AUDITOR'S REPORT

On The

FINANCIAL STATEMENTS

OF

Disable Development & Educational Foundation (DDEF)
Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

FOR THE YEAR ENDED 30TH JUNE, 2026

Ashraf Uddin & CO.
Chartered Accountants
142/B, Green Road (04th Floor),
Dhaka-1215, Bangladesh.
Tele: 88-02-9116183
E-mail:info@aucbd.com

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

For the year ended June 30, 2026

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INDEPENDENT AUDITOR'S REPORT IN THE FINANCIAL STATEMENTS TO GENERAL BODY OF DISABLE DEVELOPMENT & EDUCATIONAL FOUNDATION (DDEF)

Opinion

We have audited the financial statements of **"Disable Development & Educational Foundation (DDEF)",** which comprise the Statement of Financial Position as at 30th June 2026, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Receipts and Payments Accounts and Statement of Change in Equity for the year then ended 30th June 2026, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our Opinion, the accompanying financial statements of **"Disable Development & Educational Foundation (DDEF)"** give a true and fair view of the financial position as at 30th June 2026 and its financial performance, Statement of Cash Flows and its Receipts & Payments for the year then ended in accordance with International Financial Reporting Standards (IFRS) and other applicable laws and regulations including.

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 Organization 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 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls.

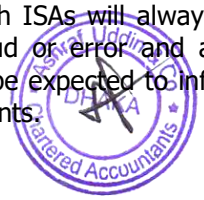
Management is responsible for the preparation of financial statement that give a true and fair view in accordance with the Accounting policies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement,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

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether 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, international 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting polices 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 Organization'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 reports to the related disclosers in the consolidated and separate 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 Organization 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 underling transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planed scope and timing of the audit and significant audit finding, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal & Regulatory Requirements

We also report the following:

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 & Rules have been kept by **Disable Development & Educational Foundation (DDEF)** so far as it appeared from our examination of these books, and

c) The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

Dated: Dhaka
01st September, 2026

Ashraf Uddin & Co. DHAKA Chartered Accountants

Md. Mohiuddin Ahmed, FCA, CFC
Managing Partner
Membership No: 1046
Ashraf Uddin & CO.
Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Statement of Financial Position

AS AT 30TH JUNE, 2026

Property & Assets	Note	Current Year 30-06-2026	Previous Year 30-06-2025
Non-Current Assets			
Property, Plant and Equipment	**15.00**	1,24,01,728.00	1,09,11,602.00
Total Non-Current Assets		**1,24,01,728.00**	**1,09,11,602.00**
Current Assets			
Loan to Members	**12.00**	1,26,39,240.00	1,41,29,260.00
FDR Deposit-Savings	**13.00**	1,19,810.00	36,810.00
Cash & Bank Balance	**14.00**	99,06,283.00	1,84,833.00
Total Current Assets		**2,26,65,333.00**	**1,43,50,903.00**
Total Property and Assets		**3,50,67,061.00**	**2,52,62,505.00**
Fund & Liabilities			
Capital Fund			
Fund Account	**7.00**	1,43,73,979.00	86,60,150.00
Total Capital Fund		**1,43,73,979.00**	**86,60,150.00**
Current Liabilities			
Members Savings	**8.00**	11,38,453.00	13,29,440.00
Loan Received from the Temporary	**9.00**	1,82,54,219.00	1,41,86,948.00
Risk Fund Collection	**10.00**	3,35,500.00	2,57,630.00
Loan Loss Reserve	**11.00**	9,64,910.00	8,28,337.00
Total Current Liabilities		**2,06,93,082.00**	**1,66,02,355.00**
Total Liabilities & Capital Fund		**3,50,67,061.00**	**2,52,62,505.00**

(Finance & Admin)
DDEF

Executive Director
DDEF

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

Dated: Dhaka
01st September, 2026

Ashraf Uddin & Co. DHAKA Chartered Accountants

Md. Mohiuddin Ahmed, FCA, CFC
Managing Partner
Membership No: 1046
Ashraf Uddin & CO.
Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Statement of Comprehensive Income

FOR THE YEAR ENDED 30TH JUNE, 2026

Particulars	Current Year 30-06-2026	Previous Year 30-06-2025
Income		
Service Charge	11,59,626.00	12,48,620.00
Donation	8,12,891.00	11,11,308.00
Admission Fee	360.00	750.00
Sales of Pass Book & Loan Application Form	3,130.00	3,295.00
Renewal Fee	3,140.00	3,480.00
Grant Received from the Global Giving Inc. USA	2,06,07,007.00	19,78,676.00
Bank Interest	2,608.00	121.00
Excess of Expenditure over Income	Nil	11,01,436.00
Total Tk.	**2,25,88,762.00**	**54,47,686.00**
Expenditure		
Savings Interest Paid	76,499.00	99,369.00
Loan Interest Paid	8,95,896.00	7,33,576.00
Salary & Allowances	25,79,722.00	11,67,450.00
Office Rent	1,77,920.00	26,400.00
Electricity Bill	13,229.00	10,576.00
Printing & Stationery	1,67,029.00	1,02,450.00
Entertainment	2,05,850.00	1,23,513.00
Traveling & Conveyances	66,695.00	76,170.00
Audit Fee	37,500.00	Nil
Registration, Renewal & Legal Fee	2,70,497.00	13,009.00
Office & Repairing	14,350.00	Nil
Subscription Paid	5,830.00	6,500.00
Vat & Tax	2,15,514.00	2,45,623.00
Expenses for Rebet	Nil	2,600.00
Newspaper Bill	1,880.00	Nil
Bank Charge	7,720.00	10,489.00
Newspaper Advertisement	20,883.00	Nil
Training & Awareness for Disabled	1,38,120.00	1,23,915.00
Assistive device distribution to disable people	7,50,760.00	1,93,200.00
Materials distribution to Disable	2,81,925.00	4,56,540.00
Expenses for Disabled Development Program	1,74,535.00	10,000.00
Expenses for Disabled Surgery Operation Program	1,03,28,981.00	10,20,550.00
Expenses for Project Cost	70,000.00	Nil
Safe Livelihood Rohingya Refugee in Bangladesh	Nil	6,91,300.00
Loan Loss Provision	1,36,573.00	1,73,396.00
Depreciation	2,37,025.00	1,61,060.00
Excess of Income over Expenditure	57,13,829.00	Nil
Total Tk.	**2,25,88,762.00**	**54,47,686.00**

