

**LankaBangla Al-Arafah Shariah Unit Fund**

For the year ended 31 December 2020

## LANKABANGLA AL-ARAFAH SHARIAH UNIT FUND

for the year ended 31st December 2020

### CONTENTS TABLE

SL. NO	PARTICULARS	PAGE NO.
1	Auditors' Report	(i-iii)
2	Statement of Financial Position	01
4	Statement of Profit or Loss and Other Comprehensive Income	02
5	Statement of Changes in Equity	03
6	Statement of Cash Flows	04
8	Notes of Financial Statement	05-15

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF LANKABANGLA AL-ARAFAH SHARIAH UNIT FUND**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying Financial Statements of **LankaBangla Al-Arafah Shariah Unit Fund** (hereinafter referred to as the "Fund") which comprise the statement of financial position as at 31 December 2020 and statement of profit or loss and other comprehensive income, statement of changes in equity and 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, the accompanying financial statements give true and fair view of the financial position of the Fund as at 31 December 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), Securities and Exchanges Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules 2001 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 Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants 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 (IESBA Code) requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Others Information**

The Management is responsible for the Other Information. The other information comprises all of the information in the Annual Report other than the financial statement and our auditor's 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 statement 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 statement, 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 statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. However, we have nothing to report regarding other information.



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

The Asset Manager of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance 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 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 and error.

In preparing the financial statements, management is responsible for assessing 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 there is any intention to liquidate the Fund or cease operations, or has no realistic alternative but to do so.

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

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

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guaranty that an audit conducted in accordance with ISAs will always detect a materials 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 IASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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:**

In accordance with the Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules 2001 and its 5<sup>th</sup> Schedule, we also report that

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of accounts as required by law have been kept by the Fund and so far as it appeared from our examination of these books;
- iii. the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated, Dhaka  
26<sup>th</sup> January 2021

  
**Pinaki Das, FCA**  
Senior Partner  
Enrolment No.-151  
Pinaki & Company  
Chartered Accountants

LankaBangla Al-Arafah Shariah Unit Fund

Statement of Financial Position

As at 31 December 2020

PARTICULARS	NOTES	Amount in Taka	
		31.12.2020	31.12.2019
		*Re-stated	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Preliminary and issue expenses	6	3,600,898	4,451,724
		<u>3,600,898</u>	<u>4,451,724</u>
<b>Current Assets</b>			
Investments (at market price)	7	265,462,318	219,493,375
Advance, deposit and prepayments	8	91,400	170,311
Accounts receivables	9	2,515,880	3,337,763
Cash and cash equivalents	10	29,434,919	16,485,844
		<u>297,504,517</u>	<u>239,487,293</u>
<b>TOTAL ASSETS (A)</b>		<b>301,105,415</b>	<b>243,939,017</b>
<b>LIABILITIES</b>			
Accounts payables	11	-	210,695
Liability for expenses	12	3,374,628	3,329,097
		<u>3,374,628</u>	<u>3,539,792</u>
<b>TOTAL LIABILITIES (B)</b>		<b>3,374,628</b>	<b>3,539,792</b>
<b>NET ASSETS (A-B)</b>		<b>297,730,787</b>	<b>240,399,225</b>
<b>OWNERS' EQUITY</b>			
Unit capital fund	13	306,973,040	306,405,000
Unit premium reserve	14	(13,431,438)	194,349
Retained earnings	15	7,312,748	7,886,312
Reserve for Unrealized Gain/Loss	16	(3,123,563)	(74,086,436)
		<u>297,730,787</u>	<u>240,399,225</u>
<b>Net Asset Value (NAV) Per Unit</b>			
At market price	17	9.70	7.85
At cost price	18	9.80	10.26

