

**LANKABANGLA AL-ARAFAH SHARIAH UNIT FUND
INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF TRUSTEE
OF
LANKABANGLA AL-ARAFAH SHARIAH UNIT FUND**

Opinion

We have audited the financial statements of Lankabangla Al-Arafah Shariah Unit Fund, which comprise the statement of financial position as at 31 December 2022, and the statement of profit and 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.

In our opinion, the accompanying financial statements present fairly in all material respects of the statement of financial position of Lankabangla Al-Arafah Shariah Unit Fund as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Fund in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

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

Key Audit Matters:

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

Risk	Our response to the risk
Valuation of Investments: The Fund's investment portfolio Presented in the Statement of Financial Position at market value Tk. 240,620,915 represents 76.37% of the total assets Tk. 315,068,577 as at 31 December 2022. The market value of financial instruments that are traded in an active market is determined based on quoted market prices.	<ul style="list-style-type: none">• Testing the key controls over identification, Measurement and management of valuation risk as well as evaluating the methodologies and input parameters used by the Fund in determining fair values.• Obtained year-end share holding positions from the fund and through directional testing assessed the completeness of the report;

Zoha Zaman Kabir Rashid & Co., a partnership firm registered in Bangladesh and a member firm of MSI Global Alliance, a leading international association of independent legal and accounting firms.

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<p>Due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<ul style="list-style-type: none"> • Obtained the CDBL report and share portfolio and cross checked against each other to confirm status of financial instruments; • Assessing the adequacy of the disclosures in the financial statements against relevant accounting standards, the security and exchange Rules 1987, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.
<p>Note no. 6 to the financial statements</p>	
<p>Dividend Income:</p>	
<p>Dividend from Tk. 7,308,578 represents (constitutes the majority portion 23.31% of the total income Tk. 31,353,423 for the year ended 31 December 2022.</p>	<p>We have tested the design and operating effectiveness of controls around the due and receivable recording process</p> <ul style="list-style-type: none"> • Comparing observable inputs against independent sources and externally available market data. • Re-performing the calculations used to check Accuracy and correctness of information. • Assessing the adequacy revenue recognition, measurement and disclosures made in relation to the income in the financial statements
<p>Note no. 19.00 to the financial statements</p>	

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 2001, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 Fund’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material





misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, 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 (consolidated) 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.

Report on other Legal and Regulatory Requirements

In accordance with the Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by 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 the report are in agreement with the books of account.
- d) the investment was made as per Rule 56 of Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 2001;
- e) the expenditure incurred and payments made were for the purpose of the Fund Business, and
- f) the information and explanation required by us have been received and fund satisfactory.

Place: Dhaka,
Dated: January 29, 2023


Tarek Rashid FCA
Partner, Enrolment No. 1363 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

DVC No.: **2302121363AS241780**



LankaBangla Al-Arafah Shariah Unit Fund
Statement of Financial Position
As at 31 December 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
A. Assets			
Investments (at market price)	6.00	240,620,915	232,479,493
Investment in MTDR	7.00	20,000,000	-
Preliminary and issue expenses	8.00	1,903,896	2,752,398
Advance, deposit and prepayments	9.00	203,940	204,925
Other receivables	10.00	4,532,808	26,701,819
Cash and cash equivalents	11.00	47,807,018	57,210,189
Total Assets		315,068,577	319,348,824
B. Liabilities			
Liability for expenses	12.00	3,909,747	3,598,434
Total Liabilities		3,909,747	3,598,434
C. Net Assets (A-B)		311,158,830	315,750,390
D. Owners' Equity			
Unit capital fund	13.00	302,258,610	305,109,620
Unit premium reserve	14.00	(13,499,420)	(13,418,543)
Retained earnings		22,399,640	24,059,313
Total		311,158,830	315,750,390
Net Asset Value (NAV) Per Unit			
At market price	16.00	10.29	10.35
At cost price	17.00	10.87	10.64

These financial statements should be read in conjunction with annexed notes

Investment Corporation of Bangladesh
(Trustee)

