	7,179,747	1,729,846	8,909,593	2,292,121	2,078,892	4,371,014
23.1 Provision for Member Savings	-	-	-	-	-	-
Opening balance	-	-	-	-	-	-
Add: Provision during the Year	34,328,082	-	34,328,082	29,780,339	-	29,780,339
Add: Adjustment during the year	-	-	-	-	-	-
Less: Paid during the year	-	-	-	-	-	-
Less: Adjust / Transfer / Refund during	(34,328,082)	-	(34,328,082)	(29,780,339)	-	(29,780,339)
Closing balance	-	-	-	-	-	-
23.2 Provision for Bank Interest & Others Fund	1,942,843	-	1,942,843	758,465	1,043,933	1,802,398
Opening balance	758,465	1,043,933	1,802,398	2,988,053	1,486,744	4,474,797
Add: Provision during the year	139,984,897	-	139,984,897	140,946,661	-	140,946,661
Add: Adjustment during the year	-	707,938	707,938	-	396,058	396,058
Less: Paid during the year	-	-	-	-	(537,627)	(537,627)
Less: Adjust / Transfer / Refund during	(138,800,520)	(1,751,871)	(140,552,390)	(143,176,249)	(301,241)	(143,477,490)
Closing balance	1,942,843	-	1,942,843	758,465	1,043,933	1,802,398
23.3 Provision for Expenses	5,236,905	1,729,846	6,966,750	1,533,656	1,034,959	2,568,616
Opening balance	1,533,656	1,034,959	2,568,616	1,716,703	819,589	2,536,291
Add: Addition during the year	8,109,830	17,242,259	25,352,089	3,429,097	8,297,696	8,297,696
Add: Adjust / Transfer / Refund during	-	1,253	1,253	-	3,038	3,432,136
Less: Paid during the year	(2,964,352)	(16,533,123)	(19,497,475)	(2,679,874)	(1,530)	(2,681,404)
Less: Adjust / Transfer / Refund during	(1,442,229)	(15,503)	(1,457,732)	(932,270)	(8,083,834)	(9,016,104)
Closing balance	5,236,905	1,729,846	6,966,750	1,533,656	1,034,959	2,568,616



Particular's	Amount In Taka					
	2019-2020			2018-2019		
	Micro Finance		Total	Micro		Total
24. Service Charge	705,590,489	20,980,796	726,571,284	755,001,606	16,182,219	771,183,824

24.01 Service Charge from loan to group members & development program

Service Charge from loan to group members	702,566,769	49,257	702,616,026	750,933,120	-	750,933,120
Service Charge from others projects	-	20,381,420	20,381,420	-	15,747,585	15,747,585
Interest on Provident Fund Loan	-	506,618	506,618	-	427,934	427,934
Development project service charge	-	43,500	43,500	-	-	-
Sub-Total	702,566,769	20,980,796	723,547,564	750,933,120	16,175,519	767,108,638

24.02 Service charge on support services

Service Charge for Photography	1,924,930	-	1,924,930	2,578,400	2,600	2,581,000
Cheque Book Sale (Income)	-	-	-	720	-	720
Printing Materials/Pass Book & Register Sale	767,160	-	767,160	1,005,546	3,450	1,008,996
Loan Application Fee	331,630	-	331,630	483,820	650	484,470
Member Closing Fee	-	-	-	-	-	-
Sub-Total	3,023,720	-	3,023,720	4,068,486	6,700	4,075,186

25. Interest on Bank Balance & FDR A/C

Bank Int. on STD A/C	2,778,191	112,041	2,890,232	2,386,696	91,218	2,477,914
Bank Int. on Savings FDR	6,116,720	-	6,116,720	1,271,286	-	1,271,286
Bank Int. on Reserve Fund Deposit	3,672,073	-	3,672,073	1,454,227	-	1,454,227
Interest on Lien FDR	8,540,381	-	8,540,381	7,263,429	-	7,263,429
Interest on Others FDR	-	-	-	-	-	-
Total Interest on Bank Balance & FDR A/C	21,107,365	112,041	21,219,406	12,375,638	91,218	12,466,857

26. Others Income

Profit gain	-	-	-	-	-	-
Miscellaneous/Others Income	2,645,231	40,445	2,685,676	1,873,877	185,879	2,059,756
Abandoned Money	-	1,489,849	1,489,849	-	1,594,091	1,594,091
ID Card & Staff Info. Book Sale	-	114,400	114,400	-	119,500	119,500
Advertisement Income	-	-	-	-	-	-
Account Closing Charge(Income)	-	-	-	-	-	-
Rent Income	-	286,770	286,770	-	333,290	333,290
Total Others Income	2,645,231	1,931,464	4,576,695	1,873,877	2,232,760	4,106,638

27. Donation, Subscription, Reimbursable & Contributions

Donation	-	-	-	-	-	-
Contribution	-	2,907,300	2,907,300	-	2,299,300	2,299,300
Reimbursable Income	424,793	-	424,793	265,513	-	265,513
Subscription Fee	-	1,500	1,500	-	1,500	1,500
Total	424,793	2,908,800	3,333,593	265,513	2,300,800	2,566,313
28. Donor grants	-	10,299,117	10,299,117	-	5,683,043	5,683,043

29. Salary & Benefits

29.1 Salary Benefits Staffs

Staff Salary	147,280,015	863,126	148,143,141	98,563,540	858,453	99,421,993
Festival Bonus	7,558,606	38,115	7,596,721	9,222,982	80,153	9,303,135
Provident Fund Contribution (PFC)	4,049,922	21,858	4,071,780	3,271,752	19,140	3,290,892
Staff Incentive for Motivation	317,756	-	317,756	127,006	-	127,006
Staff Welfare Fund Contribution	122,650	1,150	123,800	85,700	1,300	87,000
House Allowance	9,549,604	-	9,549,604	7,515,219	-	7,515,219
Sub-Total	168,878,553	924,249	169,802,802	118,786,199	959,046	119,745,245



