

**AUDITORS' REPORT**

We have audited the accompanying financial statements of **Yeakin Polymer Limited** which comprise the Statement of Financial Position as at 30<sup>th</sup> June, 2014 and Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and all related consolidated financial statements and a summary of significant accounting policies and other explanatory notes.

**The Managements' Responsibility for the Financial Statements**

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair preparation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) and Bangladesh Standards on Auditing (BAS). Those standards require that we comply with ethical requirements and plan and perform to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion:**

In our opinion, the financial statements including consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the company as at 30<sup>th</sup> June, 2014 and of the results of its operations and its cash flows for the year then ended in accordance with the Companies Act, 1994 and other applicable laws and regulations.

**We also Report that:**

- (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 Company as far as it appeared from our examination of those books;
  - (c) The Company's Statement of Financial Position, Statement of Appropriation Account, Statement of Comprehensive Income and Statement of Cash Flows dealt with by the report is in agreement with the books of account;
- And
- (d) The expenditure incurred was for the purpose of Company's business.

Sd/  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**YEAKIN POLYMER LIMITED**

83, Siddeswari Circular Road,  
Manhattan Tower (6th Floor),  
Malibag More, Dhaka-1217.

**ARTISAN**

CHARTERED ACCOUNTANTS

**Statement of Financial Position**

As at 30th June, 2014

Particulars	Notes	Amount in Taka	
		30-06-2014	30-06-2013
<b>Property &amp; Assets</b>			
<b>Non-current Assets</b>		<b>270,396,984</b>	<b>223,349,739</b>
Property, Plant & Equipment	04.	270,396,984	223,349,739
<b>Current Assets</b>		<b>234,707,166</b>	<b>170,996,565</b>
Inventories	05.	99,881,260	61,730,947
Trade Receivable	06.	78,909,306	52,928,439
Advances, Deposits & Prepayments	07.	44,063,174	23,825,734
Cash & Cash Equivalent	08.	11,853,426	24,320,782
Goods in Transit		-	8,190,663
<b>Total Assets &amp; Property</b>		<b>505,104,150</b>	<b>394,346,304</b>
<b>Shareholders' Equity &amp; Liabilities</b>			
<b>Shareholders' Equity</b>		<b>370,275,915</b>	<b>303,591,737</b>
Share Capital	09.	240,000,000	169,590,000
Share Money Deposits	10.	-	35,910,000
General Reserve		8,357,000	8,357,000
Tax Holiday Reserve		24,159,453	24,159,453
Retained Earnings	11.	97,759,462	65,575,284
<b>Non-Current Liabilities</b>		<b>12,450,487</b>	<b>8,973,539</b>
Deferred tax Liabilities	12.	11,075,487	8,973,539
Long Term Loan	13.	1,375,000	-
<b>Current Liabilities</b>		<b>122,377,750</b>	<b>81,781,029</b>
Trade Creditors	14.	2,086,406	3,561,368
Liabilities for Expenses	15.	45,633,888	26,289,557
Short Term Loan	16.	71,653,196	49,867,258
Liability for WPPF	17.	3,004,259	2,062,846
<b>Total shareholders Equity &amp; Liabilities</b>		<b>505,104,151</b>	<b>394,346,304</b>
<b>Net Asset Value Per Share (NAV)</b>	27.	<b>15.43</b>	<b>17.90</b>

Signed in terms of our annexed report of even date.

Sd/

Company Secretary

Sd/

Managing Director

Sd/

Chairman

Date; Dhaka, the 11th September, 2014.

Date :

Sd/  
ARTISAN

CHARTERED ACCOUNTANTS

**YEAKIN POLYMER LIMITED**

83, Siddeswari Circular Road,  
Manhattan Tower (6th Floor),  
Malibag More, Dhaka-1217.

**Statement of Comprehensive Income**

For the year ended 30th June, 2014

Particulars	Amount in Taka	
	30-06-2014	30-06-2013
Sales Revenue	316,742,010	223,921,340
Less: Cost of Goods Sold	233,093,134	163,756,748
<b>Gross Profit/(Loss)</b>	<b>83,648,876</b>	<b>60,164,592</b>
<b>Operating Expenses</b>	<b>12,520,095</b>	<b>10,239,594</b>
Administrative Expenses	9,301,837	6,999,824
Selling & Distribution Expenses	3,218,258	3,239,770
<b>Financial Expenses</b>	<b>8,600,631</b>	<b>7,195,783</b>
Financial Expenses	8,600,631	7,195,783
<b>Profit from Operations</b>	<b>62,528,150</b>	<b>42,729,215</b>
Other Income	561,302	590,547
<b>Profit before Contribution to WPPF &amp; Income tax</b>	<b>63,089,452</b>	<b>43,319,762</b>
Less: Provision for Contribution to WPPF	3,004,259	2,062,846
<b>Net Profit/ (Loss) after Contribution to WPPF &amp; before Income tax</b>	<b>60,085,193</b>	<b>41,256,916</b>
Less: Provision for Income Tax	21,029,817	15,471,344
Deferred Tax expense	2,101,948	
<b>Net Profit/ (Loss) after Income tax</b>	<b>36,953,428</b>	<b>25,785,573</b>
<b>Earnings Per Share ( On Weighted Average Numbers of Shares)</b>	<b>1.64</b>	<b>1.96</b>
<b>Earnings Per Share (Re-Stated)</b>	<b>1.64</b>	<b>1.15</b>

Signed in terms of our annexed report of even date.

