

# Audit Report 2021



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## Independent Auditor's Report To the Members of General Body of SANGRAM (Sangathita Gramunnyan Karmasuchi) Report on the Audit of Consolidated Financial Statements

### Qualified Opinion

We have audited the Consolidated financial statements of SANGRAM (Sangathita Gramunnyan Karmasuchi) (the NGO), which comprise the consolidated statement of financial position as at 30 June, 2021, consolidated statements of comprehensive income and consolidated statement of receipts & payments for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects of the consolidated financial position of SANGRAM (Sangathita Gramaunnaon Karmasuchee) as at 30 June 2021, its consolidated financial performance and of its consolidated receipts & payments for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations including MRA guidelines.

### Basis for Qualified Opinion

1. Opening Balances of capital fund, receivable and payable heads as shown in the financial statements have not been brought forward from previous year audited financial statements and sufficient appropriate audit evidence of that opening balances were not provided before us for our verification. Therefore we could not confirm the opening balances.
2. The NGO did not prepare consolidated statement of Changes fund & consolidated statement of cash flows following para-10 of IAS-1.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the NGO in accordance with the International Ethics Standards 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 jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Restrictions on use and Distribution:

The Consolidated financial statements has been prepared to SANGRAM in order to fulfill the reporting obligation. As a consequence, the consolidated financial statements may not be suited to other purpose. Our audit opinion has been drawn up solely for the use of SANGRAM must not be distributed to or used by any other.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

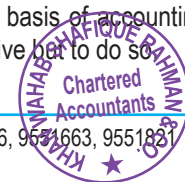
In preparing the Consolidated financial statements, management is responsible for assessing the NGO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the NGO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

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

**HEAD OFFICE :** RUPALI BIMA BHABAN, 7 RAJUK AVENUE (5TH 6TH FLOOR), MOTIJHEEL, DHAKA-1000, Tel: 9565136, 9531663, 9551821

FAX : 880-2-9551821, E-mail : info@kasrbd.com, kwsr@dhaka.net, web : www.kwsrbd.com

**BRANCH OFFICE :** FARUK CHAMBER (9TH FLOOR), 1403 SK, MUJIB ROAD, AGRABAD C/A, DOUBLE MOORING, CHATTOGRAM, BANGLADESH,  
Tel : 031-2520056, E-mail : kwsrctg@gmail.com



## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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.

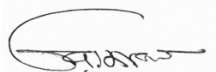
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the NGO's internal control.
- 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 NGO'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 NGO to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the NGO's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Report on other Legal and Regulatory Requirements

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law and MRA Act & rules have been kept by the NGO so far as it appeared from our examination of these books;
- c) the consolidated statements of financial position and consolidated statements of comprehensive income dealt with by the report are in agreement with the books of accounts and returns.



DIRECTOR (FINANCE)



EXECUTIVE DIRECTOR

Subject to our separate report of even date.

Dhaka: September 30, 2021



Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

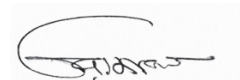


SANGRAM (Sangathita Gramunnyan Karmasuchi)  
**Consolidated Statement of Financial Position**  
As at June 30, 2021

