

Bangladesh General Insurance Company Ltd
Trustee of LankaBangla 1st Balanced Unit Fund

LankaBangla Asset Management Company Ltd.
Asset Manager of LankaBangla 1st Balanced Unit Fund

Auditor's Report
and
Audited Financial Statements
of
LankaBangla 1st Balanced Unit Fund
for the year ended 31 December 2020

**LankaBangla 1st Balanced Unit Fund
for the year ended 31 December 2020****Contents**

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**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF LANKABANGLA 1st BALANCED UNIT FUND
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of **LankaBangla 1st Balanced Unit Fund** (the "Fund"), which comprise the statement of financial position as at 31 December 2020 and the related statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements present fairly, in all material respects, the financial position of **LankaBangla 1st Balanced Unit Fund** as at 31 December 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001, Trust Deed and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics 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 believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl. No.	Key Audit Matter	Auditor's Response
1	<p>Valuation and existence of Investments: The valuation and existence of the portfolio of investments is considered as a key audit matter due to the magnitude of potential misstatement as the portfolio of investments represents the principal element of the net asset of the Fund. Valuation of Investments is required to be in compliance with the valuation policy as approved by the Trustee in compliance with Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala 2001.</p>	<p>Principal audit procedures performed: We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments.</p> <p>We tested the valuation of the investments by testing the compliance with the valuation policy as approved by the Trustee in compliance with Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala 2001 and by comparing the investment valuation from prices obtained from independent sources.</p> <p>We tested the existence of the Investments by obtaining and reconciling the direct confirmations of the holdings from following sources:</p> <ul style="list-style-type: none"> • Custodian of the Fund • CDBL • Brokerage House <p>We agreed the holdings as per above confirmations with the Fund's accounting records. We reviewed the reconciliations for the cases where differences were observed, if any.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Asset Management Company (AMC) is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement therein of this other information; we are required to report the fact. However, we have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

The Asset Management Company (AMC) is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala 2001 and Trust Deed, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management of the Asset Management Company (AMC) is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the financial reporting process of the fund.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 the 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 risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion the effectiveness of the fund's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the fund 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 fund 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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. However, we have not come across any significant audit findings.

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.

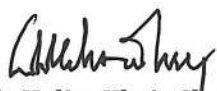
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and 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 law have been kept the Fund so far as it appeared from our examination of those books;
- (c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by this report are in agreement with the books of accounts and returns;
- (d) the expenditure incurred and payments were made for the purpose of the Fund's business; and
- (e) the investment made by the Fund is as per Rule 56 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001.

10 February 2021
Dhaka, Bangladesh


Aziz Halim Khair Choudhury
Chartered Accountants
Reg. No.:23556/79

Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrollment # 804

DVC: 2102110804AS255665


LankaBangla 1st Balanced Unit Fund
Statement of Financial Position (Balance Sheet)
As at 31 December 2020

Particulars	Notes	Figures in Tk.	
		31 Dec 2020	31 Dec 2019
Assets			
Investments at market price	5	384,040,768	255,454,960
Investment in term deposit receipts	6	-	95,000,000
Investment in non-listed securities (Bond)	7	30,000,000	-
Preliminary and issue expenses	8	1,302,263	1,762,774
Deposit and prepayments	9	496,355	529,708
Other receivables	10	17,106,542	15,845,107
Cash and cash equivalents	11	45,991,467	4,548,126
Total Assets		478,937,395	373,140,675
Total Equity and Liabilities			
Liabilities		6,902,547	3,935,983
Accounts payable	12	2,751,863	-
Liability for expenses	13	4,150,684	3,935,983
Equity		472,034,848	369,204,692
Unit capital fund	14	377,276,750	381,076,750
Unit premium reserve	15	15,144,591	15,321,114
Retained earnings		79,613,507	(27,193,172)
Total Equity and Liabilities		478,937,395	373,140,675
Net Asset Value (NAV)		472,034,848	369,204,692
Net Asset Value (NAV) per unit:			
At cost price	16	12.57	11.68
At market price	17	12.51	9.69

These financial statements should be read in conjunction with the annexed notes.

For and on behalf of LankaBangla 1st Balanced Unit Fund


Trustee
Bangladesh General Insurance Company Limited


Assets Manager
LankaBangla Asset Management Company Ltd.

