COAST Trust  
Minutes on 18th Pre-BoT Audit & Finance Committee meeting  
Held on 26 Oct’ 2018 at COAST Principal Office, Dhaka.

A. Member Participated  
1. Rezaul Karim Chowdhury, Executive Director (as staff participant)  
2. Sanat K. Bhowmik, Director (as staff participant)  
3. Aminul Hoque, Deputy Director- ME & IA (as staff participant)  
4. Ahsanul Karim Babor, Deputy Director-FC &CA (as staff participant) and  
5. Tarik Sayed Harun, Asst. Director- Core Program (as staff participant)

B. Agenda Transacted  
1. Review of the last (17th) Audit Committee meeting minutes  
2. Report from internal audit sections (MF program and Projects)  
3. BoT Ext. audit report on MF  
4. Micro finance and financial trend analysis  
5. Org. plans and budget 2018-19 yr.  
6. Project Information and progress  
7. Report on bad debt mobilization  

C. Decision Matrix  

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| 01 | Report from Internal Audit | i. 54 Br. Are audited during the period  
   ii. Misappropriated amount were Tk. 4, 87,344, Recovered Tk. 3, 71,839 (1, 12,505/- to be realized).  
   iii. 490 loan captured by 167 syndicate member where Outstanding - 1, 05, 34,694 and OD - 23, 92,965 (22.70%).  
   iv. Staff are engaged with misappropriation in connivance with beneficiaries in loan disbursement process and a portion of loan taken from members after disbursement.  
   v. A Development education lesson will be prepared for members on the issues of transaction with staff, misappropriation responsibility & liability. Apart loan form also will be revise including a clause on “transaction & misappropriation liability if happen between staff and members”.  
   vi. A case study and report to be prepared for organizational learning on misappropriation by staff and its management strategies.  
   vii. Director will study & analyze on Staff Welfare Fund especially its capacity to secure misappropriation incidents by staff.  
   viii. Checklist and an observation report to be prepared on syndicate loan mentioning;  
      - Why its happen  
      - Process of detection and monitoring  
      - Realization and impact  
      - Organization learning  
   ix. A case should be filed against Lutfinnesa (KK) and Hur E | TSH 15 Nov’2018  
SAH/TSH by 25 Nov’2018  
15 Nov,2018  
SAH by 15 Nov’2018  
TSH by 15 Nov’18 |
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<td>02</td>
<td>Donor Projects</td>
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<tr>
<td></td>
<td>i.</td>
<td>All audit report (Org external audit) will be uploaded in COAST website</td>
<td>AKB by 15 Nov’18</td>
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<td>ii.</td>
<td>All project will establish and maintain “Audit Register” in their respective projects.</td>
<td>AKB by 15 Nov’18</td>
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<td>iii.</td>
<td>Omar Faruk and Faysol will continue assess the capacity of Accounts Officers in their respective financial management and performance.</td>
<td>15 Nov and onward period.</td>
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<td>MF Trend Analysis</td>
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|   | i. | Up to Sep 2018, some indicators related with MF operational plan are showing declined performance, those are following;  
  - Outstanding 182.20 Corer (6% less than March’18)  
  - Overdue 7.17 corer (PAR-5.1% and increasing trend)  
  - Accumulated Surplus (Jul’17-June’18) - 8.57 corer (61% of BP).  
  - Capital Fund 34.13 corer (87% of BP and increasing trend). | |
|   | ii. | New 17 branch will be open during 2018-19 operational period in COAST existing working areas in reaching some new upazilla. | TSH |
|   | iii. | Fund Flow is ensured up to March’19 according the plan. | |
|   | iv. | Dinner meeting will be held with Bankers on 26 Nov’18 to enhance relation with ensuring fund flow. | TSH |
|   | v. | Remittance and Agent Banking are running and assume potential in view of surplus generation and fund support in future. | |
| 04 | Project Information | | |
|   | i. | Total 21 projects are running both Dev. & FDMN | |
|   | ii. | Estimated budget are BDT 676.69 million | |
|   | iii. | Fund utilization up to Sep’ 318.71 million (88% Burn Rate according target). | |
| 05 | Plans & Budget 2018-19 yr. | | |
|   | i. | Major achievement in 2017-18  
  - Annual staff conference.  
  - New branches are (10 branch) open.  
  - 84% achieved of Business Plan  
  - Well managed of FDMN projects | |
<p>|   | ii. | Not achieved | |</p>
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| | - Required fund for MF  
  - Overdue arrest at a satisfactory level  
  - Fund manage for Community Radio.  
  - Staff misappropriation. | i. Major plan & Strategies  
- OD realization will be emphasized through giving special support from Principal Office.  
- Establish the community radio station in Cox’s Bazar.  
- Managing more fund from private sectors for revolving credit fund.  
- Management and monitoring streamlining for MF and the projects.  
- Strengthen the climate change adaptation through CITEP.  
- Coverage of 50% of member participants with primary health care service. | |
| | | iv. Comparative Financial Plan (Expenditure Budget)  
- Proposed budget, 61.18 corer (25% increased)  
- Income from MF, 39.94 corer  
- Income from other sources 21.24 corer. | |
| 06 | Bad Debt Mobilization | i. Written-off amount [Dec’12-Sep’18] was BDT 4.38 corer  
ii. Collection target was 2.57 corer [56% of Bad Debt].  
iii. Total collection up to Sep’18 is Tk. 86.11 lac (33%) in against the target.  
iv. Collection achieved 18% of total Bad Debt. | |
| 07 | Legal Case and update | i. At present COAST has been dealing with 46 case against staff. At least 08 number of case will be set as final solution in next quarter. | MKA |

Prepared By

Aminul Hoque  
Secretary of the Meeting  
COAST Trust

Approved By

M. Zahirul Alam FCA  
Treasurer, BoT  
COAST Trust

Dated: 26 October’2018