(Finance & Admin)
DDEF

Executive Director
DDEF

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

Dated: Dhaka
01st September, 2026

Ashraf Uddin & Co Chartered Accountants DHAKA

Md. Mohiuddin Ahmed, FCA, CFC
Managing Partner
Membership No: 1046
Ashraf Uddin & CO.
Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Statement of Receipts & Payments Account

FOR THE YEAR ENDED 30TH JUNE, 2026

Particulars	Current Year 30-06-2026	Previous Year 30-06-2025
Receipts		
Opening Balance 01-07-2025		
Cash in hand	27,145.00	1,49,340.00
Cash at Bank	1,57,688.00	6,46,083.00
Savings of Group Members	6,69,398.00	8,70,779.00
Principal Loan Amount Realized	92,77,020.00	99,88,951.00
Loan Received from the Temporary	67,93,712.00	62,41,769.00
Loan Risk Fund Collection	77,870.00	1,17,390.00
Service Charge	11,59,626.00	12,48,620.00
Donation	8,12,891.00	11,11,308.00
Admission Fee	360.00	750.00
Sales of Pass Book & Loan Application Form	3,130.00	3,295.00
Renewal Fee	3,140.00	3,480.00
Grant Received from the Global Giving Inc. USA	2,06,07,007.00	19,78,676.00
Bank Interest	2,608.00	121.00
Total Tk.	**3,95,91,595.00**	**2,23,60,562.00**
Payments		
Loan Disbursement	77,87,000.00	1,17,39,000.00
Savings Refunded	8,60,385.00	14,89,187.00
Loan Refunded to the Temporary	27,26,441.00	24,37,103.00
FDR Deposit-Savings	83,000.00	Nil
Building Construction	17,27,151.00	8,60,309.00
Purchase of Furniture & Fixture	Nil	5,00,000.00
Purchase of Land	Nil	36,900.00
Savings Interest Paid	76,499.00	99,369.00
Loan Interest Paid	8,95,896.00	7,33,576.00
Salary & Allowances	25,79,722.00	11,67,450.00
Office Rent	1,77,920.00	26,400.00
Electricity Bill	13,229.00	10,576.00
Printing & Stationery	1,67,029.00	1,02,450.00
Entertainment	2,05,850.00	1,23,513.00
Traveling & Conveyances	66,695.00	76,170.00
Audit Fee	37,500.00	Nil
Registration, Renewal & Legal Fee	2,70,497.00	13,009.00
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Expenses for Rebet	Nil	2,600.00
Newspaper Bill	1,880.00	Nil
Bank Charge	7,720.00	10,489.00
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Assistive device distribution to disable people	7,50,760.00	1,93,200.00
Materials distribution to Disable	2,81,925.00	4,56,540.00
Expenses for Disabled Development Program	1,74,535.00	10,000.00
Expenses for Disabled Surgery Operation Program	1,03,28,981.00	10,20,550.00
Expenses for Project Cost	70,000.00	Nil
Safe Livelihood Rohingya Refugee in Bangladesh	Nil	6,91,300.00
Closing Balance as on 30-06-2026		
Cash in Hand	44,668.00	27,145.00
Cash at Bank	98,61,615.00	1,57,688.00
Total Tk.	**3,95,91,595.00**	**2,23,60,562.00**

(Finance & Admin)
DDEF

Executive Director
DDEF

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

Dated: Dhaka
01st September, 2026

Ashraf Uddin & Co * DHAKA * Chartered Accountants

Md. Mohiuddin Ahmed, FCA, CFC
Managing Partner
Membership No: 1046
Ashraf Uddin & CO.
Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Cash Flow Statement

FOR THE YEAR ENDED 30TH JUNE, 2026

Particulars	Current Year 30-06-2026	Previous Year 30-06-2025
Cash Flow From Operating Activities		
Surplus for the year	57,13,829.00	(11,01,436.00)
Add/Less: Amount Considered as non Cash items:		
Loan Loss Provision	1,36,573.00	1,73,396.00
Depreciation for the year	2,37,025.00	1,61,060.00
Sub Total of Non Cash Items:	**60,87,427.00**	**(7,66,980.00)**
Loan Disbursement to Beneficiaries	14,90,020.00	(17,50,049.00)
Net Cash used by Operating Activities	**75,77,447.00**	**(25,17,029.00)**
Cash Flow from Investing Activities		
Property, Plant and Equipment	(17,27,151.00)	(13,97,209.00)
Investment in FDR (Net)	(83,000.00)	Nil
Net Cash used by Investing Activities	**(18,10,151.00)**	**(13,97,209.00)**
Cash Flow from Financing Activities		
Members Savings	(1,90,987.00)	(6,18,408.00)
Loan Received Temporary	40,67,271.00	38,04,666.00
Risk Fund	77,870.00	1,17,390.00
Net Cash used by Financing Activities	**39,54,154.00**	**33,06,648.00**
Net Increase in Cash	**97,21,450.00**	**6,07,590.00**
Cash at the Beginning of the year	**1,84,833.00**	**7,95,423.00**
Cash at the Ending of the year	**99,06,283.00**	**1,84,833.00**