See annexed report to the date

10 February 2021
Dhaka, Bangladesh


Aziz Halim Khair Choudhury
Chartered Accountants

Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner


LankaBangla 1st Balanced Unit Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2020

Particulars	Notes	Figures in Tk.	
		2020	2019
Income			
Gain on sale of securities	18	27,308,806	19,999,777
Dividend income	19	9,584,895	10,197,682
Interest income	20	6,888,177	7,524,445
Total Income		43,781,878	37,721,904
Expenses			
Management fees		7,356,170	7,613,202
Amortization of preliminary and issue expenses		460,511	459,252
CDBL settlement and demat charges		118,172	88,284
CDBL fees		46,000	46,000
Custodian fees		188,796	200,325
Trustee fees		390,138	407,547
BSEC annual fees		371,742	422,671
Brokerage commission		1,567,375	998,857
Selling agents' commission		7,355	24,525
Audit fees		45,000	45,000
Bank charges and excise duty	21	118,700	15,289
Advertisement expenses		190,600	230,200
Other expenses	22	41,800	16,800
Total Expenses		10,902,359	10,567,952
Profit/(Loss) before provision for the year		32,879,519	27,153,952
Add/(Less): (Provision)/Write back of provision for the year	23	73,927,160	(61,254,418)
Net Profit/(Loss) after provision for the year		106,806,679	(34,100,466)
Other comprehensive income:			
Unrealized gain-increase or decrease for the year		-	-
Total comprehensive income including increase/decrease in unrealised gain for the year		106,806,679	(34,100,466)
Distributable profit/(loss) for the year		106,806,679	(34,100,466)
Earnings per unit (EPU) after provision for the year	24	2.83	(0.89)

These financial statements should be read in conjunction with the annexed notes


For and on behalf of LankaBangla 1st Balanced Unit Fund


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 Bangladesh General Insurance Company Limited


Assets Manager
 LankaBangla Asset Management Company Ltd.

10 February 2021
 Dhaka, Bangladesh

See annexed report to the date

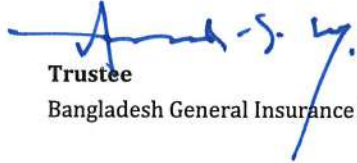

Aziz Halim Khair Choudhury
 Chartered Accountants
 Signed by:
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 Senior Partner

**LankaBangla 1st Balanced Unit Fund
Statement of Changes in Equity
For the year ended 31 December 2020**

Figures in Tk.

Particulars	Unit capital fund	Unit premium reserve	Retained earnings	Total equity
Opening balance as at 01 January 2019	389,146,750	15,471,546	26,364,632	430,982,928
Unit fund raised for the year	5,977,500	-	-	5,977,500
Unit fund surrender for the year	(14,047,500)	-	-	(14,047,500)
Unit premium reserve for the year	-	424,156	-	424,156
Unit discount for the year	-	(574,588)	-	(574,588)
Net profit/(loss) after provision for the year	-	-	(34,100,466)	(34,100,466)
Cash dividend paid	-	-	(19,457,338)	(19,457,338)
Closing balance as at 31 December 2019	381,076,750	15,321,114	(27,193,172)	369,204,692
Opening balance as at 01 January 2020	381,076,750	15,321,114	(27,193,172)	369,204,692
Unit fund raised for the year	1,654,090	-	-	1,654,090
Unit fund surrender for the year	(5,454,090)	-	-	(5,454,090)
Unit premium reserve for the year	-	125,947	-	125,947
Unit discount for the year	-	(302,470)	-	(302,470)
Net profit/(loss) after provision for the year	-	-	106,806,679	106,806,679
Closing balance as at 31 December 2020	377,276,750	15,144,591	79,613,507	472,034,848

For and on behalf of LankaBangla 1st Balanced Unit Fund


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Bangladesh General Insurance Company Limited


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LankaBangla Asset Management Company Ltd.

See annexed report to the date

10 February 2021
Dhaka, Bangladesh


Aziz Halim Khair Choudhury
Chartered Accountants

Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner

LankaBangla 1st Balanced Unit Fund
Statement of Cash Flows
For the year ended 31 December 2020

