

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

**LankaBangla Asset Management Company Ltd.
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 2021**

**LankaBangla 1st Balanced Unit Fund
For the year ended 31 December 2021**

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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 2021 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 2021 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.

02 February 2022
Dhaka, Bangladesh

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants
Reg. No.:23556/79

Signed by:

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

DVC: 2202030804AS975890

LankaBangla 1st Balanced Unit Fund
Statement of Financial Position (Balance Sheet)
As at 31 December 2021

Figures in Tk.

Particulars	Notes	31 Dec 2021	31 Dec 2020
Assets			
Investments at market price	5	342,034,427	384,040,768
Investment in non-listed securities (Bond)	6	25,000,000	30,000,000
Preliminary and issue expenses	7	843,011	1,302,263
Deposit and prepayments	8	622,393	496,355
Other receivables	9	26,940,411	17,106,542
Cash and cash equivalents	10	127,314,829	45,991,467
Total Assets		522,755,071	478,937,395
Liabilities			
Accounts payable	11	-	2,751,863
Liability for expenses	12	4,821,774	4,150,684
Unclaimed dividend account		-	-
Total Liabilities		4,821,774	6,902,547
Net Assets		517,933,297	472,034,848
Owners' Equity			
Unit capital fund	13	377,982,260	377,276,750
Unit premium reserve	14	15,345,532	15,144,591
Retained earnings		103,694,765	79,613,507
Fair value gain/(loss) on securities	15	20,910,740	-
Total Equity		517,933,297	472,034,848
Net Asset Value (NAV) per unit:			
At cost price	16	13.15	12.57
At market price	17	13.70	12.51

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

Signed 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

02 February 2022

Dhaka, Bangladesh

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants



Signed by:

Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrollment # 804
DVC: 2202030804AS975890

LankaBangla 1st Balanced Unit Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2021

Figures in Tk.

Particulars	Notes	2021	2020
Income			
Gain on sale of securities	18	72,974,838	27,308,806
Dividend income	19	12,814,353	9,584,895
Interest income	20	5,517,667	6,888,177
		91,306,858	43,781,878
Less : Operating expenses			
Management fees		8,724,293	7,356,170
Amortization of preliminary and issue expenses		459,252	460,511
CDBL settlement and demat charges		192,044	118,172
CDBL fees		46,000	46,000
Custodian fees		211,972	188,796
Trustee fees		484,828	390,138
BSEC annual fees		435,141	371,742
Brokerage commission		1,676,458	1,567,375
Selling agents' commission		2,507	7,355
Audit fees		45,000	45,000
Bank charges and excise duty	21	87,958	118,700
Printing and publication expenses		239,000	190,600
Other expenses	22	44,800	41,800
Total expenses		12,649,253	10,902,359
Profit/(loss) before provision for the year		78,657,605	32,879,519
Add/(Less): (Provision)/Write back of provision for the year	23	2,015,165	73,927,160
Net Profit/(loss) after provision for the year		80,672,770	106,806,679
Add: Other comprehensive income			
Fair value gain/(loss) on securities for the year	15	20,910,740	-
Total comprehensive income		101,583,510	106,806,679
Earnings per unit for the year	24	2.13	2.83

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

Signed 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

02 February 2022

Dhaka, Bangladesh

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants



Signed by:

Md. Aftab Uddin Ahmed FCA
Senior Partner

ICAB Enrollment # 804

DVC: 2202030804AS975890

LankaBangla 1st Balanced Unit Fund
Statement of Changes in Equity
For the year ended 31 December 2021

Figures in Tk.