These financial statements should be read in conjunction with annexed notes

  
**Trustee**  
 Authorized Signatory of  
 Investment Corporation  
 of Bangladesh (ICB)



Dated, Dhaka  
 26th January 2021

  
**Asset Manager**  
 Authorized Signatory of  
 LankaBangla Asset Management  
 Company Ltd.

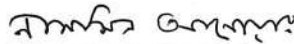
  
**Pinaki & Company**  
 Chartered Accountants



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2020**

PARTICULARS	NOTES	Amount in Taka	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>INCOME</b>			
Gain/(Loss) on sale of marketable securities	19	(690,635)	1,112,929
Dividend income	20	6,794,634	6,976,283
Profit on bank deposit and MTDR	21	1,552,656	1,166,800
		<b>7,656,655</b>	<b>9,256,012</b>
<b>EXPENSES</b>			
Management fees		5,186,028	5,840,385
Amortization of preliminary and issue expenses		850,826	848,501
CDBL settlement and demat charges		57,518	59,247
CDBL fees		46,252	35,288
Custodian fees		314,062	384,013
Trustee fees		376,618	434,354
BSEC annual fees		218,208	320,429
Audit fees		25,000	25,000
Brokerage commission		677,182	556,205
Selling agents' commission		25,698	79,352
Bank charge and excise duty		83,992	31,888
Advertisement and publication expenses		190,600	230,200
Other expenses	22	178,235	178,101
<b>Total Expenses</b>		<b>8,230,219</b>	<b>9,022,963</b>
<b>Profit/(Loss) Before Provision During the year (Distributable Profit)</b>		<b>(573,564)</b>	<b>233,049</b>
<b>Other Comprehensive Income</b>			
Unrealized Gain/(Loss) during the year		70,962,873	(66,464,081)
<b>Net Profit/(Loss) After Provision During the year</b>		<b>70,389,309</b>	<b>(66,231,032)</b>
<b>Earnings per unit (EPU) before provision during the year</b>	23.01	<b>(0.02)</b>	<b>0.01</b>
<b>Earnings per unit (EPU) after provision during the year</b>	23.02	<b>2.29</b>	<b>(2.16)</b>

These financial statements should be read in conjunction with annexed notes



Trustee

Authorized Signatory of  
Investment Corporation of  
Bangladesh (ICB)

Dated, Dhaka  
26th January 2021





Authorized Signatory of  
LankaBangla Asset  
Management Company Ltd.

  
Pinaki & Company  
Chartered Accountants

LankaBangla Al-Arafah Shariah Unit Fund  
Statement of Changes in Equity

For the year ended 31 December 2020

Particulars	Amount in Taka				
	Unit Capital Fund	Unit Premium/Discount	Retained Earnings	Reserve for Unrealized Gain/(Loss)	Total Equity
Opening balance as at 01 January 2020	306,405,000	194,349	7,886,312	(74,086,436)	240,399,225
Unit fund new subscription during the year	155,727,080	-	-	-	155,727,080
Unit fund surrender during the year	(155,159,040)	-	-	-	(155,159,040)
Unit premium during the year	-	29,173,143	-	-	29,173,143
Unit discount during the year	-	(42,798,930)	-	-	(42,798,930)
Net Profit/(Loss) after provision during the year	-	-	(573,564)	70,962,873	70,389,309
<b>Closing balance as at 31 December 2020</b>	<b>306,973,040</b>	<b>(13,431,438)</b>	<b>7,312,748</b>	<b>(3,123,563)</b>	<b>297,730,787</b>
Particulars	Unit Capital Fund	Unit Premium / Discount	Retained Earnings	Reserve for Unrealized Gain/(Loss)	Total Equity
Opening balance as at 01 January 2019	314,340,000	(706,915)	20,226,863	(7,622,355)	326,237,593
Unit fund new subscription during the year	8,670,500	-	-	-	8,670,500
Unit fund surrender during the year	(16,605,500)	-	-	-	(16,605,500)
Unit premium during the year	-	1,671,304	-	-	1,671,304
Unit discount during the year	-	(770,040)	-	-	(770,040)
Net Profit/(Loss) after provision during the year	-	-	233,049	(66,464,081)	(66,231,032)
Cash dividend paid	-	-	(12,573,600)	-	(12,573,600)
<b>Closing balance as at 31 December 2019</b>	<b>306,405,000</b>	<b>194,349</b>	<b>7,886,312</b>	<b>(74,086,436)</b>	<b>240,399,225</b>

  
Asset Manager

Trustee  
Authorized Signatory of Investment Corporation of  
Bangladesh (ICB)

Dated, Dhaka  
26th January 2021


Authorized Signatory of LankaBangla Asset Management Company Ltd.