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance		Total	Micro		Total
29.2 Salary Benefits CO						
Credit Office Salary	83,903,903	-	83,903,903	66,086,196	-	66,086,196
Festval Bonus	2,628,467	-	2,628,467	5,200,586	-	5,200,586
Provident Fund Contribution (PFC)	2,510,111	-	2,510,111	2,013,895	-	2,013,895
Credit Office Incentive for Motivation	176,997	-	176,997	103,600	-	103,600
Credit Officer Welfare Fund Contribution	94,900	-	94,900	94,410	-	94,410
Sub-Total	89,314,378	-	89,314,378	73,498,687	-	73,498,687
Total Salary & Benefits	258,192,931	924,249	259,117,180	192,284,886	959,046	193,243,932
30. Office Rent & Utilities						
Office Rent	11,628,827	-	11,628,827	11,494,884	-	11,494,884
Electric Bill	1,528,260	54,230	1,582,490	1,581,879	63,919	1,645,798
Gas Bill	18,689	-	18,689	153,016	-	153,016
Water & Sewerage	49,386	-	49,386	49,890	-	49,890
Total	13,225,162	54,230	13,279,392	13,279,669	63,919	13,343,588
31. Printing & Stationary						
Office Stationary	1,642,372	7,752	1,650,124	1,705,323	6,622	1,711,945
Printing Cost	1,817,806	-	1,817,806	3,628,914	-	3,628,914
Photocopy	61,805	400	62,205	87,816	430	88,246
Total	3,521,983	8,152	3,530,135	5,422,053	7,052	5,429,105
32. Communication						
Mobile Bill	176,831	3,000	179,831	207,610	3,000	210,610
Telephone bill	1,104	4,221	5,325	4,536	5,023	9,559
Internet Bill	882,561	14,400	896,961	870,762	14,400	885,162
Postage & Courier	655	495	1,150	3,485	1,055	4,540
Total	1,061,151	22,116	1,083,267	1,086,393	23,478	1,109,871
33. Tours & Travel						
Local Conveyance	669,788	26,031	695,819	725,944	74,427	800,371
Transportation Cost	195,201	-	195,201	505,604	-	505,604
Travel Allowance (TA)	1,283,135	3,465	1,286,600	1,935,359	-	1,935,359
Daily Allowance (DA)	1,148,910	610	1,149,520	1,527,070	-	1,527,070
Fuel Cost	6,715,333	-	6,715,333	5,795,290	5,007	5,800,297
Lodging & Night Stay cost	215,480	-	215,480	505,278	-	505,278
Total	10,227,847	30,106	10,257,953	10,994,545	79,434	11,073,979
34. Repairs & Office Maintenance						
Electric Goods	413,722	-	413,722	673,060	-	673,060
Fixed Assets Maitanance	112,490	-	112,490	34,660	1,604	36,264
Software Maintenance	11,548,649	-	11,548,649	11,927,193	-	11,927,193
Computer, Laptop & Printer Maintenance	110,776	-	110,776	61,280	-	61,280
Motor Cycle & Bi-Cycle Maintenance	1,658,112	-	1,658,112	1,309,473	-	1,309,473
Repair & Maintenance	608,276	170,160	778,436	454,492	21,650	476,142
Internet Accessories & Maintenance	88,097	1,400	89,497	119,647	1,700	121,347
Car Maintenance	540,113	-	540,113	315,599	-	315,599
Office Maitanance	539,686	4,339	544,025	518,718	30	518,748
Total	15,619,921	175,899	15,795,820	15,414,122	24,984	15,439,106
35. Advertisement & Publications						
Signboard/Hooding	154,626	-	154,626	270,571	-	270,571
Advertisement Cost	62,301	-	62,301	187,602	-	187,602
News Paper & Magazine	268,825	3,100	271,925	332,365	3,550	335,915
Staff Recruitment Cost	248,673	-	248,673	159,755	-	159,755
Total	734,425	3,100	737,525	950,293	3,550	953,843



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance		Total	Micro		Total

36. Legal Expenses

Renewal & Registration	277,840	42,210	320,050	263,751	28,000	291,751
Revenue Stamp/Stamp	36,080	30	36,110	47,880	330	48,210
Audit/Monitoring/Consultancy Fee	123,000	-	123,000	128,900	-	128,900
Lawer Fee	2,569,633	-	2,569,633	2,017,273	-	2,017,273
VAT & Tax Expenses for Organization	6,733,471	7,734	6,741,204	1,338,861	6,137	1,344,998
Annual Fee (MRA)	2,496,096	-	2,496,096	-	-	-
Total	12,236,120	49,974	12,286,093	3,796,665	34,467	3,831,132

37. Training / Workshop / Meeting / Conference

Training & Workshop	122,987	-	122,987	762,036	-	762,036
Meetings Exp.	58,175	-	58,175	111,606	-	111,606
Conference Exp.	503,135	-	503,135	-	-	-
Total	684,297	-	684,297	873,642	-	873,642

38. Other Admin & General Expenses

Entertainment	2,622,833	9,627	2,632,460	2,605,236	17,841	2,623,077
Bank Charge (DD,TT,ALL)	2,157,305	96,237	2,253,541	1,668,463	69,894	1,738,357
Donation & Occasional Exp.	871,780	178,302	1,050,082	1,041,981	595,626	1,637,607
Cookeries & Cutlery	238,796	-	238,796	293,996	4,500	298,496
Dish line/Cable Charge	11,280	-	11,280	24,452	-	24,452
Miscellaneous Expense	3,092,279	3,430	3,095,709	2,087,726	128,774	2,216,500
Lunch Allowance	55,990	-	55,990	25,455	-	25,455
Medical Exp. For General Staff	493,600	-	493,600	406,023	-	406,023
Loan Processing Fee	16,161,500	-	16,161,500	11,744,150	-	11,744,150
Contribution to Development	-	-	-	-	2,000,000	2,000,000
Total	25,705,363	287,596	25,992,959	19,897,482	2,816,635	22,714,117

39. Gratuity, Pension & Insurance Premium

Staff Gratuity Exp.	11,206,296	-	11,206,296	13,044,350	-	13,044,350
Staff Pension Exp.	962,185	-	962,185	266,955	-	266,955
Total	12,168,481	-	12,168,481	13,311,305	-	13,311,305

40. Lose On Disposal of Fixed Assets

Loass on Disposal of Motor Vehicles	-	-	-	-	-	-
Loass on Disposal of Furniture & Fixture	229,202	-	229,202	-	-	-
Loass on Disposal of Equipment & Machina	184,005	-	184,005	378,448	-	378,448
Loass on Disposal of Others Non Current Ass	85,555	-	85,555	-	-	-
Loass on Disposal of Software Development	-	-	-	-	-	-
Total	498,763	-	498,763	378,448	-	378,448

41. Corporate Social Responsibility

Educational Exp.	511,913	-	511,913	27,675	-	27,675
Sports & Culture	100,000	-	100,000	100,000	-	100,000
Health Service	-	-	-	5,990	-	5,990
COVID-19	2,162,904	-	2,162,904	-	-	-
Total	2,774,817	-	2,774,817	133,665	-	133,665