Particulars	Figures in Tk.	
	2020	2019
A. Cash Flows from Operating Activities		
Gain on sale of securities	25,122,338	18,718,212
Dividend income received in cash	10,480,690	8,666,853
Interest income realized in cash	10,627,296	3,171,827
Prepayments	(742,463)	(857,825)
Payment made for expenses	(7,809,953)	(8,528,374)
Net Cash from Operating Activities	37,677,908	21,170,693
B. Cash Flows from Investing Activities		
Acquisition of shares from secondary market	(629,807,676)	(314,612,230)
Investments in IPO	(85,485,712)	(24,577,370)
Investments returned from IPO	63,745,712	18,496,860
Investments in money market-TDR	-	(95,000,000)
Investments return from money market-TDR	95,000,000	-
Investments in non listed Securities (Bond)	(30,000,000)	-
Investments in right share	-	(4,352,004)
Proceeds from sale of shares in secondary market	594,289,633	372,813,418
Net Cash from Investing Activities	7,741,957	(47,231,326)
C. Cash Flows from Financing Activities		
Proceeds from issuance of units	1,780,037	6,401,655
Payments made for re-purchase of units	(5,756,561)	(14,622,088)
Dividend paid	-	(19,457,337)
Net Cash from Financing Activities	(3,976,524)	(27,677,770)
D. Net Cash Inflows/Outflows during the period (A+B+C)	41,443,341	(53,738,403)
Cash and cash equivalents at the beginning of the year	4,548,126	58,286,529
E. Cash and cash equivalents at the end of the year (D+E)	45,991,467	4,548,126
Net Operating Cash Flows Per Unit (NOCFU)	1.00	0.55

For and on behalf of LankaBangla 1st Balanced Unit Fund


Trustee

Bangladesh General Insurance Company Limited


Assets Manager

LankaBangla Asset Management Company Ltd.

See annexed report to the date

10 February 2021
Dhaka, Bangladesh


Aziz Halim Khair Choudhury
Chartered Accountants

Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner

**LankaBangla 1st Balanced Unit Fund
Notes to the Financial Statements
For the year ended 31 December 2020**

1 Introduction

LankaBangla 1st Balanced Unit Fund (hereafter called as "the Fund") was established under a Trust Deed signed on December 02, 2015 between LankaBangla Finance Limited as a 'Sponsor' and Bangladesh General Insurance Company Limited (BGIC) as a "Trustee". The Fund was registered under the Trust Act 1882 and subsequently registered with Bangladesh Securities and Exchange Commission (BSEC) on January 12, 2016 vide Registration code no. SEC/Mutual Fund/2016/59 under Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001. The operations of the Fund was commenced on November 01, 2016 with Unit Capital Fund Taka 250,000,000 divided into 25,000,000 units of Taka 10 each.

LankaBangla Finance Limited is the Sponsor of the Fund while Bangladesh General Insurance Company Limited (BGIC) is the Trustee and BRAC Bank Limited is the Custodian of the Fund. LankaBangla Asset Management Company Limited is managing the operations of the Fund.

2 Closure of Accounting year of the Fund

The Fund has been consistently closing its books of account as at 31 December every year.

3 Objectives

The objective of the fund is to generate capital appreciation and income by investing in the permissible markets at appropriate percentages as determined by the Asset Manager.

4 Significant accounting policies

4.1 Basis of accounting

These financial statements have been prepared under historical cost convention on going concern basis and in conformity with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund), Rules, 2001 and other applicable laws and regulations.

4.2 Valuation policy

a) Investment in shares which are actively traded on a quoted market are designated at fair value (market price) through profit or loss (FVTPL). Gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of profit or loss and other comprehensive income.

b) Market value is determined by taking the closing price of the securities at the Dhaka Stock Exchange Ltd. as of the Balance Sheet date.

c) Mutual Fund securities are valued at lower of 85% of Net Asset Value (NAV), cost price and market price as per SRO No. SEC/CMRRCD/2009-193/172 dated 30 June 2015.

d) Stock dividend (Bonus shares) are added with existing shares with at zero cost which results in decrease of per unit cost price of the existing shares. However, bonus shares are shown at fair value on the statement of financial position date.

4.3 Income recognition

i) Gains /(losses) arising on sale of investment are included in the Statement of Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place. Capital gains / (losses) are recognized or being realized based on weighted average cost basis.

ii) Dividend income is recognized on the declaration of dividend and subsequent approval by Annual General Meeting (AGM).

iii) Interest income is recognized on accrual basis.



4.4 Preliminary and issue expenses

Preliminary and issue expenses are being written off over a period of seven years on a straight-line method as per relevant provision in the Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001.

4.5 Management fees

The management fee of the Fund is to be paid to the asset management company per annum on weekly average net asset value (NAV) accrued and payable semi-annually. As per the Prospectus and the provisions of the Securities & Exchange Commission (Mutual Fund) Bidhimala, 2001, the fee is calculated using the following slabs:

<u>NAV (Taka)</u>	<u>Percentage</u>
On weekly average NAV up to Taka 50 million	2.5
On next 200 million of weekly average NAV	2.0
On next 250 million of weekly average NAV	1.5
On rest of weekly average NAV	1.0

4.6 Trustee fees

The Trustee is entitled to an annual Trusteeship Fee of Tk. 200,000 or @ 0.10% of the Net Asset Value (NAV) of the Fund whichever is higher only payable semi-annually in advance basis during the life of the Fund as per Trust Deed.

