

**BANGLADESH ROAD TRANSPORT CORPORATION (BRTC)
(BUS DIVISION)
INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**



Independent Auditors' Report

To

Bangladesh Road Transport Corporation (BRTC) - Bus Division Report on The Audit of The Individual Financial Statements

Opinion

We have audited the financial statements of **Bangladesh Road Transport Corporation (BRTC)-Bus Division**, which comprise the statement of financial position as at June 30, 2020, along with the Statement of Changes Equity, the Statement of Profit & Loss and Other Comprehensive Income and the Statement of Operating Surplus for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects of the statement of financial position of Bangladesh Road Transport Corporation (BRTC)-Bus Division as at 30 June 2020, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements' that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going Concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. We have nothing to report in these respects.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Companies Act 1994 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our Opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Corporation so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account;
- d) the expenditure incurred and payments made were for the purpose of the Corporation Business;
- e) the information and explanation required by us have been received and found satisfactory.

Date: 31 May, 2022
Dhaka

Md Iqbal Hossain, FCA
Senior Partner
Enrolment No.: 0596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Bangladesh Road Transport Corporation (BRTC)

Statement of Financial Position (Bus Division)

As at June 30, 2020

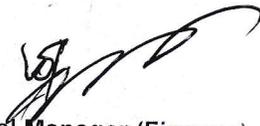
Particulars	Notes	Amount in Taka	
		30.06.2020	30.06.2019
EQUITY & LIABILITIES:			
Authorised Capital:		10,000,000,000	10,000,000,000
1,000,000,000 Ordinary shares of 10.00 each			
Paid up Capital:		540,000,000	540,000,000
54,000,000 Ordinary Shares @ Tk.10.00 each			
Equity:			
Capital Reserve		217,146,385	217,146,385
Share Money Deposit		22,096,190	22,096,190
Grant in Aid		119,368,029	119,368,029
Revenue Gain (Sale of Conedem Vehicle)		507,902	507,902
Retained Earnings		(18,158,543,271)	(16,499,356,539)
		(17,799,424,765)	(16,140,238,033)
LONG TERM LOAN (INTEREST Free):			
LONG TERM LOAN (INTEREST Free)	6.00	54,663,000	54,663,000
LONG TERM LOAN (INTEREST BEARING):			
ADP Loan	7.00	2,550,192,433	2,561,192,433
NDF LOAN		955,556,953	955,556,953
EDCF Loan		2,095,222,298	2,095,222,298
IDCL Loan		2,961,241,599	2,961,241,599
Indian Credit(Old)		84,188,665	84,188,665
INDIAN Credit(D/D) New		749,573,589	749,573,589
U.K Credit		1,900,000	1,900,000
Italian Credit		7,059,568	7,059,568
IDA Credit		3,659,626	3,659,626
Swedish Credit		590,950,460	590,950,460
Salary & gratuity Govt Loan (Interest Free)		210,000,000	210,000,000
LOC Loan (Bus 600)		3,997,780,628	3,997,780,628
EDCF Grant		1,170,271	1,105,911
Updating Training Institute (GOVT Loan)		202,292,949	82,292,949
Gratuity Govt Loan (Interest Free)		100,000,000	100,000,000
Construction of BRTC Training Institute Tong		94,262,469	94,262,469
Govt. Loan		60,000,000	-
		14,665,051,508	14,495,987,148
UNSECURED LOAN (HO)		59,289,788	59,289,788
Total Loan		14,779,004,296	14,609,939,936

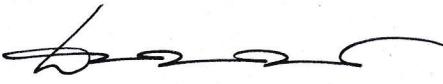
Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

CURRENT LIABILITIES :			
Interest payable to Govt.	8.00	6,168,361,616	5,439,035,763
Creditors for Goods Supply & Other Finance	9.00	4,480,193,110	3,645,031,463
Creditors for Goods Supply (Unit)	10.00	218,155,769	283,127,877
Non Operating A/C		43,241,755	47,391,268
		10,909,952,249	9,414,586,371
TOTAL EQUITY & LIABILITIES		8,429,531,780	8,424,288,274
ASSETS & PROPERTIES:			
Fixed Assets (WDV)- Annexure- A	11.00	5,859,779,826	6,634,021,609
INVESTMENT	12.00	59,419,893	63,446,978
CURRENT ASSETS:			
Stock & Stores	13.00	761,886,411	296,440,942
Advance, Deposit & Prepayment	14.00	147,175,096	75,956,528
Sundry Debtors	15.00	898,745,484	958,825,398
Cash & Bank Balance	16.00	702,525,071	395,596,818
		2,510,332,061	1,726,819,686
TOTAL ASSETS & PROPERTIES		8,429,531,780	8,424,288,273

Sign in term of our separate report of even date annex.