Sd/  
Company Secretary

Sd/ Managing Director      Sd/ Chairman

Date; Dhaka, the 11th September, 2014.

Sd/  
ARTISAN  
CHARTERED ACCOUNTANTS

**YEAKIN POLYMER LIMITED**  
83, Siddeswari Circular Road,  
Manhatton Tower (6th Floor),  
Malibag More, Dhaka-1217.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Changes in Equity**  
For the year ended 30th, June 2014

Particulars	Amount in Taka					
	Share Capital	Share Money Deposit	General Reserve	Tax Holiday Reserve	Retained Earnings	Total Shareholders Equity
Balance at 01st July, 2012	96,100,000	-	-	24,159,453	48,763,250	169,022,703
Share capital	73,490,000	-	-	-	-	73,490,000
Share money deposits	-	35,910,000	-	-	-	35,910,000
General reserve	-	-	8,357,000	-	-	8,357,000
Deffered Tax	-	-	-	-	(8,973,539)	(8,973,539)
Net profit/(loss) after tax for the year ended 30th June, 2013.	-	-	-	-	25,785,573	25,785,573
<b>Balance at 30th June, 2013.</b>	<b>169,590,000</b>	<b>35,910,000</b>	<b>8,357,000</b>	<b>24,159,453</b>	<b>65,575,284</b>	<b>303,591,737</b>
Balance at 01st July, 2013	169,590,000	35,910,000	8,357,000	24,159,453	65,575,284	303,591,737
Share capital	70,410,000	-	-	-	-	70,410,000
Share money deposits	-	(35,910,000)	-	-	-	(35,910,000)
Dividend Payment	-	-	-	-	(4,769,250)	(4,769,250)
Net profit/(loss) after tax for the year ended 30th June, 2014.	-	-	-	-	36,953,428	36,953,428
<b>Balance at 30th June, 2014.</b>	<b>240,000,000</b>	<b>-</b>	<b>8,357,000</b>	<b>24,159,453</b>	<b>97,759,461</b>	<b>370,275,914</b>

Signed in terms of our annexed report of even date.

Sd/  
Company Secretary

Sd/  
Managing Director

Sd/  
Chairman

Date; Dhaka, the 11th September, 2014

Sd/  
ARTISAN  
CHARTERED ACCOUNTANTS

**YEAKIN POLYMER LIMITED**

83, Siddeswari Circular Road,  
Manhattan Tower (6th Floor),  
Malibag More, Dhaka-1217.



CHARTERED ACCOUNTANTS

**Statement of Cash Flows**  
For the year ended 30th June, 2014

Particulars	Notes	Amount in Taka	
		30-06-2014	30-06-2013
<b>A. Cash flow from operating activities:</b>			
<b>Cash received for during the year</b>		<b>291,322,445</b>	<b>219,350,338</b>
Cash received from customers		290,761,143	218,759,791
Cash received from other customers		561,302	590,547
<b>Cash payment to during the year</b>		<b>291,485,243</b>	<b>183,080,738</b>
Less: Cash payment to suppliers		268,974,233	159,816,546
Cash payment for operating expenses		10,233,397	2,047,292
Cash payment for financial expenses		8,600,631	7,195,783
Cash payment for income tax		1,614,136	4,862,491
Cash payment for contribution to WPPF		2,062,846	967,963
Goods in Transit		-	8,190,663
<b>Net cash provided/ (used) by operating activities</b>		<b>(162,798)</b>	<b>36,269,600</b>
<b>B. Cash flow from investing activities:</b>			
Paid for acquisition of fixed assets		(65,196,246)	(133,457,590)
<b>Net cash provided/ (used) by investing activities</b>		<b>(65,196,246)</b>	<b>(133,457,590)</b>
<b>C. Cash flow from financing activities:</b>			
Issuance of ordinary shares		34,500,000	73,490,000
Share money deposit		-	35,910,000
Short term loan		21,785,938	9,975,480
Dividend paid		(4,769,250)	(1,253,000)
Long term loan		1,375,000	-
<b>Net cash provided/ (used) by financing activities</b>		<b>52,891,688</b>	<b>118,122,480</b>
<b>D. Net Increase/ (Decrease) in cash (A+B+C)</b>		<b>(12,467,356)</b>	<b>20,934,490</b>
E. Opening cash & cash equivalents		24,320,782	3,386,292
<b>Closing cash &amp; cash at equivalents (D+E)</b>		<b>11,853,426</b>	<b>24,320,782</b>

Signed in terms of our annexed report of even date.

Sd/  
Company Secretary

Sd/  
Managing Director

Sd/  
Chairman

Date; Dhaka, the 11th September, 2014

Sd/  
ARTISAN  
CHARTERED ACCOUNTANTS

**Notes to the Financial Statements**  
For the year ended 30th June, 2014

**01. Reporting Entity:**

**01.1 Company Profile:**

Yeakin Polymer Limited (former Yeakin Business Limited) was incorporated in Bangladesh on 8th February, 2001 as a Public Limited Company under the Companies Act 1994, under the Registrar of Joint Stock Companies & Firms of Bangladesh. It May be noted here that the company was converted into a Private Limited Company on 10th November, 2003 and again it was re-converted into a Public Limited Company on 15th may, 2012. The Name of the Company was changed on 15th December, 2010 from Yeakin Business Limited into Yeakin Polymer Limited.

