

নিরীক্ষা প্রতিবেদন

ও

নিরীক্ষিত হিসাব

## **Audit Report & Accounts**

**of**

**ANSAR VDP UNNAYAN BANK**  
**For the year ended 30<sup>th</sup> June, 1998.**

**AZIZ HALIM ANWAR & CO.**  
**CHARTERED ACCOUNTANTS**  
House # 29, Road # 01  
Dhanmondi, Dhaka-1205.

**HOWLADAR, YUNUS & CO.**  
**CHARTERED ACCOUNTANTS**  
67, Dilkusha C/A  
Dhaka-1000.

**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
ANSAR-VDP UNNAYAN BANK**

We have audited the accompanying Balance Sheet of ANSAR-VDP UNNAYAN BANK as of 30<sup>th</sup> June 1998 and the related Profit & Loss Account for the period then ended. The preparations of these financial statements are the responsibility of the company's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standard on Auditing (BSA) those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

Our examination revealed that:

1. The number of shares allotted does not reconcile with paid up capital. As per information provided by the management 983,703 shares were allotted @ Tk. 100 each but as per accounts paid up capital stood at Tk. 123,156,800. There remains an unreconciled difference of Tk. 24,786,500 for which no clarification would be given by the management.
2. The Bank management did not issue any share certificates to the Shareholders by June 30, 1998.
3. Sonali Bank collected share application money from the Shareholders. 0.25% commission was paid to Sonali Bank for such services. There was no uniform basis of deduction of such commission by the Bank branches. As a result recording of paid up capital was incorrect.
4. While verifying, we found that income tax amounting to Tk. 477,106 was deducted at source from interest on FDR and net income shown in the income statement instead of showing the gross amount. Beside, income tax was also not shown as advance tax. As a result both income and assets were understated to the extent.
5. We could not verify accrued interest on FDR due to absence of detailed calculation. Interest has been recognized on cash basis contrary to the policy of the Bank.



6. The regional offices at Chittagong, Rajshahi and Khulna were opened without prior approval of Bangladesh Bank and office rent was paid as under:

Regional Office	Voucher Date	Amount of rent (Tk.)
Chittagong	27.08.97	16,500
Khulna	14.10.97	10,500
Rajshahi	31.12.97	10,525
	18.01.98	1,500

Afterwards, the above regional offices were closed due to non-receipt of approval from the Bangladesh Bank.

Subject to the fact mentioned in above observations and annexed notes (1-18), we further report that:

- a. We have obtained all the information and explanations which we considered necessary for the purpose of our audit;
- b. In our opinion, the annexed Balance Sheet and Profit & Loss A/c exhibit a true and fair view of the state of affairs of the Ansar-VDP Unnayan Bank according to the best of our information and explanations given to us by the bank management and as shown by the books.

  
AZIZ HALIM ANWAR & CO.  
Chartered Accountants

  
HOWLADAR, YUNUS & CO.  
Chartered Accountants

Dated, Dhaka.  
2<sup>nd</sup> September, 2001

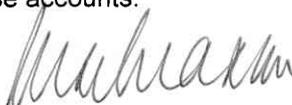
**ANSAR -VDP UNNAYAN BANK**  
**BALANCE SHEET AS AT JUNE 30, 1998**

PROPERTY & ASSETS	NOTE	1997-98 AMOUNT (TK.)	1996-97 AMOUNT (TK.)
<b>CASH</b>	6	9,377,814	4,162,811
In hand and with Bangladesh Bank & Sonali Bank (including foreign currencies)			
<b>BALANCE WITH OTHER BANKS</b>	7	7,930,609	1,236,257
In Bangladesh		-	-
Outside Bangladesh		7,930,609	1,236,257
<b>MONEY AT CALL &amp; SHORT NOTICE</b>		-	-
<b>INVESTMENTS</b>	8	47,161,956	90,990,812
<b>ADVANCES</b>	9		
Loans, cash credits, overdrafts, etc.			
In Bangladesh		52,998,249	12,123,884
Outside Bangladesh		-	-
		52,998,249	12,123,884
<b>BILLS RECEIVABLE BEING BILLS FOR COLLECTION AS PER CONTRA</b>		-	-
Payable in Bangladesh		-	-
Payable outside Bangladesh		-	-
<b>CONSTITUTENTS LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS PER CONTRA</b>		-	-
<b>PREMISES LESS DEPRECIATION</b>		-	-
<b>FURNITURE AND FIXTURE LESS DEPRECIATION</b>	10	8,329,155	5,783,333
<b>OTHER ASSETS</b>	11	1,518,420	1,667,455
<b>PROFIT AND LOSS ACCOUNT</b>		5,256,440	3,565,064
<b>TOTAL:</b>		<b>132,572,643</b>	<b>119,529,616</b>

Annexed notes form an integral part of these accounts.



Chairman



Managing Director



Secretary

Signed in terms of our separate report of even date annexed.