Ashraf Uddin & Co
DHAKA
Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Statement of Changes in Equity

FOR THE YEAR ENDED 30TH JUNE, 2026

Particulars	**Current Year 30-06-2026**	**Previous Year 30-06-2025**
Balance as on 01-07-2025	86,60,150.00	97,61,586.00
Add: Surplus for the year	57,13,829.00	(11,01,436.00)
Balance as on 30-06-2026	**1,43,73,979.00**	**86,60,150.00**



Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Notes to the Financial Statements

FOR THE YEAR ENDED 30TH JUNE, 2026

1.00 Background of Disable Development & Educational Foundation (DDEF):

Disable Development & Educational Foundation (DDEF) is a non Government, non-profitable, non religious, non-political local voluntary development organization. It has officially cane into being in 2001 having from Social Service Department of Bangladesh aiming to bring about a positive Socio economic charge among the targeted rural people Disable Development & Educational Foundation (DDEF) is a family based organization at community level in rural villages. self-help sustainable development for all target families is main objective of organization improving their family status creating a harmonious environment .In the regard organization will ensure direct participation and ownership of their beneficiaries organization them at grassroots level.

Disable Development & Educational Foundation (DDEF) has been established for the socio economic development of Bangladesh. Most of the people live in rural area .They live in under development situation .They always embraced with poverty .the government initiative is not available for our under developed economy. So we need most to make people more conscious and to alleviate poverty to having participation of NGO and donor agencies is essential. This is they the Disable Development & Educational Foundation (DDEF) established. From beginning this forum working over rural poor and urban slum community. Through Barguna district on literacy, health, nutrition, research and family planning. And assaying to having fund from government and foreign source.

Present Programs of the Organizations:

01. Consolidated Audit Report

2.00 Corporate Information of the PO

Name of the Organization	Disable Development & Educational Foundation (DDEF)
Year of Establishment	2001
Legal Entity	The organization is duly registered under Voluntary Social Welfare - Barguna Agencies (Registration & Control) Ordinance 1961 vide Registration No. 433 dated: 29-05-2007, organization is duly registered under Voluntary Youth Development – Barguna Agencies (Registration & Control) Ordinance 1961 vide Registration No. 220, Patherghata-25 dated: 10-01-2010, the Organization achieve the license no. of Micro credit Regulatory Authority vide No. 21112-00040-00882 & MRA- No. 0000916 dated: 08-12-2021 from Bangladesh Bank and also under the NGO Affairs Bureau-Dhaka-Registration No. 2608 dated: 04-11-2010 & Renewal dated: 03-11-2030.
No. Of Executive Committee meeting held on 2025-2026	05
Date of last AGM held	16/06/2026
Name of the Statuary Auditor for Last Year	Ashraf Uddin & Co.
Name of the Statuary Auditor for Current Year	Ashraf Uddin & Co.

3.00 Mission and Vision of the Organization

a) Mission of the Organization:

To reduce poverty among the community people under taking felt need based and right programs having direct participation of related stakeholders and rehabilitation of children ,women and person with disabilities.

Ashraf Uddin & Co. Chartered Accountants

b) Vision of the Organization:

To change the social and economical situation of underserved and UN served people of Barguna district creating and sound and peaceful development environment.

c) Objectives of the Organization:

Mass Education of non formal to reduce illiteracy among the target peoples NFPE shall be undertaking of priority basis. Mass Awareness program on democracy practice and rights, Implementation of Disable School, Good governance. Livestock development to contribute national economy Mother and child health care an HIV/Aids protection program providing necessary Training motivation and necessary health service. Integrated Agriculture development program to assist the poor farmers to conduct Research to find replicable and innovative models for better improvement of our development activities. Training program shall be improvement to develop the skill and capacity among the target peoples as well as for staff development. Watsan Program to ensure safe water and 100% Hygienic latrine among the target community peoples .Social Forestry program to assist to maintain ecological balance and to save bio diversity. To assist toward livelihood and food security creates the provision of self employment among the target peoples. Protection and preservation of human rights especially women child rights .Small business Development among of the poor.

4.00 List of Executive Committee Members

The affairs of the Organization have been entrusted to an Executive Committee consisting of 07 (Seven) members elected in the Annual General Meeting (AGM). The following persons were in the Committee during the Period of our Audit.

SL. No.	Name	Designation
1.	Md. Sagir Hossain	Chairman
2.	Md. Mozaharul Alam	Vice Chairman
3.	Dr. Md. Rezaul Kabir	General Secretary
4.	Md. Masum Billah	Treasurer
5.	Mst. Rozina Akter	Social Welfare Secretary
6.	Mst. Irani	Executive Member
7.	Sudeb	Executive Member

Basis of preparation of financial statements

5.00 Basis of Accounting

The Financial Statements have been prepared under historical cost convention on accrual basis, excepting service charge which are computed following cash basis of accounting. All activities included in the accounts are continuing in nature that is the Financial Statements have been prepared on going concern basis.

5.01 Summary of Significant Accounting Policies

5.02 Currencies

All organization's assets, liabilities, capital fund, income and expenditure are stated in terms of Taka (Local currency). Figures have been rounded off to the nearest taka and previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

5.03 Revenue Recognition

Revenue is recognized in the accounts on accrual basis excepting service charge.