**01.2 Registered Offices:**

The registered Office of the Company is located at 83, Siddeshwari Circular Road, Manhattan Tower(6th floor), Malibagh, Dhaka-1217, Bangladesh.

**01.3 Nature of Business:**

The principal activities of the company are to carry on the business of manufacturing and marketing (local & export) of PP woven regular bags [laminated & un-laminated], BOPP film / Sack kraft paper attach bag, Jumbo / FIBC bag and HDPE / LDPE liner in different size, color, denier, mash, etc.

**02. Basis of Preparation:**

**02.1 Statement of Compliance:**

These financial statements have been prepared on going concern concept and on accrual basis in accordance with the applicable as of International Accounting Standards (IAS), Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, The Income Tax Rules, 1984, The Value Added Tax Act, 1991, The Value Added Tax Rules, 1991, The Customes Act, 1969 and other applicable laws and regulations.

## **02.2 Applicable Bangladesh Accounting Standards (BAS):**

The following BASs are applicable for the financial statements for the year under review:

BAS- 1	Presentation of Financial Statements
BAS- 2	Inventories
BAS- 7	Statements of Cash Flows
BAS- 10	Event after the Reporting Period.
BAS- 12	Income Tax
BAS- 16	Property, Plant & Equipment
BAS- 18	Revenue
BAS- 19	Employee Benefits
BAS- 21	The Effects of changes in exchanges in Foreign Exchange Rates
BAS- 23	Borrowing Costs
BAS- 24	Related Party Disclosures
BAS- 33	Earnings Per Shares
BAS- 36	Impairment of Assets.
BAS- 37	Provision, Contingent Liabilities and Contingent Assets
BAS- 39	Financial Instrument: Recognition and Measurement

## **02.3 Approval of Financial Statements:**

The financial statements were duly approved by the Board of Directors.

## **02.4 Functional and Presentational Currency:**

These financial statements are presented in Bangladesh Taka (Taka/Tk), which is both functional currency and presentation currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

## **02.5 Use of Estimates and Judgments:**

The preparation of financial statements requires management to make and apply consistently of judgment, estimates and assumptions for records and balance that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

## **02.6 Reporting Period:**

The accounting period of the company covers one financial year from 1st July, 2013 to 30th June, 2014.

## **2.07 Going Concern :**

As per BAS-1, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason the Directors continue to adopt the going concern assumption while preparing the financial statements.

## **03. Significant Accounting Policies:**

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

### 03.1 Financial Instruments:

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, loans and borrowings and other payables are shown at transaction cost.

### 03.2 Property, Plant and Equipment:

#### 03.2.1 Recognition and Measurement:

Items of property, plant and equipment, excluding land and land development are measured at cost less accumulated depreciation and accumulated impairment losses (if any) in compliance with BAS-16. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

#### 03.2.2 Subsequent Costs:

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit and loss account as incurred.

#### 03.2.3 Depreciation:

Depreciation has been charged on item of property, plant and equipment except land and land development is recognized in the profit and loss account using "Straight Line Method" over the estimated useful lives of each items. Depreciation on addition of Assets charged when the Assets are ready for use. The rate of depreciation varies from 5% to 20% p.a. based on useful lives and nature of the assets. Rate of depreciation on property, plant and equipment considering their useful lives are as follows.

**The annual depreciation rates applicable to the principal categories are:**

Sl. No.	Item of property, plant and equipment	30-06-2014	30-06-2013
01.00	Land and Land Development	-	-
02.00	Factory Building	5%	5%
03.00	Plant & Machinery	6.5%	6.5%
04.00	Office Equipment	20%	20%
05.00	Furniture & Furniture	10%	10%
06.00	Vehicles	10%	10%

### 03.3 Inventories:

Inventories consist of Raw Materials, Work-In-Process, Finished Goods and Stores & Spares. They are stated at the lower of cost or net realizable value (NRV) in accordance with the BAS-2. Inventories after making due allowances for any obsolete or slow moving item. The cost of inventories is assigned by using weighted average cost.



#### **03.4 Impairment:**

The company reviews the recoverable amount of its assets other than inventories at each reporting date. If there exist any indication that the carrying amount of assets exceeds the recoverable amount, the company recognized such impairment loss in accordance BAS-36.

#### **03.5 Trade Receivables:**

Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectibility of any amount so recognised.

#### **03.6 Cash and Cash Equivalents:**

According to IAS-7 "Statement of Cash Flows" cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value. IAS I "Presentation of Financial Statements" provides that Cash and Cash equivalents are not restricted in use. Considering the provisions of IAS- 7 and IAS- I, Cash in hand and bank balances have been considered as cash and cash equivalents.

#### **03.7 Provisions:**

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### **03.8 Taxation:**

Provision for income tax has been made on the basis of Finance Act, 2014.

#### **03.9 Deferred Taxation:**

Deferred tax is recognised in compliance with IAS/ BAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### **03.10 Employees' Benefit Plan:**

The Company has maintained employees benefit under the existing employees benefit policy of the Company as well as BAS- 19.

#### **Workers Profit Participation Fund and Welfare Fund**

The company makes a regular allocation of 5% on net profit before tax to this funds and payment is made to the workers as per provisions of Labour Law 2006.

