

COAST Trust

Meeting minutes of the 4th BoT Audit & Finance Committee meeting held on 27th December, 2013 at COAST Principal Office, Dhaka.

A. Member Participated

1. M. Zahirul Alam FCA, Treasurer, BoT (as member participant)
2. Rezaul Karim Chowdhury, Executive Director (as member participant)
3. Sanat K. Bhowmik, Director (as staff participant)
4. Aminul Hoque, Deputy Director-IA&ME (as staff participant)
5. Md. Ahsanul Karim, Deputy Director-F&CA (as staff participant) and
6. Tarik sayed Harun, Assistant Director- Core Program (as staff participant)

B. Agenda Transacted

1. Review of the last (3rd) Audit Committee minutes
2. Report from internal audit sections (MF program)
3. Report on Internal auditor's (Donor projects)
4. Bad debt mobilization report
5. Statutory Fund Status report
6. Project Information matrix
7. Micro finance and financial trend analysis
8. Legal procedures status (Case update)
9. Any other business

The meeting has presided by the Treasurer-BoT, COAST Trust and the major discussion and decisions of the meeting are as follows;

1. **Review of the last meeting minutes:** Executive Director has reviewed the minutes of 3rd BoT audit committee meeting and the following decisions are taken for further actions;
 - a. All legal letters to be sent to the guardians and guarantors of staff those are engaged with misappropriation and irregularities. The letters will also be sent to the respective Chairman/Commissioner. This will be completed by 31st December 2013. This also has decided to negotiate with the respective guardians alongside legal actions in realizing money and reducing cases ASAP.
 - b. A format will be developed to follow up and checking bank statement, transacted in the branches during the whole year. This will be a major action of auditors and be reported after audit apart from the regular action of finance section. DD-IA & ME will develop related format in this regard.
 - c. IA & ME section also develop yearly plan of action in auditing all the branches at least once in six monthly.
 - d. All branches will be categories and classified base on the risk factors. The risk indicators will be designed mainly considering the outstanding, staff performance and their professional behavior and possibility of frequent monitoring scope etc. AD-CP and his team will work on this issue.
2. **Report from internal audit sections (MF program)**

Internal audit section has presented the summary of audit findings on last quarter (Oct-Dec 2013). There 11 branches are audited where following major decisions are made based on the findings related discussion;

- i. Strong follow has to be made from operation section against the staff those who have misappropriated money where management has given opportunity for refunding the amount with date line.

- ii. Staff must be warned officially those have paid back their money and involved with misappropriation and other irregularities. In this case, respective supervisor including Regional Program Coordinators will also be included.
- iii. All sorts of loans will be disbursed after 100% checking from the Branch Manager level as there have a risk to these loans for consumption considering the present political situation.

3. Report on Internal & External auditor's (Donor projects)

One donor project (CLS) and organizational yearly external audit (By SF Ahmed & Co.) have completed during the audit period. The audits have checked and verified all financial transaction and bank statement and procurements where didn't found any major irregularities except VAT & Tax related observation that's have maintaining properly at present.

4. Bad-debt Mobilization:

The Director has presented the latest performance and progress on bad debt mobilization and shown that there is 59% achievement against the target on bad debt collection. Analyzing the scenario, the treasurer has instructed to give emphasis on the region of Bhola and Cox's Bazar as their bad debt is high.

5. **Statutory Fund Statement:** DD-F&CA has presented the statutory fund report and its detail status. There have a shortage in PF and Gratuity fund as the central operation didn't paid their liabilities in time. The meeting has taken decision to make an action plan for next year to way out the scope of paying these liabilities.


6. **Project Information Matrix:** The Director has presented a matrix on the latest scenario of ongoing project and their progress in to the meeting. Total projects are seven and total fund is taka 22.11 crore. For he period total 11.02 crore has been received and the fund utilization rate is 88%.

7. **MF Trend analysis:** AD-Core program has presented the latest performance of MF where it's viewed the following;
 - i. Member balance, disbursement and income-surplus scenario have reducing trend in recent period due to political situation and the disbursement strictness.
 - ii. Overdue also increased during the year which is amounting tk.1.5 corer. But level of income and rate of surplus is satisfactory, but concern is to face decline in next due to down trend of existing performance.
 - iii. The treasurer has advised to keep the repayment performance at a satisfactory level which is a challenge in fact in next.

8. **Legal procedures status (Case update):** The Director has presented the latest updating on legal actions taken against the staff engaged with misappropriation. There are 26 no of cases ongoing and the ED & Director have been following up these cases directly.

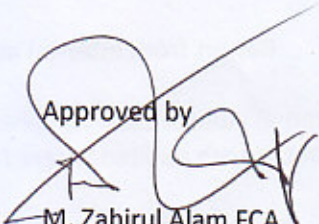
9. **AoB:** There have no discussion in this session and the chair has concluded the meeting by giving thanks to the participants.

Prepared by


Aminul Hoque
Secretary of the meeting
COAST Trust

Dated : 27th December, 2013

Approved by


M. Zahirul Alam FCA
Treasurer- BoT
COAST Trust