Particulars	Unit capital fund	Unit premium/discount	Retained earnings	Fair value gain/(loss) on securities	Total equity
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
Opening balance as at 01 January 2021	377,276,750	15,144,591	79,613,507	-	472,034,848
Unit fund raised for the year	1,391,660	-	-	-	1,391,660
Unit fund surrender for the year	(686,150)	-	-	-	(686,150)
Unit premium reserve for the year	-	438,713	-	-	438,713
Unit discount for the year	-	(237,772)	-	-	(237,772)
Net profit/(loss) after provision for the year	-	-	80,672,770	-	80,672,770
Cash dividend paid	-	-	(56,591,512)	-	(56,591,512)
Fair value gain/(loss) on securities for the year	-	-	-	20,910,740	20,910,740
Closing balance as at 31 December 2021	377,982,260	15,345,532	103,694,765	20,910,740	517,933,297

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

Signed 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

02 February 2022
Dhaka, Bangladesh

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
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LankaBangla 1st Balanced Unit Fund
Statement of Cash Flows
For the year ended 31 December 2021

Particulars	Figures in Tk.	
	2021	2020
A. Cash flows from operating activities		
Gain on sale of securities, net of brokerage commission	72,200,178	25,122,338
Dividend income	9,973,607	10,480,690
Interest income	5,919,830	10,627,296
Deposit and prepayments	(126,038)	(742,463)
Payment made for expenses	(9,842,452)	(7,809,953)
Net cash flows from/(used in) operating activities	78,125,125	37,677,908
B. Cash flows from investing activities		
Acquisition of shares from secondary market	(531,153,456)	(629,807,676)
Proceeds from sale of shares in secondary market	613,460,420	594,289,633
Investments in IPO	(111,040,340)	(85,485,712)
Investments returned from IPO	82,616,660	63,745,712
Investments return from money market-TDR	-	95,000,000
Investments return from Non Listed Bond	5,000,000	-
Investments in Non Listed Bond	-	(30,000,000)
Net cash flows from/(used in) investing activities	58,883,284	7,741,957
C. Cash flows from financing activities		
Proceeds from issuance of units	1,830,387	1,780,037
Payments made for re-purchase of units	(923,922)	(5,756,561)
Dividend paid	(56,591,512)	-
Net cash flows from/(used in) financing activities	(55,685,047)	(3,976,524)
D. Net Cash Inflows/Outflows for the year (A+B+C)	81,323,362	41,443,341
E. Cash and cash equivalents at the beginning of the year	45,991,467	4,548,126
F. Cash and cash equivalents at the end of the year (D+E)	127,314,829	45,991,467
Net operating cash flows per unit (NOCFU)	2.07	1.00

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

Signed 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

02 February 2022

Dhaka, Bangladesh

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants


Signed by:
Md. Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrollment # 804
DVC: 2202030804AS975890

**LankaBangla 1st Balanced Unit Fund
Notes to the Financial Statements
For the year ended 31 December 2021**

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 Fund was eligible 29.50% cash dividend as on June 30, 2021 on investment in CAPM Unit Fund for Tk. 1,660,555 but instead of cash dividend fund received 13,280 units @ Tk. 124.99 per unit and remaining Tk. 687.80 received as cash.

4.12 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.

4.13 Events after the reporting period

The Board of Trustees of the Fund has declared and approved dividend of 16% (i.e. Taka 1.60 per unit) for the year ended 31 December 2021 at its meeting held on 02 February 2022.