### **03.11 Contingencies:**

Contingencies arising from claim, lawsuit, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured. The deferred tax asset/ liability/ income or liability/ expenses do not create legal liability/ recoverability to and from the income tax authority. So, Deferred Tax has not been considered in computation of Current Tax Provision.

### **03.12 Revenue Recognition:**

#### **03.12.1 Revenue from Goods Sold:**

Revenue from the sales of goods is measured at the fair value of the consideration received or receivable. The company recognized revenue when risk and rewards associated with ownership has been transferred to buyer, which satisfied all the condition for the revenue recognition as provided in BAS -18.

### **03.13 Earnings per Share:**

The Company presents basic earnings per share (EPS) data for its ordinary shares.

#### **03.13.1 Basic Earnings Per Share:**

Basic EPS is calculated by dividing the net profit/loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year as per BAS-33 which is shown on the face of the Statement of Financial Position..

### **03.14 Advance, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to income statement.

### **03.15 Borrowing Cost:**

Borrowing costs are recognized as expenses in the period in which they are incurred unless capitalization of such is allowed under BAS- 23. Borrowing Costs.

### **03.16 Statements of Cash Flows :**

Statement of Cash Flows is prepared in accordance with IAS- 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987.

### **03.17 Risk and Uncertainties for use of Estimates in Preparation of Financial Statements:**

Preparation of Financial Statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for employees benefit plans, taxes, reserves and contingencies.

### **03.18 Components of the Financial Statements:**

According to the International Accounting Standard (IAS-1) "Presentation of Financial Statements" the Complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at 30th June, 2014.
- ii) Statement of Comprehensive Income for the year ended 30th June, 2014.
- iii) Statement of Changes in Equity for the year ended 30th June, 2014.
- iv) Statement of Cash Flows for the year ended 30th June, 2014.
- v) Notes to the Financial Statements for the year ended 30th June, 2014.

### **03.19 Comparative Information:**

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year 2013 have been re-arranged, wherever considered necessary, to ensure better comparability with the current year.

### **03.20 Events after the Reporting Period:**

In compliance with the requirements of BAS10, Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting date that are not adjusting events are disclosed in the notes when material.

04. Property, Plant & Equipment: Tk. 270,396,984.00

Annexure-A

Particulars	Cost				Rate of Dep. %	Depreciation				Written down Value as at 30-06-2014	Written down Value as at 30-06-2013
	Balance as at 01-07-2013	Addition during the year	Adjustment/ Disposal	Balance as at 30-06-2014		Balance as at 01-07-2013	Charged during the year	Adjustment/ Disposal	Balance as at 30-06-2014		
Land & Land Development	39,149,714	5,810,120	-	44,959,834	-	-	-	-	-	44,959,834	39,149,714
Factory Building	75,855,704	27,375,246	-	103,230,950	5%	10,375,876	4,517,251	-	14,893,127	88,337,823	65,479,828
Plant & Machinery	153,713,974	26,288,901	-	180,002,875	6.5%	38,801,837	10,673,503	-	49,475,340	130,527,535	114,912,137
Office Equipment	2,788,538	1,433,635	-	4,222,173	20%	1,612,929	697,804	-	2,310,733	1,911,440	1,175,609
Furniture & Fixture	3,985,709	2,643,344	-	6,629,053	10%	1,620,001	561,828	-	2,181,829	4,447,224	2,365,708
Vehicles	536,150	-	-	536,150	10%	269,407	53,615	-	323,022	213,128	266,743
<b>Total</b>	<b>Taka</b>	<b>276,029,789</b>	<b>63,551,246</b>	<b>-</b>	<b>339,581,035</b>	<b>52,680,050</b>	<b>16,504,001</b>	<b>-</b>	<b>69,184,051</b>	<b>270,396,984</b>	<b>223,349,739</b>

Notes: (a) Depreciation on addition to fixed assets charged when the asstes get installed.

(b) Depreciation have been charged as follows:

Allocation of Depreciation:	Notes	Amount in Taka	
		30-06-2014	30-06-2013
Manufacturing Accounts (95%)		15,678,801	10,393,624
Administrative Expenses (5%)		825,200	547,033
<b>Total</b>	<b>Taka</b>	<b>16,504,001</b>	<b>10,940,657</b>

**Property & Assets**

Amount in Taka	
30-06-2014	30-06-2013

**05. Inventories: Tk. 99,881,260.00**

The break-up is as under:

Raw Materials	66,561,260	32,129,053
Work-In-Progress	13,260,130	10,492,000
Finished Goods	15,114,750	13,694,694
Stores & Spares	4,945,120	5,415,200

**Total****Taka****99,881,260****61,730,947****06. Trade Receivable: Tk. 78,909,306.00**

Break-up of the above is as under:

