

**BANGLADESH ROAD TRANSPORT CORPORATION (BRTC)  
PARIBAHAN BHABAN  
21, RAJUK AVENUE  
DHAKA-1000, BANGLADESH  
INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**



**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

EST.  
**1982**

**BANGLADESH ROAD TRANSPORT CORPORATION (BRTC)  
PARIBAHAN BHABAN  
21, RAJUK AVENUE  
DHAKA-1000, BANGLADESH  
INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**Independent Auditors' Report**

To

Bangladesh Road Transport Corporation (BRTC)

Report on The Audit of The Consolidated Financial Statements

**Opinion**

We have audited the Consolidated Financial Statements of **Bangladesh Road Transport Corporation (BRTC)** and its divisions, as well as the Individual financial statements of **Bangladesh Road Transport Corporation (BRTC) – Bus Division** and **Bangladesh Road Transport Corporation (BRTC) – Truck Division**, which comprise the Consolidated and Individual Statement of Financial Position as at June 30, 2023, the Consolidated and Individual Statement of Profit or Loss and Other Comprehensive Income for the year ended, Consolidated and Individual Statement of Changes in Equity for the year ended, Consolidated and Individual Statement of Operating Surplus for the year ended, and Notes to the Consolidated and Individual Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements presents fairly in all material respects of the Consolidated Statement of Financial Position of **Bangladesh Road Transport Corporation (BRTC)** as on June 30, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act 1994, Bangladesh Road Transport Corporation Ordinance No 7, 1961, dated February 4, 1961 and Act 2020 dated February 17, 2020.

**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 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 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 and Those Charged with Governance are responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and comply with the relevant laws and for such internal control as management determine 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 and those charged with governance are responsible for assessing the Corporation ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

### **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 Corporation 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 Corporation 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 Corporation to cease to continue as a going concern.

We communicated with the management 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 our 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**

As required by law, 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 organization so far as it appeared from our examination of those books and
- (c) the Corporation consolidated statement of financial position and statement of profit and loss and 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: 25 February 2024  
Dhaka

Md. Iqbal Hossain, FCA  
Senior Partner  
Enrolment No.: 0596  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants  
DVC: 2402250596AS564204