4.14 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-21	31-Dec-20
5	Investments at market price		
	Investments at market price (Annexure-A)	341,940,917	379,045,168
	Investment in IPO (Annexure-A)	93,510	4,995,600
		<u>342,034,427</u>	<u>384,040,768</u>
	As per 2 (GA) of Schedule six of Securities and Exchange Commission 'Mutual Fund Bidhimala 2001' The fund have no non-performing investment (investment more than two years without return) for the year.		
6	Investment in Non-Listed securities (Bond)		
	LankaBangla Finance Limited-Subordinated Tier-II Capital Bond	<u>25,000,000</u>	<u>30,000,000</u>
7	Preliminary and issue expenses		
	Opening balance	1,302,263	1,762,774
	Less: Amortization made for the year	(459,252)	(460,511)
		<u>843,011</u>	<u>1,302,263</u>
8	Deposit and prepayments		
	Security deposit-Central Depository Bangladesh	<u>300,000</u>	<u>300,000</u>
	Prepayments		
	Annual fees - BSEC	278,283	152,245
	Annual fees - CDBL	44,110	44,110
		<u>322,393</u>	<u>196,355</u>
		<u>622,393</u>	<u>496,355</u>
9	Other receivables		
	Receivable from broker house	-	12,982,346
	Accrued bank interest-SND	102,587	137,943
	Accrued interest-Non Listed Bond	717,777	1,084,584
	IPO share receivable (Note-9.1)	22,037,500	-
	Dividend receivables (Note-9.2)	4,082,548	2,901,669
		<u>26,940,412</u>	<u>17,106,542</u>
9.1	Tk. 21,400,000 receivable from IPO share application of Union Bank Limited and Tk. 637,500 receivable from IPO share application of BD Thai Food and Beverage Limited		
9.2	Dividend receivables		
	ACI Limited	178,750	200,000
	The ACME Laboratories Limited	250,000	-
	Beximco Pharmaceuticals Limited	350,000	37,500
	Renata Limited	-	130,000
	Square Pharmaceuticals Limited	420,000	235,000
	BSRM Steels Limited	400,000	-
	Dominage Steel Building Systems Limited	-	7,500
	GPH Ispat Limited	300,000	-
	Nialco Alloys Limited	41,298	-
	Doreen Power Generations and Systems Limited	130,000	116,100
	MJL Bangladesh Limited	412,500	450,000
	United Power Generation & Distribution Company Limited	510,000	-
	Olympic Industries Limited	270,000	364,000
	Bangladesh Submarine Cable Company Limited	370,000	500,000
	Genex Infosys Limited	150,000	200,000
	IT Consultants Limited	-	187,250
	Esquire Knit Composite Limited	-	96,267
	Regent Textile Mills Limited	-	75,000
	Sea Pearl Beach Resort & Spa Limited	-	552
	Unique Hotel & Resorts Limited	125,000	100,000
	Bangladesh Export Import Company Limited	175,000	-
	SK Trims & Industries Limited	-	202,500
		<u>4,082,548</u>	<u>2,901,669</u>



Notes	Particulars	31-Dec-21	31-Dec-20
10	Cash and cash equivalents		
	Cash at bank - SND Account with:		
	ONE Bank Ltd. (Banani branch)	127,172,447	45,970,267
	Cash at bank - SND Account (Dividend) with:		
	ONE Bank Ltd. (Banani branch)	114,292	-
	Cash at bank - CD Account with:		
	ONE Bank Ltd. (Banani branch)	28,090	21,200
		<u>127,314,829</u>	<u>45,991,467</u>
11	Accounts payable		
	Broker house- Share purchase	-	2,751,863
12	Liability for expenses		
	Management fees	4,621,715	3,914,432
	Trustee fee	20,676	33,952
	Custodian fees	121,878	113,402
	Selling agents' commission	476	31,881
	Advertisement expenses	12,000	12,000
	Audit fees	45,000	45,000
	Others payable	29	17
		<u>4,821,774</u>	<u>4,150,684</u>
13	Unit capital fund		
	Opening balance	377,276,750	381,076,750
	Add: New subscription 139,166 units @ Tk. 10 per unit	1,391,660	1,654,090
	Less: Surrender 68,615 units @ Tk. 10 per unit	(686,150)	(5,454,090)
	Closing balance	<u>377,982,260</u>	<u>377,276,750</u>
14	Unit premium reserve		
	Opening balance	15,144,591	15,321,114
	Add: Unit premium for the year	438,713	125,947
	Less: Unit discount for the year	(237,772)	(302,470)
	Closing balance	<u>15,345,532</u>	<u>15,144,591</u>
15	Fair value gain/(loss) on securities for the year		
	Opening balance	-	-
	Fair value gain/(loss) on securities (Annexure-A)	20,910,740	-
		<u>20,910,740</u>	-
16	Net Asset Value (NAV) per unit at cost		
	Total net asset value at market	517,933,297	472,034,848
	Less: Fair value gain/(loss) on securities for the year	(20,910,740)	2,015,165
		<u>497,022,557</u>	<u>474,050,013</u>
	Number of units	37,798,226	37,727,675
	NAV per unit at cost	<u>13.15</u>	<u>12.57</u>
17	Net Asset Value (NAV) per unit at market price		
	Total net asset value at market price	517,933,297	472,034,848
	Number of units	37,798,226	37,727,675
	NAV per unit at market price	<u>13.70</u>	<u>12.51</u>