M/S. Al-Amin Banijjya Bhandar, Jessor	-	39,345
M/S. Ali Apon Auto Flower Mills, Jessor	-	32,000
M/S. Abdul Jolil/ Dolil Uddin Basta Bhandar, Jessor	2,086,684	2,115,484
M/S. City Food, Khulna	172,551	-
M/S. Adarasha Rice Mills, Satkhira	778,499	49,797
M/S. Abdul Kader, Kushtia	102,000	102,000
M/S. Azad Store	2,348,328	-
M/S. Abul Kasem, Satkhira	1,286,884	336,902
M/S. Aftab Feeds, Dhaka	3,622,274	3,328,764
M/S. Anika Feeds Ltd., Khulna	174,944	109,052
M/S. Abdul Kader Prime, Dhaka	-	399,629
M/S. Aristo Food, Jessore	248,130	222,500
M/S. Arronno Feeds Ltd., Jessor	142,900	102,640
M/S. Asif International, Dhaka	1,172,740	50,200
BRAC, Dhaka (For Feed Mills)	666,406	4,240,528
M/S. Shahana Auto	1,322,500	-
M/S. Sema Store (Chitto)	2,418,089	2,243,614
M/S. Ennoble Trading, Dhaka	1,379,643	1,439,284
M/S. Green Bangla Corporation, Dhaka	-	125
M/S. Hossain Traders, Nowapara	1,703,656	1,503,801
M/S. Humaira Traders, Dhaka	-	364,000
M/S. J. A Trading, Chittagong	3,524,516	3,328,712
M/S. Joint Trading Corporation Ltd., Nowapara	2,450,477	2,001,000
M/S. Joloy Trading, kaligong	-	4,500
M/S. Krishi Bitan, Nowapara	98,710	66,750
M/S. Marine Agro, Khulna	839,612	10,723
M/S. Mokbul Traders, Khulna	4,360,747	1,836,425
M/S. Mostofa Traders, Khulna	2,952,660	3,542,580
M/S. Masud Brothers, Khulna	1,943,742	1,332,102
M/S. MNR Trade International, Dhaka	887,500	868,258
M/S. Nowapara Traders, Nowapara	1,005,881	617,830
M/S. Paragoti Enterprise, Satkhira	-	735,620
M/S. R.S Poultry, Dhaka	2,318,987	1,971,222
M/S. Rashid Agro Food, Kustia	88,196	35,227
M/S. Ritu Hechary, Satkhira	314,556	14,100

Amount in Taka
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	<b>30-06-2014</b>	<b>30-06-2013</b>
M/S. Rubel Brothers, Chittagong	5,375,897	4,675,320
M/S. Rustom Traders, Satkhira	261,630	56,000
M/S. Rakib Auto Rice, Patkelghata	1,865,760	498,328
M/S. S Y Traders, Dhaka	1,613,198	1,499,958
M/S. Satkhira Feed Inds. Ltd., Satkhira	3,836,463	3,390,450
M/S. Super Standard Products Ltd., Dhaka	1,288,470	1,083,009
M/S. Sarker Traders	2,191,563	-
M/S. Khaitan Traders	1,561,909	-
M/S. Planet Feed, Dhaka	670,456	-
M/S. Jalil & Brothers	1,313,855	-
M/S. S.B. Poultry feed, Khulna	508,654	361,608
M/S. Total Feeds Ltd., Khulna	2,360,375	533,250
M/S. Tradex International, Dhaka	3,409,400	3,520,260
M/S. Tista Poultry, Khulna	-	2
M/S. Uttara Food & Feeds (BD) Ltd.	4,022,021	3,203,547
M/S. Mukunda Flower Mills	845,280	-
M/S. White Gold feed Ltd. Khulna	747,243	536,993
M/S. Faruk Traders, Dinajpur	2,185,200	-
M/S. Pappu Traders	1,625,000	-
M/S. Zerin Composit, Dhaka	2,815,120	342,000
M/S. Z Pack Traders, Dhaka	-	183,000
<b>Total</b>	<b>78,909,306</b>	<b>52,928,439</b>

**Taka**

**07. Advances, Deposits & Prepayments: Tk. 44,063,174.00**

**This consists of as follows:**

**Loans & Advances:**

**43,710,409**

**22,846,751**

Advance VAT against purchases	2,623,725	5,077,486
Advance against Construction	2,540,000	1,500,000
Advance against Land	1,605,000	-
Advance against Chiller	-	1,000,000
Office rent (Corporate office)	600,000	600,000
Khulna Office rent	675,000	675,000
Advance against Purchase	32,361,107	12,337,635
L.C Margin & Advance to C&F Agent	2,555,577	-
Professional Charge	-	1,448,000
Advance to Employees	750,000	208,630

**Security Deposits:**

**246,600**

**520,303**

Bangladesh Power Development Board (BPDB)	194,700	194,700
BTRC	51,900	51,900
Security Deposit to BRAC for Bag Supply	-	273,703

**Prepayments:**

**106,165**

**458,680**

Fire Insurance	106,165	41,400
Impressed Fund	-	148,780
Emergency Fund	-	250,000
Mess Advances	-	18,500

**Total**

**Taka**

**44,063,174**

**23,825,734**

Amount in Taka	
30-06-2014	30-06-2013

**08. Cash & Cash Equivalent: Tk. 11,853,426.00**

Break-up of the above is as under:

**Cash in hand:**

Head Office, Dhaka  
Khulna, Office  
Factory office, Satkhira

	<b>3,868,941</b>	<b>3,485,620</b>
	1,505,587	1,093,877
	818,139	918,139
	1,545,215	1,473,604

**Cash at Bank:**

IBBL, Mouchak Branch-Dhaka (A/C No. # 260914)  
IBBL, Satkhira Branch (A/C No. CD- 94813)  
IBBL, Satkhira Branch (SND A/C # 02813)  
IBBL, Noapara Branch (A/C No. # 58514)  
IBBL, Khulna Branch (A/C No. # 311101)  
AL Arafa IBL Dhaka Branch (A/C No. # C/D-12280)  
IBBL, Dhaka Branch (SND A/C No. # 7214)  
Pubali Bank Ltd.Dhaka Branch (A/C NO. # 3643)  
Fixed Deposits (FDR) **08.1**  
Uttara Bank Ltd.Dhaka Branch, (A/C No. # 4907)  
Janata Bank Ltd. Dhaka Branch (A/C No. # 9744)  
Bank Asia Ltd. Dhaka Branch (A/C No. # 194)