4.7 Selling agents' commission

The Fund pays commissions to the authorized selling agent(s) appointed by the Asset Management Company at 0.15% on both the subscription and surrender amount.

4.8 Custodian fees

BRAC Bank Limited, the custodian of the Fund is entitled to receive a safekeeping fee @ 0.05% on the balance of securities held by the Fund calculated on the average month end value per annum and also receives trade settlement fees of Taka 200 per trade as per Trust Deed. A fee cap schedule is applicable as per the fee cap schedule provided by the custodian which is in this case 0.06% per annum on balance securities held by the Fund.

4.9 Taxation

The income of the Fund is fully exempted from Income Tax as per SRO No. 333-Act/Income Tax/2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984. Hence no provision for tax has been made.

4.10 Dividend Distribution Policy

- i. The Fund shall distribute minimum 70%, or as may be determined by the Bidhimala from time to time, of the annual net income of the Fund as dividend at the end of each accounting period after making provision for bad and doubtful investments. The dividend can be given in the form of cash;
- ii. Before declaration of dividend the Asset Management Company shall make a provision in consultation with the Auditors if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts;
- iii. Surpluses arising simply from the valuation of investments shall not be available for dividend;
- iv. Dividend entitlements will be dispatched within 45 days from the declaration of such dividends;

4.11 Earnings per unit

Earnings per unit has been calculated in accordance with IAS-33 "Earnings per Share" and shown on the face of the Statement of profit or loss and other comprehensive income.

4.12 Events after the reporting period

The Board of Trustees of the Fund has declared and approved dividend of 15% (i.e. Taka 1.5 per unit) for the year ended 31 December 2020 at its meeting held on 10.02.2021

4.13 General

- i. Figures appearing in these financial statements have been rounded off to nearest Taka; and
- ii. Comparative figures and account titles in the financial statements have been rearranged / reclassified where necessary to conform with current year's presentation.

Notes	Particulars	Figures in Tk.	
		31 'Dec 2020	31 'Dec 2019
5	Investments		
	Investments at market price (Annexure-A)	379,045,168	253,952,590
	Investment in IPO (Annexure-A)	4,995,600	1,502,370
		384,040,768	255,454,960
6	Investment in term deposit receipts		
	LankaBangla Finance Limited	-	95,000,000
7	Investment in Non-Listed securities (Bond)		
	LankaBangla Finance Limited-Subordinated Tier-II Capital Bond	30,000,000	-
8	Preliminary and issue expenses		
	Opening balance	1,762,774	2,222,026
	Less: Amortization made for the year	(460,511)	(459,252)
	Closing balance	1,302,263	1,762,774
9	Deposit and prepayments		
	Deposit		
	Security deposit-Central Depository Bangladesh	300,000	300,000
	Prepayments		
	Annual fees - BSEC	152,245	216,972
	Annual fees - Trustee	-	12,736
	Annual fees - CDBL	44,110	-
		196,355	229,708
		496,355	529,708
10	Other receivables		
	Receivable from broker house	12,982,346	7,011,999
	Accrued bank interest-SND	137,943	88,300
	Accrued interest-TDR	-	4,947,343
	Accrued interest-Non Listed Bond	1,084,584	-
	Dividend receivables (Note-10.1)	2,901,669	3,797,465
		17,106,542	15,845,107
10.1	Dividend receivables		
	ACI Limited	200,000	-
	Active Fine Chemicals Limited	-	100,000
	Beximco Pharmaceuticals Limited	37,500	412,500
	Renata Limited	130,000	-
	Silco Pharmaceuticals Limited	-	3,798
	Square Pharmaceuticals Limited	235,000	-
	Confidence Cement Limited	-	375,000
	Coppertech Industries Limited	-	8,334
	Dominage Steel Building Systems Limited	7,500	-
	Doreen Power Generations and Systems Limited	116,100	-
	Meghna Petroleum Limited	-	1,125,000
	MJL Bangladesh Limited	450,000	450,000
	Shahjibazar Power Co. Limited	-	382,200
	Golden Harvest Agro Industries Limited	-	210,000
	Olympic Industries Limited	364,000	350,000
	Bangladesh Submarine Cable Company Limited	500,000	-
	Genex Infosys Limited	200,000	3,522
	IT Consultants Limited	187,250	175,000
	Esquire Knit Composite Limited	96,267	96,267
	New Line Clothings Limited	-	5,844
	Regent Textile Mills Limited	75,000	-
	Sea Pearl Beach Resort & Spa Limited	552	-
	Unique Hotel & Resorts Limited	100,000	100,000
	SK Trims & Industries Limited	202,500	-
		2,901,669	3,797,465