42. Interest on PKSF & Bank Loan Fund

Interest to PKSF-RMC	-	-	-	2,063	-	2,063
Interest to PKSF-UMC	-	-	-	2,750	-	2,750
Interest to PKSF-ME	-	-	-	4,125	-	4,125
Interest to PKSF-UP	-	-	-	-	-	-
Interest to PKSF-Seasonal	-	-	-	1,750,000	-	1,750,000
Interest to PKSF-Jajoron	3,900,000	-	3,900,000	2,360,877	-	2,360,877
Interest to PKSF-Agrasar	2,407,500	-	2,407,500	1,758,750	-	1,758,750
Interest to PKSF-Buniad	-	-	-	3,750	-	3,750
Interest on Bank Loan	139,984,897	38,229	140,023,126	149,590,529	5,241	149,595,770
Total	146,292,397	38,229	146,330,626	155,472,844	5,241	155,478,085



Particular's	Amount in Taka					
	2019-2020			2018-2019		
	Micro Finance		Total	Micro		Total

43. Interest for Savings

Int. on Member Regular Savings	19,937,797	-	19,937,797	18,873,611	6,589	18,880,200
Int on Member voluntary savings-Monthly	14,602,445	-	14,602,445	11,108,650	97	11,108,747
Int on Member Savings SAMRIDDI	-	-	-	-	-	-
Int on Member Savings-OTS	81,041,262	-	81,041,262	36,198,456	-	36,198,456
Total	115,581,504	-	115,581,504	66,180,717	6,686	66,187,403

44. Interest on Others Loan Fund

Interest on General Fund	15,398,902	-	15,398,902	12,395,538	-	12,395,538
Interest on Staff PF fund	3,031,683	3,048,331	6,080,014	2,590,676	2,028,077	4,618,753
Interest on Staff ES fund	707,938	707,938	1,415,875	396,058	396,058	792,115
Interest on Staff EDPS fund	-	-	-	-	-	-
Interest on Staff EW fund	1,242,897	-	1,242,897	833,098	-	833,098
Interest on MFP Loan	-	-	-	-	-	-
Interest on Others Loan	-	1,984,904	1,984,904	-	1,579,340	1,579,340
Interest on OTS Fund Loan	-	15,786,604	15,786,604	-	12,262,030	12,262,030
Total	20,381,420	21,527,776	41,909,196	16,215,369	16,265,505	32,480,874

45. Programmatic Exp. & Contributions

General Program Expenses	-	-	-	-	-	-
Radio Bikrampur Project Expenses	-	-	-	-	-	-
BNNRRC Project Exp.	-	37,500	37,500	-	83,900	83,900
Ambala-ITMFC Project	-	10,046,164	10,046,164	-	5,577,583	5,577,583
Total Programmatic Exp. & Contribution	-	10,083,664	10,083,664	-	5,661,483	5,661,483

46. Expenses for Provision & Reserved

Loan Loss Provision (LLP)	15,677,617	-	15,677,617	15,413,726	16,568	15,430,294
Total Provision & Reserved	15,677,617	-	15,677,617	15,413,726	16,568	15,430,294

47. Depreciation on Non Current Assets

Dep. on Furniture	1,642,252	528	1,642,780	1,332,653	526	1,333,179
Dep. on Office Equipments	2,440,203	433,929	2,874,132	2,179,492	8,328	2,187,820
Dep. On Vehicle	4,518,889	-	4,518,889	3,059,324	-	3,059,324
Dep. Others Assets	107,885	-	107,885	87,821	-	87,821
Amortisation-Intangible Assets	1,972,833	-	1,972,833	1,580,532	-	1,580,532
Total Depreciation on Non Current Assets	10,682,062	434,457	11,116,519	8,239,822	8,853	8,248,675



Ambala Foundation
SCHEDULE OF FIXED ASSETS- MICROFINANCE
As at 30 June, 2020

SL	Particulars	Cost				Dep Rate (%)	Depreciation			Written down value as on 30.06.2020	
		Opening balance as on 01.07.2019	Addition during the year	Disposal/ Adjustment during the year	Closing balance as on 30.06.2020		Opening balance as on 01.07.2019	Charged during the year	Disposal/ Adjustment during the year		Closing balance as on 30.06.2020
Property, Plant and Equipment											
1	Land & Buildings	119,535,860	-	-	119,535,860	0	-	-	-	-	119,535,860
2	Motor Vehicles	22,539,709	-	-	22,539,709	20	4,733,772	4,518,889	-	9,252,661	13,287,048
3	Furniture & Fixtures	16,271,588	3,166,444	1,131,969	18,306,063	10	4,858,677	1,642,252	902,766	5,598,163	12,707,900
4	Equipment & Machineries	14,626,169	3,099,981	2,455,189	15,270,961	20	7,526,114	2,440,203	2,271,184	7,695,133	7,575,828
	Sub Total	172,973,326	6,266,425	3,587,158	175,652,593		17,118,563	8,601,344	3,173,950	22,545,957	153,106,636
Intangible Assets											
1	Software Development	9,545,000	850,000	-	10,395,000	20	2,298,666	1,972,833	-	4,271,499	6,123,501
	Sub Total	9,545,000	850,000	-	10,395,000		2,298,666	1,972,833	-	4,271,499	6,123,501
Others Non-Current Assets											
1	Other Assets	578,123	24,999	315,090	288,032	20	214,762	107,885	229,535	93,112	194,920
	Sub Total	578,123	24,999	315,090	288,032		214,762	107,885	229,535	93,112	194,920
	Total	183,096,449	7,141,424	3,902,248	186,335,625		19,631,991	10,682,062	3,403,485	26,910,568	159,425,057