| PARTICULARS                      | NOTE  | AMOUNT (IN TAKA)     |                   |                      |                      |
|----------------------------------|-------|----------------------|-------------------|----------------------|----------------------|
|                                  |       | PKSF                 | Project           | 30.06.2021           | 30.06.2020           |
| <b>PROPERTY AND ASSETS:</b>      |       |                      |                   |                      |                      |
| <b>A. NON CURRENT ASSETS:</b>    |       |                      |                   |                      |                      |
| Fixed Assets                     | 6.00  | 23,040,900           | 1,387,108         | 24,428,008           | 26,373,933           |
| Investments                      | 7.00  | <b>51,000,000</b>    | -                 | <b>51,000,000</b>    | <b>42,093,443</b>    |
| FDR (Savings)                    |       | 37,000,000           | -                 | 37,000,000           | 30,000,000           |
| FDR (Sanrakhito Tahobil)         |       | 14,000,000           | -                 | 14,000,000           | 11,000,000           |
| FDR (Staff Security)             |       | -                    | -                 | -                    | 1,093,443            |
| <b>Total Non Current Assets</b>  |       | <b>74,040,900</b>    | <b>1,387,108</b>  | <b>75,428,008</b>    | <b>68,467,376</b>    |
| <b>B. CURRENT ASSETS:</b>        |       |                      |                   |                      |                      |
| Loan to beneficiaries            | 8.00  | <b>1,070,871,670</b> | -                 | <b>1,070,871,670</b> | <b>930,839,361</b>   |
| JAGORON                          |       | 406,269,846          | -                 | 406,269,846          | 456,139,352          |
| AGROSOR                          |       | 302,855,180          | -                 | 302,855,180          | 270,383,764          |
| BUNIAD                           |       | 148,720,849          | -                 | 148,720,849          | 110,755,622          |
| SUFOLON                          |       | 38,961,866           | -                 | 38,961,866           | 35,380,937           |
| LRP                              |       | 704,556              | -                 | 704,556              | 728,259              |
| SAHOS                            |       | 1,329,239            | -                 | 1,329,239            | 1,366,512            |
| RESCUE                           |       | 3,201,203            | -                 | 3,201,203            | 3,387,687            |
| EFRAP                            |       | 9,337                | -                 | 9,337                | 9,337                |
| IGA                              |       | 51,412,724           | -                 | 51,412,724           | 42,791,710           |
| LIL                              |       | 526,336              | -                 | 526,336              | 393,359              |
| ACL                              |       | 5,238,554            | -                 | 5,238,554            | 9,480,982            |
| SAHOS-2                          |       | 20,271               | -                 | 20,271               | 21,840               |
| B. Jagoron                       |       | 43,585,892           | -                 | 43,585,892           | -                    |
| B. Agrosor                       |       | 14,898,190           | -                 | 14,898,190           | -                    |
| LRL                              |       | 20,060,711           | -                 | 20,060,711           | -                    |
| SEP                              |       | 33,076,916           | -                 | 33,076,916           | -                    |
| Staff Loan                       | 9.00  | 1,047,400            | -                 | 1,047,400            | 3,013,550            |
| Advance, Deposits & Prepayments  | 10.00 | 585,874              | -                 | 585,874              | 1,506,142            |
| Staff Misappropriation           | 11.00 | 1,502,204            | -                 | 1,502,204            | 1,502,204            |
| Receivable                       | 12.00 | 3,032,641            | 8,236,889         | 11,269,530           | 16,104,648           |
| Mobile Stock                     | 13.00 | 70,500               | -                 | 70,500               | 245,600              |
| Loan Outstanding                 | 14.00 | -                    | 336,886           | 336,886              | 648,516              |
| <b>Cash and Cash Equivalents</b> |       | <b>56,803,989</b>    | <b>1,389,421</b>  | <b>58,193,410</b>    | <b>57,433,233</b>    |
| Cash in Hand                     | 15.00 | 2,333,915            | 36,501            | 2,370,416            | 1,233,142            |
| Cash at Bank                     | 16.00 | 54,470,074           | 1,352,920         | 55,822,994           | 56,200,091           |
| <b>Total Current Assets</b>      |       | <b>1,133,914,278</b> | <b>9,963,196</b>  | <b>1,143,877,474</b> | <b>1,011,293,254</b> |
| <b>C. Total Assets (A+B)</b>     |       | <b>1,207,955,178</b> | <b>11,350,304</b> | <b>1,219,305,482</b> | <b>1,079,760,630</b> |
| <b>D. CAPITAL AND RESERVE:</b>   |       |                      |                   |                      |                      |
| Capital Fund                     | 17.00 | 127,143,064          | 8,436,183         | 135,579,247          | 101,539,210          |
| Loan Loss Provision Fund         | 18.00 | 55,380,797           | -                 | 55,380,797           | 59,328,700           |
| <b>Total Capital and Reserve</b> |       | <b>182,523,861</b>   | <b>8,436,183</b>  | <b>190,960,044</b>   | <b>160,867,910</b>   |