Notes	Particulars	Figures in Tk.	
		31 'Dec 2020	31 'Dec 2019
11	Cash and cash equivalents		
	Cash at bank - SND Account with:		
	ONE Bank Ltd. (Banani branch)	45,970,267	4,539,237
	Cash at bank - CD Account with:		
	ONE Bank Ltd. (Banani branch)	21,200	8,889
		<u>45,991,467</u>	<u>4,548,126</u>
12	Accounts payable		
	Broker house- Share purchase	<u>2,751,863</u>	-
13	Liability for expenses		
	Management fees	3,914,432	3,750,079
	Trustee fee	33,952	-
	Custodian fees	113,402	99,472
	CDBL fees	-	1,890
	Selling agents' commission	31,881	24,525
	Advertisement expenses	12,000	15,000
	Audit fees	45,000	45,000
	Others payable	17	17
		<u>4,150,684</u>	<u>3,935,983</u>
14	Unit capital fund		
	Opening balance	<u>381,076,750</u>	<u>389,146,750</u>
	Add: New subscription 165,409 units @ Tk. 10 per unit	1,654,090	5,977,500
	Less: Surrender 545,409 units @ Tk. 10 per unit	(5,454,090)	(14,047,500)
	Closing balance	<u>377,276,750</u>	<u>381,076,750</u>
15	Unit premium reserve		
	Opening balance	<u>15,321,114</u>	<u>15,471,546</u>
	Add: Unit premium this period	125,947	424,156
	Less: Unit discount this period	(302,470)	(574,588)
	Closing balance	<u>15,144,591</u>	<u>15,321,114</u>
16	Net Asset Value (NAV) per unit at cost		
	Total net asset value at market	472,034,848	369,204,692
	Add: Unrealised loss on securities	2,015,165	75,942,325
		<u>474,050,013</u>	<u>445,147,017</u>
	Number of units	<u>37,727,675</u>	<u>38,107,675</u>
	NAV per unit at cost	<u>12.57</u>	<u>11.68</u>
17	Net Asset Value (NAV) per unit at market price		
	Total net asset value at market price	472,034,848	369,204,692
	Number of units	37,727,675	38,107,675
	NAV per unit at market price	<u>12.51</u>	<u>9.69</u>
18	Gain/(Loss) on sale of securities		
	BRAC Bank Limited	4,280,025	(230,648)
	The City Bank limited	(11,201,182)	(2,247,761)
	Dhaka Bank Limited	(98,748)	2,613,126
	Eastern Bank Limited	-	(456,585)
	Prime Bank Limited	-	3,396,283
	Uttara Bank Limited	-	(15,902)
	IDLC Finance Limited	1,146,924	(3,719,356)
	IPDC Finance Limited	-	(388,785)
	Delta Life Insurance Limited	-	(1,308,276)
	Express Insurance Limited	1,969,632	-
	Green Delta Insurance Limited	631,596	482,950
	Pioneer Insurance Company Limited	394,917	-
	Rupali Insurance Company Limited	1,019,207	-
	ACI Limited	99,978	-

