

# YPSA (YOUNG POWER IN SOCIAL ACTION)

## Auditors' Report & Financial Statements For the year ended 30 June 2020

**S. F. AHMED & CO.**  
Chartered Accountants | since 1958



WE ARE AN INDEPENDENT MEMBER OF  
THE GLOBAL ADVISORY  
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## **Independent Auditors' Report**

**To the Members of the Executive Committee of YPSA (Young Power in Social Action)**

### **Report on the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidation of financial statements of YPSA (Young Power in Social Action) (entity) which comprise the statement of financial position as at 30 June 2020, and the statement of income and expenditure, statement of receipts and payments for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated said financial statements present fairly, in all material respects, the financial position of YPSA (Young Power in Social Action) as at 30 June 2020, and its statement of income and expenditure for the year then ended comply with the requirements of the Foreign Donations (Voluntary Activities) Regulation Ordinance and Rules 1978, and other applicable rules and regulations, and in accordance with the accounting policies summarized in notes to the Financial Statements.

#### **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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We depend on audited and unaudited projects for consolidation purpose and believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Among 112 projects of YPSA (Young Power in Social Action), the Financial Statements of 38 projects are audited and remaining 75 projects are unaudited including of 1 employees' contributory provident fund.

#### **Other Information**

Management is responsible for the other information. The other information comprises the director/chairman report & annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidation 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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those chartered with governance.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with applicable laws and regulations, and the accounting policies summarized in notes to the financial statements 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 entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditors' 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 auditors' 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.
- 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 entity'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 entity 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.

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 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.

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 consolidation audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the entity so far as it appeared from our examination of these books;
- c) the entity's statement of financial position and statement of income and expenditure dealt with by the report are in agreement with the books of account.

Dated, Chattogram  
24 October 2020

  
**S. F. Ahmed & Co.**  
Chartered Accountants



**YPSA (YOUNG POWER IN SOCIAL ACTION)**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020**

	Notes	<i>Amount In BDT</i>	
		As at	
		30-Jun-20	30-Jun-19
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	6.00	52,407,070	46,818,915
Investment	7.00	130,112,308	127,374,281
		<u>182,519,378</u>	<u>174,193,196</u>
<b>Current Assets</b>			
Advances, deposits and prepayments	8.00	46,856,871	67,492,421
Loan to beneficiaries (EDP)	9.00	1,434,354,288	1,165,494,775
Grants receivable	10.00	6,775,178	7,458,883
Cash and cash equivalents	11.00	170,079,514	99,130,536
		<u>1,658,065,851</u>	<u>1,339,576,615</u>
<b>TOTAL ASSETS</b>		<u>1,840,585,229</u>	<u>1,513,769,811</u>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Funds and grants	12.00	275,906,952	261,180,661
		<u>275,906,952</u>	<u>261,180,661</u>
<b>LIABILITIES</b>			
Loan account	13.00	876,633,007	680,778,341
Liability for expenses	14.00	18,578,793	18,715,554
Members' savings (EDP and S&I)	15.00	552,307,558	421,492,367
Reserve fund	16.00	86,616,123	75,190,389
Provision for bad loan	17.00	26,327,307	35,460,036
Liability for grants	18.00	4,215,489	20,952,462
		<u>1,564,678,277</u>	<u>1,252,589,150</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>1,840,585,229</u>	<u>1,513,769,811</u>

The accompanying notes form an integral part of these financial statements, and are to be read in conjunction therewith.

**For and on behalf of the Board of Directors of Young Power In Social Action (YPSA)**

  
**President**


  
**Chief Executive**

  
**Treasurer**

  
**Director -Finance**

As per our annexed report of same date.