**LankaBangla Al-Arafah Shariah Unit Fund**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

PARTICULERS	NOTES	Amount in Taka	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>A. Cash flows from operating activities</b>			
Gain on sale of securities		326,164	(909,558)
Dividend income received in cash		7,975,906	5,877,422
Profit on bank deposit and MTDR		1,288,108	1,805,588
Payment made for expenses		(6,672,662)	(8,315,000)
<b>Net Cash from Operating Activities</b>		<b>2,917,516</b>	<b>(1,541,548)</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of shares from secondary market		(199,404,056)	(214,974,847)
Investments in IPO		(77,119,392)	(24,500,000)
Investments returned from IPO		56,922,252	18,496,870
Proceeds from sale of shares in secondary market		242,690,502	193,188,256
<b>Net Cash from Investing Activities</b>		<b>23,089,306</b>	<b>(27,789,721)</b>
<b>C. Cash Flows from Financing Activities</b>			
Proceeds from issuance of units		46,778,683	10,341,805
Payments made for re-purchase of units		(59,836,430)	(17,375,542)
Dividend paid		-	(12,573,600)
<b>Net Cash from Financing Activities</b>		<b>(13,057,747)</b>	<b>(19,607,337)</b>
<b>Net cash flows (A+B+C)</b>		<b>12,949,075</b>	<b>(48,938,606)</b>
Cash and cash equivalents at the beginning of the year		16,485,844	65,424,450
<b>Cash and cash equivalents at the end of the year</b>		<b>29,434,919</b>	<b>16,485,844</b>
<b>Net Operating Cash Flows Per Unit (NOCFU)</b>	<b>24</b>	<b>0.10</b>	<b>(0.05)</b>

  
**Trustee**  
 Authorized Signatory of  
 Investment Corporation of  
 Bangladesh (ICB)

Dated, Dhaka  
 26th January 2021



  
**Asset Manager**  
 Authorized Signatory of  
 LankaBangla Asset Management  
 Company Ltd.



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to The Financial Statements**  
**For the year ended 31 December 2020**

**1.0 Introduction**

LankaBangla Al-Arafah Shariah Unit Fund (hereafter called as "the Fund") was established under a Trust Deed signed on May 17, 2017 between Al-Arafah Islami Bank Limited Employees' Gratuity Fund Trust as a 'Sponsor' and Investment Corporation of Bangladesh (ICB) as a "Trustee". The Fund was registered under the Trust Act 1882 and subsequently registered with Bangladesh Securities and Exchange Commission (BSEC) on July 06, 2017 vide Registration code no. BSEC/Mutual Fund/2017/81 under Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001. The operations of the Fund were commenced on April 02, 2018.

Al-Arafah Islami Bank Limited Employees' Gratuity Fund Trust is the Sponsor of the Fund while Investment Corporation of Bangladesh (ICB) is the Trustee and Custodian of the Fund. LankaBangla Asset Management Company Limited is managing the operations of the Fund.

**2.0 Closure of Accounting year of the Fund**

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

**3.0 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.

**4.0 Significant Accounting Policies**

**4.01 Basis of Accounting**

These financial statements are prepared under historical cost convention and in conformity with the Generally Accepted Accounting Principles (GAAP) following International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and comply with Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001 and other applicable rules and regulation.