Notes	Particulars	Figures in Tk.	
		31 'Dec 2020	31 'Dec 2019
	Active Fine Chemicals Limited	337,209	(192,267)
	Beximco Pharmaceuticals Limited	6,248,831	-
	GlaxoSmithKline(GSK) Bangladesh Limited	5,302,574	126,501
	Indo-Bangla Pharmaceuticals Limited	-	19,240
	Marico Bangladesh Limited	1,557,746	2,832,564
	Reckitt Benckiser(Bd.)Limited	446,037	722,636
	Renata Limited	309,996	-
	Silco Pharmaceuticals Limited	338,537	288,602
	Silva Pharmaceuticals Limited	-	418,656
	Square Pharmaceuticals Limited	4,019,053	2,253,147
	Associated Oxygen Limited	495,508	-
	Baraka Power Limited	-	262,379
	Intraco Refueling Station Limited	-	14,713
	Khulna Power Company Limited	(2,933,575)	-
	Linde Bangladesh Limited	(966,563)	-
	Meghna Petroleum Limited	(1,560,538)	-
	MJL Bangladesh Limited	-	(542,708)
	Power Grid Company of Bangladesh Limited	-	260,580
	Shahjibazar Power Co. Limited	(1,985,349)	(370,693)
	Summit Power Limited	-	14,134.90
	British American Tobacco Bangladesh Company Limited	1,397,934	13,386,106
	Golden Harvest Agro Industries Limited	1,627,080	78,194
	Olympic Industries Limited	-	(349,248)
	Aman Cotton Fibrous Limited	-	(932,883)
	Esquire Knit Composite Limited	-	172,039
	Kattali Textile Limited	-	395,713
	M.L. Dyeing Limited	-	286,107
	New Line Clothings Limited	77,216	368,697
	Paramount Textile Limited	-	2,108,721
	Ring Shine Textiles Limited	(283,750)	1,645,576
	VFS Thread Dyeing Limited	-	468,503
	BBS Cables Limited	239,899	(71,238)
	Bangladesh Building Systems Limited	860,743	-
	BSRM Steels Limited	801,506	-
	Bangladesh Steel Re-Rolling Mills Limited	-	(1,227,050)
	Coppertech Industries Limited	172,435	350,007
	GPH Ispat Limited	-	(382,933)
	IFAD Autos Limited	-	(3,206,269)
	Nahee Aluminum Composite Panel Limited	209,798	-
	Oimex Electrode Limited	-	-
	Singer Bangladesh Limited	1,616,807	1,086,481
	S. S. Steel Limited	(251,750)	960,476
	Walton Hi-Tech Industries Limited	4,437,324	-
	Bangladesh Submarine Cable Company Limited	4,916,274	-
	ADN Telecom Limited	602,913	-
	Genex Infosys Limited	1,060,215	1,250,501
	Bashundhara Paper Mills Limited	(435,412)	(25,119)
	Sea Pearl Beach Resort & Spa Limited	227,387	270,219
	DBH First Mutual Fund	17,535	-
	Grameen One : Scheme Two	162,837	-
	ICB AMCL First Agrani Bank Mutual Fund	-	(1,329,933)
	SK Trims & Industries Limited	-	464,579
		27,308,806	19,999,777

19 Dividend income

The City Bank limited	750,000	480,000
Dhaka Bank Limited	250,000	250,000
Eastern Bank Limited	-	200,000
Prime Bank Limited	-	625,000
Uttara Bank Limited	-	200,000

Notes	Particulars	Figures in Tk.	
		31 'Dec 2020	31 'Dec 2019
	IDLC Finance Limited	-	700,000
	Delta Life Insurance Limited	-	130,000
	Green Delta Insurance Limited	90,000	80,000
	Confidence Cement Limited	-	375,000
	ACI Limited	200,000	-
	Active Fine Chemicals Limited	-	100,000
	Beximco Pharmaceuticals Limited	37,500	412,500
	GlaxoSmithKline(GSK) Bangladesh Limited	954,000	-
	Indo-Bangla Pharmaceuticals Limited	-	3
	Marico Bangladesh Limited	-	585,000
	Renata Limited	130,000	-
	Silco Pharmaceuticals Limited	23	3,798
	Square Pharmaceuticals Limited	235,000	96
	Coppertech Industries Limited	6	8,334
	Dominage Steel Building Systems Limited	7,500	-
	Walton Hi-Tech Industries Limited	494,000	-
	Baraka Power Limited	16	-
	Doreen Power Generations and Systems Limited	116,100	-
	Intraco Refueling Station Limited	-	26
	Linde Bangladesh Limited	548,200	-
	Meghna Petroleum Limited	-	1,125,000
	MJL Bangladesh Limited	450,000	450,000
	Shahjibazar Power Co. Limited	-	382,200
	United Power Generation & Distribution Company Limited	942,500	-
	Bangladesh Submarine Cable Company Limited	500,000	-
	Grameenphone Limited	1,615,000	2,250,000
	Aman Cotton Fibrous Limited	-	96,267
	Esquire Knit Composite Limited	96,267	13
	Kattali Textile Limited	-	5,844
	New Line Clothings Limited	11	-
	Regent Textile Mills Limited	75,000	-
	VFS Thread Dyeing Limited	-	44
	British American Tobacco Bangladesh Company Ltd.	300,000	250,000
	Golden Harvest Agro Industries Ltd	-	210,000
	Olympic Industries Limited	364,000	350,000
	Genex Infosys Limited	200,027	3,522
	IT Consultants Limited	187,250	175,000
	Sea Pearl Beach Resort & Spa Limited	573	-
	Unique Hotel & Resorts Limited	100,000	100,000
	SK Trims & Industries Limited	202,500	35
	Grameen One : Scheme Two	739,422	-
	CAPM Unit Fund	-	650,000
		9,584,895	10,197,682
20	Interest income		
	SND Account-ONE Bank Ltd. (Banani branch)	5,344,579	2,577,102
	TDR-LankaBangla Finance Ltd.	459,015	4,947,343
	LBFL-Subordinated Tier-II Capital Bond	1,084,583	-
		6,888,177	7,524,445
21	Bank charges and excise duty		
	Bank charges-SND	3,635	2,099
	Bank charges-CD	1,065	1,190
	Excise duty-SND	40,000	12,000
	Excise duty-TDR	74,000	-
		118,700	15,289
22	Other expenses		
	IPO application fees	40,000	15,000
	BO account maintenance charge	1,800	1,800
		41,800	16,800

