

COAST Trust

Minutes on 22nd Pre-EC Finance & Audit Committee meeting

Held at COAST Pr. Office, Date: 30th October 2020, 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 Performance Analysis.
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	- 27 MF branch and 06 donor project are audited during the period from July - Oct 2020.	
		- Tk. 2, 97,961/- identified as misappropriation by 115 staff where 2, 87,581/- are realized. Tk. 10,380/- to be realized as staff left organization.	
		- Due to pandemic situation, misappropriation trend observed a slight higher. The following factors contributes for high trend; - Major focus was to establish contact with members after MF operation resume. - Effort provided to start & expedite realization than monitoring.	
		- Apart, SMS service introduced in daily collection system, where member will get SMS on their payments. - Monitoring will possible without passbook. Thus corruption reduce at a level. - Piloting SMS in 12 MF branches. Tk. 18/br./year per member as SMS cost.	
		- CIB monitoring model is piloting in 03 MF branch. This system will be helpful to monitor the borrower performance, avoiding loan overlapping and support to reduce overdue.	

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		- Financial irregularities observed as loan approval process where need proper monitoring from operation as well.	
02	MF Trend Analysis	- At the end of Sep 2020, total member in MF program is 1.35 lac and number of Loanee is 1.07 lac (79% of member). Trend is increasing and target to reach to above 80% by Dec 2020.	
		- Total portfolio is stand on Sep'20 as Tk. 265.21 cr. By Dec'20 it will be reached @ 280.0 cr.	
		- Accumulation Capital fund is added as positive trend overcoming the pandemic crisis and stand as tk. 38.16 cr. in Sep 2020. - Surplus is increasing around 50.0 lac per month from July' 20.	
		- Meeting propose to revise the business plan and fund flow status in Dec 2020 observing the corona situation and its second phase impact.	
		- Meeting also proposed to make a comparative view on major MF indicators of SPLY [Same Period last Yr.].	
03	Balance Sheet & Financial Performance Analysis.	- Organization liabilities are increased around tk. 29.40 cr. during last fiscal year [up to June 2020]. This liabilities included unutilized donor fund, fund borrowing for MF and provisional PF & gratuity amount.	
		- Some current asset (e.g. IDCOL loan to members, stock etc.) should gradually write off as this asset is turned into bad debt in the field already.	
		- Over "Cash in hand" observed by External Audit. This happened during pandemic as branches had taken additional money as cash. However that should control by planned way exercise in next.	
		- Meeting proposed to prepare an aging report on the current asset item "Advance deposit & pre-payment" where idle financing will be find out.	
04	Legal Issues (Case against staff and others) update	- Total 53 case running against the staff and others at the end of Sep 2020. The amount claimed as 2.01 crore.	
		- Management decided to solve at least 28 cases through mutual discussion, where amount claimed below 02 lac.	

Prepared By
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