### Bangladesh Road Transport Corporation (BRTC) Statement of Financial Position As at June 30, 2023

| Particulars                                  | Notes | Amount in Taka          |                        |                         | 30.06.2022              |
|----------------------------------------------|-------|-------------------------|------------------------|-------------------------|-------------------------|
|                                              |       | Bus                     | Truck                  | Total                   |                         |
|                                              |       | 30.06.2023              | 30.06.2023             | 30.06.2023              |                         |
| <b>EQUITY &amp; LIABILITIES:</b>             |       |                         |                        |                         |                         |
| <b>Authorized Capital:</b>                   |       | <b>10,000,000,000</b>   | <b>-</b>               | <b>10,000,000,000</b>   | <b>10,000,000,000</b>   |
| 1,000,000,000 Ordinary shares of 10.00 each  |       |                         |                        |                         |                         |
| <b>Equity :</b>                              |       |                         |                        |                         |                         |
| <b>Paid up Capital:</b>                      |       | <b>540,000,000</b>      | <b>-</b>               | <b>540,000,000</b>      | <b>540,000,000</b>      |
| 54,000,000 Ordinary Shares @ Tk.10.00 each   |       |                         |                        |                         |                         |
| <b>Reserve &amp; Surplus:</b>                |       |                         |                        |                         |                         |
| Capital Reserve                              |       | 217,146,385             | -                      | 217,146,385             | 217,146,385             |
| Share Money Deposit                          |       | 22,096,190              | -                      | 22,096,190              | 22,096,190              |
| Grant in Aid                                 |       | 119,368,029             | -                      | 119,368,029             | 119,368,029             |
| Revenue Gain (Sale of Condemn Vehicle)       |       | 507,902                 | -                      | 507,902                 | 507,902                 |
| Government Grants                            | 4.00  | -                       | 324,759,305            | 324,759,305             | 324,759,305             |
| Donation from UNROB                          | 5.00  | -                       | 27,129,114             | 27,129,114              | 27,129,114              |
| Retained Earnings                            |       | (22,079,669,530)        | (1,354,325,850)        | (23,433,995,379)        | (22,321,339,065)        |
|                                              |       | <b>(21,720,551,024)</b> | <b>(1,002,437,432)</b> | <b>(22,722,988,455)</b> | <b>(21,610,332,141)</b> |
| <b>UNDP/ILO AID</b>                          |       |                         |                        |                         |                         |
| Aid against machinery of training institute  |       | -                       | 48,974,000             | 48,974,000              | 48,974,000              |
| Unutilized money of options                  |       | -                       | 7,474,734              | 7,474,734               | 7,474,734               |
|                                              |       | -                       | <b>56,448,734</b>      | <b>56,448,734</b>       | <b>56,448,734</b>       |
| <b>LONG TERM LOAN:</b>                       |       |                         |                        |                         |                         |
| LONG TERM LOAN (Interest Free)               | 6.00  | <b>54,663,000</b>       | <b>-</b>               | <b>54,663,000</b>       | <b>54,663,000</b>       |
| LONG TERM LOAN (Interest Bearing):           | 7.00  |                         |                        |                         |                         |
| ADP Loan                                     |       | 2,514,192,433           | -                      | 2,514,192,433           | 2,526,192,433           |
| NDF LOAN                                     |       | 955,556,953             | -                      | 955,556,953             | 955,556,953             |
| EDCF Loan                                    |       | 2,095,222,298           | -                      | 2,095,222,298           | 2,095,222,298           |
| IDCL Loan                                    |       | 2,961,241,599           | -                      | 2,961,241,599           | 2,961,241,599           |
| Indian Credit( Old)                          |       | 84,188,665              | -                      | 84,188,665              | 84,188,665              |
| INDIAN Credit( D/D) New                      |       | 749,573,589             | -                      | 749,573,589             | 749,573,589             |
| U.K Credit                                   |       | 1,900,000               | -                      | 1,900,000               | 1,900,000               |
| Italian Credit                               |       | 7,059,568               | -                      | 7,059,568               | 7,059,568               |
| IDA Credit                                   |       | 3,659,626               | -                      | 3,659,626               | 3,659,626               |
| Swedish Credit                               |       | 590,950,460             | -                      | 590,950,460             | 590,950,460             |
| Salary & gratuity Got Loan (Interest Free)   |       | 210,000,000             | -                      | 210,000,000             | 210,000,000             |
| LOC Loan (Bus 600) / (Truck 500)             |       | 3,997,780,628           | 1,157,250,000          | 5,155,030,628           | 5,155,030,628           |
| EDCF Grant                                   |       | 1,170,271               | -                      | 1,170,271               | 1,170,271               |
| Updating Training Institute (GOVT Loan)      |       | 235,878,657             | -                      | 235,878,657             | 235,878,657             |
| Gratuity Govt Loan (Interest Free)           |       | 100,000,000             | -                      | 100,000,000             | 100,000,000             |
| Construction of BRTC Training Institute Tong |       | 94,262,469              | -                      | 94,262,469              | 94,262,469              |
| Govt. Loan                                   |       | 180,000,000             | 114,692,000            | 294,692,000             | 294,692,000             |
|                                              |       | <b>14,782,637,216</b>   | <b>1,271,942,000</b>   | <b>16,054,579,216</b>   | <b>16,066,579,216</b>   |
| <b>UNSECURED LOAN (HO)</b>                   |       | <b>59,289,788</b>       | <b>-</b>               | <b>59,289,788</b>       | <b>59,289,788</b>       |
|                                              |       | <b>14,896,590,004</b>   | <b>1,271,942,000</b>   | <b>16,168,532,004</b>   | <b>16,180,532,004</b>   |
| <b>CURRENT LIABILITIES :</b>                 |       |                         |                        |                         |                         |
| Interest payable to Govt.                    | 8.00  | 8,375,777,032           | 373,135,464            | 8,748,912,496           | 7,969,566,593           |
| Creditors for Goods Supply & Other Finance   | 9.00  | 3,697,497,445           | 896,447,142            | 4,593,944,587           | 5,703,591,771           |
| Creditors for Goods Supply ( Unit)           | 10.00 | 287,339,026             | -                      | 287,339,026             | 287,339,026             |
| Non Operating A/C                            |       | 30,969,368              | -                      | 30,969,368              | 30,969,368              |
| Loan from CPF (Bus Division)                 |       | -                       | 3,483,867              | 3,483,867               | 3,483,867               |
| BRTC Indemnity Fund                          |       | -                       | 100,394                | 100,394                 | 100,394                 |
|                                              |       | <b>12,391,582,871</b>   | <b>1,273,166,867</b>   | <b>13,664,749,739</b>   | <b>13,995,051,019</b>   |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>        |       | <b>6,107,621,852</b>    | <b>1,599,120,169</b>   | <b>7,706,742,021</b>    | <b>9,161,699,617</b>    |