Notes	Particulars	31-Dec-21	31-Dec-20
18	Gain/(Loss) on sale of securities		
	BRAC Bank Limited	2,267,058	4,280,025
	The City Bank limited	128,015	(11,201,182)
	Dhaka Bank Limited	-	(98,748)
	Dutch-Bangla Bank Limited	(1,247,105)	-
	NRB Commercial Bank Limited	469,352	-
	South Bangla Agriculture & Commerce Bank Limited	1,634,898	-
	United Commercial Bank Limited	3,218,627	-
	IDLC Finance Limited	2,234,420	1,146,924
	Asia Pacific General Insurance Co. Limited	(1,204,592)	-
	City General Insurance Co. Limited	394,606	-
	Continental Insurance Limited	1,371,474	-
	Crystal Insurance Company Limited	808,780	-
	Desh General Insurance Company Limited	351,818	-
	Express Insurance Limited	-	1,969,632
	Fareast Islami Life Insurance Co. Limited	(1,580,944)	-
	Green Delta Insurance Limited	2,507,820	631,596
	Karnaphuli Insurance Company Limited	2,400,363	-
	Pioneer Insurance Company Limited	(362,492)	394,917
	Rupali Insurance Company Limited	1,058,642	1,019,207
	Sonali Life Insurance Company Limited	1,444,476	-
	ACI Limited	-	99,978
	Active Fine Chemicals Limited	-	337,209
	Beximco Pharmaceuticals Limited	1,951,736	6,248,831
	GlaxoSmithKline(GSK) Bangladesh Limited	-	5,302,574
	Marico Bangladesh Limited	-	1,557,746
	Reckitt Benckiser(Bd.)Limited	1,881,283	446,037
	Renata Limited	1,247,802	309,996
	Silco Pharmaceuticals Limited	-	338,537
	Square Pharmaceuticals Limited	5,145,153	4,019,053
	BBS Cables Limited	(2,055,761)	239,899
	Bangladesh Building Systems Limited	-	860,743
	Bangladesh Steel Re-Rolling Mills Limited	276,514	-
	BSRM Steels Limited	-	801,506
	Coppertech Industries Limited	-	172,435
	Dominage Steel Building Systems Limited	855,450	-
	GPH Ispat Limited	431,232	-
	Nahee Aluminum Composite Panel Limited	-	209,798
	Singer Bangladesh Limited	-	1,616,807
	S. S. Steel Limited	-	(251,750)
	Walton Hi-Tech Industries Limited	6,928,758	4,437,324
	Associated Oxygen Limited	-	495,508
	Doreen Power Generations and Systems Limited	3,408,197	-
	Khulna Power Company Limited	-	(2,933,575)
	Linde Bangladesh Limited	-	(966,563)
	Meghna Petroleum Limited	-	(1,560,538)
	MJL Bangladesh Limited	(562,121)	-
	Summit Power Limited	1,597,232	-
	Shahjibazar Power Co. Limited	-	(1,985,349)
	United Power Generation & Distribution Co. Ltd.	(1,238,546)	-
	Confidence Cement Limited	(3,764,825)	-
	ADN Telecom Limited	-	602,913
	eGeneration Limited	420,313	-
	Genex Infosys Limited	5,831,622	1,060,215
	IT Consultants Limited	(301,679)	-
	Bangladesh Submarine Cable Limited	4,209,913	4,916,274
	Robi Axiata Limited	22,783,413	-
	British American Tobacco bd. Limited	9,901,474	1,397,934
	Golden Harvest Agro Industries Limited	-	1,627,080
	Olympic Industries Limited	(3,123,531)	-
	Unilever Consumer Care Limited	(785,460)	-
	Taufika Foods and Lovello Ice-cream PLC	428,745	-
	Esquire Knit Composite Limited	(413,140)	-
	New Line Clothings Limited	-	77,216
	Regent Textile Mills Limited	(5,574,774)	-
	Ring Shine Textiles Limited	-	(283,750)