LankaBangla Asset Management Company Ltd.
(Asset Manager)

Tarek Rashid FCA
Partner, Enrolment No. 1363 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dated, Dhaka
January 29, 2023

2302121363AS241780





LankaBangla Al-Arafah Shariah Unit Fund
Statement of Profit or Loss and Other Comprehensive Income
As at 31 December 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
Revenue			
Gain/(loss) on sale of marketable securities	18.00	18,589,469	44,439,726
Dividend income	19.00	7,308,578	7,346,432
Profit on bank deposit, MTDR and Bond	20.00	5,455,376	1,336,714
		31,353,423	53,122,872
Less : Operating Expenses			
Management fees		6,174,620	6,250,110
Amortization of preliminary and issue expenses		848,502	848,500
CDBL settlement and demat charges		21,476	44,770
CDBL fees		46,000	46,000
Custodian fees		375,198	400,450
Trustee fees		467,463	475,012
BSEC annual fees		353,152	278,628
Audit fees		30,000	30,000
Brokerage commission		214,016	531,546
Selling agents' commission		2,513	16,580
Bank charges and excise duty		88,720	50,968
Advertisement and publication expenses		361,174	244,000
Other expenses	21.00	166,516	89,800
Total Expenses		9,149,350	9,306,364
Profit/(Loss) Before Provision for the Year		22,204,073	43,816,508
Add/(Less): (Provision)/Write back of provision for the year	22.00	(8,608,265)	(5,707,420)
Net Profit/(Loss) After Provision for the Year		13,595,808	38,109,088
Earnings Per Unit (EPU) After Provision for the Year	23.00	0.45	1.25

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Chartered Accountants

Dated, Dhaka
January 29, 2023





**LankaBangla Al-Arafah Shariah Unit Fund
Statement of Changes in Equity
For the year ended December 31, 2021**

Amount in Taka

Particulars	Unit capital fund	Unit premium /discount	Retained earnings	Total equity
Opening balance as at 01 January 2021	306,973,040	(13,431,438)	4,189,185	297,730,787
Unit fund raised for the year	1,579,500	-	-	1,579,500
Unit fund decrease for the year	(3,442,920)	-	-	(3,442,920)
Unit premium reserve for the year	-	118,800	-	118,800
Unit discount for the year	-	(105,905)	-	(105,905)
Net profit/(loss) for the year	-	-	38,109,088	38,109,088
Dividend paid for the year	-	-	(18,238,960)	(18,238,960)
Closing balance as at 31 December 2021	305,109,620	(13,418,543)	24,059,313	315,750,390

**LankaBangla Al-Arafah Shariah Unit Fund
Statement of Changes in Equity
For the year ended December 31, 2022**

Amount in Taka

Particulars	Unit capital fund	Unit premium /discount	Retained earnings	Total equity
Opening balance as at 01 January 2022	305,109,620	(13,418,543)	24,059,313	315,750,390
Unit fund raised for the year	4,149,550	-	-	4,149,550
Unit fund decrease for the year	(7,000,560)	-	-	(7,000,560)
Unit premium reserve for the year	-	176,615	-	176,615
Unit discount for the year	-	(257,492)	-	(257,492)
Net profit/(loss) for the year	-	-	13,595,808	13,595,808
Dividend paid for the year	-	-	(15,255,481)	(15,255,481)
Closing balance as at 31 December 2022	302,258,610	(13,499,420)	22,399,640	311,158,830

These financial statements should be read in conjunction with annexed notes

Investment Corporation of Bangladesh
(Trustee)

LankaBangla Asset Management Company Ltd.
(Asset Manager)