Ambala Foundation
SCHEDULE OF FIXED ASSETS-DEVELOPMENT

As at 30 June, 2020

Annexure-A

SL	Particulars	Cost				Dep Rate (%)	Opening balance as on 01.07.2019	Closing balance as on 30.06.2020	Depreciation			Written down value as on 30.06.2020
		Opening balance as on 01.07.2019	Addition during the year	Disposal/ Adjustment during the year	Closing balance as on 30.06.2020				Charged during the year	Disposal/ Adjustment during the year	Closing balance as on 30.06.2020	
Property, Plant and Equipment												
1	Land & Buildings	2,630,440	9,098,750	-	11,729,190	0	-	-	-	-	-	11,729,190
2	Motor Vehicles	-	-	-	-	20	-	-	-	-	-	-
3	Furniture & Fixtures	370,820	-	-	370,820	10	370,196	528	370,724	-	-	96
4	Equipment & Machineries	2,726,846	-	-	2,726,846	20	575,345	433,929	1,009,274	-	-	1,717,572
	Sub Total	5,728,106	9,098,750	-	14,826,856		945,541	434,457	1,379,998	-	-	13,446,858
Intangible Assets												
1	Software Development	-	-	-	-	20	-	-	-	-	-	-
	Sub Total	-	-	-	-		-	-	-	-	-	-
Others Non-Current Assets												
1	Other Assets	-	-	-	-	20	-	-	-	-	-	-
	Sub Total	-	-	-	-		-	-	-	-	-	-
	Total	5,728,106	9,098,750	-	14,826,856		945,541	434,457	1,379,998	-	-	13,446,858



Ambala Foundation
Eligibility Criteria Compliance Certification
For the year ended June 30, 2020

SI #	Eligibility Criteria	Audited Figures or Compliance	Audited Figures or Compliance
		FY-2019-2020	FY-2018-2019
1	Minimum loan recovery rate, computed quarterly, based on the following		
	I) 95% minimum cumulative loan collection ratio on total dues: Actual Cumulative Collection x 100 Cumulative Collectibles	98.71%	99.71%
	ii) 92-100% minimum loan collection ratio on current dues (on running 12 month basis) Actual Collections during the past 12 months on current dues x 100 Collectibles on current dues	87.83%	98.93%
2	Minimum liquidity ratio of 10%	6.30%	11.18%
3	Minimum current ratio of 2.0:1	1.35:1	1.80:1
4	Minimum capital adequacy ratio of 15%	19.93%	20.65%
5	Minimum debt service cover ratio of 1.25:1	1.05:1	1.35:1
6	Debt capital ratio 9:1	4.40:1	4.40:1
7	Minimum rate of return on capital of 1%	9.42%	42.85%

Date : 30 September 2020
Place : Dhaka


FAMES & R
Chartered Accountants



Annexure A/3

Ambala Foundation
Portfolio report for the year ended June 30, 2020
Review of Loan Classifications and Provisions

(i) **Classification of Loan and Loan Loss Provision:**

Sl. No	Particulars	No. of days Outstanding	Outstanding Loan	Required Provision	
			Amount	Rate %	Amount (Tk)
1	Total Loan Outstanding		3,463,816,774	N/A	N/A
2	Total Overdue		189,967,971		
3	Regular	Loans with no overdue installments	1,701,526,951	1%	17,015,270
4	Watchful	Loan default duration between 1 and 30 days	477,750,200	5%	23,887,510
5	Sub-standard	Loan default duration between 31 and 180 days	1,250,150,365	25%	312,537,591
6	Doubtful	Loan default duration between 181 and 365 days	16,347,262	75%	12,260,447
7	Bad Loan	Loan default duration above 365 days	18,041,996	100%	18,041,996
Total					383,742,814

(ii) **Loan loss provision (LLP) status of the Ambala Foundation**

Particulars	Taka
Required Provision as per MRA policy	61,145,004
Actual Provision made by the MFI	61,145,004
Excess/Shortfall of Provision	-
Comment of LLP	-
Disclosure on written off loan:	
Loan written off balance 01.07.2019	7,623,862
Loan written off during the year 2019-2020	6,214,497
Written off loan recovered during the year 2019-2020	-
Loan written off balance 30.06.2020	13,838,359



(iii) **Loan Operational Report**

Sl. No	Particulars	FY-2019-2020			FY-2018-2019			
		M	F	Total	M	F	Total	
1	Financial Service Product:							
	Loan Product:							
	PKSF funded loan			108,500,000			69,400,000	
	Housing loan			-			-	
	Agriculture loan			1,377,136,507			1,450,011,826	
	Sanitation loan			N/A			N/A	
	Savings product:							
	Regular /Mandatory Savings			336,822,345			475,465,474	
	Voluntary Savings			1,125,952,230			763,093,190	
	Insurance Product:							
	Life			N/A			N/A	
	Livestock			N/A			N/A	
	Member welfare fund			50,370,105			52,028,849	
				M	F	Total	M	F
2	Number of branches			116			106	106
3	Number of samities	209	4380	4589	213	4276	4489	
4	Number of members	1401	43588	44989	1863	47184	49047	
5	Number of borrowers	584	24819	25403	507	25946	26453	
6	Number of staff	689	204	893	627	159	786	
7	Amount (Taka) of loan outstanding with samity members	103,303,963	3,360,512,812	3,463,816,775	97,929,422	2,993,788,879	3,091,718,301	
8	Members : borrower	1:41.62	1:56.93	1:56.46	1:27.21	1:54.99	1:53.93	
9	Average loan size	218,162/-	180,272/-	181,076/-	179,492/-	88,507/-	89,944/-	



**Statement of Budget
Financial Year: 2020-2021**

Name of organization: Ambala Foundation
Certificate no : 00350-01308-00086

Deescription	2019-2020			2020-2021 (Proposed)	Remarks
	Projected	Actual	Variance (%)		
1. Area Coverage:					
District	0	1	1	0	
Thana/Upazilla	5	8	3	0	
Union/Pourashava	40	36	-4	0	
Village/Word	400	60	-340	125	
2. Branch Opening	15	10	-5	0	
3. Group/Samity Formation	300	313	13	330	
4. Add New Member	46324	30934	-33%	64409	
5. Add New Borrower	37059	19193	-48%	51527	
6. Recruitment (Number)	200	107	-47%	150	
7. Deposits Collection	1,146,040,428	1,297,457,191	13%	1,623,333,690	
8. Refund Deposit	629,442,386	910,465,776	45%	563,308,763	
9. Loan Recovery (Principal)	6,543,886,634	2,922,619,696	-55%	4,475,518,812	
10. Loan Disbursement	7,890,800,000	3,475,393,000	-56%	5,152,700,000	
11. Loan Received (Borrowing)	1,553,000,000	1,092,956,705	-30%	749,503,000	
12. Loan Returns	1,010,720,609	1,248,383,130	24%	725,856,850	
13. Received against insurance service	78,908,000	16,382,530	-79%	54,503,000	
14. Insurance benefits given	29,232,228	-	-100%	-	
15. Total Income	1,034,264,656	729,767,878	-29%	738,593,918	
16. Total Expenditure	764,482,438	665,266,259	-12.98%	552,078,681	