Notes	Particulars	Figures in Tk.	
		31 'Dec 2020	31 'Dec 2019
23	Unrealised gain/(loss) on securities for the year		
	Opening balance as at 01 January 2020	(75,942,325)	(14,687,907)
	Add: (Provision)/Write back of provision for the year	73,927,160	(61,254,418)
	Total unrealize loss for the year	(2,015,165)	(75,942,325)
24	Earnings per unit		
	Net profit/(loss) after provision for the year	106,806,679	(34,100,466)
	Number of units	37,727,675	38,107,675
	Earnings Per Unit (EPU) After Provision For the Year	2.83	(0.89)

For and on behalf of LankaBangla 1st Balanced Unit Fund


Trustee
Bangladesh General Insurance Company Ltd.


Asset Manager
LankaBangla Asset Management Company Ltd.



LankaBangla 1st Balanced Unit Fund
Investment in securities other than Mutual Fund
As at 31 December 2020

Sl. No.	Industry/Sector	Company name	No. of Shares	Average cost per share	Total acquisition cost	Market Price per share	Total Market Value	Annex A Figures in Tk. Excess / (Deficit)
1		BRAC Bank Limited	100,000	43.09	4,309,079	44.30	4,430,000	120,921
2	Bank	The City Bank Limited	100,000	25.17	2,517,109	24.80	2,480,000	(37,109)
3		United Commercial Bank Limited	500,000	14.42	7,208,847	14.10	7,050,000	(158,847)
4		Crystal Insurance Company Limited	19,277	10.00	192,770	39.40	759,514	566,744
5	Insurance	Green Delta Insurance Limited	200,000	58.72	11,744,558	61.60	12,320,000	575,442
6		Karnaphuli Insurance Company Limited	300,000	31.78	9,535,092	33.80	10,140,000	604,908
7		Pioneer Insurance Company Limited	60,000	78.70	4,722,276	75.30	4,518,000	(204,276)
8		ACI Limited	27,500	209.30	5,755,758	246.00	6,765,000	1,009,242
9	Pharmaceuticals	Beximco Pharmaceuticals Limited	50,000	127.22	6,361,145	190.50	9,525,000	3,163,855
10	&	Reckitt Benckiser (Bd.) Limited	5,000	3,724.63	18,623,168	4,046.80	20,234,000	1,610,832
11	Chemicals	Renata Limited	10,000	1,027.28	10,272,833	1,106.90	11,069,000	796,167
12		Square Pharmaceuticals Limited	150,000	190.76	28,613,586	219.50	32,925,000	4,311,414
13	Engineering	Dominage Steel Building Systems Limited	40,500	9.26	375,000	34.50	1,397,250	1,022,250
14		Walton Hi-Tech Industries Limited	10,000	484.39	4,843,868	1,113.80	11,138,000	6,294,132
15	Textile	Esquire Knit Composite Limited	64,178	45.00	2,888,010	26.30	1,687,881	(1,200,129)
16		Regent Textile Mills Limited	757,500	15.47	11,716,303	9.10	6,893,250	(4,823,053)
17		Doreen Power Generations and Systems Limited	200,000	57.24	11,448,079	61.00	12,200,000	751,921
18	Fuel & Power	MJL Bangladesh Limited	103,272	113.33	11,703,587	76.90	7,941,617	(3,761,970)
19		Summit Power Limited	272,998	38.73	10,573,073	38.90	10,619,622	46,549
20		United Power Generation & Distribution Company Ltd	71,500	285.46	20,410,651	263.50	18,840,250	(1,570,401)
21	Food & Allied	British American Tobacco bd. Limited	10,000	1,083.17	10,831,672	1,180.80	11,808,000	976,328
22		Olympic Industries Limited	78,110	244.05	19,062,532	191.10	14,926,821	(4,135,711)
23	IT Sector	Genex Infosys Limited	150,000	55.07	8,260,150	55.00	8,250,000	(10,150)
24		IT Consultants Limited	393,225	41.88	16,469,611	32.10	12,622,522	(3,847,088)
25	Cement	Confidence Cement Limited	287,500	148.52	42,699,260	121.30	34,873,750	(7,825,510)
26		Bangladesh Submarine Cable Limited	200,000	135.37	27,074,812	166.10	33,220,000	6,145,189
27	Telecommunication	Grameenphone Limited	95,000	459.03	43,607,508	347.10	32,974,500	(10,633,008)
28		Robi Axiata Limited	469,020	10.00	4,690,200	29.80	13,976,796	9,286,596
29	Travel & Leisure	SEA Pearl Beach Resort & SPA Limited	5,515	9.52	52,527	79.10	436,237	383,710
30		Unique Hotel & Resorts Limited	100,000	53.43	5,343,325	39.60	3,960,000	(1,383,325)
31	Miscellaneous	Berger Paints Bangladesh Limited	3,000	1,423.01	4,269,019	1,429.50	4,288,500	19,481
32		SK Trims & Industries Limited	135,000	62.78	8,474,857	62.20	8,397,000	(77,857)
		Total			374,650,265		372,667,511	(1,982,754)



