

**Coastal Association for Social Transformation
(COAST) Trust**

**Auditor's Report and Financial Statements
for the year ended 30 June 2011**

 **S. F. AHMED & CO.**

Chartered Accountants

(Representative of ERNST & YOUNG GLOBAL in Bangladesh since 1975)

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of

Coastal Association for Social Transformation (COAST) Trust

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Coastal Association for Social Transformation (COAST) Trust, which comprise the Statement of Consolidated Financial Position as at 30 June 2011, the Statement of Consolidated Comprehensive Income, and the Statement of Consolidated Receipts & Payments for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Coastal Association for Social Transformation (COAST) Trust Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Bangladesh Financial Reporting Standards; and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of Coastal Association for Social Transformation (COAST) Trust, as at 30 June 2011, and (of) its financial performance and its Consolidated Receipts & Payments for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with applicable laws and regulations.

Dated, Dhaka;
25 November 2011

S. F. Ahmed & Co.
S. F. Ahmed & Co.
Chartered Accountants

COASTAL ASSOCIATION FOR SOCIAL TRANSFORMATION (COAST) TRUST
Statement of Consolidated Financial Position
As at 30 June 2011

Particulars	Notes	Amount in Taka						01 July 2010 to 30 June 2011	01 July 2009 to 30 June 2010
		Central Office	Micro Finance	Post Cyclone Rehabilitation Project (PCRP)	COAST IGA & CREP Project	COAST Donor Program			
Non Current Assets		10,000,876	39,240,551	-	4,866,344	3,241,732	57,349,503	59,816,905	
Tangible fixed assets	3	9,583,394	15,810,774	-	414,652	3,241,732	29,050,552	24,324,589	
Investment	4	417,482	23,429,777	-	4,451,692	-	28,298,951	35,492,316	
Current Assets		8,960,390	614,002,514	-	88,027,864	11,689,085	722,679,853	816,389,574	
Cash & Cash Balances	5	1,270,917	73,829,336	-	4,353,008	10,142,719	89,595,980	50,522,303	
Loan Portfolio	6	-	518,558,318	-	-	-	518,558,318	409,544,729	
Inventories	7	-	280,653	-	9,694,391	-	9,975,044	8,450,620	
Loan and Advance	8	513,170	20,487,818	-	718,798	160,000	21,879,786	14,719,739	
Receivables	9	7,176,303	846,389	-	73,261,667	1,386,366	82,670,725	333,152,183	
Current Liabilities		34,702,254	163,864,637	-	27,743,685	1,413,155	227,723,731	204,724,416	
Payable	10	34,287,743	4,763,571	-	7,974,333	1,413,155	48,438,802	54,654,692	
Payable for expenses	11	414,511	2,882,116	-	19,760,013	-	23,056,640	16,896,106	
Member Savings Balance	12	-	156,218,950	-	9,339	-	156,228,289	133,173,618	
Net Current Assets		(25,741,864)	450,137,877	-	60,284,179	10,275,930	494,956,122	611,665,158	
Total Assets		<u>(15,740,988)</u>	<u>489,378,428</u>	<u>-</u>	<u>65,150,523</u>	<u>13,517,662</u>	<u>552,305,625</u>	<u>671,482,063</u>	
Fund and Liabilities									
Capital fund	13	(15,740,988)	34,758,291	-	467,401	-	19,484,704	5,867,968	
Reserve fund	14	-	62,020,878	-	3,431,514	-	65,452,392	61,791,147	
Unutilized Donor fund	15	-	-	-	-	10,275,930	10,275,930	6,789,824	
Fixed Assets Acquisition Fund	16	-	-	-	193,681	3,241,732	3,435,413	2,361,040	
Payable to PKSF	17	-	275,416,668	-	-	-	275,416,668	409,745,686	
Payable to SF	18	-	73,750,000	-	-	-	73,750,000	132,149,292	
Payable to One Bank Ltd	19	-	35,000,000	-	-	-	35,000,000	-	
Payable to IDCOL	20	-	-	-	61,057,927	-	61,057,927	46,629,664	
Emergency fund	21	-	8,432,591	-	-	-	8,432,591	6,147,442	
Total Fund & Liabilities		<u>(15,740,988)</u>	<u>489,378,428</u>	<u>-</u>	<u>65,150,523</u>	<u>13,517,662</u>	<u>552,305,625</u>	<u>671,482,063</u>	

