



**S.K.BARUA & CO.**  
CHARTERED ACCOUNTANTS

a member of  
**empacta**  
registered in Berlin-Germany  
Annexure-A1/1

**Independent Auditor's Report**  
**To**  
**The Governing Body of**  
**Palli Mongal Karmosuchi (PMK)**  
PMK Bhaban, Zirabo, Ashulia, Dhaka.

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

**Opinion**

We have audited the financial statements of “**Micro Credit Program**” of “**Palli Mongal Karmosuchi (PMK)**” which comprise the statement of financial position as at 30 June 2021 and the statement of Comprehensive Income for the year ended 30 June 2021 and the statement of Receipts & Payments for the period from 01 July 2020 to 30 June 2021 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, accompanying financial statements present fairly, in all material respects of the financial position of “**Micro Credit Program**” as at 30 June 2021 and its financial performance for the year then ended in accordance with Generally Accepted Accounting principles.

**Basis for Opinion**

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

**Emphasis of Matters**

We draw attention to the notes no. 4.12 (a) and 4.18 and our opinion is not modified in respect of these matters.

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

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





In preparing the financial statements, management is responsible for assessing the project's duration, disclosing, as applicable, matters related to projects period and using the going concern basis of accounting unless management either intends to liquidate the project or to cease operations, or has no realistic alternative but to do so those charged with governance are responsible for overseeing the projects financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) would always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on these bases of financial statements. As part of an audit in accordance with International Standards on Auditing (ISAs) we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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





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- Obtain sufficient appropriate audit evidence regarding the financial information of the project's or activities within the institute to express an opinion on the financial statements. We are responsible for our audit opinion.


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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**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 do verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the organization so far as it appeared from our examination of these books; and
- c) The statement of financial position, statement of comprehensive income and statement of receipts & payments dealt with by the report are in agreement with the books of accounts;

**Dated: Dhaka**  
**31 October 2021**

  
**Mohammad Anwarul Hoque FCA**  
**Partner**  
**Enrollment No. 1458**  
**S. K. Barua & Co.**  
**Chartered Accountants**  
**DVC 2111031458AS198390**





Annexure- A1/2

Palli Mongal Karmosuchi (PMK)  
PMK Bhaban, Zirabo, Ashulia, Dhaka.

**Micro Credit Program**  
**Statement of Financial Position**  
**As at 30 June, 2021**

	Notes	Amount in BDT	
		FY:30.06.2021	FY:30.06.2020
<b>Properties and Assets</b>			
<b>Non- Current Assets :</b>			
Property, Plant and Equipment	6.00	434,367,040	441,073,664
Intangible asset	6.B	6,045,920	
<b>Total Non-Current Assets</b>		<b>440,412,960</b>	<b>441,073,664</b>
<b>Current Assets :</b>			
Loan to Members	7.00	<b>12,244,619,484</b>	<b>10,268,585,743</b>
Agrosor MDP		28,507,446	46,294,710
Agrosor MDP- AF		1,920,000	-
Sanitation Development Loan (SDL)		597,223	850,918
Agrosor SEP		83,678,530	32,451,445
Jagoron		3,616,340,201	3,286,142,115
Agrosor		5,246,269,494	4,809,564,504
Sufolon		2,956,716,471	2,072,765,276
RRS		212,654,969	-
CSL-SEP		2,806,967	-
LRLP		71,053,219	-
Sombriddhi		24,074,964	20,516,775
<b>Short term Investments</b>			
	8.00	<b>1,251,544,397</b>	<b>1,197,387,870</b>
FDR on Savings	8.01	623,999,796	746,381,388
FDR on Statutory Reserve Fund	8.02	627,544,601	451,006,482
<b>Other loan -Short term</b>			
	9.00	<b>10,661,852</b>	<b>14,772,261</b>
Temporary Loan (Vehicles)	9.01	8,629,363	11,940,493
Mobile Loan	9.02	25,143	25,143
Staff Loan	9.03	2,007,346	2,806,625
Advance, Deposits and Prepayments	10.00	66,355,039	51,007,821
Unsettled Staff Advance	11.00	16,876,181	16,876,181
Account Receivable	12.00	-	1,000,000
Cash in Hand	13.00	14,034,191	16,718,436
Cash at Bank	14.00	633,223,753	239,279,831
<b>Total Current Assets</b>		<b>14,237,314,897</b>	<b>11,805,628,143</b>
<b>Total Properties and Assets</b>		<b>14,677,727,857</b>	<b>12,246,701,806</b>
<b>Capital Fund and Liabilities</b>			
<b>Capital Fund</b>			
Cumulative Surplus	15.00	4,168,194,455	3,603,680,165
Statutory Reserve A/C	16.00	463,136,547	400,437,480
<b>Total Capital Fund</b>		<b>4,631,331,002</b>	<b>4,004,117,645</b>