	<b>7,984,485</b>	<b>20,835,162</b>
	2,093,034	31,722
	7,181	5,280,585
	33,397	20,799
	6,152	6,789
	2,528	25,657
	6,125	7,125
	36,457	34,437
	26,782	53,995
	5,000,000	15,000,000
	4,599	-
	309,415	-
	458,815	374,053

**Total**

**Taka**

<b>11,853,426</b>	<b>24,320,782</b>
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**08.1 Fixed Deposits (FDR): Tk. 5,000,000.00**

Name of the Bank	Amount	Amount
IBBL (MTDR No. # 725661/3130)	5,000,000	5,000,000
Bank Asia Limited (MTDR)	-	5,000,000
Bank Asia Limited (MTDR)	-	5,000,000
<b>Total</b>	<b>5,000,000</b>	<b>15,000,000</b>

**Taka**

**Shareholders' Equity & Liabilities:**

**09. Share Capital:**

**09.1 Authorised Share Capital: 1,000,000,000.00**

(100,000,000 Ordinary Shares @ Tk. 10/= each)

<b>1,000,000,000</b>	<b>500,000,000</b>
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**09.2 Issued, Subscribed & Paid-up Capital: Tk. 240,000,000.00**

(24,000,000 Ordinary Shares @ Tk. 10/= each)

240,000,000	169,590,000
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**Total**

**Taka**

<b>240,000,000</b>	<b>169,590,000</b>
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Amount in Taka	
30-06-2014	30-06-2013

**10. Share Money Deposits: Tk. Nil**

Name of the Shareholders	Amount	Amount
BMSL Investment Ltd.	-	1,190,000
Grameen Capital Management Ltd.	-	10,000,000
GCML Investor's Account (DA)	-	17,220,000
Md. Wares-ul-Alam	-	4,150,000
Tareq Ansar Ahmed	-	1,000,000
Dr. Md. Shajahan Kabir	-	500,000
Jannatun Hasan	-	750,000
Enamul Haque	-	1,100,000
<b>Total</b>	<b>Taka</b>	<b>35,910,000</b>

**11. Retained Earning : Tk. 97,769,056.00**

Opening balance	65,575,284	48,763,250
Add: Current year Net Profit/ (Loss)	36,953,428	25,785,573
Less: Dividend paid	4,769,250	-
Less : Deffered Tax	-	8,973,539
<b>Closing balance</b>	<b>Taka</b>	<b>65,575,284</b>

**12. Deferred Tax Liabilities/ (Assets): Tk. 11,075,487.00**

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS/ BAS 12: Income Taxes.

Particulars	30-06-2014	30-06-2013
Written down value of No-Current Assets as per account	270,396,984	223,349,739
Written down value of No-Current Assets as per tax base	238,752,736	199,420,302
<b>Taxable temporary difference</b>	<b>31,644,248</b>	<b>23,929,437</b>
Effective Tax Rate	35.00%	37.50%
<b>Current year Deferred Tax Liabilities</b>	<b>11,075,487</b>	<b>8,973,539</b>

The above calculation has been made as per BAS 12 (25)

**13. Long Term Loan: Tk. 1,375,000.00**

Outstanding position of loan term loan from Islami Bank Bangladesh Limited are shown below:

HPSM Long term loan (A/C No. # 205014343000012004)	1,375,000	-
<b>Total</b>	<b>1,375,000</b>	<b>-</b>

a) Purpose of Investment - Industrial for the project.

b) Period of Investment - 5 (Five) year 6 (Six) Month on renewal basis.

c) Rate of return 15.50% per annum or the rate to be determined by the bank time to time.

Amount in Taka	
30-06-2014	30-06-2013



**14. Trade Creditors : Tk. 2,086,406.00**

This consists of the following:

Particulars	30-06-2014	30-06-2013
AMIS (Sharif), Dhaka	-	3,370
M/S. S. N Brothers , Dhaka	-	2,940
M/S. Hossain Traders, Dhaka	27,835	76,835
M/S. Khandakar Enterprise	74,950	127,700
M/S. Chowdhury & Commercial Agency	334,400	609,690
M/S. Century Plastic	386,852	738,852
M/S. Orient Company	-	6,000
M/S. Danish Industries (PVT) Ltd.	127,895	7,415
M/S. Shiny Shipping	-	27,066
M/S. S. R Impex Co.	5,800	305,800
M/S. Shahida Enterprise	172,315	186,200
M/S. Rasco Computers	100,858	-
M/S. H. H Traders	311,500	-
M/S. Tems Corporation	271,426	-
M/S. Shaque Enterprise	209,050	1,469,500
M/S. Munshi & Brothers	50,000	-
M/S. Nisat Traders	13,525	-
<b>Total</b>	<b>Taka</b>	
	<b>2,086,406</b>	<b>3,561,368</b>

**15. Liabilities for Expenses: Tk. 45,633,888.00****2,086,406**

Salaries & Wages	1,537,293	1,108,369
Electricity charges	219,881	307,280
Provision for bad debts	<b>15.1</b> 353,739	353,739
Audit fees	218,000	202,500
TDS Payable (Dividend)	-	125,300
Provision for Income Tax	<b>15.2</b> 43,304,975	23,889,294
M/S. A. R. Bricks	-	91,550
M/S. Munshi & Brothers	-	170,000
M/S. Nisat Traders	-	41,525
<b>Total</b>	<b>Taka</b>	
	<b>45,633,888</b>	<b>26,289,557</b>

**15.1 Provision for Bad Debts: Tk. 353,739.00**

Opening balance	353,739	221,418
Add: Provision during the year	-	132,321
<b>Closing balance</b>	<b>Taka</b>	
	<b>353,739</b>	<b>353,739</b>

**15.2 Provision for Income Tax: Tk. 43,310,142.00**

Opening Balance	23,889,294	13,280,441
Less: Adjusted during the year	1,614,136	4,862,491
Add: Provision for the 2013-2014	21,029,817	15,471,344
<b>Closing balance</b>	<b>Taka</b>	
	<b>43,304,975</b>	<b>23,889,294</b>

Amount in Taka	
30-06-2014	30-06-2013

**16. Short Term Loan: Tk. 71,653,196.00**

Outstanding position of short term loan from Islami Bank Bangladesh Limited are shown below:

Bai Murabaha Short term loan (A/C # 1430400002216)	14,032,125	21,257,792
Murabaha Post Import Short term loan (A/C # 1430400002216)	3,011,024	4,491,651
Murabaha Trust Receipt Short term loan (A/C # 1430400002216)	54,610,047	24,117,815
<b>Total</b>	<b>Taka</b>	
	<b>71,653,196</b>	<b>49,867,258</b>

a) Purpose of Investment- To purchase/ Import raw materials for the project.

b) Period of Investment - 01 (One) year on renewal basis.

c) Rate of return 15.50% per annum or the rate to be determined by the bank from time to time as per

**17. Liability for WPPF: Tk.3,004,998.00**

Opening balance	2,062,846	967,963
Add: Provision made during the year	3,004,259	2,062,846
	<b>5,067,105</b>	<b>3,030,809</b>
Less: Payment made during the year	2,062,846	967,963
<b>Closing balance</b>	<b>Taka</b>	
	<b>3,004,259</b>	<b>2,062,846</b>

**Income:****18. Sales: Tk. 316,742,010.00**

Sales	316,742,010	223,921,340
<b>Total</b>	<b>Taka</b>	
	<b>316,742,010</b>	<b>223,921,340</b>

**Expenditure:****19. Cost of Goods Sold: Tk. 233,093,134.00**

Opening Stock of Work-In-Process (WIP)	10,492,000	9,904,087
Add: Material Consumed	<b>19.1</b>	183,082,933
Add: Stores & Spares Consumption	<b>19.2</b>	9,315,230
<b>Add: Direct expenses:</b>	<b>12,117,530</b>	<b>10,174,304</b>
Wages	8,645,160	7,522,619
Overtime	2,416,250	2,057,079
Carriage inward	1,056,120	594,606
Add: Manufacturing Overhead	<b>19.3</b>	32,765,627
Less: Closing Working-In-Process (WIP)	13,260,130	10,492,000
<b>Cost of Goods Manufactured</b>	<b>234,513,190</b>	<b>166,658,702</b>
Add: Opening stock of Finished Goods	13,694,694	10,792,740
<b>Cost of Goods available for sale</b>	<b>248,207,884</b>	<b>177,451,442</b>
Less: Closing stock of Finished Goods	15,114,750	13,694,694
<b>Cost of Goods Sold</b>	<b>Taka</b>	
	<b>233,093,134</b>	<b>163,756,748</b>

**19.1 Raw Material Consumed: Tk. 183,082,933.00**

This is made up as follows:

Opening Stock of raw materials	32,129,053	31,256,766
Add: Purchases	217,515,140	130,265,311
Less: Closing Stock of raw materials	66,561,260	32,129,053
<b>Raw Material Consumed during the year</b>	<b>Taka</b>	
	<b>183,082,933</b>	<b>129,393,024</b>