**4.02 Valuation Policy**

a) Listed securities (other than mutual fund) are valued on a conservative basis at cost price. 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.

b) Stock dividend (Bonus shares) is added with existing shares with at zero cost.

**4.03 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 will recognize on the declaration of dividend and subsequent approval by Annual General Meeting (AGM).

iii) Profit from bank deposit and MTDR is recognized on accrual basis.





**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to The Financial Statements**  
**For the year ended 31 December 2020**

**4.04 Preliminary and Issue Expenses**

Preliminary and issue expenses are being written off over a period of seven years on a straight-line method.

**4.05 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) Rules, 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

**4.06 Trustee Fees**

The Trustee is entitled to an annual Trusteeship Fee of @ 0.15% of the Net Asset Value (NAV) of the Fund only payable semi-annually in advance basis during the life of the Fund as per Trust Deed.

**4.07 Selling Agents' Commission**

The Fund pays commissions to the authorized selling agent(s) appointed by the Asset Management Company at 1.00% on subscription amount.

**4.08 Custodian Fees**

Investment Corporation of Bangladesh (ICB), the custodian of the Fund is entitled to receive a safekeeping fee @ 0.15% on the balance of securities held by the Fund calculated on the average month end value per annum as per Trust Deed.

**4.09 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 বিনিয়োগা 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.





**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to The Financial Statements**  
**For the year ended 31 December 2020**

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 at the rate of **0% per unit** for the period ended 31 December 2020 at its meeting held on **26<sup>th</sup> January 2021**.

**4.13 Provision**

A provision is recognized if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting period according to IAS -37.

**4.14 Departure from IFRS and IAS**

- a. The Fund has written off Preliminary and issue expenses over a period of seven (07) years on a straight-line method according to Rule-65(3) Ka of Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with Paragraph 69(a) of IAS 38 'Intangible Assets ', as it states that "no intangible or other asset is recognized when expenditure on start-up activities (i.e., Start-up costs) is incurred to provide future economic benefits".
- b. The Fund is required to maintain provision for the erosion on value of marketable securities according Rule-67(1) of Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with IAS 39.

**5.0 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.



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**As at 31 December 2020**

No.	Particulars	Amount in Taka	
		31.12.2020	31.12.2019
<b>06.00</b>	<b>Preliminary and issue expenses</b>		
	Opening balance	4,451,724	5,300,224
	Amortization during the year	(850,826)	(848,500)
		<b>3,600,898</b>	<b>4,451,724</b>
<b>07.00</b>	<b>Investments (Annexure-A)</b>		<b>*Re-stated</b>
	Investment in marketable securities - at market price	260,466,718	211,068,175
	Investment in securities -IPO	4,995,600	-
	Investment in Mutual Fund- at market price	-	8,425,200
		<b>265,462,318</b>	<b>219,493,375</b>
	**** "In the audited financial statement for the year ended 2019 of LankaBangla Al-Arafah Shariah Unit Fund had shown the investments at cost price of Tk. 293,579,810.95 which is now restated to market price of Tk.219,493,375.20"****		
<b>08.00</b>	<b>Advance, Deposit and Prepayments</b>		
	Trustee fee ICB	-	23,673
	Annual fee to BSEC	80,940	135,926
	Annual fees-CDBL	10,460	10,712
		<b>91,400</b>	<b>170,311</b>
<b>09.00</b>	<b>Accounts Receivable</b>		
	<b>Profit Receivable</b>		
	Accrued profit on bank deposit-MSND	264,549	-
	Cash dividend receivable	2,251,331	3,337,763
		<b>2,515,880</b>	<b>3,337,763</b>
			<b>Note:9.01</b>
<b>09.01</b>	<b>Cash Dividend Receivable</b>		
	Active Fine Chemicals Limited	-	180,000
	Beximco Pharmaceuticals Limited	-	259,472
	Renata Limited	52,000	70,000
	Silco Pharmaceuticals Limited	-	3,798
	Square Pharmaceuticals Limited	719,335	483,000
	Shahjibazar Power Co. Limited	-	705,561
	Olympic Industries Limited	390,000	250,000
	BBS Cables Limited	360,906	320,000
	<b>Balance Carried Forward</b>	<b>1,522,241</b>	<b>2,271,830</b>



