

COAST Foundation

Minutes on 23rd Pre-EC Finance & Audit Committee meeting

Held on Zoom, Date: 16 April 2021, at 10.00pm to 12:30pm.

A. Member Participated

1. Md. Mostafa Kamal Ahmed, FCA (Treasurer-GC/EC, COAST)
2. Rezaul Karim Chowdhury, Executive Director and Member Secretary-GC/EC
3. Sanat K. Bhowmik, Deputy Executive Director (as staff participant)
4. Aminul Hoque, Director- ME & IA (as staff participant)
5. Md. Ahsanul Karim (Babor), Director-FC &CA (as staff participant)
6. Tarik Sayed Harun, Director- Core Program (as staff participant)
7. Finance & Audit Personnel [Sector Head to Asst. Director].

B. Agenda Transacted

1. Report from internal audit sections (MF program and Projects)
2. MF Trend Analysis (2020-21 Financial Year)
3. Org. Balance sheet & Financial Overview as on 31 Dec 2020.
4. Legal Issues (Case against staff and others) update.
5. Any other Business (AoB).

C. Decision Matrix

SI	Agenda	Decision	Remarks
01	Report from Internal Audit	- 65 MF branch and 03 donor project are audited during the period from Oct'20- 30 March 21.	
		- Tk. 4, 93,750/- identified as misappropriation by 219 (52%) staff where 4, 53,245/- are realized. Tk. 40,505/- to be realized as staff left the organization.	
		- Trend is observed reducing as in both indicator staff engagement [52<68%] and misappropriation per branch [tk.7796<11035] comparing between the previous and current audit period. - Syndicate loan observe as concerned as its overdue trend increased. Around 2.17 corer captured by 215 syndicators where amount outstanding 1.26 corer and 35.14% already been overdue.	
		- Strong monitoring system recommended to realize the money from syndicate loans. This includes; i. Proper recording of syndicating the Loanee branch wise. ii. Documentation of loan in a separate format & regular follow up iii. Reporting regularly.	
		- Financial irregularities observed as loan approval and savings return process where need proper monitoring from operation as well.	
		- Three donor project [ACCORD, UNHCR and CFTM] are audited from the IA section. Major observation in VAT and Tax calculation process that needs update orientation for accounts personnel at field level.	

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02	MF Trend Analysis	- At the end of March 2021, total member in MF program is 1.44 lac and number of Loanee is 1.19 lac (82% of member). Trend is increasing due to high demand of money after Covid crisis.	
		- Total portfolio is stand on Mar'21 as Tk. 315.16 cr. is satisfactory according revised BP for 20-21 financial year.	
		- Surplus is increasing as 300% up to Mar 21 followed the Business plan and happened due to its conservative projection considering the pandemic. - Accumulation Capital fund is stand as tk. 42.52 cr. in Mar 2021.	
		- Meeting propose to conduct short study on how the pandemic impact on rural economy especially demand on cash money, savings trend etc.	
		- Meeting also requested to make a comparative view on major MF indicators of SPLY [Same Period last Yr.] as this issue is pending.	
03	Balance Sheet & Financial Performance Overview.	- Meeting reiterated the pending issues to complete asap ; - Aging report on the current asset item "Advance deposit & pre-payment" where idle financing will be find out.	
		- Organization liabilities are increased around tk. 43.40 cr. during the fiscal year [up to Dec 2020]. This liabilities included the fund borrowing for MF and provisional PF & gratuity amount.	
		- Central operation showing 158% expenditure than its budget, need to recalculate showing the actual projection of approve budget vs. Expenditure and received reimbursement from MF section.	
		- Meeting proposed to check the expenditures on Salary, Gas & Electricity bill as these are observed as high trend.	
04	Legal Issues (Case against staff and others) update	- Total 56 case running against the staff and others at the end of March 2021.	
		- The amount claimed 2.01 corer while filed the case against staff. The figure is inflated for pressuring them to realize money, but in the negotiation. actual amount will be realized. Overstated	
		- Management decided to solve at least 29 cases through mutual discussion, where amount claimed below 02 lac.	

Prepared By
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