Description	Current Balance as of 30 June 2020
1. Area Coverage:	
District	12
Thana/Upazilla	56
Union/Pourashava	445
Village/Word	1460
2. Number of Branch	116
3. Number of Group	4589
4. Number of Member	44989
5. Number of Borrower	25403
6. Manpower (Number)	893
7. Deposit Balance	1,462,774,575
8. Loan Outstanding	3,463,816,774
9. Loan Received	1,485,636,507
10. Insurance Fund	50,370,105
11. Cumulative Surplus	716,730,230



**Statement of Budget
Financial Year: 2020-2021**

Name of organization: Ambala Foundation
Certificate no : 00350-01308-00086

Sl No.	Description	2019-2020			2020-2021 (Proposed)
		Projected	Actual	Variance (%)	
1	*Loan Recovery:				
	Jagoron	518,689,350	327,799,021	-37%	517,217,382
	Agrosor	3,550,203,021	1,584,214,965	-55%	2,499,652,120
	Buniad	542	-	-100%	
	Sufolon (Seasonal and Agriculture)	451,781,611	164,026,377	-64%	258,808,868
	Kuwait Good Will Fund (KGF)	-	-		
	Migration	-	-		
	Service Holder	-	-		
	Health	-	-		
	Emergency	-	-		
	Education	-	-		
	Others (Grvhavan)	2,023,212,109	846,579,332	-58%	1,335,774,417
	Total	5,222,890,304	2,922,619,696	-44%	4,611,452,787
	Should be given component wise breakdown				
2	Fund Collection:				
	1.Savings Collection				
	Force Savings	555,590,860	406,716,819	-27%	538,616,610
	Voluntary Savings	183,409,568	120,150,372	-34%	172,641,440
	Fixed Deposit	407,040,000	770,590,000	89%	933,304,000
	Total	895,710,034	1,297,457,191	45%	1,644,562,050
	MFI Borrowing				
	2.PKSF Loan	110,000,000	75,000,000	-32%	15,000,000
	3.Bank Loan	1,443,000,000	1,017,956,704	-29%	680,000,000
	4.Loan from Financial Institution				
	5.Loan from other Institution				
	6.Donation (Conditional)				
	7.General/EC Member loan				
	8.Others Loan	-	444,649,200	#DIV/0!	54,503,000
	Total	1,780,030,919	1,537,605,904	-14%	749,503,000
3	Insurance Fund Collection	61,984,000	16,382,530	-74%	61,984,000
4	Utilization of Fund				
	1*Loan Disbursement				
	Jagoron	625,450,000	491,478,000	-21%	770,760,000
	Agrosor	4,281,000,000	1,875,645,000	-56%	2,941,490,000
	Buniad	-	-		
	Sufolon (Seasonal and Agriculture)	544,750,000	179,390,000	-67%	281,330,000
	Kuwait Good Will Fund (KGF)	-	-		
	Migration	-	-		
	Service Holder	-	-		
	Health	-	-		
	Emergency	-	-		
	Education	-	-		
	Others Disbursement (Grvhavan)	2,439,600,000	928,880,000	-62%	1,456,720,000
	Total	6,198,400,000	3,475,393,000	-44%	5,450,300,000
	Should be given component wise breakdown				
	2.Savings Returns:				
	Force Savings	388,913,602	368,279,574	-5%	252,544,131
	Voluntary Savings	91,704,784	100,990,202	10%	51,792,432
	Fixed Deposit	148,824,000	441,196,000	196%	269,090,600
	Total	362,954,146	910,465,776	151%	573,427,163
	3. Loan Repayment:				
	PKSF Loan	82,050,000	35,900,000	-56%	63,666,667
	Bank Loan	928,670,609	1,212,483,130	31%	584,878,835
	Loan from Financial Institution				
	Loan from other Institution				
	General/EC Member loan				
	Others Loan	-	475,013,051	#DIV/0!	77,311,348
	Total	945,050,924	1,723,396,181	82%	725,856,850
5	Insurance Service (Claims)	12,396,800	-	-100%	-
6	Acquisition of Fixed Assets				
	Land Purchase & Development				
	Land Development				
	Building Construction				
	Motor Vehicles		-	#DIV/0!	
	Furniture & Fixtures & Office Equipments		2,656,392	#DIV/0!	
	Office Equipments	7,650,000	2,890,398	-62%	-
	Electric Equipments				
	Computer & Accessories		24,999		
	Computer Software		850,000		
	Total	2,050,000	6,421,789	213%	-



Statement of Budget
Financial Year: 2020-2021

Name of organization: Ambala Foundation
Certificate no : 00350-01308-00086

SL No.	Description	2019-2020			2020-2021 (Proposed)
		Projected	Actual	Variance (%)	
7	Income:				
	1. Service Charge	1,001,214,655	705,590,489	-30%	705,552,276
	2. Interest on Investment & Bank	24,711,681	21,107,365	-15%	26,600,767
	3. Other Interest				
	4. Entry Fees/ Member Admission Fees				
	5. Sale of Passbook & Others Income	4,632,400	2,645,231	-43%	1,288,175
	6. Sale of Forms				
	7. Donation from PKSf				
	8. Others Income	3,705,920	424,793	-89%	5,152,700
	9. Recovery of Written off Loan				
	10. Overhead cost from others Program				
	Total Income (1+....10)	821,900,314	729,767,877.55	-176%	738,593,918
8	Expenses:				
	Financial Expense:				
	1. Savings Interest	113,090,584	115,581,504	2%	107,709,726
	2. Interest of PKSf Loan	3,712,487	6,307,500	70%	6,103,802
	3. Interest on Bank loan	294,273,860	139,984,897	-52%	105,464,154
	4. Interest on Committee loan				
	5. Interest on Others Institutional loan				
	6. Others	-	20,381,420	0%	19,723,212
	Total Financial Expenses (1+....+6)	272,181,186	282,255,321	20%	239,000,895
	General & Administrative Expenses:				
	7. Salary & Allowances*1				
	Basic Pay	161,832,408	231,183,918	43%	139,017,096
	Special Allowance	14,433,527	9,549,604	-34%	55,370,404
	Dearness Allowance				
	House Rent Allowance				
	Medical Allowance				
	Festival Allowance	20,232,801	10,187,073	-50%	17,377,137
	Rest & Recreation Allowance				
	Lunch Allowance				
	Conveyance Allowance				
	Telephone Allowance				
	Educational Allowance				
	Fixed Travel Allowance				
	Overtime Allowance				
	Others Allowance-If any	32,347,313	7,272,336	-78%	12,121,484
	Total	216,619,184	258,192,931	-118%	223,886,121
	8. House Rent	9,733,200	11,628,827	19%	10,743,960
	9. Printing & Stationeries:				
	Printing & Binding	3,984,000	1,817,806	-54%	2,400,000
	Stationary, Seal & Stamps	1,994,400	1,642,372	-18%	2,294,400
	Total	7,308,678	3,460,178	-53%	4,694,400
	10. Travel Expense:				
	a) Domestic	6,273,600	3,512,514	-44%	4,902,600
	b) Foreign				
	Total	3,494,321	3,512,514	-44%	4,902,600
	11. Telephone & Postal:				
	Telephone, Telex ,Fax ,Internet	1,263,600	1,060,496	-16%	1,191,600
	Postal & Courier Service	1,200	655	-45%	7,200
	Total	945,127	1,061,151	-61%	1,198,800