Notes	Amount in BDT	
	FY:30.06.2021	FY:30.06.2020
<b>Non Current Liabilities :</b>		
Loan from PKSF	17.00 358,700,000	407,000,000
Loan from Bank	19.00 240,000,000	1,092,633,968
	<b>598,700,000</b>	<b>1,499,633,968</b>
<b>Current Liabilities</b>		
Current Portion of PKSF Loan	18.00 467,100,000	207,000,000
Current Portion of Bank Loan	20.00 2,316,128,821	762,236,876
Loan from Anukul Foundation	21.00 59,895,301	46,068,098
Members Savings Deposits	22.00 4,110,012,589	3,822,061,702
Monthly Saving Project-Staff	23.00 6,308,807	5,821,799
Loan Loss Provision	24.00 423,472,003	301,025,950
Inactive Saving	25.00 8,661,600	-
Benevolent Fund	26.00 627,518,513	497,720,145
VAT & Tax Payable (VDS & TDS)	27.00 2,015,994	2,019,744
Loan From Provident Fund	28.00 311,285,090	242,424,215
Staff Welfare Fund	29.00 13,409	(73,410)
Payable Provident Fund	30.00 2,273,659	2,703,181
Loan A/C Gratuity Fund	31.00 587,086,696	420,453,491
Staff Security	32.00 43,861,945	43,572,237
Provision for Expenses	33.00 482,062,428	389,916,165
<b>Total Current Liabilities</b>	<b>9,447,696,855</b>	<b>6,742,950,193</b>
<b>Total Capital Fund and Liabilities</b>	<b>14,677,727,857</b>	<b>12,246,701,806</b>

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

**Chief Accountant**

Palli Mongal Karmosuchi (PMK)

**Chief Executive**

Palli Mongal Karmosuchi (PMK)

**Chairman**

Palli Mongal Karmosuchi (PMK)

Signed in terms of our separate report of even date annexed.

**Mohammad Anwarul Hoque FCA**  
**Partner**

**Enrollment No. 1458**

**S. K. Barua & Co.**

**Chartered Accountants**

**DVC 2111031458AS198390**

**Dated:Dhaka**  
**31 October 2021**





**Annexure- A1/3**

**Palli Mongal Karmosuchi (PMK)**  
PMK Bhaban, Zirabo, Ashulia, Dhaka.

**Micro Credit Program**  
**Statement of Comprehensive Income**  
**For the year ended 30 June, 2021**

	Notes	Amount in BDT	
		FY:30.06.2021	FY:30.06.2020
<b>Income:</b>			
Service Charge on loan	34.00	2,396,490,867	1,968,201,510
Bank Interest		4,887,189	2,544,422
Interest on FDR		74,940,153	24,372,518
Membership Fees		1,660,810	1,229,935
Sale of Passbook (Loan)		2,008,925	1,492,200
Sale of Passbook (MSP)		1,605,295	1,164,430
Sale of Register		137,620	102,288
Sale of Loan Form		1,499,171	1,246,376
Service Charge (Vehicle Loan)		125,769	116,956
Service Charge (Staff Loan)		364,502	300,461
Written off Loan Realization		474,544	855,375
Employee Recruitment Fee		377,644	410,630
Miscellaneous Income		258,311	101,507
<b>Total Income</b>		<b>2,484,830,800</b>	<b>2,002,138,608</b>
<b>Expenditure :</b>			
Service Charge to PKSF Loan	35.00	48,202,313	34,594,000
Service Charge to Ank. Found. Loan		5,046,066	4,955,067
Service Charge to Bank		167,760,835	133,670,812
Interest on Members Savings		111,997,638	127,446,595
Interest on Members Savings (MSP)		114,287,823	107,607,342
Salary and Allowance		1,018,872,796	911,255,256
Office Rent		21,684,674	23,277,037
Stationery		6,699,949	3,536,158
Travelling		24,207,307	19,564,710
Telephone and Postage		2,700,060	2,205,657
Office Maintenance		15,126,987	27,893,095
Fuel and Lubricant		12,023,556	9,498,452
Electricity & Gas bill		9,962,932	8,600,093
Entertainment		6,443,993	7,059,372
Newspaper and periodical		697,090	596,341
Training Expenses		1,046,832	5,505,133
Vehicle Maintenance		3,169,779	2,642,128
Legal Expenses		18,064	112,513
Bank Charge		4,494,564	2,174,084
Audit Fee		163,333	125,000
Staff Security & PF Interest		28,413,508	29,650,591







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Notes	Amount in BDT	
	FY:30.06.2021	FY:30.06.2020
Employee Residence facilities expense	23,711,652	17,897,485
Miscellaneous Expenses	5,431,609	5,018,075
Crockeries	709,842	1,021,454
Communication and Advertisement	19,898	76,655
Service Charge Rebate Advance Loan Realization	12,206,927	15,221,280
Wasing & Cleaning	24,420	39,544
Interest on MSS Staff	944,069	854,910
Labour & wages	1,392,076	1,343,291
Electronic & Electrical Expenses	1,678,460	6,590,242
Relife & Rehabilitation	4,926,975	25,541,537
Software Operating Expenses	(184,840)	5,326,500
Interest on Gratuity Fund	41,389,381	32,905,341
Nursary	66,974	3,032,766
Annual Fee of MRA	3,385,648	3,141,701
Corporate Social Responsibility (CSR)	27,000	-
Loan loss provision Expense (LLPE)	122,446,053	-
Depreciation	31,420,347	-
<b>Total Expenditure</b>	<b>1,852,616,590</b>	<b>1,579,980,217</b>
Excess/(deficit) of income over expenditure befor Tax	632,214,210	422,158,391
Provision for Income Tax	(5,000,000)	(3,500,000)
Excess/(deficit) of income over expenditure after Tax	627,214,210	418,658,391
<b>Total</b>	<b>2,484,830,800</b>	<b>2,002,138,608</b>