| PARTICULARS                               | NOTE  | AMOUNT (IN TAKA)     |                   |                      |                      |
|---|-------|----------------------|-------------------|----------------------|----------------------|
|   |       | PKSF                 | Project           | 30.06.2021           | 30.06.2020           |
| <b>E. NON CURRENT LIABILITIES:</b>        |       |                      |                   |                      |                      |
| Loan from PKSF:                           | 19.00 | <b>512,333,311</b>   | -                 | <b>512,333,311</b>   | <b>576,533,315</b>   |
| JAGORON                                   |       | 180,000,000          | -                 | 180,000,000          | 247,000,000          |
| AGROSOR                                   |       | 103,000,000          | -                 | 103,000,000          | 145,000,000          |
| BUNIAD                                    |       | 78,333,319           | -                 | 78,333,319           | 93,333,323           |
| SUFOLON                                   |       | 40,000,000           | -                 | 40,000,000           | 60,000,000           |
| IGA                                       |       | 31,200,000           | -                 | 31,200,000           | 29,500,000           |
| LIL                                       |       | 600,000              | -                 | 600,000              | 650,000              |
| ACL                                       |       | 1,199,992            | -                 | 1,199,992            | 1,049,992            |
| LRL                                       |       | 38,000,000           | -                 | 38,000,000           | -                    |
| SEP                                       |       | 40,000,000           | -                 | 40,000,000           | -                    |
| <b>F. CURRENT LIABILITIES:</b>            |       |                      |                   |                      |                      |
| Members Savings Fund                      | 20.00 | <b>319,442,327</b>   | -                 | <b>319,442,327</b>   | <b>290,115,185</b>   |
| JAGORON                                   |       | 122,088,448          | -                 | 122,088,448          | 125,472,698          |
| AGROSOR                                   |       | 65,842,125           | -                 | 65,842,125           | 57,594,746           |
| BUNIAD                                    |       | 47,022,896           | -                 | 47,022,896           | 37,816,691           |
| SUFOLON                                   |       | 3,538,891            | -                 | 3,538,891            | 3,970,224            |
| IGA                                       |       | 14,221,292           | -                 | 14,221,292           | 13,258,677           |
| SEP                                       |       | 3,760,078            | -                 | 3,760,078            | -                    |
| Special                                   |       | 45,091,314           | -                 | 45,091,314           | 47,045,048           |
| Voluntary                                 |       | 17,877,283           | -                 | 17,877,283           | 4,957,101            |
| Bank Loan (Bangladesh Bank)               | 21.00 | -                    | 350,000           | 350,000              | 350,000              |
| Savings Collection:                       | 22.00 | -                    | 166,480           | 166,480              | 241,535              |
| Insurance Welfare Fund                    | 23.00 | 39,634,800           | -                 | 39,634,800           | 32,618,175           |
| Accounts Payable                          | 24.00 | 83,750               | 2,397,641         | 2,481,391            | 8,019,952            |
| Staff Security Fund                       | 25.00 | 2,110,675            | -                 | 2,110,675            | 1,947,263            |
| Robi Mobile Company                       | 26.00 | 1,430,454            | -                 | 1,430,454            | 8,182,955            |
| NRBC Bank Loan Jagoron                    | 27.00 | 90,000,000           | -                 | 90,000,000           | -                    |
| NRBC Bank Loan Agrosor                    | 28.00 | 30,000,000           | -                 | 30,000,000           | -                    |
| SEBL Bank Loan Agriculture                | 29.00 | 30,000,000           | -                 | 30,000,000           | -                    |
| PKSF Education stipend                    | 30.00 | 396,000              | -                 | 396,000              | 564,000              |
| Provision for Expense                     |       | -                    | -                 | -                    | 320,340              |
| Suspense Accounts                         |       | -                    | -                 | -                    | -                    |
| <b>Total Current Liabilities</b>          |       | <b>513,098,006</b>   | <b>2,914,121</b>  | <b>516,012,127</b>   | <b>342,359,405</b>   |
| <b>Total Fund and Liabilities (D+E+F)</b> |       | <b>1,207,955,178</b> | <b>11,350,304</b> | <b>1,219,305,482</b> | <b>1,079,760,630</b> |

The annexed notes form an integral part of these financial statements.



DIRECTOR (FINANCE)




EXECUTIVE DIRECTOR

Subject to our separate report of even date.