Statement of Budget
Financial Year: 2020-2021

Name of organization: Ambala Foundation
Certificate no : 00350-01308-00086

SL No.	Description	2019-2020			2020-2021 (Proposed)
		Projected	Actual	Variance (%)	
12.	Repairs & Maintenance:				
	Office Building				
	Motor Vehicles	894,000	2,198,225	146%	3,905,600
	Others	17,634,000	13,421,696	-24%	9,340,800
	Total	12,429,126	15,619,921	122%	13,246,400
13.	Fuel Expenses	14,366,400	6,715,333	-53%	14,028,000
14.	Gas, Electricity & Water bill	1,985,400	1,596,335	-20%	2,210,400
15.	Entertainment	520,000	2,622,833	404%	1,255,200
16.	Advertisement	240,000	465,600	94%	570,000
17.	Newspaper & Publication:				
	Newspaper & Magazine	420,000	268,825	-36%	18,000
	Books & Publication and Research				
	Total	420,000	268,825	390%	18,000
18.	Bank Charge	2,532,000	2,157,305	-15%	1,932,000
19.	Training Expense:				
	Local Training	3,300,000	122,987	-96%	2,494,320
	Foreign Training				
	Total	3,300,000	122,987	-96%	2,494,320
20.	Seminer, Conference & Workshop Expense	500,000	503,135	1%	480,000
21.	Legal, Insurance, Income Tax, Membership	3,579,000	11,835,280	231%	7,256,928
22.	Meeting Expense	240,000	58,175	-76%	814,320
23.	Registration fees/Renewal fees	370,500	277,840	-25%	114,000
24.	Others Operational Expense :				
	Others Expense	31,454,999	35,495,506	13%	6,420,000
	Picnic, Fair and Get - together				
	Photocopy	138,000	61,805	-55%	147,600
	PRIME, Samridhi, Agriculture and KGF				
	Recreational allowance				
	Software Maintenance and others				
	Communication & Marketing				
	Annual Report				
	Community Health				
	Computer Accessories (Maintenance)				
	Total	31,592,999	35,557,311	-42%	6,567,600
25.	Audit Fees	144,000	123,000	-15%	120,000
26.	Honorarium for EC Members				
27.	Other Honorarium				
28.	Tax:				
	Land Tax				
	Income Tax	-	-		-
	Other Tax				
	Customs Duty/VAT				
	Total	-	-	0%	-
29.	Subscriptions & Donation	2,016,000	871,780	-57%	96,000
30.	Depreciation	7,506,025	10,682,062	42%	7,453,425
31.	Cost Sharing Expenses				
32.	Consultancy Service				
33.	Total Operational Expenses	592,023,146	649,588,643	10%	543,083,369
34.	Loan Loss Provision *	13,469,134	15,677,617	16%	8,388,472
35.	DMFE	-	-		-
36.	Net Surplus	216,408,034	64,501,618	-70%	187,122,077
37.	Transfer to Various Fund:				
	Reserve Fund	21,640,803	6,450,162	-70%	18,712,208
	DMF				
	Others				
	Total	21,640,803	6,450,162	-70%	18,712,208



**Management Report on the Financial Statements of Ambala Foundation Microfinance program
for the year ended 30 June 2020.**

Observations:

**Review of internal control process in Financial Management System ensuring accountability
and transparency:**

1. Accounting System

Branch Authorities disburse loans to beneficiaries following policy and procedures and rules and regulations and record transactions in software system "Microfinplus". In branch level, for recording the transactions in software system two individuals are allowed with individual access control (password). One is branch manager and another person is branch accountant. Transactions are recorded in the system on daily basis and produces vouchers, ledgers, trial balance and financial systems on periodical basis.

At Head office Micro Finance Program (MFP) related accounts also maintained in "Microfinplus" certified by Ambala IT and other projects maintained in NabaERP Software. In addition cheque printing and controlling (ACPS) Software is used in both Head Office and Branch Offices for cheque controlling purposes.

Branch office prepared financial statements and submits to head office monthly basis. All collected amounts are deposited to bank account by the branch. Head office maintains control ledger and other subsidiary books of accounts based on monthly statements of branch offices and prepares consolidated financial statements in the "Microfinplus" software.

Ambala Foundation also maintains "NabaERP" software. Through FAMS module of NabaERP, Ambala Foundation centrally controls Head office and all branch offices for proper utilization of assets. Depreciation has been charged at the straight-line method on fixed assets in yearly basis from the Head office. Moreover, yearly fixed assets verification is conducted of each year to ensure proper management of assets. Through HR and Pay Roll Module, Ambala foundation centrally controls head office and branch offices for employee recruitment, transfer, promotion, increment, monthly salary sheet generated purposes. Inventory Module software is mainly used for properly maintaining of head office and branch offices inventory (printing and stationaries), etc.

Apart from this, the organization maintains fixed assets register, stock register, advance register, salary register, logbook, cash and bank books etc.

Despite of the existence of a sound system of accounting for Microfinance Program, we observed few shortcomings during our visit to Head office and branch offices which are presented below along with implication, recommendation and management response



2. Cash management

I. Matters Arising

Review of cash in hand limit

During the course of our audit while reviewing cash book we observed the following short comings relating to excess in hand cash limit.

Branch Name	Date	Cash in hand (BDT)	Cash Holding Limit (BDT)	Difference (BDT)
Saturia -48	23-08-2020	30,533	10,000	20,533

Implication

Excess cash kept in the office increase the risk of theft. Furthermore, employee may take unauthorized advantage by using it for personal needs.

Recommendation

Management should take necessary steps to address the above-mentioned issues.