General Manager (Finance)


Deputy General Manager (Finance)


Accounts Officer (Finance)

Dated: Dhaka
31 May, 2022


Md Iqbal Hossain FCA

Partner, Enrolment no: 596 (ICAB)

Zoha Zaman Kabir Rashid & CO.

Chartered Accountants



Bangladesh Road Transport Corporation (BRTC)
Statement of Profit & Loss and Other Comprehensive Income (Bus Division)
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		30.06.2020	30.06.2019
A Operating Revenue	17.00	2,333,723,014	2,041,864,398
B Operating Expenditure			
Maintenance Expenses	18.00	273,496,815	508,066,968
Operating Expenses	19.00	1,357,312,304	1,494,180,263
Terminal Expenses	20.00	604,245,032	181,200,345
Training Institute Expenses	21.00	139,419	139,419
Depreciation on Vehicles		913,781,512	1,144,332,998
		3,148,975,081	3,327,919,993
C Gross Profit & Loss (A-B)		(815,252,067)	(1,286,055,595)
D Miscellaneous Income	22.00	135,324,835	116,372,421
E Operating Profit & Loss (C+D)		(679,927,232)	(1,169,683,174)
F Administrative & General Expenses:			
Administrative & General Expenses	23.00	235,328,103	258,985,689
Non-Commercial Car Expense	24.00	3,674,883	385,005
Interest on Govt. & Foreign Loan	25.00	729,325,853	720,872,635
Depreciation on other than Vehicles		10,930,661	10,893,625
		979,259,500	991,136,954
G Net Profit & Loss (E- F)		(1,659,186,732)	(2,160,820,128)

Sign in term of our separate report of even date annex.


General Manager (Finance)


Deputy General Manager (Finance)


Accounts Officer (Finance)

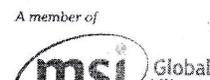

Md Iqbal Hossain FCA

Partner, Enrolment no: 596 (ICAB)

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

Dated: Dhaka
31 May, 2022





Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

Bangladesh Road Transport Corporation (BRTC) Statement of Changes in Equity (Bus Division) For the year ended June 30, 2020

[Amount in Taka]

Particulars	CAPITAL RESERVE	Share Money Deposit	Grant in Aid	Revenue Gain	Retained Earnings	Total Equity
Balance as on 01.07.2019	217,146,385	22,096,190	119,368,029	507,902	(16,499,356,539)	(16,140,238,033)
Excess of Expenditure over Income	-	-	-	-	(1,659,186,732)	(1,659,186,732)
Balance as on 30.06.2020	217,146,385	22,096,190	119,368,029	507,902	(18,158,543,271)	(17,799,424,765)
Balance as on 01.07.2018	217,146,385	22,096,190	119,368,029	507,902	(14,338,536,411)	(13,979,417,905)
Excess of Expenditure over Income	-	-	-	-	(2,160,820,128)	(2,160,820,128)
Balance as on 30.06.2019	217,146,385	22,096,190	119,368,029	507,902	(16,499,356,539)	(16,140,238,033)

Sign in term of our separate report of even date annex.

General Manager (Finance)

Deputy General Manager (Finance)

Accounts Officer (Finance)

Md Iqbal Hossain FCA

Partner, Enrolment no: 596 (ICAB)

Zoha Zaman Kabir Rashid & CO.

Chartered Accountants

Dhaka
May 2022

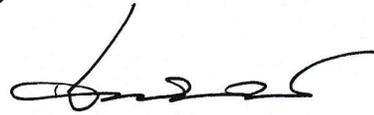


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**Bangladesh Road Transport Corporation (BRTC)
(Bus Division)****Statement of Operating Surplus
For the year ended June 30, 2020**

Particulars	Notes	Amount in Taka	
		30.06.2020	30.06.2019
A Income			
Operating Revenue	17.00	2,333,723,014	2,041,864,398
Misc. Income	22.00	135,324,835	116,372,421
		2,469,047,849	2,158,236,819
B Expenditure			
Maintenance Expenses	18.00	273,496,815	508,066,968
Operating Expenses	19.00	1,357,312,304	1,494,180,263
Terminal Expenses	20.00	604,245,032	181,200,345
Training Institute Expenses	21.00	139,419	139,419
Administration & General Expenses	22.00	235,328,103	258,985,689
Non-Commercial Car Expense	24.00	3,674,883	385,005
		2,474,196,555	2,442,957,689
C Operating Surplus (A-B)		(5,148,706)	(284,720,870)

Sign in term of our separate report of even date annex.

  
General Manager (Finance) Deputy General Manager (Finance) Accounts Officer (Finance)

Dated: Dhaka
31 May, 2022


Md Iqbal Hossain FCA
Partner, Enrolment no: 596 (ICAB)
Zoha Zaman Kabir Rashid & CO.
Chartered Accountants