Notes	Particulars	31-Dec-21	31-Dec-20
	Square Textile Limited	136,732	-
	Bashundhara Paper Mills Limited	-	(435,412)
	SEA Pearl Beach Resort & SPA Limited	201,825	227,387
	Bangladesh Export Import Company Limited	(226,194)	-
	Berger Paints Bangladesh Ltd	993,268	-
	Index Agro Industries Limited	3,792,648	-
	SK Trims & Industries Limited	(3,808,924)	-
	AB Bank 1st Mutual Fund	1,785,625	-
	DBH First Mutual Fund	-	17,535
	Grameen One : Scheme Two	-	162,837
	LR Global Bangladesh Mutual Fund One	3,528,349	-
	MBL 1st Mutual Fund	1,186,300	-
	Popular Life First Mutual Fund	10,992	-
		72,974,838	27,308,806

19 Dividend income

	The City Bank limited	-	750,000
	Dhaka Bank Limited	-	250,000
	United Commercial Bank Limited	250,000	-
	City General Insurance Company Limited	100,000	-
	Continental Insurance Limited	120,000	-
	Green Delta Insurance Limited	490,000	90,000
	Karnaphuli Insurance Company Limited	200,000	-
	ACI Limited	178,750	200,000
	The ACME Laboratories Limited	250,000	-
	Beximco Pharmaceuticals Limited	350,000	37,500
	GlaxoSmithKline(GSK) Bangladesh Limited	-	954,000
	Marico Bangladesh Limited	200,000	-
	Reckitt Benckiser(Bd.)Ltd	420,000	-
	Renata Limited	-	130,000
	Silco Pharmaceuticals Limited	-	23
	Square Pharmaceuticals Limited	420,000	235,000
	Baraka Power Limited	-	16
	Doreen Power Generations and Systems Limited	130,000	116,100
	Linde Bangladesh Limited	-	548,200
	MJL Bangladesh Limited	412,500	450,000
	United Power Generation & Distribution Company Limited	510,000	942,500
	Grameenphone Limited	2,565,000	1,615,000
	Confidence Cement Limited	431,250	-
	BSRM Steels Limited	400,000	-
	Coppertech Industries Limited	-	6
	Dominage Steel Building Systems Limited	-	7,500
	GPH Ispat Limited	300,000	-
	Nialco Alloys Limited	41,298	-
	Walton Hi-Tech Industries Limited	250,000	494,000
	British American Tobacco Bangladesh Company Limited	425,000	300,000
	Olympic Industries Limited	270,000	364,000
	Unilever Consumer Care Limited	110,000	-
	Bangladesh Submarine Cable Company Limited	370,000	500,000
	Genex Infosys Limited	150,000	200,027
	IT Consultants Limited	-	187,250
	Esquire Knit Composite Limited	-	96,267
	New Line Clothings Limited	-	11
	Regent Textile Mills Limited	-	75,000
	Sea Pearl Beach Resort & Spa Limited	-	573
	Unique Hotel & Resorts Limited	125,000	100,000
	Bangladesh Export Import Company Limited	175,000	-
	SK Trims & Industries Limited	-	202,500
	CAPM Unit Fund	1,660,555	-
	Grameen One : Scheme Two	-	739,422
	LR Global Bangladesh Mutual Fund One	1,510,000	-
		12,814,353	9,584,895