Management Response

Excess cash kept in the office is obviously threatening for any organization. It was an unwanted mistake. In future, Ambala Foundation strictly monitors these issues and provides zero tolerance on this issue.

II. Investments

a. FDR

Investment of Ambala Foundation Microfinance Program represents fixed deposit with banks. All investments in the FDR are duly approved by the appropriate authority of Ambala Foundation. Encashment of FDR and interest accrued during the year were properly accounted for. During the course of our audit we did not find any anomalies in this area to report to the management.

b. Fixed Asset

Ambala Foundation maintains automated fixed asset register in the Head office and all of its Branch offices. Ambala Foundation procedures require that all the fixed assets maintained at Branch offices to be clearly tagged and differentiated between program assets. Fixed assets are depreciated on straight line basis over the assets estimated useful life and must be agreed to branch office accounts. During the audit we have reviewed the investment in fixed assets and its management to find out whether the investments are approved by the appropriate authority, properly recorded, used for the Microfinance Program and safeguarded with proper records.



III. Payables and Accruals

We have reviewed the payables and accruals on a sample basis and found that these were within the normal course of business and were accounted for properly. We did not find any shortcomings in this area to report to the management.

IV. Commercial Loan

We observed that Ambala Foundation has received loan funds from various banks/financial institutions which have been used for loan disbursement to the microfinance borrowers of the organizations. We have reviewed the sanction letters/approval including relevant documents and found that Ambala Foundation has complied with all relevant provisions of the loan agreements. It was also noted that all the installments payable were paid in due time and no exception was noted.

V. Loan Operation Management

Ambala Foundation has developed a detailed operational manual to execute, control and monitor microfinance operations. The manual has clearly described in detail the policies and procedures regarding disbursement & collection of loans to and from the members. Ambala Foundation has an Internal Audit Department. The Internal Audit Department monitors the compliance of the relevant policies and procedures as regular interval and reports to the top management. Internal control system relating to the loan operation management was found satisfactory.

During the audit at branch offices, we found that loans were disbursed to the target people who are unable to obtain credit from mainstream banks due to lack of necessary collateral and referrals. The loans were disbursed among targeted people by maintaining all formalities as introduced by Ambala Foundation following the MRA guidelines.

VI. Savings Deposits

Four types of member's Savings a) Regular Savings b) Monthly Voluntary Savings (MVS) c) SAMRIDI Savings d) One Time Savings (OTS)

a) Regular Savings

Ambala Foundation Microfinance program has a mandatory savings provision, with a view to facilitating and encouraging savings by Center Member/Individual Member. The interest rate on mandatory savings is 6%. Saving amounts are decided at the center level with a minimum weekly savings requirement of Tk.50. Each center members deposits a minimum of Tk.50 in a weekly meeting. For consecutive loans members are eligible to withdrawal savings as long as they maintain a saving balance of 10% of the loan amount. This savings is to be mentioned in the Pass book, Subsidiary Ledger, General ledger individually/Separately.

A minimum savings of 10% of the loan amount is required for the first loan period.

The entire amount of savings deposits of a center member or individual will be refunded when the member retires or is terminated from membership.



b) Monthly Voluntary Savings (MVS)

Ambala Foundation implemented an optional voluntary savings program called **Monthly Voluntary Savings**. The interest on this program is 8% annually, compounded monthly. The special voluntary savings accounts are like a current account. Beneficiaries can save monthly one time or withdraw the amount on demand. This voluntary savings stands for those who deposit voluntarily beyond their regular savings. The minimum depositing amount of this fund is Tk. 100. This special voluntary savings is to be mentioned in the pass book, subsidiary ledger and general ledger individually. While refunding the special savings the beneficiaries have to come to office and complete the required process for withdrawal.

c) SAMRIDI Savings

Ambala Foundation implemented an optional term savings program called **SAMRIDI**. It is tied up with fixed deposit. Profit will be given at different rate based on different period (6 & 10 years) & deposited amount (1,000-100,000 tk.). Amount of deposits will be doubled in 6 years period & tripled in 10 years period. The special term savings accounts are like a current account. This savings stands for those who deposit voluntarily beyond their regular savings.

d) One Time Savings (OTS)

Ambala Foundation implemented another optional term savings program called **OTS**. It is tied up with fixed deposit. Profit will be given in this program at 14.40% to 15.60% annually, compounded monthly. The special savings accounts are like a current account. This savings stands for those who deposit voluntarily beyond their regular savings.

VII. Management & Accounting Information System and software implementation

In Head Office Ambala Foundation maintains its accounts in the software "**Microfinplus**" which was certified by Ambala IT. In the system, ledger is maintained in three stages on the basis of details of information. The final stage is the control ledger. During our audit we have reviewed the control ledger with the financial statements and sources of transactions i.e. Monthly report of branches, and relevant bill and vouchers which we felt required on the basis of our planning.

In the branch office Ambala Foundation uses software "Microfinplus" for recording its day to day transactions. The present software has two module viz. a) MIS module and b) AIS module. MIS Module is in operation at branch level as well as head office level for recording and accounting daily transaction. Enough financial and monitoring reporting is generated there from. AIS Module is used for consolidation of financial statement of the program manual books of accounts which is maintaining at Head office level and Unit Level for Unit Consolidation. Maintenance and other software related services are also provided by the vendor on annual service charges basis. Other projects accounts are maintained by NabaERP.

Ambala Foundation has recently updated "**Microfinplus**" a web based software which is for ERP (Enterprise Resource Planning) Solution and complete integrated software. This software is for multipurpose use & multi-functional. This is used in the



organization to maintain all the donor funded projects financial activities including inventory, HR, Fixed Assets & Procurement, etc.

Management & Accounting Information System

Matters Arising

01. Authorization signature missing in Salary statement

Observation: During the course of our audit we observed that monthly salary statements have not been authorized by the competent authority at Saturaia branch.

Implication

If Salary statements are not duly authorized, there may have risk of manipulation, fraud, misstatement and even non-compliance due to inclusion of fake employees, excess or short payment of salary and improper tax deduction, etc.

Recommendation

Management should take proper steps and maintain internal control system to overcome such mistake.

Management Response

It was an unwanted mistake. In future, Ambala Foundation strictly monitors this issues and management will take proper initiatives to overcome this mistakes.

02. Supporting documents not attached with voucher

Observation: While conducting our audit we observed that against some rexpnditure adequate supporting was not available. Details are given below:

Voucher code	Voucher Date	Particulars	Amount	Branch Name
03867	13.07.2020	Receipt for DCR	510	Sonargaon
03868	14.07.2020	Receipt for DCR	340	Sonargaon

Implication:

Lack of supporting document increases the risk of fraud, error and misstatements.