5.04 (i) **Interest income**

Interest income is recognized on accrual basis.

(ii) **Service charges on loan**

Service charge from beneficiaries/end-users in Micro Credits is recognized in the accounts on actual realization.

(iii) **Interest expenses**

Interest on loan is recognized on accrual basis.

(iv) **Other expenses**

Other expense is recognized in the accounts on accrual basis.

(v) **Interest paid on savings**

Interest on savings is recognized in the accounts on accrual basis.

5.05 Fixed Assets and Depreciation

Fixed Assets have been stated at cost less accumulated depreciation. Depreciation has been charged on fixed assets using reducing balance method at rates varying from 5% to 25% depending upon the useful life of each asset.

6.0 Significant Organizational Policies

6.01 Loan Loss Provision: Loan Classification, Loan loss provisioning and Write off Policy

Disable Development & Educational Foundation (DDEF) classified loan into five categories as per Microcredit Regulatory Authority (MRA) guideline, which are mentioned below:

a) Loan balance on which on installment is overdue (Standard Loan).
b) Loan overdue for 01 to 30 days outstanding (Watchful Loan).
c) Loan overdue for 31 to 180 days outstanding (Sub-Standard Loan).
d) Loan overdue for 181 to 365 days outstanding (Doubtful Loan).
e) Loan overdue above 365 days outstanding (Bad Loan).

Disable Development & Educational Foundation (DDEF) creates the provision 1% on standard loan outstanding, 5% on watchful loan outstanding, 25% on sub-standards loan outstanding, 75% on doubtful loan and 100% on bad loan outstanding.

6.02 Loan to Beneficiaries

Disable Development & Educational Foundation (DDEF) follows the following policies to disburse the loan to the beneficiaries:

a) To avail loan, beneficiaries should deposit at least 10% of required loan amount to the savings fund.
b) 24% declining interest will be charged on, IGA, RMC, UMC, ME, UPP, 5.5 interest will be charged Bangladesh Bank Grihayan project for the loan amount.
c) The loan has to be refunded by the beneficiaries generally on weekly basis.
d) The beneficiaries have to be the member of the group savings fund.
e) The principal amount of loan and proportionate service charges are collected in equal weekly/monthly/quarterly installments.

6.03 Savings collection

Disable Development & Educational Foundation (DDEF) follows the following policy to collect the savings:

a) A samity has to be established consisting of at least 10-30 members.
b) Savings will be collected Tk. 20 to 50 on weekly basis.
c) Savings will be collected Tk. 5-10 on weekly basis for Ultra Poor Program.
d) The collected savings will be deposited to the bank on the same day.
e) 6% to 11% interest will be paid to the members on yearly basis of their savings.

6.00 <u>General</u>

a) Auditors; Ashraf Uddin & Co., Chartered Accountants have checked approximately ninety percent (90%) vouchers of **Disable Development & Educational Foundation (DDEF)** Consolidated Audit Report.

B) Salaries of the employees were disbursed through bank account.

		Current Year	Previous Year
		30-06-2026	30-06-2025
Note # 7.00	**Calculation of Fund Account:**		
	Balance as on 01-07-2025	86,60,150.00	97,61,586.00
Add:	Surplus/Deficit during the year	57,13,829.00	(11,01,436.00)
	Balance as on 30-06-2026	**1,43,73,979.00**	**86,60,150.00**
Note # 8.00	**Calculation of Savings of Group Members:**		
	Balance as on 01-07-2025	13,29,440.00	19,47,848.00
Add:	Savings Collection during the year	6,69,398.00	8,70,779.00
		19,98,838.00	28,18,627.00
Less:	Savings Refunded during the year	8,60,385.00	14,89,187.00
	Balance as on 30-06-2026	**11,38,453.00**	**13,29,440.00**
Note # 9.00	**Calculation of Loan Received from the Temporary:**		
	Balance as on 01-07-2025	1,41,86,948.00	1,03,82,282.00
Add:	Loan Received during the year	67,93,712.00	62,41,769.00
		2,09,80,660.00	1,66,24,051.00
Less:	Loan Refunded during the year	27,26,441.00	24,37,103.00
	Balance as on 30-06-2026	**1,82,54,219.00**	**1,41,86,948.00**
Note # 10.00	**Calculation of Loan Risk Fund:**		
	Balance as on 01-07-2025	2,57,630.00	1,40,240.00
Add:	Collection during the year	77,870.00	1,17,390.00
		3,35,500.00	2,57,630.00
Less:	Refunded during the year	Nil	Nil
	Balance as on 30-06-2026	**3,35,500.00**	**2,57,630.00**
Note # 11.00	**Calculation of Loan Loss Provision:**		
	Balance as on 01-07-2025	8,28,337.00	6,54,941.00
Add:	Provision during the year	1,36,573.00	1,73,396.00
	Balance as on 30-06-2026	**9,64,910.00**	**8,28,337.00**
Note # 12.00	**Calculation of Principal Amount:**		
	Balance as on 01-07-2025	1,41,29,260.00	1,23,79,211.00
Add:	Principal Amount Disbursed during the year	77,87,000.00	1,17,39,000.00
		2,19,16,260.00	2,41,18,211.00
Less:	Principal Amount Realized during the year	92,77,020.00	99,88,951.00
	Balance as on 30-06-2026	**1,26,39,240.00**	**1,41,29,260.00**