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Chartered Accountants

Dated, Dhaka
January 29, 2023





LankaBangla Al-Arafah Shariah Unit Fund
Statement of Cash Flows
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-2022	31-Dec-2021
A. Cash Flows from Operating Activities			
Gain on sale of securities		18,375,452	25,029,066
Dividend income received in cash		8,009,637	5,918,233
Profit on bank deposit, MTDR and Bond Advance, deposit and prepayments		5,257,397	754,272
Payment made for expenses		(7,942,162)	(12,690,089)
Net Cash Flows from/(used in) Operating Activities		23,496,384	11,964,440
B. Cash Flows from Investing Activities			
Acquisition of shares from secondary market		(67,615,400)	(97,020,552)
Investments in IPO		(60,898,590)	(90,057,500)
Investment in MTDR		(20,000,000)	-
Investments returned from IPO		66,784,510	64,953,870
Proceeds from sale of shares in secondary market		67,017,290	158,024,489
Net Cash Flows from/(used in) Investing Activities		(14,712,190)	35,900,307
C. Cash Flows from Financing Activities			
Proceeds from issuance of units		4,326,176	1,698,480
Payments made for re-purchase of units		(7,258,060)	(3,548,997)
Dividend paid		(15,255,481)	(18,238,960)
Net Cash Flows from/(used in) Financing Activities		(18,187,365)	(20,089,477)
D. Net Cash Inflows/Outflows during the period (A+B+C)		(9,403,171)	27,775,270
E. Cash and cash equivalents at the beginning of the year		57,210,189	29,434,919
F. Cash and cash equivalents at the end of the year (D+E)		47,807,018	57,210,189
Net Operating Cash Flows Per Unit (NOCFU)		0.78	0.39

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Chartered Accountants

Dated, Dhaka
January 29, 2023





LankaBangla Al-Arafah Shariah Unit Fund
Notes to the financial statements
As at and for the year ended 31 December 2022

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.

2.00 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.

3.00 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.

4.00 Significant Accounting Policies:

4.01 Basis of Accounting

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are 'market-to-market' and in conformity with the International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and also in compliance with requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other laws and regulations applicable in Bangladesh.

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.

4.04 Preliminary and Issue Expense

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:

S.L	NAV	Percentage
1.	On weekly average NAV up to Taka 50 million	2.5%
2.	On next 200 million of weekly average NAV	2.0%
3.	On next 250 million of weekly average	1.5%
4.	NAV 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

Tax has been deducted on interest income from Bank deposit & MTDR as per section 2(46) 'person' & section 53F as well as on cash dividend as per section 54 of Income Tax Ordinance, 1984. No provision has been kept on fund's income as per Income Tax Ordinance, 1984.





4.10 Dividend Distribution Policy

- i) The Fund shall distribute minimum 70%, or as may be determined by the fat 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 at the rate of 4% (i.e. Tk. 0.40 per unit) for the year ended 31 December 2022 at its meeting held on 26 January 2023.

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.

5.00 General

Figures appearing in these financial statements have been rounded off to nearest Taka; and 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 2022

Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
6.00 Investments (at market price)		
Investments at market price (Annexure-A)	235,920,915	228,848,197
Investment in IPO (Annexure-A)	4,700,000	3,631,296
	240,620,915	232,479,493
7.00 Investment in MTDR		
Investment in MTDR	20,000,000	-
	20,000,000	-
8.00 Preliminary and issue expenses		
Opening balance as at 01 January 2022	2,752,398	3,600,898
Less: Amortization made for the year	(848,502)	(848,500)
Closing balance as at 31 December 2022	1,903,896	2,752,398
9.00 Advance, deposit and prepayments		
Advance		
Annual fees-BSEC	156,100	194,465
Annual fees-DSE (Shariah Index)	34,850	-
Annual fees-CDBL	10,460	10,460
Trustee fees-ICB	2,530	-
	203,940	204,925
10.00 Other receivables		
Accrued profit on bank deposit-MSND	-	819,966
Accrued profit on bank deposit-MSND-Dividend	-	27,025
Accrued profit on MTDR	65,206	-
Accrued coupon on BEXGSUKUK	964,762	-
IPO share receivable	-	22,037,500
Dividend Receivable (Note-10.01)	3,502,840	3,817,328
	4,532,808	26,701,819
10.01 Dividend receivables		
The ACME Laboratories Limited	255,000	-
Beximco Pharmaceuticals Limited	208,250	350,000
Renata Limited	119,000	87,000
Square Pharmaceuticals Limited	850,000	720,000
United Power Generation & Distribution Company Limited	722,500	850,000
Achia Sea Foods Limited	23,170	-
National Tea Company Limited	-	7,000
Olympic Industries Limited	573,750	540,000
BBS Cables Limited	136,000	396,996
Nialco Alloys Limited	-	41,298
Quasem Industries Limited	1,275	-
Bangladesh Submarine Cable Company Limited	-	643,996
Ring Shine Textiles Limited	31,038	31,038
Eastern Housing Limited	-	150,000
Krishibid Seed Limited	582,857	-
	3,502,840	3,817,328





Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
11.00 Cash and cash equivalents		
Cash at bank - MSND Account with:		
Al-Arafah Islami Bank Ltd. (Banani Branch)	47,673,020	57,205,287
Cash at bank - MSND (Dividend) Account with:		
Al-Arafah Islami Bank Ltd. (Banani Branch)	34,706	1,539
Cash at bank - CD Account with:		
Al-Arafah Islami Bank Ltd. (Banani Branch)	99,292	3,363
	47,807,018	57,210,189
12.00 Liability for expenses		
Management fees	3,135,725	3,203,393
Custodian fees	192,651	197,146
Audit fees	30,000	30,000
Selling agents' commission	14,946	12,431
Trustee fees	-	5,609
Advertisement and publication expenses	12,000	12,000
Dividend purification	524,369	137,797
Unclaimed dividend account	-	-
Other payable	56	58
	3,909,747	3,598,434
13.00 Unit capital fund		
Opening balance as at 01 January 2022	305,109,620	306,973,040
Add: New subscription of 414,955 units of Tk. 10 each	4,149,550	1,579,500
Less: Surrendered of 700,056 units of Tk. 10 each	(7,000,560)	(3,442,920)
Closing balance as at 31 December 2022	302,258,610	305,109,620
14.00 Unit premium reserve		
Opening balance as at 01 January 2022	(13,418,543)	(13,431,438)
Add: Unit premium for the year	176,615	118,800
Less: Unit discount for the year	(257,492)	(105,905)
Closing balance as at 31 December 2022	(13,499,420)	(13,418,543)
15.00 Retained earnings		
Opening balance as at 01 January 2022	24,059,313	4,189,185
Add: Net Profit/(Loss) for the year	13,595,808	38,109,088
Less: Dividend Paid for the year	(15,255,481)	(18,238,960)
	22,399,640	24,059,313
16.00 Net Asset Value (NAV) per unit at market price		
Total asset value at market price	315,068,577	319,348,824
Less: Liability for expenses	(3,909,747)	(3,598,434)
	311,158,830	315,750,390
Number of units	30,225,861	30,510,962
NAV per unit at market price	10.29	10.35





Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
17.00 Net Asset Value (NAV) per unit at cost price		
Total net asset value at market price	311,158,830	315,750,390
Add: Unrealized loss of marketable securities during the period	17,439,248	8,830,983
	<u>328,598,078</u>	<u>324,581,373</u>
Number of units	30,225,861	30,510,962
NAV per unit at cost price	<u>10.87</u>	<u>10.64</u>
18.00 Gain/(Loss) on sale of marketable securities		
First Security Islami Bank Limited	(316,107)	(169,913)
Islami Bank Bangladesh Limited	(38,564)	5,249,866
Shahjalal Islami Bank Limited	-	18,448
Union Bank Limited	583,278	-
Fareast Islami Life Insurance Co. Limited	1,812,766	12,510
Sonali Life Insurance Company Limited	-	1,466,325
Takaful Islami Insurance Limited	-	1,023,280
The ACME Laboratories Limited	-	(38,614)
ACME Pesticides Limited	-	757,427
Beacon Pharmaceuticals Limited	6,133	223,800
Beximco Pharmaceuticals Limited	(370,712)	1,602,518
The IBN SINA Pharmaceutical Industry Limited	(40)	-
JMI Hospital Requisite Manufacturing Limited	9,796,610	-
Marico Bangladesh Limited	230,155	182,336
Reckitt Benckiser(Bd.) Limited	-	521,480
Renata Limited	-	60,468
Star Adhesives Limited	1,322,981	-
Square Pharmaceuticals Limited	(429,910)	(805,670)
BBS Cables Limited	(3,545,171)	-
Dominage Steel Building Systems Limited	-	44,222
Mostafa Metal Industries Limited	405,880	-
Nialco Alloys Limited	1,387,968	-
Rangpur Foundry Limited	-	470,330
Walton Hi-Tech Industries Limited	-	4,496,064
LafargeHolcim Bangladesh Limited	-	600,378
Bangladesh Submarine Cable Company Limited	5,101,987	3,508,782
Grameenphone Limited	(524,652)	(317,978)
Robi Axiata Limited	-	21,741,815
eGeneration Limited	-	403,125
Genex Infosys Limited	-	1,894,479
IT Consultants Limited	-	(384,313)
Esquire Knit Composite Ltd.	-	(535,483)
BD Thai Food & Beverage Limited	178,996	-
National Tea Company Limited	-	1,203,689
Taufika Foods and Agro Industries Limited	-	384,786
Unilever Consumer Care Limited	-	-





Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
Eastern Housing Limited	18,792	(512,105)
Bata Shoe Company (Bangladesh) Limited	(44,607)	
Sea Pearl Beach Resort & Spa Limited	-	202,524
Unique Hotel & Resorts Limited	-	-
BD Paints Limited	794,220	-
Berger Paints Bangladesh Limited	-	13,535
Index Agro Industries Limited	-	1,130,178
Krishibid Feed Limited	1,569,241	-
Master Feed Agrotec Limited	317,754	-
Oryza Agro Industries Limited	332,471	-
AIBL 1st Islamic Mutual Fund	-	(8,563)
	18,589,469	44,439,726

19.00 Dividend income

First Security Islami Bank Limited	75,000	-
Shahjalal Islami Bank Limited	-	210,000
Beximco Pharmaceuticals Limited	207,896	349,405
The IBN SINA Pharmaceutical Industry Limited	71,849	-
Marico Bangladesh Limited	419,723	288,242
Reckitt Benckiser(Bd.)Ltd	163,532	-
Renata Limited	117,643	86,008
Square Pharmaceuticals Limited	814,470	690,730
United Power Generation & Distribution Company Limited	686,375	807,500
BBS Cables Limited	135,968	396,792
Nialco Alloys Limited	(8,260)	41,186
Quasem Industries Limited	1,273	-
Singer Bangladesh Limited	599,760	299,880
Walton Hi-Tech Industries Limited	-	349,230
Bangladesh Submarine Cable Company Limited	484,918	611,088
Grameenphone Limited	1,829,221	2,332,662
Achia Sea Foods Limited	23,170	-
National Tea Company Limitd	-	6,990
Olympic Industries Limited	559,751	526,824
Unilever Consumer Care Limited	84,806	-
Sea Pearl Beach Resort & Spa Limited	-	-
Eastern Housing Limited	-	149,895
Berger Paints Bangladesh Limited	189,601	-
Krishibid Feed Limited	86,525	-
Krishibid Seed Limited	582,857	-
IFIL Islamic Mutual Fund-1	182,500	200,000
	7,308,578	7,346,432

****Cash dividend income have been shown after deducted 15% TDS as per Section 54 of Income Tax Ordinance 1984 and purification****