The annexed notes form an integral part of this financial statement

Head - Budget and Finance Control

Dated, Dhaka;
25 November 2011

Signed in terms of our separate report of even date annexed

Executive Director

S. F. Ahmed & Co.
S. F. Ahmed & Co.
Chartered Accountants

COASTAL ASSOCIATION FOR SOCIAL TRANSFORMATION (COAST) TRUST
Statement of Consolidated Comprehensive Income
For the year ended 30 June 2011

Particulars	Notes	Amount in Taka						
		Central Office	Micro Finance	Post Cyclone Rehabilitation Project (PCRP)	COAST IGA & CREP Project	COAST Donor Program	01 July 2010 to 30 June 2011	01 July 2009 to 30 June 2010
Income								
Service charge from Members		-	97,590,404	-	7,253,082	-	104,843,486	82,783,323
Interest receipt from Branch (PKSF)		-	-	-	-	-	-	8,029,127
Interest receipt from Branch (SF)		-	-	-	-	-	-	4,773,931
Over head from Donor program	22	2,038,683	4,490,445	-	-	-	6,529,128	4,271,587
Bank interest	23	39,452	69,535	1,315	57,302	-	167,604	150,555
Grant as income	24	-	6,139,936	-	408,400	30,205,246	36,753,582	37,266,386
Gratuity fund adjustment		3,093,799	-	-	-	-	3,093,799	-
Partners contribution		-	-	-	-	591,641	591,641	37,375
Other income	25	158,062	48,697	-	284,509	-	491,268	475,847
Total:		5,329,996	108,339,017	1,315	8,003,293	30,796,887	152,470,508	137,788,131
Expenditure								
Staff salary & benefits	26	3,987,919	53,818,520	-	2,523,785	12,291,012	72,621,236	57,688,673
Utilities		174,624	618,076	-	94,927	125,705	1,013,332	827,347
Office rent	27	143,834	3,406,307	-	383,047	688,875	4,622,063	3,605,332
Office maintenance		138,357	425,227	-	18,499	101,846	683,929	1,364,240
Refreshment		292,150	136,129	-	10,029	60,396	498,704	367,179
Mail & postage		173,748	46,139	-	7,876	800	228,563	101,156
Phone & fax		115,011	215,547	-	1,050	193,497	525,105	523,485
Traveling cost		332,856	2,197,387	-	232,663	1,236,168	3,999,074	4,849,081
Fuel & oil		199,300	2,510,701	-	223,731	532,823	3,466,555	3,601,658
Repair & maintenance		285,218	115,252	-	65,486	399,749	865,705	1,264,531
Stationery & printing		296,026	1,724,508	-	148,191	279,053	2,447,778	2,671,238
Legal expenses		-	24,215	-	-	-	24,215	29,208
Training/ Seminar/Workshop		42,549	413,188	-	378	-	456,115	649,687
Disaster Management cost		-	-	-	-	-	-	328,224
Program cost		-	-	-	-	10,742,532	10,742,532	15,979,417
Overhead cost		-	4,698,475	-	-	1,915,372	6,613,847	4,445,184
Bank Charge		45,081	1,066,280	-	76,338	26,837	1,214,536	1,170,693
Financial Expenses	28	1,267,015	14,997,152	-	3,358,028	-	19,622,195	32,393,441
Reserve fund expenses		-	3,132,467	-	528,778	-	3,661,245	30,870,111
Furniture and equipments		-	-	-	-	2,202,222	2,202,222	78,274
Depreciation		1,199,483	1,679,887	-	256,908	-	3,136,278	2,554,253
Advertisement cost		170,940	-	-	23,525	-	194,465	234,850
Audit fee		28,924	-	-	-	-	28,924	107,200
Review fee		-	-	-	-	-	-	284,000
		8,893,035	91,225,457	-	7,953,239	30,796,887	138,868,618	165,988,462
Excess of income/ (expenditure) over expenditure/income		(3,563,039)	17,113,560	1,315	50,054	-	13,601,890	(28,200,331)
Total:		5,329,996	108,339,017	1,315	8,003,293	30,796,887	152,470,508	137,788,131

The annexed notes form an integral part of this financial statement

Head - Budget and Finance Control

Signed in terms of our separate report of even date annexed

Executive Director

Dated, Dhaka;
25 November 2011

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