Asraf Uddin & Co. DHAKA Chartered Accountants

		Current Year 30-06-2026	Previous Year 30-06-2025

Note # 13.00 Calculation of FDR Deposit-Savings:

	Balance as on 01-07-2025	36,810.00	36,810.00
Add:	Deposit during the year	83,000.00	Nil
		1,19,810.00	36,810.00
Less:	Withdrawn during the year	Nil	Nil
	Balance as on 30-06-2026	**1,19,810.00**	**36,810.00**

Note # 14.00 Calculation of Cash in Hand & Bank:

Cash in Hand	44,668.00	27,145.00
Cash at Bank	98,61,615.00	1,57,688.00
Balance as on 30-06-2026	**99,06,283.00**	**1,84,833.00**

SL No.	Name of Branch	Name of Bank & Address	Bank A/C No	June'26 end Bank As per Cash Book
1	Lemua	Bangladesh Krishi Bank, Barguna.	0614-0210000665	52,881.00
2	Dauatala	Bangladesh Krishi Bank, Barguna.	0615-0210000753	30,444.00
3	Lemua	Bangladesh Krishi Bank, Barguna.	0614-0311129130	31,370.00
4	Barguna	Islami Bank Bangladesh PLC, Barguna.	20502340200556518	96,44,661.00
5	Lemua	Bangladesh Krishi Bank Ltd, Barguna.	0614-0311041555	96,321.00
6	Patherghata Sub Branch	NRBC Bank PLC, Barguna.	515736000000065	5,938.00
TOTAL				**98,61,615.00**

Ashraf Uddin & Co DHAKA Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Loan Portfolio Statement

FOR THE YEAR ENDED 30TH JUNE, 2026

Review of loan classifications and provision:

(i) Classification of loan provision (LLP)

Sl. No.	Particular	Basis of Classification	Outstanding Loan taka	Required Rate	Provision Taka
1	Total loan outstanding (LTO)		1,26,39,240.00		
2	Total overdue				
3	Regular	Loan with No overdue installment	1,31,23,591.00	1%	1,31,236.00
4	Watch full loan	1-30 days	80,819.00	5%	4,041.00
5	Sub standard loan	31-180 days	75,924.00	25%	18,981.00
6	Doubtful Loan	181-365 days	67,024.00	75%	50,268.00
7	Bad Loan	365 + days	63,283.00	100%	63,283.00
	Total Taka		**1,26,39,240.00**		**2,67,809.00**

(ii) Loan loss provision (LLP) status of the MFI

Particular		Amount TK
Required reserve fund as per MRA Policy		2,67,809.00
Actual Provision made by the MFI		4,04,382.00
Shortfall of Provision made		1,36,573.00
Comment on LLP : Its appeared from the above computation that the MFI has made adequate provision on its outstanding loan balance But no investment against LLP was made.		
Disclosure on writing off loan:		
Loan written off balance 01-07-2025		Nil
Loan written off during the year 2025-2026		
Loan written off loan recovery during the year		Nil
Written off Loan Re covered during the year 2025-2026		Nil
Loan written off balance during the year 2025-2026		Nil



Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Portfolio Report

FOR THE YEAR ENDED 30TH JUNE, 2026

(iii) Loan operational report:

Sl No	Particulars	FY 2025-2026						FY 2024-2025					
		PKSF		NON PKSF		Total		PKSF		NON PKSF		Total	
1	Financial services product:												
	Loan product:												
	Loan to Beneficiaries	-		12,639,240		12,639,240		-		14,129,260		14,129,260	
	Savings product:												
	Members Savings	-		1,138,453		1,138,453		-		1,329,440		1,329,440	
	Insurance product:												
	Risk Fund	-		335,500		335,500		-		257,630		257,630	
2	Number of branches	-		2		2				2		2	
		M	F	M	F	M	F	M	F	M	F	M	F
3	Number of samities	-	-	12	20	12	20	-	-	12	20	12	20
4	Number of members	-	-	535	674	535	674	-	-	546	669	546	669
5	Number of borrowers:	-	-	439	569	439	569	-	-	431	571	431	571
6	Number of staff:	-		05		05		-		05		058	
7	Amount of loan outstanding with Samiti members	-		12,639,240		12,639,240		-		14,129,260		14,129,260	
8	Member: borrower	-		1008		1008		-		1002		1002	
9	Average loan size	-		12539		12539		-		14101		14101	

Ashraf Uddin & Co DHAKA Chartered Accountants

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Management Report on the accounts of
For the year ended June 30, 2026

Observations and Recommendations

Current year's (2025-2026) observations: Nil

Review of internal control of Financial Management System ensuring accountability and transparency:

Compliance of the status of the prior year (2024-2025) audit observations and mention the percentage thereof: Nil

PARTICULARS REQUIRED BY THE MICROCREDIT REGULATORY AUTHORITY

1 **Requirements**

To check whether the audited has complied with the International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) while maintaining accounting records and preparing financial statements, and report if any non compliance was found.

Observation

Financial Statements of **Disable Development & Educational Foundation (DDEF)** have been prepared following generally accepted accounting principles.

2 **Requirements**

To examine whether the audited has undertaken any activity, involved in transaction or provided services that is contrary to "Microcredit Regulatory Authority Act-2006." or "Microcredit Regulatory Authority Ordinance-2010." Further to examine whether any transaction that goes against the interest of different donors, beneficiaries or the audited itself.

Observation

Our test verification reveals that **Disable Development & Educational Foundation (DDEF)** did not execute any transaction contrary to Microcredit Regulatory Authority Act, 2006 or Microcredit Regulatory Authority Ordinance, 2010. Further, we did not observe any transaction which is detrimental to the interest of donors, beneficiaries or the organization.