Particulars	Amount in Taka	
	31-Dec-2022	31-Dec-2021
20.00 Profit on bank deposit, MTDR and Bond		
MSND Account with:		
Al-Arafah Islami Bank Ltd. (Banani Branch)	2,743,306	1,309,672
MSND (Dividend) Account with:		
Al-Arafah Islami Bank Ltd. (Banani Branch)	22,638	27,042
MTDR Account with		
Al-Arafah Islami Bank Ltd. (Mohakhali Branch)	905,710	-
Corporate Bond		
Beximco Green Sukuk Al Istisna'a	1,783,722	-
	<u>5,455,376</u>	<u>1,336,714</u>
21.00 Other expenses		
Shariah board meeting expenses	61,566	60,000
DSEX Shariah Index Expenses	85,150	
IPO application fees	18,000	18,000
BO account maintenance charges	1,800	1,800
Donation for Biniyog Shiksha Tahobil	-	10,000
	<u>166,516</u>	<u>89,800</u>
22.00 (Provision)/Write back of provision for diminution in value of marketable securities		
Opening balance as at 01 January 2022	(8,830,983)	(3,123,563)
Add: (Provision)/Write back of provision for the year	(8,608,265)	(5,707,420)
Total unrealized loss for the year	<u>(17,439,248)</u>	<u>(8,830,983)</u>
23.00 Earnings per unit		
Net Profit / (Loss) After Provision for the Year	13,595,808	38,109,088
Number of units	30,225,861	30,510,962
Earnings Per Unit (EPU) After Provision for the Year	<u>0.45</u>	<u>1.25</u>





Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

Annexure-A: Investment in securities other than Mutual Fund
LankaBangla Al-Arafah Shariah Unit Fund
As at 31 December 2022

Sl.No.	Sectors Name	Name of the Companies	Number of Shares	Average Cost Price Per Share	Total Acquisition Cost	Market Price Per Share	Total Market Value	% of Total Assets at Cost	Excess / (Deficit)
1	Bank	First Security Islami Bank Limited	7,500	12.51	93,805	9.80	73,500	0.03%	(20,305)
					93,805		73,500	0.03%	(20,305)
1	Insurance	Fareast Islami Life Insurance Co. Limited	80,000	92.19	7,375,066	75.00	6,000,000	2.22%	(1,375,066)
2		Islami Commercial Insurance Company Limited	7,623	10.00	76,230	28.10	214,206	0.02%	137,976
					7,451,296		6,214,206	2.24%	(1,237,090)
1	Pharmaceuticals & Chemicals	The ACME Laboratories Limited	100,000	90.53	9,053,144	85.00	8,500,000	2.72%	(553,144)
2		Beximco Pharmaceuticals Limited	70,000	191.17	13,381,665	146.20	10,234,000	4.02%	(3,147,665)
3		The IBN SINA Pharmaceutical Industry Ltd.	14,970	292.33	4,376,153	286.60	4,290,402	1.32%	(85,751)
4		Marico Bangladesh Limited	4,000	2,105.60	8,422,398	2,421.50	9,686,000	2.53%	1,263,602
5		Reckitt Benckiser(Bd.) Limited	1,000	5,763.50	5,763,502	4,760.70	4,760,700	1.73%	(1,002,802)
6		Renata Limited	10,700	1,032.71	11,049,947	1,217.90	13,031,530	3.32%	1,981,583
7		Square Pharmaceuticals Limited	100,000	241.89	24,189,285	209.80	20,980,000	7.27%	(3,209,285)
					76,236,094		71,482,632	22.93%	(4,753,462)
1	Engineering	BBS Cables Limited	210,000	71.30	14,975,662	49.90	10,479,000	4.50%	(4,494,662)
2		Quasem Industries Limited	10,000	63.16	631,575	58.40	584,000	0.19%	(47,575)
3		Singer Bangladesh Limited	100,000	169.76	16,975,813	151.90	15,190,000	5.11%	(1,785,813)
					32,581,050		26,253,000	9.80%	(6,328,050)
1	Textile	Ring Shine Textile Limited	3,103	8.61	26,716	9.80	30,409	0.01%	3,693
					26,716		30,409	0.01%	3,693
1	Fuel & Power	Linde Bangladesh Limited	3,500	1,416.84	4,958,951	1,397.70	4,891,950	1.49%	(67,001)
2		United Power Generation & Distribution Company Limited	50,000	278.87	13,943,627	233.70	11,685,000	4.19%	(2,258,627)
					18,902,578		16,576,950	5.68%	(2,325,628)
1	Food & Allied	Achia Sea Foods Limited	27,259	10.00	272,590	25.20	686,927	0.08%	414,337
2		Olympic Industries Limited	150,000	187.88	28,181,286	124.00	18,600,000	8.48%	(9,581,286)
3		Unilever Consumer Care Limited	2,000	2,834.50	5,669,005	2,849.00	5,698,000	1.70%	28,995
					34,122,881		24,984,927	10.26%	(9,137,954)
1	Telecommunication	Bangladesh Submarine Cables Company Ltd.	130,000	166.61	21,658,984	218.90	28,457,000	6.51%	6,798,016
2		Grameenphone Limited	75,000	391.58	29,368,612	286.60	21,495,000	8.83%	(7,873,612)
					51,027,596		49,952,000	15.35%	(1,075,596)
1	Miscellaneous	Berger Paints Bangladesh Limited	5,000	1,817.73	9,088,665	1,722.60	8,613,000	2.73%	(475,665)
2		Krishibid Seed Limited	457,143	10.00	4,571,430	27.40	12,525,718	1.37%	7,954,288
					13,660,095		21,138,718	4.11%	7,478,623
1	Corporate Bond	Beximco Green Sukuk Al Istisna'a	175,093	89.25	15,626,756	89.00	15,583,277	4.70%	(43,479)
					15,626,756		15,583,277	4.70%	(43,479)
		Grand Total			249,728,867		232,289,619	75.10%	(17,439,248)