Investment in IPO
LankaBangla 1st Balanced Unit Fund
As at 31 December 2020

Sl.No.	Sectors Name	Name of the Companies	No. of Shares	Average cost per share	Total acquisition cost	Market Price per share	Total Market Value	Annex A Excess / (Deficit)
1	Miscellaneous	Index Agro Industries Limited	72,400	69.00	4,995,600	69.00	4,995,600	-
		Total			4,995,600		4,995,600	

Investments in Mutual Fund
LankaBangla 1st Balanced Unit Fund
As at 31 December 2020

Sl.No.	Sector Name	Name of the Mutual Fund	No. of Units	Cost per unit	Total acquisition cost	Market Price per unit	Total Market Value	Figures in Tk. Excess / (Deficit)
1	Mutual Fund	CAPM Unit Fund	56,290	113.88	6,410,068	113.30	6,377,657	(32,411)
		Total			6,410,068		6,377,657	(32,411)

As per BSEC Circular No. SEC/CMRRCD/2009-193/172, dated 30 June 2015 Mutual Fund has separate provision method for investment in Mutual Funds which has been given below (Valuation of Mutual Fund is given in Annexure-B):

Sl.No.	Sector Name	Name of the Mutual Fund	No. of Units	Cost per unit	Total acquisition cost	Market Price per unit	Total Market Value	Figures in Tk. Excess / (Deficit)
1	Mutual Fund	CAPM Unit Fund	56,290	113.88	6,410,068	113.30	6,377,657	(32,411)

Sl.No.	Investment in securities at market price	Total cost price	Total market price	Figures in Tk. Excess / (Deficit)
1	Investment in securities other than Mutual Fund	374,650,265	372,667,511	(1,982,754)
2	Investments in Mutual Fund	6,410,068	6,377,657	(32,411)
	Total	381,060,333	379,045,168	2,015,165
1	Investment in IPO	4,995,600	4,995,600	-
	Total	4,995,600	4,995,600	-
	Grand Total	386,055,933	384,040,768	(2,015,165)



LankaBangla 1st Balanced Unit Fund
Valuation of Open End Mutual Fund
As at 31 December 2020

Annexure-B											
As per BSEC Circular No. SEC/CMRRCD/2009-193/172, dated 30 June 2015 Open End Mutual Fund											
Name of the Mutual Fund	Face Value	No. of Unit	Cost Price/Unit (Tk.)	Acquiring Price (Tk.)	Market Price/Unit (Tk.)	Latest Repurchase/Surrender Value	Unrealized Loss (based on MP)	Unrealized Gain/(Loss) per Unit	Particular Funds NAV (cmp) on 24/12/2020	5% discount on Current NAV (cmp)	Unrealized Loss (based on 5% Discount on Current NAV)
CAPM Unit Fund	100.00	56,290	113.88	6,410,068	113.30	6,377,657	(32,411)	(0.58)	114.80	109.06	(5.74)