Notes	Particulars	31-Dec-21	31-Dec-20
20	Interest income		
	SND Account-One Bank Ltd. (Banani branch)	3,194,119	5,344,579
	SND Account (Dividend)-One Bank Ltd. (Banani branch)	155,041	-
	TDR-LankaBangla Finance Ltd.	-	459,015
	LankaBangla Finance Limited-Subordinated Tier-II Capital Bond	2,168,507	1,084,583
		<u>5,517,667</u>	<u>6,888,177</u>
21	Bank charges and excise duty		
	Bank charges-SND	5,808	3,635
	Bank charges-SND-Dividend	575	-
	Bank charges-CD	1,575	1,065
	Excise duty-SND	40,000	40,000
	Excise duty-SND-Dividend	40,000	-
	Excise duty-TDR	-	74,000
		<u>87,958</u>	<u>118,700</u>
22	Other expenses		
	BO Account Maintenance Charge	1,800	1,800
	Donation for Biniyog Shiksha Tahobil	10,000	-
	IPO application fees	33,000	40,000
		<u>44,800</u>	<u>41,800</u>
23	(Provision)/Write back of provision for diminution in value of marketable securities		
	Opening balance	(2,015,165)	(75,942,325)
	Less: (Provision)/write back against diminution in value of marketable securities	2,015,165	73,927,160
	Total	<u>-</u>	<u>(2,015,165)</u>
24	Earnings per unit for the period		
	Net Profit/(loss) after provision for the period	<u>80,672,770</u>	<u>106,806,679</u>
	Number of units	37,798,226	37,727,675
	Earnings per unit	<u>2.13</u>	<u>2.83</u>
25	Net operating cash flows per unit (NOCFU)		
	Net cash flows from/(used in) operating activities	<u>78,125,125</u>	<u>37,677,908</u>
	Number of units	37,798,226	37,727,675
	Net operating cash flows per unit	<u>2.07</u>	<u>1.00</u>


Trustee
Bangladesh General Insurance Company Limited


Assets Manager
LankaBangla Asset Management Company Ltd.



LankaBangla 1st Balanced Unit Fund
Investment in securities other than Mutual Fund
As at 31 December 2021

Annexure-A

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	Excess / (Deficit)
1	Bank	The City Bank Limited	500,000	28.43	14,214,152	27.30	13,650,000	(564,152)
2		United Commercial Bank Limited	300,000	15.25	4,573,999	15.30	4,590,000	16,001
1	Insurance	Fareast Islami Life Insurance Co. Limited	100,000	69.15	6,915,138	53.70	5,370,000	(1,545,138)
2		Green Delta Insurance Limited	150,000	75.89	11,383,109	106.10	15,915,000	4,531,891
3		Pioneer Insurance Company Limited	60,000	133.97	8,038,430	116.90	7,014,000	(1,024,430)
4		Popular Life Insurance Co. Limited	100,000	100.09	10,009,470	78.60	7,860,000	(2,149,470)
5		Reliance Insurance Limited	85,000	104.78	8,906,711	87.50	7,437,500	(1,469,211)
6		Sena Kalyan Insurance Company Limited	17,978	10.00	179,780	77.30	1,389,699	1,209,919
1	Pharmaceuticals & Chemicals	ACI Limited	31,625	182.00	5,755,758	285.40	9,025,775	3,270,017
2		The ACME Laboratories Limited	100,000	92.41	9,241,104	86.50	8,650,000	(591,104)
3		ACME Pesticides Limited	29,703	10.00	297,030	26.80	796,040	499,010
4		Beximco Pharmaceuticals Limited	100,000	189.45	18,944,999	192.70	19,270,000	325,001
5		Marico Bangladesh Limited	5,000	2,207.28	11,036,388	2,301.00	11,505,000	468,612
6		Reckitt Benckiser(Bd.) Limited	4,756	4,211.77	20,031,156	5,729.90	27,251,404	7,220,248
7	Engineering	Square Pharmaceuticals Limited	70,000	217.67	15,236,812	214.30	15,001,000	(235,812)
1		Bangladesh Steel Re-Rolling Mills Limited	100,000	90.17	9,016,973	103.30	10,330,000	1,313,027
2		GPH Ispat Limited	165,000	51.13	8,436,038	53.00	8,745,000	308,962
3		Mostafa Metal Industries Limited	26,960	10.00	269,600	10.70	288,472	18,872
4	Fuel & Power	Nialco Alloys Limited	41,298	10.00	412,980	23.60	974,633	561,653
1		Doreen Power Generations and Systems Limited	112,000	51.11	5,724,039	67.80	7,593,600	1,869,561
2		MJL Bangladesh Limited	75,000	113.33	8,499,584	88.30	6,622,500	(1,877,084)
3	Food & Allied	United Power Generation & Distribution Co. Ltd.	30,000	284.69	8,540,781	244.20	7,326,000	(1,214,781)
1		British American Tobacco bd. Limited	25,000	619.26	15,481,435	635.60	15,890,000	408,565
2		Olympic Industries Limited	50,000	236.68	11,833,858	160.60	8,030,000	(3,803,858)
3	IT Sector	Unilever Consumer Care Limited	2,106	2,856.06	6,014,864	2,977.10	6,269,773	254,909
1		Genex Infosys Limited	150,000	52.73	7,909,716	165.40	24,810,000	16,900,284
1	Telecommunication	Bangladesh Submarine Cable Limited	100,000	135.37	13,537,406	210.10	21,010,000	7,472,594
2		Grameenphone Limited	95,000	459.03	43,607,507	349.50	33,202,500	(10,405,007)
1	Travel & Leisure	Unique Hotel & Resorts Limited	125,000	49.82	6,227,945	50.20	6,275,000	47,055
1		Bangladesh Export Import Company Limited	80,000	168.73	13,498,563	148.40	11,872,000	(1,626,563)
2	Miscellaneous	Krishibid Feed Limited	86,526	10.00	865,260	10.00	865,260	-
3		Master feed Agrotec Limited	26,648	10.00	266,480	9.60	255,821	(10,659)
4		Oryza Agro Industries Limited	27,244	10.00	272,440	10.40	283,338	10,898
		Total			305,179,505		325,369,315	20,189,810