Recommendation:

Management should take necessary steps to ensure attachment of proper supporting documents with the vouchers.

Management Response

In future, management will take initiatives for ensuring the attachment proper supporting documents with vouchers for avoiding any kind of fraudulent activities.



03. Member's Photo missing in passbook (MVS)

Observation: As per MRA Rules 2010, every member's photo must be attached with passbook (MVS) but during the period of our field visit, we observed that in few occasions, member's photo has been not attached with the passbook.

SL. No	Member's Name	Samity Name	Branch Name
01.	Faria	Sufollon	Sonargaon
02.	Sahera	Sufollon	Sonargaon

Implication:

Non-attachment of member's photo with the passbook is the violation of policy of members' collection and also it is difficult to identify members of the samity. On the other hand, such incident increase the risk of disbursement of loan to fictitious person.

Recommendation:

Management should be more careful and give strict direction to avoid this kind of mistake.

Management Response

To be a member of Ambala Microfinance Program, attaching member's picture in passbook is not mandatory but when a member apply loan from microfinance program, then the members must attaching their picture within the passbook.

04. Stock Register not updated

Observation: During the period, in our field visit, we have checked stock of Satura branch and found that they do not update stock register in regular basis. Details are given below:

Item Name	Register Stock	Physically found
Conveyance voucher	434	595
ME file	36	17

Implication

Mismatch in stock register may create chance of using stock items for personal use rather than intended use.

Recommendation:

Management should take initiative to surprise visit of branch office stock to avoid such kind of anomalies in stock.

Management Response

It was a mistake of Satura branch employees. In future, Management strictly monitors and check stock register of each branch on a regular basis for avoid this inconveniences.

05. Statement regarding payment of salary has not been submitted to Income Tax Authority:

Observation: During the course of our audit we have observed that Ambala Foundation has not submitted Statement of Information regarding payment of salary as per section 108 of Income Tax Ordinance 1984.



Implication: Where any person has, without reasonable cause, failed to furnish any information required under Section 108, the Deputy Commissioner of Taxes shall impose such person a penalty of taka five hundred and in the case of continuing default a further penalty of taka two hundred and fifty for every month or fraction thereof during which the default continues.

Recommendation: Management should comply with Income Tax Rules & Regulations to avoid any kind of penalty & fines.

Management Response:

Unfortunately this year we could not submit the return Under Section 108 and from next year we will submit for avoiding any kind of penalties and fines.

06. Voucher date mismatch

Observation: During our audit, we have found a voucher where supporting document dates was mismatched with main vouchers. Details of these issues are as follows:

Voucher code	Voucher Date	Supporting Date	Particulars	Amount
06532	26.12.19	28.12.19	Car Maintenances	75,000

Implication : If the date of the supporting documents is mismatched with date of the voucher, it may indicate bad intention to pocket money by making false vouchers.

Recommendation:

Management should take necessary steps to stop this type of errors in future.

Management Response:

It was a mistake which was made by unintentionally. In future Management will take necessary initiatives for avoiding this types of errors in financial transactions.

07. VAT not deducted

Observation: During the period of our audit we observed that VAT has not been deducted from printing expense & internet bill. Details are given as follows:

Voucher code	Voucher Date	Particulars	Amount
06120	26.09.19	Printing Cost	10,200
06170	15.10.2019	Internet bill	3,000

Implication : If VDS is not deducted from in case of payment to suppliers, as per Section 85 of VAT Act 2012, VAT Authority may impose penalty and fines.

Recommendation:

Management should take necessary steps to ensure proper deduction of VAT from suppliers.

Management Response

It was a mistake and we will repay the VAT of those particulars as soon as possible as per section 85 of VAT Act 2012. In future, Management will stricter for avoiding this type of mistakes.



VIII) Training

Ambala Foundation training policy is an action statement setting out broad guidelines intended to promote and guide the implementation of training. Ambala Foundation considers training as an important and integral part of the organization's overall development and essential instrument in staff and personnel development.

During the course of our audit we observed that adequate trainings were organized by the Ambala Foundation microfinance management with regard to the governance, financial management, internal audit, VAT, Tax and others as required for the effective and efficient operation of microfinance program.

However, we recommended that training on Anti-Money Laundering (AML) and Combating the Financing of Terrorist (CFT) are needed to comply with the guidance on prevention of money laundering and terrorist financing.

IX) Insurance Policy

Ambala Foundation has insurance scheme which is called Member welfare fund. Member welfare fund is a comprehensive micro-insurance program established by Ambala Foundation to provide social protection and security to its member and their families. It addresses basic lifecycle needs of the poor such as health and education and various risks and disaster that they face in their daily lives. The program also provides vital assistance in their battles against various crisis and manmade calamities which results in loss of work, income and assets for poor families.

Ambala Foundation's Member welfare fund program is mandatory to Ambala Foundation's microfinance members. A premium of 1% on loan disbursement amount is paid at the time of loan received and if any loanee died before loan repayment his/her family gets rid of from loan payment.

Besides Ambala Foundation maintain Provident Fund Account, Staff Gratuity Fund and Staff Savings Scheme Fund as Employee welfare fund of its employees. The related policy of the above mentioned welfare fund is applied properly by the organization in maintaining its financial information.

X) ED'S total Remuneration and Lowest Salary of the Staff

Executive Director total remuneration and lowest salary of the staff has been mentioned below:

Designation	Remuneration / Salary per month (Taka)
Executive Director	277,843/-
Credit Officer (lowest salary)	23,317/-



XI) Prevention of Money Laundering and Terrorist Financing

Ambala Foundation fully comply the guidelines of Prevention of Money Laundering and Terrorist Financing for all the transactions. Ambala Foundation made through bank transfer and A/C payee cheque. Apart from banking channel Ambala Foundation does not use any other channel to transfer money.

08. Compliance status of the prior year (2018-2019) External Audit Observation.

Sl. No.	Observation	Comments
1	Review of VAT and TAX	Done
2	Cash holding exceed than the reasonable limit	We found similar issue during the current period of audit. Please refer to our current year observation in section – I(1)
3	Authorization signature missing in Top sheet of Voucher	Not Done.
4	Withholding Tax Return has not been submitted	Done
5	Information regarding payment of salary has not been submitted to Income Tax Authority	Not Done


FAMES & R
Chartered Accountants