3 **Requirements**

To examine whether closing balance of last year's audited financial statement was carried forwards as opening balance in current year's accounts.

Observation

We have confirmed opening balances with last year's closing balance and found no exception.

4 **Requirements**

To examine whether the audited has maintained proper books for sector-wise receipt of funds and whether they properly comply with the rules and regulations as per accounting manual provided by the authority.

Observation

Disable Development & Educational Foundation (DDEF) maintains proper books of accounts for its micro credit program and complies with the rules and regulations as per organization's accounting manual.

5 **Requirements**

To check whether the audited has kept the records separately for the collected funds under various components of microcredit activities and submit separate reports on that basis.

Observation

The funds received for micro credit program are recorded in components as per requirement.

6 **Requirements**

To examine whether the audited has properly recorded and accounted for the receipt and disbursement of fund from different donor organizations and utilized them as per their principles/terms and conditions of the agreement with the donors.

Observation

It appears to us that **Disable Development & Educational Foundation (DDEF)** has utilized and accounted for properly the fund received from various sources.

7 **Requirements**

To examine whether the savings collected from the members are properly recorded in accounts and deposited into the bank, besides, whether collection and refund of savings has been done according to the principle and whether interest on savings are paid to members and also examine the rate of interest etc.

Observation

Savings collections from members are being recorded properly. Interest is paid on members' savings @ 6%.

8 **Requirements**

To check whether the audited has maintained the formalities and properly complied with the provisions in the rules mentioned before disbursing loan among the beneficiaries.

Observation

It was revealed from our test verification that all formalities are duly complied with before disbursement of loan among the beneficiaries.

9 **Requirements**

To check whether the documents i.e. pass book, loan/savings collection schedule and loan application form regarding loan write off, bad loan, have been preserved separately.

Observation

Pass Book, loan/savings collection schedule etc. have been preserved separately.

10 **Requirements**

To examine whether microcredit organization properly comply with the rules and regulations relating to the constitutions particularly in respect of formation and meetings of General Body and Governing Body.

Observation

Our test examination reveals that **Disable Development & Educational Foundation (DDEF)** complies with relevant rules and regulations with regard to formation and meetings of General Body and Governing Body.



11 **Requirements**

To examine the physical existence of assets acquired out of surplus service charge (income surplus) and fund received from different sources for institutional development as loan or grants.

Observation

The assets lying at the Head Office of **Disable Development & Educational Foundation (DDEF)** were physically verified and found to be in existence. These assets were acquired utilizing the surplus service charge.

12 **Requirements**

To conduct a sample check for whether the loans was properly utilized by the beneficiary members.

Observation

We have visited 02 Branches – Patherghata & Bamna to verify loan utilization by borrowing groups and found no exceptions.

13 **Requirements**

To check, whether all kinds of transactions were done through bank except collection of savings and disbursement of microcredit.

Observation

It was revealed from our test verification that in most of the cases payments are made in cash at the branches, while at the Head Office, in most of the cases payments are made by account payee cheque.

14 **Requirements**

To check, whether recovered loan and savings amount from members were duly deposited into bank on the same/earliest date.

Observation

It was revealed from our verification on test basis that in most of the cases daily collections are being properly deposited to bank on the same day except the collections made in the afternoon. The collections made in the afternoon are deposited to bank on the following day at early banking hour.

15 **Requirements**

To check whether collected savings are properly recorded and accounted for at member's level and samity level.

Observation

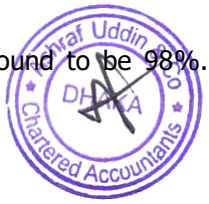
It was revealed from our test verification that savings collected from members are properly recorded at the member's level and at samity level.

16 **Requirements**

To examine that the recovery of loan disbursed out of fund received from several sources are made as per Amortization Schedule and also to examine the effective rate of service charges on loan to the members and to mention the findings in the report.

Observation

Cumulative loan recovery rate was found to be 98%. The effective rate of service charge was found to be 24% declining.



17 **Requirements**

To examine whether loan loss provision has been computed and accounted for as per Microcredit Regulatory Authority Act, 2006 and Microcredit Regulatory Authority Rules, 2010.

Observation

Disable Development & Educational Foundation (DDEF) has made loan loss provision amounting to Tk. 1,36,573.00 during the year under audit. The organization follows MRA Act and Rules while calculating and accounting for loan loss provision.

18 **Requirements**

To check the closing cash balance at the time of auditing by counting cash amount physically and issue certificate of balance. To check bank balance of year end by collecting certificate of bank balance and also check Bank Reconciliation Statements that have been prepared.

Observation

We have verified cash in hand at Head Office on July 29, 2026 and Patherghata & Bamna found cash-in-hand amounting to Tk. 44,668.00 respectively. The balance was in agreement with Cash Book. Bank Reconciliation Statement is prepared whenever necessary.

19 **Requirements**

To check whether the payments were made with proper approval authority of bills/voucher, whether payment made as per approved price and to examine the "Budgetary Control System".

Observation

Our test verification of transactions reveals that **Disable Development & Educational Foundation (DDEF)** has maintained bills and vouchers for all transactions, which are duly approved for payment by the competent authority. **Disable Development & Educational Foundation (DDEF)** does have budgetary control system.

20 **Requirements**

To comment on the reasons for existence of any unused fund if detected during audit and make comments in the audit report.

Observation

We did not find any instance where fund was kept unused.