Dhaka, September 30, 2021



  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants

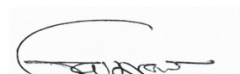
SANGRAM (Sangathita Gramunnyan Karmasuchi)  
**Consolidated Statement of Comprehensive Income**  
For the year ended June 30, 2021

| PARTICULARS                    | NOTE | AMOUNT (IN TAKA)   |                   |                    |                    |
|--------------------------------|------|--------------------|-------------------|--------------------|--------------------|
|                                |      | PKSF               | Project           | 2020-2021          | 2019-2020          |
| <b>INCOME:</b>                 |      |                    |                   |                    |                    |
| <b>Service Charge:</b>         |      | <b>183,611,209</b> | -                 | <b>183,611,209</b> | <b>160,904,148</b> |
| JAGORON                        |      | 81,646,822         | -                 | 81,646,822         | 84,327,080         |
| AGROSOR                        |      | 52,160,715         | -                 | 52,160,715         | 44,466,686         |
| BUNIAD                         |      | 20,093,643         | -                 | 20,093,643         | 16,591,661         |
| SUFOLON                        |      | 8,969,324          | -                 | 8,969,324          | 4,924,238          |
| LRP                            |      | 1,032              | -                 | 1,032              | 3,719              |
| RESCUE                         |      | 27,974             | -                 | 27,974             | 83,304             |
| EFRAP                          |      | -                  | -                 | -                  | -                  |
| IGA                            |      | 9,199,177          | -                 | 9,199,177          | 8,666,189          |
| LIL                            |      | 34,731             | -                 | 34,731             | 37,842             |
| ACL                            |      | 237,115            | -                 | 237,115            | 1,803,045          |
| SAHOS-2                        |      | 24                 | -                 | 24                 | 384                |
| LRL                            |      | 1,971,598          | -                 | 1,971,598          | -                  |
| SEP                            |      | 765,156            | -                 | 765,156            | -                  |
| Bank Jagoron                   |      | 6,341,443          | -                 | 6,341,443          | -                  |
| Bank Agrosor                   |      | 2,149,455          | -                 | 2,149,455          | -                  |
| Staff Loan Motorcycle          |      | 13,000             | -                 | 13,000             | -                  |
| <b>Other Income:</b>           |      | <b>4,411,862</b>   | <b>24,430,151</b> | <b>28,842,013</b>  | <b>33,019,898</b>  |
| Admission Fee                  |      | 9,065              | -                 | 9,065              | 84,370             |
| Sale of Form & Pass book       |      | -                  | -                 | -                  | -                  |
| Others                         |      | -                  | -                 | -                  | -                  |
| Interest on FDR                |      | 3,416,775          | -                 | 3,416,775          | 3,265,070          |
| Bank Interest                  |      | 517,563            | -                 | 517,563            | 560,563            |
| Bank Asia Income               |      | 468,459            | -                 | 468,459            | 365,939            |
| Fund Received (Doner)          |      | -                  | 1,260,602         | 1,260,602          | 3,198,964          |
| Fund Received (PKSF grants))   |      | -                  | 17,297,048        | 17,297,048         | 18,548,542         |
| SANGRAM Grants                 |      | -                  | 5,082,376         | 5,082,376          | 5,102,287          |
| Bank Interest                  |      | -                  | 19,393            | 19,393             | 17,877             |
| Other Income                   |      | -                  | 410,117           | 410,117            | 340,715            |
| Service Charge Collection      |      | -                  | 18,375            | 18,375             | 35,571             |
| Income from Health Sector      |      | -                  | 342,240           | 342,240            | 1,500,000          |
| <b>Total Income</b>            |      | <b>188,023,071</b> | <b>24,430,151</b> | <b>212,453,222</b> | <b>193,924,046</b> |
| <b>EXPENDITURE:</b>            |      |                    |                   |                    |                    |
| <b>Service Charge to PKSF:</b> |      | <b>31,448,083</b>  | -                 | <b>31,448,083</b>  | <b>22,727,125</b>  |
| RMC                            |      | -                  | -                 | -                  | -                  |
| ME-GOB                         |      | -                  | -                 | -                  | -                  |
| IGA                            |      | 1,860,250          | -                 | 1,860,250          | 1,454,250          |
| LIL                            |      | 14,250             | -                 | 14,250             | 9,250              |
| ACL                            |      | 25,250             | -                 | 25,250             | 18,833             |
| JAGORON                        |      | 15,225,000         | -                 | 15,225,000         | 13,333,125         |
| AGROSOR                        |      | 9,277,500          | -                 | 9,277,500          | 6,607,500          |
| BUNIAD                         |      | 995,833            | -                 | 995,833            | 704,167            |
| SUFOLON                        |      | 3,300,000          | -                 | 3,300,000          | 600,000            |
| LRL                            |      | 750,000            | -                 | 750,000            | -                  |