Investment in IPO
Lankabangla Al-Arafah Shariah Unit Fund
As at 31 December 2022

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	% of Total Assets at Cost	Excess / (Deficit)
1	Pharmaceuticals & Chemicals	Asiatic Laboratories Limited	94,000	50.00	4,700,000	50.00	4,700,000	1.41%	-
Total					4,700,000		4,700,000	1.41%	-

Annexure-A: Investments in Mutual Fund
Lankabangla Al-Arafah Shariah Unit Fund
As at 31 December 2022

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	% of Total Assets at Cost	Amount in Taka Excess / (Deficit)
1	Mutual Fund	IFIL Islamic Mutual Fund-1	500,000	7.26	3,631,296	6.40	3,200,000	1.09%	(431,296)
Total					3,631,296		3,200,000	1.09%	(431,296)

As per BSEC Circular No. SEC/CMRCD/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 after valuation	Total Adjusted Market Value	Amount in Taka Excess / (Deficit)
1	Mutual Fund	IFIL Islamic Mutual Fund-1	500,000	7.26	3,631,296	7.26	3,631,296	-

Sl.No.	Investment in securities at market price	Total cost price	Total market price	Amount in Taka Excess / (Deficit)
1	Investment in securities other than Mutual Fund	249,728,867	232,289,619	(17,439,248)
2	Investment in Mutual Fund	3,631,296	3,631,296	-
Total		253,360,163	235,920,915	(17,439,248)
Total		4,700,000	4,700,000	-
Grand Total		258,060,163	240,620,915	(17,439,248)





Annexure-B: Valuation of Mutual Fund
LankaBangla Al-Arafah Shariah Unit Fund
As at 31 December 2022

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

Sl.No.	Name of the Mutual Fund	No. of Units	Face value	Cost price per unit (Tk.)	Total cost price (as of reporting date)	Market price per unit (Tk.)	Total Market price (as of reporting date)	Unrealised gain/ (loss) (based on MP)	Particular Funds NAV on 27/12/2022	85% Last NAV (Tk./unit)	Required provision	Unrealised loss recovery	Total adjusted market price
1	IFIL Islamic Mutual Fund-1	500,000	10.00	7.26	3,631,296	6.40	3,200,000	(431,296)	9.23	7.85	-	431,296	3,631,296