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**As at 31 December 2020**

No.	Particulars	Amount in Taka	
		31.12.2020	31.12.2019
<b>09.01</b>	<b>Cash Dividend Receivable</b>		
	Balance Brought Forward	1,522,241	2,271,830
	Coppertech Industries Limited	-	8,333
	Dominage Steel Building Systems Limited	7,500	-
	Genex Infosys Limited	-	3,522
	IT Consultants Limite	300,000	350,000
	Bangladesh Submarine Cable Company Limited	240,000	-
	Esquire Knit Composite Limited	150,000	252,533
	New Line Clothings Limited	-	5,844
	Ring Shine Textiles Limited	31,038	-
	Square Textile Limited	-	60,996
	SEA Pearl Beach Resort & SPA Limited	552	-
	Unique Hotel & Resorts Limited	-	384,704
		<b>2,251,331</b>	<b>3,337,763</b>
<b>10.00</b>	<b>Cash and Cash Equivalent</b>		
	Cash at bank-MSND Account with <b>Note: 10.01</b>	29,408,229	16,455,128
	Cash at bank - CD Account with <b>Note: 10.02</b>	26,690	30,716
		<b>29,434,919</b>	<b>16,485,844</b>
<b>10.01</b>	<b>Cash at Bank-MSND Account with</b>		
	Al-Arafah Islami Bank Ltd. (Banani Branch) Acc. No.01301	29,408,229	16,455,128
		<b>29,408,229</b>	<b>16,455,128</b>
	*****Provisional profit rate on bank balance of LankaBangla Al-Arafah Shariah Unit Fund is 5.5% p.a*****		
<b>10.02</b>	<b>Cash at Bank - CD Account with</b>		
	Al-Arafah Islami Bank Ltd. (Banani Branch ) Acc. No. 16395	26,690	30,716
		<b>26,690</b>	<b>30,716</b>
<b>11.00</b>	<b>Accounts Payable</b>		
	Broker house-Share purchase	-	210,695
		<b>-</b>	<b>210,695</b>
<b>12.00</b>	<b>Liability for Expenses</b>		
	Management fees	2,697,410	2,797,874
	Custodian fees	159,997	169,529
	Audit fees	25,000	25,000
	Selling agents' commission	155,950	130,252
	Trustee fees	37,938	-
	Advertisement and publication expenses	12,000	15,000
	Dividend purification	286,282	191,442
	Other payable	51	-
		<b>3,374,628</b>	<b>3,329,097</b>





**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**As at 31 December 2020**

No.	Particulars	Amount in Taka	
		31.12.2020	31.12.2019
<b>13.00 Unit Fund</b>			
	Opening Balance	306,405,000	314,340,000
	Add: New subscription during the year of 15,572,708 units of Taka 10 each	155,727,080	8,670,500
	Less: New surrendered during the year of 15,515,904 units of Taka 10 each	(155,159,040)	(16,605,500)
		<b>306,973,040</b>	<b>306,405,000</b>
<b>14.00 Unit premium reserve</b>			
	Opening balance	194,349	(706,915)
	Add: Unit premium during the year	29,173,143	1,671,304
	Less: Unit discount during the year	(42,798,930)	(770,040)
		<b>(13,431,438)</b>	<b>194,349</b>
<b>15.00 Retained earnings</b>			
	Opening balance	7,886,312	20,226,863
	Add: Net Profit/ (Loss) during the year	(573,564)	233,049
	Less: Dividend Paid during the year	-	(12,573,600)
		<b>7,312,748</b>	<b>7,886,312</b>
<b>16.00 Reserve for Unrealized Gain/(Loss)</b>			
	Opening balance	(74,086,436)	(7,622,355)
	Add: Unrealized Gain/(Loss) during the year	70,962,873	(66,464,081)
		<b>(3,123,563)</b>	<b>(74,086,436)</b>
<b>*Re-stated</b>			
<b>17.00 Net Asset Value (NAV) per unit at market price</b>			
	Total asset value at market price	301,105,415	243,939,017
	Less: Accounts payable	-	(210,695)
	Less: Liability for expenses	(3,374,628)	(3,329,097)
		<b>297,730,787</b>	<b>240,399,225</b>
	Number of units	30,697,304	30,640,500
	NAV per unit at market price	<b>9.70</b>	<b>7.85</b>
<b>18.00 Net Asset Value (NAV) per unit at cost price</b>			
	Net asset value at cost price	297,730,787	240,399,225
	Unrealized Gain/ (Loss) of marketable securities as at 31 December 2020	3,123,563	74,086,436
		<b>300,854,350</b>	<b>314,485,661</b>
	Number of units	30,697,304	30,640,500
	NAV per unit at cost price	<b>9.80</b>	<b>10.26</b>