| PARTICULARS   | NOTE      | AMOUNT (IN TAKA)   |                   |                    |                    |
|---|-----------|--------------------|-------------------|--------------------|--------------------|
|   |           | PKSF               | Project           | 2020-2021          | 2019-2020          |
| <b>Interest on Members savings:</b>   |           | <b>16,095,398</b>  |                   | <b>16,095,398</b>  | <b>14,406,013</b>  |
| JAGORON   |           | 6,062,403          | -                 | 6,062,403          | 5,778,080          |
| AGROSOR   |           | 3,126,957          | -                 | 3,126,957          | 2,557,974          |
| BUNIAD  | 2,059,041 | -                  | 2,059,041         | 1,727,628          |                    |
| SUFOLON   |           | 167,991            | -                 | 167,991            | 185,946            |
| IGA   | 681,641   | -                  | 681,641           | 607,172            |                    |
| SEP   | 53,439    |                    |                   |                    |                    |
| Special Deposit   |           | 3,335,424          | -                 | 3,335,424          | 3,397,401          |
| Voluntary   |           | 608,502            |                   | 608,502            | 151,812            |
| <b>Operating Expenses:</b>  |           | <b>108,893,265</b> | <b>17,737,986</b> | <b>126,631,251</b> | <b>125,790,446</b> |
| Interest on Bank Loan   |           | 3,458,911          | -                 | 3,458,911          | -                  |
| Bank charges/DD charges   |           | 668,134            | -                 | 668,134            | 411,192            |
| Staff Salaries & Allowance  |           | 76,358,374         | -                 | 76,358,374         | 71,405,661         |
| Travelling & Conveyance   |           | 2,438,466          | -                 | 2,438,466          | 2,054,619          |
| Printing and Stationery   |           | 1,922,635          | -                 | 1,922,635          | 1,603,097          |
| Fuel cost   |           | 1,344,966          | -                 | 1,344,966          | 1,262,672          |
| Training expenses   |           | 1,085              | -                 | 1,085              | 89,927             |
| Office rent   |           | 3,761,280          | -                 | 3,761,280          | 3,673,505          |
| Postage, Stamp & Electricity  |           | 2,473,739          | -                 | 2,473,739          | 2,092,835          |
| Entertainment   |           | 447,468            | -                 | 447,468            | 374,472            |
| Others Expenses   | 28.00     | 16,018,207         | -                 | 16,018,207         | 17,222,630         |
| Financial Cost (Project)  |           | -                  | 16,699            | 16,699             | 30,941             |
| Admin Cost (Project)  |           | -                  | 13,232,885        | 13,232,885         | 14,652,744         |
| Program Cost (Project)  |           | -                  | 4,488,402         | 4,488,402          | 10,916,151         |
| <b>Other Expenses:</b>  |           | <b>6,849,323</b>   | <b>203,442</b>    | <b>7,052,765</b>   | <b>13,214,993</b>  |
| Depreciation  |           | 2,376,203          | 203,442           | 2,579,645          | 2,716,201          |
| LLP   |           | -                  | -                 | -                  | 6,342,232          |
| Interest paid to PF Fund  |           | -                  | -                 | -                  | -                  |
| Gratuity Exp.   |           | 4,473,120          | -                 | 4,473,120          | 4,156,560          |
| <b>Total Expenditure</b>  |           | <b>163,286,069</b> | <b>17,941,428</b> | <b>181,227,497</b> | <b>176,138,577</b> |
| <b>"Excess of Income over Expenditure/<br/>(Excess of Expenditure over Income)"</b> |           | <b>24,737,002</b>  | <b>6,488,723</b>  | <b>31,225,725</b>  | <b>17,785,468</b>  |
| <b>Total</b>  |           | <b>188,023,071</b> | <b>24,430,151</b> | <b>212,453,222</b> | <b>193,924,046</b> |

The annexed notes form an integral part of these financial statements.


  
DIRECTOR (FINANCE)

  
EXECUTIVE DIRECTOR

Subject to our separate report of even date.

Dhaka, September 30, 2021



  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants