

**COAST Trust****Minutes on 18<sup>th</sup> 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 (17<sup>th</sup>) 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
8. Report on legal action and procedures.
9. Any other Business (AoB).

**C. Decision Matrix**

SI	Agenda	Decision	Remarks
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).	
		ii. 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".	TSH 15 Nov'2018
		vi. A case study and report to be prepared for organizational learning on misappropriation by staff and its management strategies.	SAH/TSH by 25 Nov'2018
		vii. Director will study & analyze on Staff Welfare Fund especially its capacity to secure misappropriation incidents by staff.	15 Nov,2018
		viii. Checklist and an observation report to be prepared on syndicate loan mentioning; <ul style="list-style-type: none"> <li>- Why its happen</li> <li>- Process of detection and monitoring</li> <li>- Realization and impact</li> <li>- Organization learning</li> </ul>	SAH by 15 Nov'2018
		ix. A case should be filed against Lutfinnesa (KK) and Hur E	TSH by 15 Nov'18

SI	Agenda	Decision	Remarks
		Zannat (BSK).	
		x. A new staff will be deployed for OD mobilization and monitoring.	TSH by 15 Nov'18
		xi. Observations on MF by Ext. Audit will be discussed in the MCM (e.g. Group size, NID mismatch, Cash in hand etc.)	In MCM on 04 Nov'18
02	Donor Projects	i. All audit report (Org external audit) will be uploaded in COAST website	AKB by 15 Nov'18
		ii. All project will establish and maintain "Audit Register" in their respective projects.	AKB by 15 Nov'18
		iii. Omar Faruk and Faysol will continue assess the capacity of Accounts Officers in their respective financial management and performance.	15 Nov and onward period.
		iv. Finance Section (Their team member) will emphasize the procurement and fixed asset management of all project during follow up.	AKB and their team
03	MF Trend Analysis	i. Up to Sep 2018, some indicators related with MF operational plan are showing declined performance, those are following; <ul style="list-style-type: none"> <li>- Outstanding 182.20 Corer (6% less than March'18)</li> <li>- Overdue 7.17 corer (PAR-5.1% and increasing trend)</li> <li>- Accumulated Surplus (Jul'17-June'18) - 8.57 corer (61% of BP).</li> <li>- Capital Fund 34.13 corer (87% of BP and increasing trend).</li> </ul>	
		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 <ul style="list-style-type: none"> <li>- Annual staff conference.</li> <li>- New branches are (10 branch) open.</li> <li>- 84% achieved of Business Plan</li> <li>- Well managed of FDMN projects</li> </ul>	
		ii. Not achieved	

SI	Agenda	Decision	Remarks
		<ul style="list-style-type: none"> <li>- Required fund for MF</li> <li>- Overdue arrest at a satisfactory level</li> <li>- Fund manage for Community Radio.</li> <li>- Staff misappropriation.</li> </ul>	
		iii. Major plan & Strategies <ul style="list-style-type: none"> <li>- OD realization will be emphasized through giving special support from Principal Office.</li> <li>- Establish the community radio station in Cox's Bazar.</li> <li>- Managing more fund from private sectors for revolving credit fund.</li> <li>- Management and monitoring streamlining for MF and the projects.</li> <li>- Strengthen the climate change adaptation through CITEP.</li> <li>- Coverage of 50% of member participants with primary health care service.</li> </ul>	
		iv. Comparative Financial Plan (Expenditure Budget) <ul style="list-style-type: none"> <li>- Proposed budget, 61.18 corer (25% increased)</li> <li>- Income from MF, 39.94 corer</li> <li>- Income from other sources 21.24 corer.</li> </ul>	
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

Approved By

Aminul Hoque  
Secretary of the Meeting  
COAST Trust

Dated: 26 October'2018

M. Zahirul Alam FCA  
Treasurer, BoT  
COAST Trust