21 **Requirements**

To examine appropriateness of audit report and audited financial statement presented to different donor organizations, regulatory authority and other authorities.

Observation

No such audit report and audited financial statement was presented to us.

22 **Requirements**

To examine whether there is a proper compliance with the provision of the Income Tax and Value Added Tax (VAT) authority rules implemented by the Government.

Observation

The organization follows Income Tax and VAT rules wherever applicable.

Ashraf Uddin & Co. Chartered Accountants

23 **Requirements**

To check whether all the policies i.e., the procurement policy, service policy, loan and savings policy etc. are in place and are properly followed by the audited organization.

Observation

Disable Development & Educational Foundation (DDEF) does have Procurement and Service Rules. Loan and Savings rules of the organization are guided by organization's policy.

24 **Requirements**

To check whether there is an internal audit arrangement/division in the audited organization and whether internal audit is conducted regularly and comment thereon.

Observation

Disable Development & Educational Foundation (DDEF) does have internal audit department manned by 01 staff and internal audit is conducted at regular interval.

25 **Requirements**

To comment on whether the recommendations on previous year's audit on objections are properly taken care of or not.

Observation

Last year's audit recommendation was fully implemented.

26 **Requirements**

To check cost sharing between of microcredit and other program and comments therefore in the report.

Observation

Disable Development & Educational Foundation (DDEF) has maintained cost sharing policy between of Microcredit and other program.

27 **Requirements**

To check whether transactions have taken place through bank for significant amounts.

Observation

In most cases transactions of significant amount are made through bank at the Head Office.

28 **Requirements**

To check audit fees are fixed on the basis of total loan portfolio and cost centers/branches or not.

Observation

Audit fees are fixed on the basis of total loan portfolio.



Compliance with the Guidelines on Prevention of Money Laundering and Terrorist Financing for Non-Government Organization/Non-Profit Organization:

Guideline No.	Title	Compliance Status
1	Whether the NGO has policy approved by the Governing Body/Executive Committee with regard to preventing funds from using money laundering and terrorist financing in order to comply with the Money Laundering Prevention Act, 2009. Whether the NGO has assigned a senior executive as contact person to communicate with the Bangladesh Bank in order to perform properly money laundering prevention activities. Whether the NGO has submitted name, designation, address, telephone no., fax and e-mail to the Money Laundering Prevention Department of Bangladesh Bank.	Complied
2	Whether the NGO preserves information with regard to goal, objectives and activities of the organization.	Complied
3	Whether the NGO preserves correct and complete information with necessary documents of persons responsible for controlling and directing the NGO (Senior management personnel, members of the Board of Directors, Executive Committee, Board of Trustees and other). The information shall be available to public.	Complied
4	Whether the NGO preserves financial statements, information and explanation of each heads of financial statements and supporting documents for a minimum period of 5 (Five) years.	Complied
5	Whether selected candidate's introduction, experience and other relevant information with supporting documents are screened before recruitment.	Complied
6	Whether the NGO preserve details particulars of functions and up-to-date information of officers and employees of foreign branch (if applicable).	Not applicable
7	Whether the NGO collates, ensures propriety of and preserves correct and complete information with supporting documents of all beneficiaries whose loan balance is Tk. 50,000 or more or savings balance is Tk. 50,000 or more. Whether the NGO preserves beneficiaries information/documents for a minimum period of 5 (five) years after transactions with the beneficiaries are closed. In case of NGO receiving foreign donation/donation/loan, the provision in this paragraph shall be applicable for any balance of loan or savings.	Complied
8	Whether the NGO uses banking channel for transactions Tk. 100,000 (One lakh) or more.	Complied



9	Whether management personnel, Board of Directors, Trustee of the NGO ensures utilization of funds as per NGO's goal, objectives and functions of the NGO. In this regard, annual independent audit shall be conducted.	Complied
10	Whether senior executives or Board of Directors (if applicable) conducts quarterly meeting with officers in connection with money laundering prevention activities and arranges appropriate training for all officers. Whether the NGO preserves records relating to meeting and training.	Complied
11	Has the NGO received funds from individuals/organizations listed in resolution UNSCR-1267 and UNSCR-1373 of the United Nations Security Council? Whether the NGO follows Enhanced Due Diligence (EDD) for receiving funds from individuals/organizations listed in Public Statement of Financial Action Task Force (FATF). Whether the NGO collects, ensures propriety of and preserves correct and complete information with documents of donor/donor organizations.	Not applicable
12	Whether the NGO collects and preserves clearance from appropriate authority for foreign donations/contribution/loan receipts and refunds foreign donations/contribution/loan to the donors without permission from appropriate authority.	Complied
13	Whether the NGO has established monitoring mechanism to identify if funds disbursed to the beneficiaries have been used money laundering and terrorist activities. Whether the NGO has submitted report to the Money Laundering Department of Bangladesh Bank if any event/transaction is identified/suspected.	Not yet complied
14	Whether the NGO has submitted report to the Money Laundering Department of Bangladesh Bank if it is suspected that the donors/donor organizations has used the NGO contrary to the laws of the country or has requested the NGO to do activities contrary to the laws of the country.	Not applicable
15	Whether the NGO has submitted information and documents as per requirements of Bangladesh Bank.	Complied



Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

As required by the Micro-credit Regulatory Authority, we further report that:

a) The organization has prepared its financial statements as per International Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) while maintaining accounting records and preparing financial statements and Reporting.

b) We examine and found that the organization has not taken any activity, which is involved in the transaction or provided services that is contrary to "Micro credit Regulatory Authority Act-2006," Micro credit Regulatory Authority Act-2010. We also verify and found that no transaction has been made against the interest of different donors, beneficiaries of the organization.