Investment in IPO
LankaBangla 1st Balanced Unit Fund
As at 31 December 2021

Annexure-A

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	Excess / (Deficit)
1	Insurance	Union Insurance Company Limited	9,351	10.00	93,510	10.00	93,510	-
Total					93,510		93,510	-

Investments in Mutual Fund
LankaBangla 1st Balanced Unit Fund
As at 31 December 2021

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	Excess / (Deficit)
1	Mutual Fund	CAPM Unit Fund	69,570	116.00	8,069,936	126.36	8,790,866	720,930
2	Mutual Fund	LR Global Bangladesh Mutual Fund One	1,000,000	7.78	7,780,736	6.90	6,900,000	(880,736)
Total					15,850,672		15,690,866	(159,806)

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	Adjusted Market Price per unit	Total Adjusted Market Value	Excess / (Deficit)
1	Mutual Fund	CAPM Unit Fund	69,570	116.00	8,069,936	126.36	8,790,866	720,930
2	Mutual Fund	LR Global Bangladesh Mutual Fund One	1,000,000	7.78	7,780,736	7.78	7,780,736	-
Total					15,850,672		16,571,602	720,930

Amount in Taka

Sl.No.	Investment in securities at market price	Total cost price	Total market price	Excess / (Deficit)
1	Investment in securities other than Mutual Fund	305,179,505	325,369,315	20,189,810
2	Investments in Mutual Fund	15,850,672	16,571,602	720,930
Total		321,030,177	341,940,917	20,910,740
1	Investment in IPO	93,510	93,510	-
Total		93,510	93,510	-
Grand Total		321,123,687	342,034,427	20,910,740



**Valuation of Open End Mutual Fund
LankaBangla 1st Balanced Unit Fund
As at 31 December 2021**

As per BSEC Circular No. SEC/CMRRCD/2009-193/172, dated 30 June 2015 Open End Mutual Fund

Sl. No.	Name of the Mutual Fund	Face value	No. of Units	Average cost per unit	Total acquisition cost	Market Price per unit	Total Market Value	Unrealised gain/ (loss) (based on MP)	Particular Funds NAV on 30/12/2021	85% Last NAV (Tk./unit)	Required provision	Unrealised loss recovery	Total adjusted market price
1	LR Global Bangladesh Mutual Fund One	10.00	1,000,000	7.78	7,780,736	6.90	6,900,000	(880,736)	11.50	9.78	-	880,736	7,780,736

Annexure-B