# Zoha Zaman Kabir Rashid & Co.

## Chartered Accountants

| Particulars                                   | Notes | Amount in Taka |               |               | 30.06.2022    |
|-----------------------------------------------|-------|----------------|---------------|---------------|---------------|
|                                               |       | Bus            | Truck         | Total         |               |
|                                               |       | 30.06.2023     | 30.06.2023    | 30.06.2023    |               |
| <b>ASSETS &amp; PROPERTIES:</b>               |       |                |               |               |               |
| Fixed Assets (WDV)- Annexure- A               | 11.00 | 4,084,962,323  | 525,251,079   | 4,610,213,402 | 5,126,199,873 |
| <b>INVESTMENT</b>                             | 12.00 | 124,988,497    | -             | 124,988,497   | 128,395,568   |
| <b>CURRENT ASSETS:</b>                        |       |                |               |               |               |
| Stock & Stores                                | 13.00 | 646,651,943    | 14,624,006    | 661,275,949   | 764,077,498   |
| Advance, Deposit & Prepayment                 | 14.00 | 21,960,167     | 53,679,415    | 75,639,582    | 448,199,259   |
| Sundry Debtors                                | 15.00 | 725,124,813    | 922,897,530   | 1,648,022,343 | 1,767,465,866 |
| Cash & Bank Balance                           | 16.00 | 503,934,109    | 33,623,442    | 537,557,550   | 878,516,857   |
| Inter Division current account (Bus Division) |       | -              | 49,044,697    | 49,044,697    | 49,044,697    |
|                                               |       | 1,897,671,032  | 1,073,869,090 | 2,971,540,121 | 3,907,304,177 |
| <b>TOTAL ASSETS &amp; PROPERTIES</b>          |       | 6,107,621,852  | 1,599,120,169 | 7,706,742,021 | 9,161,899,617 |

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  
DVC: 2402250596AS564204

Date: 25 February 2024  
Dhaka





**Bangladesh Road Transport Corporation (BRTC)**  
**Statement of Profit & Loss and Other Comprehensive Income**  
**For the year ended June 30, 2023**

| Particulars                          | Notes | Amount in Taka  |               |                 | 30.06.2022      |
|--------------------------------------|-------|-----------------|---------------|-----------------|-----------------|
|                                      |       | Bus             | Truck         | Total           |                 |
|                                      |       | 30.06.2023      | 30.06.2023    | 30.06.2023      |                 |
| A Operating Revenue                  | 17.00 | 4,368,280,306   | 1,714,532,822 | 6,082,813,128   | 4,203,264,771   |
| B Operating Expenditure              |       |                 |               |                 |                 |
| Maintenance Expenses                 | 18.00 | 866,921,714     | 372,735,479   | 1,239,657,193   | 459,484,531     |
| Operating Expenses                   | 19.00 | 2,889,739,049   | 1,071,614,501 | 3,961,353,550   | 2,728,934,844   |
| Terminal Expenses                    | 20.00 | 371,537,878     | 108,714,515   | 480,252,392     | 966,233,558     |
| Training Institute Expenses          | 21.00 | -               | 67,204,887    | 67,204,887      | 68,923,719      |
| Depreciation on Vehicles             |       | 487,825,749     | 98,658,039    | 586,483,788     | 716,101,811     |
|                                      |       | 4,616,024,390   | 1,718,927,420 | 6,334,951,810   | 4,939,678,463   |
| C Gross Profit & Loss ( A-B )        |       | (247,744,084)   | (4,394,598)   | (252,138,682)   | (736,413,692)   |
| D Miscellaneous Income               | 22.00 | 185,673,592     | 46,418,398    | 232,091,990     | 158,516,797     |
| E Income from Training Institute     |       | -               | 55,353,749    | 55,353,749      | 78,565,504      |
| F Operating Profit & Loss ( C+D+E )  |       | (62,070,492)    | 97,377,549    | 35,307,057      | (499,331,391)   |
| G Administrative & General Expenses: |       |                 |               |                 |                 |
| Administrative & General Expenses    | 23.00 | 268,737,980     | 71,641,640    | 340,379,620     | 223,376,087     |
| Non-Commercial Car Expense           | 24.00 | 10,447,370      | -             | 10,447,370      | 8,162,381       |
| Interest on Govt. & Foreign Loan     | 25.00 | 735,205,139     | 44,140,765    | 779,345,904     | 779,945,904     |
| Depreciation on other than Vehicles  |       | 16,884,244      | 906,233       | 17,790,477      | 12,270,467      |
|                                      |       | 1,031,274,732   | 116,688,638   | 1,147,963,371   | 1,023,754,839   |
| H Net Profit & Loss ( F-G )          |       | (1,093,345,225) | (19,311,089)  | (1,112,656,314) | (1,523,086,230) |