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

No.	Particular	Amount in Taka	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>19.00</b>	<b>Gain/(Loss) on sale of marketable securities</b>		
	Al-Arafah Islami Bank Limited	-	(364,363)
	Shahjalal Islami Bank Limited	-	(407,984)
	Islami Bank Bangladesh Limited	(33,459)	-
	Takaful Islami Insurance Limited	(148,810)	-
	Active Fine Chemicals Limited	(4,229,939)	(309,573)
	AFC Agro Biotech Limited	-	347,933
	Beximco Pharmaceuticals Limited	4,754,806	574,510
	Indo-Bangla Pharmaceuticals Limited	-	19,240
	Renata Limited	(346,721)	1,474,827
	Salvo Chemical Industry Limited	(1,239,541)	(672,782)
	Silco Pharmaceuticals Limited	292,014	301,893
	Silva Pharmaceuticals Limited	-	444,396
	Square Pharmaceuticals Limited	-	(854,801)
	Associated Oxygen Limited	495,508	-
	Intraco Refueling Station Limited	(2,346,369)	-
	Linde Bangladesh Limited	(1,831,885)	543,816
	MJL Bangladesh Limited	-	(65,077)
	Shahjibazar Power Co. Limited	(388,417)	-
	Summit Power Limited	-	(463,722)
	United Power Generation & Distribution	403,264	-
	BBS Cables Limited	(928,630)	-
	Coppertech Industries Limited	177,016	347,460
	Dominage Steel Building Systems Limited	1,092,778	-
	Singer Bangladesh Limited	-	2,110,390
	Nahee Aluminium Composite Panel Ltd.	437,765	-
	S. S. Steel Limited	48,103	860,016
	Walton Hi-Tech Industries Ltd.	4,266,338	-
	Bangladesh Submarine Cable Company Limited	420,552	-
	Grameenphone Limited	-	(4,597,484)
	Aamra Networks Limited	1,072,013	-
	ADN Telecom Limited	719,966	-
	Genex Infosys Limited	416,320	794,620
	IT Consultants Limited	(1,427,343)	(608,991)
	Olympic Industries Limited	-	(2,079,493)
	Fortune Shoes Limited	7,913	-
	Esquire Knit Composite Ltd.	(827,449)	-
	Kattali Textile Limited	-	369,273
	M.L. Dyeing Limited	-	281,724
	New Line Clothings Limited	116,154	212,820
	Pacific Denims Limited	-	(48,786)
	Ring Shine Textiles Limited	(670,239)	1,530,687
	Square Textile Limited	(475,385)	-
	VFS Thread Dyeing Limited	-	434,734
	Unilever Consumer Care Limited	1,402,569	-
	Eastern Housing Limited	(157,807)	152,806
	Sea Pearl Beach Resort & Spa Limited	285,265	310,560
	<b>Balance Carried Forward</b>	<b>1,356,350</b>	<b>638,648</b>