Aziz Halim Anwar & Co.  
Chartered Accountants



Howladar Yunus & Co.  
Chartered Accountants

Dated, Dhaka.  
2nd September, 2001

**ANSAR -VDP UNNAYAN BANK  
PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH JUNE, 1998**

<b>INCOME (Less Provisions Made During The Year For Bad &amp; Doubtful Debts and Other Usual or Necessary Provisions)</b>	<b>NOTE</b>	<b>1997-98 AMOUNT (TK.)</b>	<b>1996-97 AMOUNT (TK.)</b>
Interest and discount	12	10,952,564	4,735,443
Commission, Exchange and Brokerage		-	-
Rents		-	-
Net Profit on sale of investment, gold and silver land premises and other assets		-	-
Income from non-banking assets, and profit from sale of or dealing with such assets.		-	-
Other receipts		78,474	272,773
<b>Total:</b>		<b>11,031,038</b>	<b>5,008,216</b>
<b>EXPENDITURE:</b>			
Interest paid on deposits, borrowing etc.		119,822	6,161
Salaries and Allowances and Provident Fund	13	7,280,021	3,301,602
Directors' and local Committee Members' fee and allownaces		95,500	80,250
Rent, Taxes, Insurance, Lighting etc.	14	2,146,620	2,037,899
Travelling & Car Expenses	15	968,317	368,616
Law Charges		-	-
Postage, Telegram, Telephone and Stamps		190,424	213,123
Auditors' Fees		-	-
Depreciation on and repairs to the banking company's property	16	814,315	148,429
Stationery, Printing, Advertisement, etc.	17	631,707	508,505
Loss from sale of or dealing with non-banking assets		-	-
Other expenditure	18	475,688	470,866
Loss for the year		(1,691,376)	(2,127,235)
<b>Total:</b>		<b>11,031,038</b>	<b>5,008,216</b>

Annexed notes form an integral part of these accounts.



Chairman



Managing Director



Secretary

Signed in terms of our separate report of even date annexed.



Aziz Halim Anwar & Co.  
Chartered Accountants



Howlader, Yunus & Co.  
Chartered Accountants

Dated, Dhaka  
2nd September, 2001

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998.**

**1.00 BACKGROUND**

**1.01 LEGAL FORM OF THE BANK:**

The Bank was established (as a body corporate) under the Ansar-VDP Unnayan Bank Ordinance, 1995 on September 16, 1995.

**1.02 NATURE OF BUSINESS:**

The principal activities of the Bank are to provide basically micro credit facilities to the Ansar-VDP members for house building and other economic activities with or without taking security from them and perform other activities under specific instruction of Bangladesh Bank.

**2.00 ACCOUNTING POLICIES:**

A) The accounts have been prepared on going concern basis usually followed by credit institutions and in accordance with generally accepted accounting principles (GAAP) followed in Bangladesh.

B) Fixed Assets are stated at cost, the original cost of the assets is inclusive of cost paid to the vendor's along with all the incidental expenses to the install or constructs the same assets.

C) Depreciation is calculated using the straight-line method. No depreciation has been charged on all assets acquired in the year of purchase. Depreciation has been charged at the following rates:

Land & Building	@2.5%
Motor vehicles	@ 20%
Office equipment	@ 15 %
Electrical equipment	@ 10 %
Furniture	@ 10 %

**3.00 SHARE CAPITAL :**

**3.01 AUTHORISED CAPITAL : Tk . 1,000,000,000**

Authorised capital of the bank is Tk. 1,000 million divided into **Tk . 1,000,000,000**  
10,000,000 Ordinary shares of Tk. 100 each .

**3.02 ISSUED , SUBSCRIBED CAPITAL : Tk. 200,000,000**

Particulars	No. of shares Tk. 100 each	%	Face value of shares (Tk.)
Shares to Ansar VDP, officer of Ansar VDP and officer , staff to the bank	1,750,000	87.5	175,000,000
Shares to Government of Bangladesh	250,000	12.5	25,000,000
<b>Total:</b>	<b>2,000,000</b>		<b>200,000,000</b>

**3.03 PAID UP CAPITAL : Tk. 123,156,800**

Particulars	No. of shares Tk. 100 each	%	Face value of shares (Tk.)
Shares to Ansar VDP, officer of Ansar VDP and officer , staff to the bank	Not determined	79.70	98,156,800
Shares to Government of Bangladesh	250,000	20.30	25,000,000
<b>Total:</b>			<b>123,156,800</b>



4.00 DEPOSITS AND OTHER ACCOUNTS: Tk. **3,141,787**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Group savings deposits	3,138,812	76,195
PKSF	2,975	-
<b>Total:</b>	<b>3,141,787</b>	<b>76,195</b>