c) We have examined and found that the closing balance of last year's audited financial statement was carried forward as opening balance in current year's accounts.

d) We examined and observed that the organization has maintained proper books of accounts for sector-wise receipt of found and whether they properly comply with the rules and regulations as per accounting manual provided by authority.

e) We examine and observed that the organization has kept the records separately for the collected fund under various components of micro credit activities and submit separate reports on that basis.

f) We examined and observed that the organization has properly recorded and accounted for the receipt and disbursement of fund from different donor organization and utilized them as per their principles/terms and conditions of-the agreement with the donors.

g) We examine and observed that saving collected from the members are properly recorded in account and deposited into the bank, besides, whether collection and refund of savings has been done according to the principle and whether interest on savings are paid to members and also examine rate of interest etc

h) We check and found that the organization has maintained the formalities and properly complied with the provisions in the rules mentioned before disbursing loan among the beneficiaries.

i) We checked whether the documents i.e. passbook/savings collection schedule, and loan application form regarding loan write off, bad loan, and found that have preserved separately.

j) The organization has properly complied with the rules & regulation relating to the constitutions particularly in respect of formation and meetings of General Body and Governing Body.

k) There were fixed assets in this project. So we have physically verified the existence of fixed assets in **Disable Development & Educational Foundation (DDEF)** which acquired out of surplus service charge (income surplus) and fund received from different sources for institutional development as loan or grants.

I) we checked test basis whether the loans was properly utilized for the beneficiary member and found in order;

m) All transactions related with collection of savings in cash and disbursement of microcredit were made in cash by withdrawn from Bank.

n) From our test check, we found that the collected loan and saving accounts are duly deposited into bank on daily basis;

Ashed Ullah & Co. DHAKA Chartered Accountants

o) From our test check, we found that the amount collected from VO members are duly accounted for as per applicable policy and procedure at member and group level with very little exceptions;

p) The **Disable Development & Educational Foundation (DDEF)** is collecting service charges from beneficiaries at a declining rate of 24% per annum (12.5% Flat) calculated on the loan provide to them. The principal loan and proportional service charges are collected in equal weekly and monthly installments; Service Charges are accounted on cash basis arid the amount of service charges from the beneficiaries is recognized as income. On the other side, the service charges receivable is not recognized as income.

q) Provision for loan loss has been duly calculated and accounted for as per Micro-credit Regulatory Authority Act. 2006 and Micro-credit Regulatory Authority Act. 2010;

r) We have physically counted the cash in hand during course of our audit and confirmed bank balances with the bank statement on a test basis and also examined the bank reconciliation statements and found them satisfactory;

s) We have checked the vouchers on a test basis and found that payments were made upon the approval of appropriate authority and We have examine the budgetary control system of the Organization and have not found any issue to mention in the report;

t) We have checked the papers / document in supporting of utilized of fund and found that no existence of any unused fund.

u) We have verified the financial statements submitted to various donor organizations, regulatory agencies and other authorities by The **Disable Development & Educational Foundation (DDEF)** with proper justification and did not find any issue mention in the report;

v) As per Sixth Schedule Part-A, Para 1A on Income Tax Ordinance, 1984 (ITO) income from microfinance activities are tax exempted. The **Disable Development & Educational Foundation (DDEF)** Deducts tax and VAT at sources as per the provisions of ITO 1984 and VAT Act. 1991;

w) We observed that the Organization has introduced and established policies for procurement, human resource, loan and savings and complies with the above policies for microfinance operations;

x) The Organization has a strong Internal Audit Department having 1 (One) employees and they have conducted internal audit and monitor the Organization at a regular interval;

y) We have checked the microfinance activities funded by Own fund and such activities from own sources, adequacy of MIS system, internal control system, adequacy of classification of loan, provision policy, adequacy of collection percentage of loan and found satisfactory;

z) We have checked cost sharing between of microcredit and other program and found in order;

aa) We check and found that the transactions have taken place through bank for significant amounts

bb) We observed that the audit fee has been shown under separate head in financial statements which are fixed on the basis of total loan portfolio and cost centers/branches;

cc) We examine and found that the organization has not taken any activity, which is involved in the transaction or provided services that are contrary to "Money Laundering Prevention Act (MLAPA) 2012 and Anti-Terrorism Act (ATA) 2009" We also verify and found that no transaction has been made against the interest of different donors, beneficiaries of the organization.



Note # 15.00

Disable Development & Educational Foundation (DDEF)

Vill+Post: Raihanpur, Thana: Patharghata, District: Barguna, Bangladesh.

Schedule of Property, Plant & Equipment

AS AT 30TH JUNE, 2026

Particulars	Opening Balance (01-07-2025)	Addition during the year	Total Value	Rate of Dep. (%)	Dep. Charges during the year	Written down Value (30-06-2026)
Land	81,48,955.00	----------	81,48,955.00	----------	----------	81,48,955.00
Furniture & Fixture	18,64,578.00	----------	18,64,578.00	10%	1,86,458.00	16,78,120.00
Computer	15,360.00	----------	15,360.00	20%	3,072.00	12,288.00
Office Equipment	22,400.00	----------	22,400.00	20%	4,480.00	17,920.00
Building Construction	8,60,309.00	17,27,151.00	25,87,460.00	5%	43,015.00	25,44,445.00
Total	**1,09,11,602.00**	**17,27,151.00**	**1,26,38,753.00**		**2,37,025.00**	**1,24,01,728.00**

Ashraf Uddin & Co Chartered Accountants DHAKA