Amount in Taka	
30-06-2014	30-06-2013

**19.2 Store & Spares Consumption: Tk. 9,315,230.00**

Opening balance		5,415,200	3,750,000
Add: Purchases during the year		8,845,150	4,525,090
Less: Closing balance		4,945,120	5,415,200
<b>Consumption during the year</b>	<b>Taka</b>	<b>9,315,230</b>	<b>2,859,890</b>
<b>19.3 Manufacturing Overhead: Tk. 32,765,627.00</b>			
The consists of the following:			
Indirect wages		728,408	607,007
Bonus & Incentive		330,312	275,260
Workers uniform		15,000	12,500
Oil & Diesel expenses		8,156,450	6,980,276
Entertainment		425,861	354,884
Electricity charges		4,503,274	4,515,461
Medical expenses		56,791	6,540
Fire insurance expenses		59,435	110,400
Repairs & Maintenance		556,822	464,018
Maintenance Materials		929,806	524,838
Consumable Materials		1,324,667	574,589
Depreciation	<b>04.</b>	15,678,801	10,393,624
<b>Total</b>	<b>Taka</b>	<b>32,765,627</b>	<b>24,819,397</b>
<b>20. Administrative Expenses: Tk. 9,301,837.00</b>			
The consists of the following:			
Directors remuneration	<b>20.1</b>	1,158,000	1,158,000
Salaries & Allowances		3,140,534	1,855,384
Bonus		850,990	711,780
Board meeting expenses	<b>20.1</b>	31,500	24,250
Office rent		649,131	247,618
Donation & Subscription		150,000	36,000
Audit fees		218,000	202,500
Legal & Professional charges		151,675	444,777
Fax & Telephone charges		228,454	192,541
Postages & Courier charges		9,589	12,165
Electricity & Water charges		215,974	59,634
Entertainment		326,239	203,613
Printing, Photocopies & Stationery		175,383	156,066
Traveling & Conveyance		392,756	357,051
Vehicle Maintanance		242,225	173,870
Guest house expenses		169,158	59,079
News Paper		12,332	1,207
Cleaning & Washing charges		19,014	7,512
Medical expenses		33,660	24,529
Bad Debts expenses		-	132,321
Computer Consumable Materials		62,775	74,442
Gift & Donation		-	101,462
Fees, Forms & Renewals		38,210	90
Miscellaneous expenses		201,038	216,900
Depreciation	<b>04.</b>	825,200	547,033
<b>Total</b>	<b>Taka</b>	<b>9,301,837</b>	<b>6,999,824</b>

Amount in Taka	
30-06-2014	30-06-2013

**20.1 Payment/ Perquisites to Directors: Tk. 1,189,500.00**

The aggregate amount paid during the year in respect of Directors of the company as defined in the Securities and Exchange Rules 1987 are disclosed below:

Particulars	Amount	Amount
Directors Remuneration	1,158,000	1,158,000
Board meeting expenses	31,500	24,250
<b>Total</b>	<b>Taka</b>	
	<b>1,189,500</b>	<b>1,182,250</b>

i) The Board of Directors have drawn Tk. 750/= per Board meeting attendance fees during the year under review.

ii) 9 Meeting of the Board of Directors were held during the year.

**21. Selling & Distribution Expenses: Tk. 3,218,258.00**

The consists of the following:

Advertisement	10,000	5,750
Selling & Distribution expenses	699,020	888,410
Carriage outwards	2,500,588	1,882,820
Sales discount	-	458,500
Web Design	8,650	4,290
<b>Total</b>	<b>Taka</b>	
	<b>3,218,258</b>	<b>3,239,770</b>

**22. Financial expenses: Tk. 8,600,631.00**

The consists of the following:

Bank charges	253,080	191,137
Interest on Short Term loan	8,330,215	6,997,296
Excise Duty	17,336	7,350
<b>Total</b>	<b>Taka</b>	
	<b>8,600,631</b>	<b>7,195,783</b>

**23. Other Income: Tk. 561,302.00**

Interest received on Fixed Deposit (FDR) from Bank

Interest received on Fixed Deposit (FDR) from Bank	561,302	590,547
<b>Total</b>	<b>Taka</b>	
	<b>561,302</b>	<b>590,547</b>

**24. Provision for Workers' Profit Participation Fund: Tk. 3,004,998.00**

Provision for Contribution to WPPF

Provision for Contribution to WPPF	3,004,259	2,062,846
<b>Total</b>	<b>Taka</b>	
	<b>3,004,259</b>	<b>2,062,846</b>

This represents 5% of net profit before tax after charging the contribution as per provision of the Bangladesh Labour Law 2006.

Amount in Taka	
30-06-2014	30-06-2013

**25. Deferred Tax Expenses/ (Income) is arised as under: Tk. 2,101,948.00**

<b>Particulars</b>	<b>Amount</b>	<b>Amount</b>
Closing deferred tax liabilities	11,075,487	8,973,539
Opening deferred tax tax liabilities	8,973,539	-
Deferred tax expenses/ (Income)	<b>2,101,948</b>	<b>8,973,539</b>

**Statement of Cash Flows:**

**26. Earnings Per Share (EPS):**

a) Net Profit/(Loss) After Tax	36,953,428	25,785,573
b) Weighted Average Number of Shares	22,476,058	13,179,099
<b>Earnings Per Share (EPS)</b>	<b>1.64</b>	<b>1.96</b>
<b>Earnings Per Share (Re-Stated)</b>	<b>1.64</b>	<b>1.15</b>

**Calculation of Weighted Average Number of Shares:**

<b>Allotemet of Share up to 30.6.2013</b>		<b>Days of Utilization of Share</b>	<b>No of Shares</b>
		<b>Days of Whole year</b>	
16,959,000	X	365	16,959,000
		365	
<b>Allotemet of Share on 18.09.2013</b>		<b>Days of Utilization of Share</b>	<b>No of Shares</b>
		<b>Days of Whole year</b>	
7041000	X	286	5,517,058
		365	
<b>Total Weighted Average Number of Shares</b>			<b>22,476,058</b>

**27. Net Asset Value Per Share (NAV):**

a) Share holder's Equity at the end of the year	370,275,915	303,591,736
b) Number of Ordinary Shares	24,000,000	16,959,000
<b>Net Assets Value Per Share (NAV)</b>	<b>15.43</b>	<b>17.90</b>

Net Asset Value Per Share (NAV) has been disclosed as per the Securities and Exchange Commission's Notification No.SEC/CMRRCO/2009-193/Admin/03-31, dated June 01, 2009.