**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

No.	Particular	Amount in Taka	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
	<b>Balance Brought Forward</b>		
	Unique Hotel & Resorts Limited	1,356,350	638,648
	IBBL Mudaraba Perpetual Bond	(1,556,620)	(32,995)
	AIBL 1st Islamic Mutual Fund	-	165
	SK Trims & Industries Limited	(490,365)	-
		-	507,110
		<b>(690,635)</b>	<b>1,112,929</b>

**20.00 Dividend income**

Islami Bank Bangladesh Limited	1,180,000	680,000
Active Fine Chemicals Limited	-	180,000
Beximco Pharmaceuticals Limited	-	258,511
Indo-Bangla Pharmaceuticals Limited	-	3
Renata Limited	51,407	69,972
Silco Pharmaceuticals Limited	23	3,798
Square Pharmaceuticals Limited	689,986	477,252
Linde Bangladesh Limited	757,925	-
Shahjibazar Power Co. Limited	58	705,490
United Power Generation & Distribution Company Ltd.	413,250	-
LafargeHolcim Bangladesh Limited	98,960	-
BBS Cables Limited	360,689	319,744
Coppertech Industries Limited	4	8,333
Dominage Steel Building Systems Limited	7,497	-
Singer Bangladesh Limited	346,465	-
Walton Hi-Tech Industries Ltd.	443,190	-
Genex Infosys Limited	27	3,522
IT Consultants Limited	295,050	340,340
Esquire Knit Composite Limited	149,387	252,533
Kattali Textile Limited	-	13
M.L. Dyeing Limited	-	8
New Line Clothings Limited	11	5,844
Ring Shine Textiles Limited	31,029	-
Square Textile Limited	-	60,380
VFS Thread Dyeing Limited	-	44
Bangladesh Submarine Cable Company Limited	224,136	-
Grameenphone Limited	1,364,486	1,956,080
Olympic Industries Limited	380,484	244,725
Sea Pearl Beach Resort & Spa Limited	570	-
Unique Hotel & Resorts Limited	-	369,816
Eastern Housing Limited	-	199,840
SK Trims & Industries Limited	-	35
AIBL 1st Islamic Mutual Fund	-	840,000
	<b>6,794,634</b>	<b>6,976,283</b>





**LankaBangla Al-Arafah Shariah Unit Fund**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

No.	Particular	Amount in Taka	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>21.00</b>	<b>Profit on bank deposit and MTDR</b>		
	MSND Account with:		
	Al-Arafah Islami Bank Ltd. (Banani Branch)	1,552,656	1,166,800
		<b>1,552,656</b>	<b>1,166,800</b>
<b>22.00</b>	<b>Other expenses</b>		
	Shariah board meeting expenses	47,835	66,301
	Trustee meeting expenses	100,000	95,000
	IPO application fees	29,000	15,000
	BO account maintenance charges	1,400	1,800
		<b>178,235</b>	<b>178,101</b>
<b>23.00</b>	<b>Earnings per unit (EPU)</b>		
<b>23.01</b>	<b>Earnings per unit (EPU) before provision during the year</b>		
	Net Profit/(Loss) before provision during the year	(573,564)	233,049
	Number of units	30,697,304	30,640,500
	Earnings per unit during the year	(0.02)	0.01
<b>23.02</b>	<b>Earnings per unit (EPU) after provision during the year</b>		
	Net Profit/(Loss) after provision during the year	70,389,309	(66,231,032)
	Number of units	30,697,304	30,640,500
	Earnings per unit during the year	2.29	(2.16)
<b>24.00</b>	<b>Cash flows from operating activities</b>		
	Net Cash from Operating Activities	2,917,516	(1,541,548)
	Number of units	30,697,304	30,640,500
	Net Operating Cash Flows Per Unit (NOCFU)	0.10	(0.05)