Dated, Chattogram;  
 24 October 2020

  
**S. F. Ahmed & Co.**  
**Chartered Accountants**

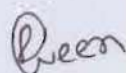


**YPSA (YOUNG POWER IN SOCIAL ACTION)**  
**CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED ON JUNE 30, 2020**

	Notes	<i>Amount In BDT</i>	
		For the year ended	
		30-Jun-20	30-Jun-19
<b>INCOME</b>			
Grants	19.00	587,592,204	573,301,396
Local contribution and income	20.00	58,883,001	63,521,305
Interest income	Annx-B/18	9,675,808	10,691,758
Sale of office documents and other services	Annx-B/18	10,560,719	5,438,869
Service charge on loan of EDP	Annx-B/18	253,765,465	240,581,727
		<u>920,477,197</u>	<u>893,535,055</u>
<b>EXPENDITURE</b>			
Administrative expenses	Annx-B/18	53,444,690	52,824,411
Travel and peridium	Annx-B/18	20,168,447	18,236,079
Salary and benefits	Annx-B/18	378,187,472	321,968,884
Human resource and development	Annx-B/18	5,970,080	7,285,467
Program costs	Annx-B/18	383,821,310	407,506,909
Service charge on loan	Annx-B/18	36,231,425	33,483,232
Loan loss provision (LLP)	17.00	13,613,226	13,931,671
Audit fee		65,000	60,000
Depreciation	Annx-D	5,454,274	5,162,335
Other expenses	Annx-B/18	7,024,701	-
		<u>903,980,625</u>	<u>860,458,988</u>
Net surplus/(deficit) during the year		<u>16,496,572</u>	<u>33,076,067</u>
		<u>920,477,197</u>	<u>893,535,055</u>

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**For and on behalf of the Board of Directors of Young Power In Social Action (YPSA)**

  
**President**


  
**Chief Executive**

  
**Treasurer**

  
**Director -Finance**

As per our annexed report of same date.

Dated, Chattogram;  
 24 October 2020

  
**S. F. Ahmed & Co.**  
**Chartered Accountants**



**YPSA (YOUNG POWER IN SOCIAL ACTION)**  
**CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS**  
**FOR THE YEAR ENDED ON JUNE 30, 2020**

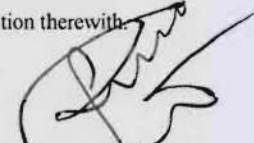
	<i>Amount In BDT</i>	
	<b>For the year ended</b>	
	<b>30-Jun-20</b>	<b>30-Jun-19</b>
<b>Opening balance</b>		
Cash in hand	885,650	284,007
Cash at bank	98,190,014	117,090,406
	<b>99,075,664</b>	<b>117,374,413</b>
<b>Receipts</b>		
Grants and donation	592,470,835	613,035,859
Local contribution	19,744,180	37,575,793
Overhead cost and program cost	19,521,575	13,195,027
Service charge (EDP)	250,596,566	240,581,727
Sale of office documents and	22,192,266	19,361,392
Fees and charges	6,637,714	2,652,930
Bank interest	9,681,595	10,418,294
Loan received	635,313,183	507,052,109
Accounts payable	7,530,475	-
Reserve fund	31,225,611	32,528,103
Savings and accrued interest	318,357,741	287,122,147
Loan realised from beneficiaries (EDP)	1,810,264,431	1,740,411,673
Advances, deposits and prepayments	96,803,691	133,964,170
Grants received for transfer to project accounts	386,246,352	496,473,327
Investment encashment	60,709,704	84,638,205
Withholding TDS/VDS (staff/customers/suppliers)	803,244	-
Fund transfer from closed project	-	9,503
	<b>4,268,099,165</b>	<b>4,219,020,259</b>
	<b>4,367,174,829</b>	<b>4,336,394,672</b>
<b>Payments</b>		
Administrative expenses	58,007,514	51,409,715
Travel and peridium	18,076,559	16,263,076
Salary and benefits	335,979,437	299,769,332
Human resource and development	7,462,080	5,868,496
Program cost	232,148,781	311,590,217
Addition of property, plant and equipments	11,424,968	9,308,654
Withholding TDS/VDS payment	803,244	1,063,754
Loan to beneficiaries (EDP)	2,098,701,000	2,046,035,000
Investment	25,137,130	108,309,111
Advances, deposits and prepayments	171,498,545	188,108,916
Reserve fund	36,614,408	13,315,958
Savings and accrued interest	204,053,051	190,622,339
Loan refund to borrowers	437,037,795	416,041,912
Accounts payable	116,172,946	67,661,772
Service charge	36,231,425	33,483,232
Grants transferred to project	402,358,325	476,143,738
Unspent fund refund to donor	5,429,567	2,323,788
	<b>4,197,136,775</b>	<b>4,237,319,008</b>
<b>Closing balance</b>		
Cash in hand	342,323	885,650
Cash at bank	169,695,731	98,190,014
	<b>170,038,054</b>	<b>99,075,664</b>
	<b>4,367,174,829</b>	<b>4,336,394,672</b>

The accompanying notes form an integral part of these financial statements, and are to be read in conjunction therewith.

  
**President**

  
**Chief Executive**

  
**Treasurer**

  
**Director Finance**