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

  
General Manager (Finance)

  
Deputy General Manager (Finance)

  
Accounts Officer ( Finance)

Date: 25 February 2024  
Dhaka

  
Md Iqbal Hossain FCA  
Partner, Enrolment no: 596 (ICAB)  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants  
DVC: 2402250596AS564204



**Bangladesh Road Transport Corporation (BRTC)**  
**Statement of Changes in Equity**  
**For the year ended June 30, 2023**

| Particulars                       | CAPITAL RESERVE    | Share Money Deposit | Grant in Aid       | Revenue Gain   | Retained Earnings       | Total Equity            |
|-----------------------------------|--------------------|---------------------|--------------------|----------------|-------------------------|-------------------------|
| Balance as on 01.07.2022          | 217,146,385        | 22,096,190          | 119,368,029        | 507,902        | (20,986,324,304)        | (20,627,205,798)        |
| Excess of Expenditure over Income | -                  | -                   | -                  | -              | (1,093,345,225)         | (1,093,345,225)         |
| <b>Balance as on 30.06.2023</b>   | <b>217,146,385</b> | <b>22,096,190</b>   | <b>119,368,029</b> | <b>507,902</b> | <b>(22,079,669,529)</b> | <b>(21,720,551,023)</b> |
| Balance as on 01.07.2021          | 217,146,385        | 22,096,190          | 119,368,029        | 507,902        | (19,539,493,890)        | (19,180,375,384)        |
| Excess of Expenditure over Income | -                  | -                   | -                  | -              | (1,446,830,414)         | (1,446,830,414)         |
| <b>Balance as on 30.06.2022</b>   | <b>217,146,385</b> | <b>22,096,190</b>   | <b>119,368,029</b> | <b>507,902</b> | <b>(20,986,324,304)</b> | <b>(20,627,205,798)</b> |

| Particulars                       | Government Grants  | Donation from UNROB | Aid against machinery of training institute | Unutilized money of options | Retained Earnings      | Total Equity         |
|-----------------------------------|--------------------|---------------------|---------------------------------------------|-----------------------------|------------------------|----------------------|
| Balance as on 01.07.2022          | 324,759,305        | 27,129,114          | 48,974,000                                  | 7,474,734                   | (1,335,014,761)        | (926,677,608)        |
| Excess of Income over Expenditure | -                  | -                   | -                                           | -                           | (19,311,089)           | (19,311,089)         |
| <b>Balance as on 30.06.2023</b>   | <b>324,759,305</b> | <b>27,129,114</b>   | <b>48,974,000</b>                           | <b>7,474,734</b>            | <b>(1,354,325,851)</b> | <b>(945,988,697)</b> |
| Balance as on 01.07.2021          | 324,759,305        | 27,129,114          | 48,974,000                                  | 7,474,734                   | (1,258,758,945)        | (850,421,793)        |
| Excess of Expenditure over Income | -                  | -                   | -                                           | -                           | (76,255,815)           | (76,255,815)         |
| <b>Balance as on 30.06.2022</b>   | <b>324,759,305</b> | <b>27,129,114</b>   | <b>48,974,000</b>                           | <b>7,474,734</b>            | <b>(1,335,014,761)</b> | <b>(926,677,608)</b> |

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

*[Signature]*

**General Manager (Finance)**

*[Signature]*

**Deputy General Manager (Finance)**

*[Signature]*

**Accounts Officer ( Finance)**

*[Signature]*

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



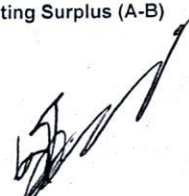
**Date: 25 February 2024**  
**Dhaka**

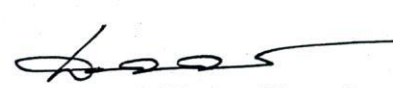


**Bangladesh Road Transport Corporation (BRTC)**  
**Statement of Operating Surplus**  
**For the year ended June 30, 2023**

| Particulars                       | Notes | Amount in Taka       |                      |                      | Amount in Taka       |
|-----------------------------------|-------|----------------------|----------------------|----------------------|----------------------|
|                                   |       | Bus                  | Truck                | Total                | Total                |
|                                   |       | 30.06.2023           | 30.06.2023           | 30.06.2023           | 30.06.2022           |
| <b>A Income</b>                   |       |                      |                      |                      |                      |
| Operating Revenue                 | 17.00 | 4,368,280,306        | 1,714,532,822        | 6,082,813,128        | 4,203,264,771        |
| Misc. Income                      | 22.00 | 185,673,592          | 46,418,398           | 232,091,990          | 158,516,797          |
| Income from Training Institute    |       | -                    | 55,353,749           | 55,353,749           | 78,565,504           |
|                                   |       | <b>4,553,953,898</b> | <b>1,816,304,969</b> | <b>6,370,258,867</b> | <b>4,440,347,072</b> |
| <b>B Expenditure</b>              |       |                      |                      |                      |                      |
| Maintenance Expenses              | 18.00 | 866,921,714          | 372,735,479          | 1,239,657,193        | 459,484,531          |
| Operating Expenses                | 19.00 | 2,889,739,049        | 1,071,614,501        | 3,961,353,550        | 2,728,934,844        |
| Terminal Expenses                 | 20.00 | 371,537,878          | 108,714,515          | 480,252,392          | 966,233,558          |
| Training Institute Expenses       | 21.00 | -                    | 67,204,887           | 67,204,887           | 68,923,719           |
| Administration & General Expenses | 23.00 | 268,737,980          | 71,641,640           | 340,379,620          | 223,376,087          |
| Non-Commercial Car Expense        | 24.00 | 10,447,370           | -                    | 10,447,370           | 8,162,381            |
|                                   |       | <b>4,407,383,991</b> | <b>1,691,911,022</b> | <b>6,099,295,013</b> | <b>4,455,115,120</b> |
| <b>C Operating Surplus (A-B)</b>  |       | <b>146,569,907</b>   | <b>124,393,947</b>   | <b>270,963,854</b>   | <b>(14,768,048)</b>  |

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

  
General Manager (Finance)

  
Deputy General Manager (Finance)

  
Accounts Officer (Finance)

Date: 25 February 2024  
Dhaka

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



**Bangladesh Road Transport Corporation (BRTC)**  
**Notes comprising a summary of significant accounting policies and other explanatory**  
**information**  
**For the year ended June 30, 2023**

**1.00 Background:**

Bangladesh Road Transport Corporation (BRTC) is a state-owned transport corporation of Bangladesh. The Bangladesh Road Transport Corporation (BRTC) established under the Bangladesh Road Transport Corporation Ordinance No 7 of 1961 (ORD VII of 1961), Dated February 4, 1961.

**1.01.1 Address of the Registered & Head Office and depot:**

The registered office is situated in its own premises BRTC Building, 21, RAJUK Avenue, Motijheel, Dhaka-1000.

BRTC has 22 Bus depot in different intercity including dhaka city. Motijheel, Juarsara, Kallyanpur, Mirpur, Mohammadpur, Jatrabary, Gabtoli, Gazipur, Narayanganj, Narsgindi Comilla, Sonapur, Chittagong, Sylhet, Tongipara, Bogura, Pabna, Rangpur, Khulna, Barishal, Dinajpur and Mymensingh. The two main truck depots are located at Dhaka and Chittagong.

BRTC's main driver training institute is located in Joydevpur, Gazipur District, about forty kilometres north of Dhaka. It also has several other training institutes located in Chittagong, Bogra, Khulna, and Jhenaidah. Through these institutes, BRTC provides training in basic car operation and repair.

**1.01.2 Nature of Corporation Activities**

BRTC provides both passenger and cargo transport services. It operates inter-district bus services through its bus depots in Chittagong, Bogra, Comilla, Pabna, Rangpur, Barisal, and Sylhet. It also operates intra-city bus services in many major cities of the country.