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

*(Signature)*

**Chief Accountant**  
Palli Mongal Karmosuchi (PMK)

*(Signature)*

**Chief Executive**  
Palli Mongal Karmosuchi (PMK)

*(Signature)*  
31.10.21  
**Chairman**

Palli Mongal Karmosuchi (PMK)

Signed in terms of our separate report of even date annexed.

*(Signature)*

**Mohammad Anwarul Hoque FCA**  
**Partner**  
**Enrollment No. 1458**  
**S. K. Barua & Co.**  
**Chartered Accountants**  
DVC 2111 031458 AS198390

Dated:Dhaka  
31 October 2021





**Annexure- A1/5**

**Palli Mongal Karmosuchi (PMK)**  
PMK Bhaban, Zirabo, Ashulia, Dhaka  
**Micro Credit Program**  
**Statement of Cash flows**  
**For the period ended 30 June, 2021**

Particulars	Amount in BDT	
	FY:30.06.2021	FY: 30.06.2020

**A. Cash Flows from Operating Activities :**

Surplus for the period 627,214,210      361,813,161

**Add: Amount considered as non cash items**

Loan Loss Provision (LLP)	122,446,053	25,461,681
Depreciation & Amortization for the Year	31,416,747	31,362,264
Interest Provision for staff Security	3,563,597	7,208,098
Provision for Expenses	(35,000)	65,000
Savings Interest Provision	82,822,766	161,196,818
Provision for Income Tax	5,000,000	(31,479,716)
Monthly Savings Project (MSP) Interest Provision Staff	794,900	763,463
VAT & Tax Payable (VDS & TDS)	(3,750)	(1,646,250)
<b>Sub total of non cash items :</b>	<b>873,219,523</b>	<b>554,744,519</b>

Loan Outstanding to Beneficiaries	(1,976,034,563)	(1,259,221,884)
Accounts Receivable	1,000,000	(470,000)
Advance, Prepayments and Deposits	(15,347,250)	20,541,510
Provident Fund	(429,522)	(1,701,346)
Provident Fund Loan	799,279	2,185,869
Loan A/C Provident fund	68,860,875	75,901,500
Vehicle Loan	3,311,130	3,480,500
Staff Security Fund	289,708	2,126,154
Loan From Bank	701,257,977	796,894,471
<b>Net Cash Used in operating activities</b>	<b>(343,072,843)</b>	<b>194,481,293</b>

**B. Cash Flows from Investing Activities :**

Purchase of Property, Plant and Equipment	(30,756,042)	(70,576,593)
Sale of Property, Plant and Equipment	-	-
Statutory Reserve fund	(176,538,119)	(229,544,632)
Savings Fund	122,381,592	(730,680,329)
<b>Net Cash used in Investing Activities</b>	<b>(84,912,569)</b>	<b>(1,030,801,554)</b>







Particulars	Amount in BDT	
	FY:30.06.2021	FY: 30.06.2020

**C. Cash Flows from Financing Activities :**

Loan Received from PKSF	211,800,000	123,200,000
Loan A/C Anukul Foundation	13,827,203	(5,470,272)
Loan A/C Gratuty Fund	166,633,205	156,235,600
Staff Well Fare Fund	86,819	(1,555,271)
Members Savings Deposits	296,612,487	545,253,874
Benevolent Fund	129,798,367	44,046,966
Monthly Savings (MSP) Staff	487,008	625,374
<b>Net Cash Provide by Financing Activities</b>	<b>819,245,089</b>	<b>862,336,271</b>
<b>D. Net increase / decrease :(A+B+C)</b>	<b>391,259,677</b>	<b>26,016,010</b>
<b>Add: Cash and Bank Balance at the beginning of the year</b>	<b>255,998,267</b>	<b>229,982,257</b>
<b>Cash and Bank Balance at the end of the year</b>	<b>647,257,944</b>	<b>255,998,267</b>

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

**Chief Accountant**

Palli Mongal Karmosuchi (PMK)

**Chief Executive**

Palli Mongal Karmosuchi (PMK)

**Chairman**

Palli Mongal Karmosuchi (PMK)

Signed in terms of our separate report of even date annexed.

Dated,Dhaka:  
31 October 2021



**Mohammad Anwarul Hoque FCA**  
**Partner**

Enrollment No. 1458

**S. K. Barua & Co.**  
**Chartered Accountants**

DVC 2111031458AS198390