5.00 OTHER LIABILITIES: Tk. **6,274,056**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Employees provident fund	524,747	148,728
Pension & other scheme	474,713	-
Sundries (Share application money)	5,268,224	19,304,693
Unpaid Salaries	6,336	-
Balance cash	20	-
Others	16	-
<b>Total:</b>	<b>6,274,056</b>	<b>19,453,421</b>

6.00 CASH (In hand and with Bangladesh Bank and Sonali Bank including foreign currencies):  
TK. **9,377,814**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Cash Balance	101,290	7,856
<b>Sonali Bank (Local Office):</b>		
Current Account	1,855,020	361,662
STD Account	7,421,504	3,793,293
<b>Total:</b>	<b>9,377,814</b>	<b>4,162,811</b>

7.00 BALANCE WITH OTHER BANKS : Tk. **7,930,609**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Janata Bank (Rajarbagh Br.):		
Current A/C	791,476	87,484
STD A/C	7,139,133	1,148,773
<b>Total:</b>	<b>7,930,609</b>	<b>1,236,257</b>

8.00 INVESTMENTS : Tk. **47,161,956**

Investment consists of 'Fixed Deposit' with Sonali Bank Local office and Janata Bank Rajarbagh branch .

9.00 ADVANCES: Tk. **52,998,249**

Loans Cash Credits and overdraft consists of Micro Credit extended by 35 branches of this bank during the year .



10.00 FURNITURE & FIXTURE LESS DEPRECIATION: Tk. 8,329,155

The movement of the above Furniture & Fixture is given below :

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Opening Balance (At Cost)	5,873,296	891,024
Add: Addition during the year	3,344,350	4,982,272
Total	9,217,646	5,873,296
Less: Accumulated Depreciation	8,88,491	89,963
Balance as on 30.06.98	<b>83,29,155</b>	<b>5,783,333</b>

11.00 OTHER ASSETS : Tk. 1,518,420

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Printing & Stationery	351,506	256,130
Advance income tax of staff	53,225	50,000
TA. advance	37,818	6,477
House rent advance	151,715	461,555
Stock & Stores	-	250
Interest receivable	29,830	728
Inter branch transaction	586,178	736,616
Suspense A/C	308,134	-
Advance against purchase	14	-
Security deposit to T & T	-	142,800
Temporary advance to staff	-	12,899
Total:	<b>1,518,420</b>	<b>1,667,455</b>

12.00 INTEREST AND DISCOUNT: Tk. 10,952,564

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Interest on Loan	6,013,184	157,625
Interest of Investment	4,771,061	3,861,023
Interest on Deposit	168,319	716,795
Total:	<b>10,952,564</b>	<b>4,735,443</b>

13.00 SALARIES & ALLOWANCES AND PROVIDENT FUND: Tk. 7,280,021

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Salaries	4,189,396	1,902,271
House rent allowance	1,256,482	679,636
Medical allowance	173,444	69,429
Conveyances	36,881	-
Income Tax	36,775	-
Lunch subsidies	420,764	173,961
Other allowance	131,173	15,855
Pension & Other Scheme	472,273	-
Bonus	485,842	371,344
Entertainment	76,991	89,106
Total:	<b>7,280,021</b>	<b>3,301,602</b>



14.00 RENT, TAXES INSURANCE, LIGHTING ETC : Tk. **2,146,620**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
House Rent & Taxes	1,882,305	1,826,917
Insurance	127,066	84,813
Utilities	137,249	126,169
<b>Total:</b>	<b>2,146,620</b>	<b>2,037,899</b>

15.00 TRAVELLING & CAR EXPENSES: TK **968,317**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Travelling & Conveyance	600,671	231,614
Fuel & Others	367,646	137,002
<b>Total:</b>	<b>968,317</b>	<b>368,616</b>

16.00 DEPRECIATION ON AND REPAIRS TO THE BANKING COMPANY'S PROPERTY:  
TK **814,315**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Depreciation	798,553	89,963
Repair of Furniture	170	15
Repair of Electric equipment	9,387	41,199
Repair of Building	-	15,094
Repair of Office Equipment	-	1,146
Miscellaneous	6,205	1,012
<b>Total:</b>	<b>814,315</b>	<b>148,429</b>

17.00 STATIONERY, PRINTING, ADVERTISEMENT ETC: TK **631,707**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Printing Stationery	470,349	396,665
Printing Expenses	36,709	-
Office Stationery	74,046	63,090
Advertisement & Office notices	50,603	48,750
<b>Total:</b>	<b>631,707</b>	<b>508,505</b>

18.00 OTHER EXPENDITURE: TK **475,688**

Particulars	1997-98 Amount (Tk.)	1996-97 Amount (Tk.)
Washing Expenses	1,324	85
Subscription	870	6,820
Books & Journals	71,994	8,627
Training Expenses	9,306	19,328
Bank Charges	19,721	1,610
Commission & Exchange	70,216	101,316
Miscellaneous	302,257	333,080
<b>Total:</b>	<b>475,688</b>	<b>470,866</b>