Number of Bus running in Dhaka city in 723 of which giving service as public transport are 483, Staff Bus are 235, School Bus are 06 and Mohila Bus 17

Number of Bus running in outside of Dhaka city in 363 of which giving service as public transport are 302, Staff Bus are 56 and Mohila Bus 03.

Providing bus service as lease total 96 Buses.

For transportation of cargo, BRTC operates a fleet of 170 trucks. About twenty percent of the government food transport uses BRTC's trucks.

**1.01.3 Vision & Mission of BRTC**

- To build safe and modern state road transport system;
- To Increase passenger transport facilities; Adding modern vehicles to the depot fleet.
- Adding modern vehicles to the depot fleet;
- To create skilled manpower in the transport sector;
- To build reliable transport system and play a role in the socio-economic development of the country.

**1.02 Summary of Significant Accounting & Valuation Principles:**

**1.02.1 Basis of Preparation & Presentation of the Financial Statements**

The financial statements have been prepared and the disclosures of information were made in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and practice in Bangladesh, in compliance with the Bangladesh Road Transport Corporation Ordinance 1961. International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh.

**1.02.2 Accounting Convention & Assumption:**

The financial statements are prepared under the historical cost convention.

**1.02.3 Principal Accounting Policies:**

The specific accounting policies have been selected and applied by the Corporations management for significant transactions and events that have a material effect within the framework for preparation and presentation of the financial statements. Financial statements have been prepared and presented in compliance with IAS-1 "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item. Accounting and valuation methods are disclosed for reasons of clarity. The Corporation's classified the expenses using the function of expenses method as per IAS-1.

**1.02.4 Critical Accounting Estimates, Assumptions & Judgments:**

The preparation of the financial statements is in conformity with IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Corporation's accounting policies.

**1.02.5 Going Concern:**

The Corporation has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Corporation provides sufficient fund to meet the present requirements of existing business.

**2.00 Fixed Assets and Depreciation:**

No depreciation is charged on land, Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account. Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Each item of PPE is depreciated when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized.

The depreciation/amortization rate(s) are as follows:

| Category of Fixed Assets        | Rate % |
|---------------------------------|--------|
| Building & Shelter              | 2.50%  |
| Shop Garage Equipment           | 2.50%  |
| Tube-well                       | 2.50%  |
| Machineries                     | 10%    |
| Furniture & Fixture             | 6%     |
| Computer & Printer HO           | 15%    |
| Type Writer, TV, Computer. etc. | 15%    |
| Petrol Pump                     | 15%    |
| Metal Detector                  | 15%    |
| Fire Extinguisher               | 15%    |
| Tools & Equipment's             | 25%    |
| Bus                             | 20-25% |
| Mobile Crane                    | 10%    |

#### 2.01 Retirements and Disposals:

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive Income.

#### 2.02 Impairment of Assets:

All assets have been reviewed according to IAS-36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

#### 3.00 Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS2: inventories. Cost is determined using weighted average method. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in the normal course of business in bringing the inventories to their present location and condition. Costs of conversion include all direct costs excluding interest expense. Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale.

#### 3.01 Cash & Cash Equivalents:

Cash & cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

**3.02 Scope of Audit:**

We conducted our Audit in accordance with International Standards on Auditing (ISAs), which are consistent in all material respects with Bangladesh Accounting Standards and International Accounting Standards/ International Financial Reporting Standards IASs/ IFRSs as adopted in Bangladesh. Those standard require that, we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examine on a test basis evidence supporting the amounts and disclosures in the financial statements.

**3.03 Comparative:**

Financial statements are presented as IAS-1 "Presentation of Financial Statements" and Comparative information has been disclosed in respect of the previous year for all numerical information in the current financial statement.

**3.04 Reporting Period:**

The financial statements cover twelve months from 01 July, 2022 to 30 June, 2023.

**3.05 Events after the Balance Sheet Date**

All material events occurring after the Balance Sheet date are adjusted where considered necessary.

**3.06 Post Balance Sheet Events**

No material events occurring after the Balance Sheet date came to our notice, which would materially affect the amounts or disclosures in these financial statements.

**3.07 General:**

-The figures in the financial statements represent Bangladeshi currency taka, which has been rounded off to the nearest taka.

- Comparative information has been shown in respect of the year 2023 and 2022 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

- Figures of the year 2022 have been rearranged whenever considered necessary to ensure comparability with the current year 2023.