LankaBangla Al-Arafah Shariah Share Fund  
Investment in Marketable Securities  
As at 31 December 2020

Sectors' Name	Name of the Companies	No. of Shares	Average Cost Price Per Share	Market Price Per Share	Total Acquisition Cost	Total Market Value	Annexure-A	
							Amount in Taka	
							Gain/(Loss)	
Bank	Islami Bank Bangladesh Limited	1,000,000	23.04	26.80	23,043,316	26,800,000	3,756,684	
Insurance	Takaful Islami Insurance Limited	150,000	48.09	47.50	7,213,772	7,125,000	(88,772)	
Pharmaceuticals	Beximco Pharmaceuticals Limited	50,000	174.60	190.50	8,730,132	9,525,000	794,868	
	Reckitt Benckiser(Bd.) Limited	1,000	3,851.09	4,046.80	3,851,092	4,046,800	195,708	
	Renata Limited	7,000	1,095.89	1,106.90	7,671,202	7,748,300	77,098	
	Square Pharmaceuticals Limited	160,702	241.89	219.50	38,872,664	35,274,089	(3,598,575)	
Engineering	BBS Cables Limited	396,996	78.61	54.80	31,208,480	21,755,381	(9,453,099)	
	Dominage Steel Building Systems Limited	3,000	9.26	34.50	27,778	103,500	75,722	
	Singer Bangladesh Limited	100,000	169.76	175.60	16,975,813	17,560,000	584,187	
	Walton Hi-Tech Industries Limited	5,200	449.00	1,113.80	2,334,800	5,791,760	3,456,960	
Textile	Esquire Knit Composite Limited	100,000	43.45	26.30	4,345,342	2,630,000	(1,715,342)	
	Ring Shine Textiles Limited	3,103	8.61	6.40	26,716	19,859	(6,856)	
Fule & Power	United Power Generation & Distribution Company Ltd.	50,000	278.87	263.50	13,943,627	13,175,000	(768,627)	
Cement	LafargeHolcim Bangladesh Limited	100,000	48.05	47.80	4,804,520	4,780,000	(24,520)	
	National Tea Company Limited	4,000	454.40	454.10	1,817,605	1,816,400	(1,205)	
Food & Allied	Olympic Industries Limited	85,000	213.88	191.10	18,180,112	16,243,500	(1,936,612)	
	IT Consultants Limited	630,000	38.35	32.10	24,162,398	20,223,000	(3,939,398)	
Telecommunication	Bangladesh Submarine Cables Company Limited	121,596	134.84	166.10	16,395,853	20,197,096	3,801,243	
	Grameenphone Limited	90,000	391.58	347.10	35,242,334	31,239,000	(4,003,334)	
Travel & Leisure	Robi Axiata Limited	469,020	10.00	29.80	4,690,200	13,976,796	9,286,596	
	SEA Pearl Beach Resort & SPA Limited	5,515	9.52	79.10	52,526	436,237	383,711	
	<b>Total</b>	<b>2,324,132</b>			<b>263,590,282</b>	<b>260,466,718</b>	<b>(3,123,563)</b>	



LankaBangla Al-Arafah Shariah Share Fund  
Investment in securities - IPO  
As at 31 December 2020

Sector Name	Name of the Company	No. of Shares	Average Cost Price Per Share	Market Price Per Share	Total Acquisition Cost	Total Market Value	Annexure-A	
							Amount in Taka	Gain/(Loss)
Miscellaneous	Index Agro Industries Limited	72,400	69.00	69.00	4,995,600	4,995,600	-	-
		72,400			4,995,600	4,995,600		
		2,396,532			268,585,882	265,462,318		(3,123,563)

Investment in securities	Amount in Taka	
	Total Cost Price	Total Market Price
Investment in Marketable Securities	263,590,282	260,466,718
Investment in securities -IPO	4,995,600	4,995,600
<b>Total</b>	<b>268,585,882</b>	<b>265,462,318</b>
		<b>(3,123,563)</b>

