

**AUDITORS' REPORT
&
AUDITED FINANCIAL STATEMENTS
OF
HFAML UNIT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**



**SHAH ALI TOWER, (7th FLOOR)
33, KAWRAN BAZAR, DHAKA-1215
BANGLADESH**

**PHONE: 88 01819 252 800
CELL: 88 01517 915 858
E-MAIL: masalam54@gmail.com**

Contents

Sl. #	Particulars	Page #
01	Auditors' Report	1
02	Statement of Financial Position	2
03	Statement of Profit or Loss and Other Comprehensive Income	3
04	Statement of Cash Flows	4
05	Statement of Changes in Equity	5
06	Notes to the Financial Statements	6-14
07	Annexure A - D	15-25

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of **HFAML UNIT FUND**, which comprise of the Statement of Financial Position as at December 31, 2020 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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 (ISAs). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate under 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 policies used and the reasonableness 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 prepared in accordance with the International Financial Reporting Standard (IFRSs), give a true and fair view of the state of the Organisation's affairs as at December 31, 2020 and of the results of its operations and cash flows for the year then ended and comply with other applicable laws and regulations.

We also report that:

- (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 account as required by law have been kept by the entity so far as it appeared from our examination of those books;
- (c) The Fund Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income along with the annexed notes 1 to 24 and annexure A to D, dealt with by the report are in agreement with the books of account and returns; and
- (d) The expenditure incurred and payments made were for the purposes of the Fund's Business.

Dated, Dhaka-
26 January, 2021

ARTISAN
Chartered Accountants
Reg:


Md Abdus Salam FCA
Senior Partner
Enr.No:570

HFAML UNIT FUND
Statement of Financial Position
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		December 31, 2020	December 31, 2019
Assets			
Non Current Assets			
Preliminary & Issue Expenses	8.00	3,808,389	4,758,442
		<u>3,808,389</u>	<u>4,758,442</u>
Current Assets			
Investment in Securities - at cost	5.00	331,343,383	289,223,336
Accounts Receivable	6.00	5,412,995	4,477,177
Investment in FDR	7.00	5,151,167	7,688,125
Advance, Deposits & Prepayments	9.00	3,446	3,740
Cash & Cash Equivalents	10.00	16,721,171	48,322,205
		<u>358,632,161</u>	<u>349,714,584</u>
Total Assets		<u>362,440,550</u>	<u>354,473,026</u>
Liabilities & Equity			
Liabilities			
Accounts Payable	11.00	1,746,015	1,913,155
Provision for diminution in value of Investment	12.00	8,411,090	8,411,089
Total Liabilities		<u>10,157,105</u>	<u>10,324,244</u>
Equity			
Unit Capital	13.00	334,107,256	321,755,473
Retained Earnings	14.00	18,176,188	22,393,309
Total Equity		<u>352,283,444</u>	<u>344,148,782</u>
Total Liabilities & Equity		<u>362,440,550</u>	<u>354,473,026</u>
NAV at Cost Price		<u>360,694,535</u>	<u>352,559,870</u>
NAV at Market Price		<u>352,283,445</u>	<u>344,148,781</u>
NAV per Unit (Cost)	15.00	<u>10.53</u>	<u>10.73</u>
NAV per Unit (Market)	16.00	<u>10.28</u>	<u>10.47</u>
No. of Unit		<u>34,263,445</u>	<u>32,863,902</u>

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.



Chairman
Trustee

Investment Corporation of Bangladesh (ICB)



Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
26 January, 2021



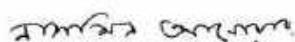


ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2020

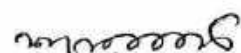
Particulars	Notes	Amount in Taka	
		01 Jan 2020 to 31 Dec 2020	01 Jan 2019 to 31 Dec 2019
Income			
Capital Gain	17.00	11,796,347	18,673,960
Dividend Income	18.00	6,983,732	7,330,702
Interest Income	19.00	2,910,589	4,417,953
Total Income		21,690,668	30,422,615
Expenses			
BSEC Annual Fee		315,882	267,512
Trustee Fee		392,120	400,164
Custodian Fee		370,073	386,127
Audit Fee		25,000	20,000
CDBL Annual Fee		40,000	40,000
CDBL Charges		51,237	42,673
CDBL Data Connectivity Charge		63,484	47,400
IPO Expenses		35,000	15,000
Management Fee		5,421,195	5,501,639
Sales Agent Commission		-	441,325
Publication Expenses		86,870	214,320
Bank Charges & Excise Duty		79,829	85,792
Amortization of Preliminary Expenses		950,053	950,053
BO A/C Maintenance Charge		1,900	2,300
Others Expense		-	53,013
Total Expenses		7,832,642	8,467,317
Total Income Before Provision		13,858,025	21,955,298
(Provision)/write back of provision for diminution in value of Investments	12.00	-	(2,618,905)
Net Profit for the year		13,858,025	19,336,393
No. of Unit		34,263,445	32,863,902
Earnings per Unit	20.00	0.40	0.59

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.



Chairman
Trustee

Investment Corporation of Bangladesh (ICB)



Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
26 January, 2021





ARTISAN
Chartered Accountants

HFAML UNIT FUND
Statement of Cash Flows
For the year ended December 31, 2020

Notes	Amount in Taka	
	December 31, 2020	December 31, 2019
Cash Flow form Operating Activities	3,685,946	1,329,522
Dividend Income Received	7,555,085	6,303,537
Interest Income Received	3,760,254	5,077,642
Payment for Expenses	21.00 (7,629,392)	(10,051,656)
Cash Flow from Investing Activities	(30,443,175)	11,582,103
Payment for Investment in Marketable Securities	(86,803,771)	(39,085,243)
Investment in IPO Shares	(6,776,610)	(18,112,200)
Payment for Preliminary & Issue Expenses		-
Received from Sale of Marketable Securities	60,600,248	27,210,626
FDR Encashment/(Investment)	2,536,958	41,568,921
Cash Flow from Financing Activities	(4,843,805)	22,916,010
Unit Sale	30,077,755	51,213,586
Fraction amount of SIP	56	29
Dividend Paid	(16,608,215)	(18,221,248)
Unit Repurchase	(18,313,401)	(10,076,356)
Total Cash Flow for the year	(31,601,033)	35,827,636
Beginning Cash Balance	48,322,205	12,494,569
Ending Cash Balance	16,721,171	48,322,205
Net operating cash flow per Unit (NOCFPU)	0.11	0.04

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.

[Signature]

Chairman
Trustee

Investment Corporation of Bangladesh (ICB)

[Signature]

Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.

Dhaka
26 January, 2021

[Signature]

[Signature]

ARTISAN
Chartered Accountants



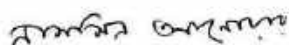
HFAML UNIT FUND
Statement of Changes in Equity
For the year ended December 31, 2020

Amount in Taka			
Particulars	Unit Capital	Retained Earnings	Total Equity
Beginning Balance	321,755,473	22,393,309	344,148,782
Unit Capital	12,351,783		12,351,783
Net Profit		13,858,025	13,858,025
Dividend Paid		(18,075,146)	(18,075,146)
Balance as on December 31, 2020	334,107,256	18,176,188	352,283,444

HFAML UNIT FUND
Statement of Changes in Equity
For the year ended December 31, 2019

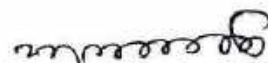
Amount in Taka			
Particulars	Unit Capital	Retained Earnings	Total Equity
Beginning Balance	279,739,415	24,122,886	303,862,301
Unit Capital	42,016,058		42,016,058
Net Profit		19,336,393	19,336,393
Dividend Paid		(21,065,970)	(21,065,970)
Balance as on December 31, 2019	321,755,473	22,393,309	344,148,782

The annexed notes 1-24 and annexure A to D form an integral part of these financial statements.



Chairman
Trustee

Investment Corporation of Bangladesh (ICB)

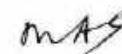


Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date.



Dhaka
26 January, 2021



ARTISAN
Chartered Accountants

HFAML UNIT FUND
Notes to the Financial Statements
For the year ended December 31, 2020

1 Introduction of the Fund and its Activities

1.01 Legal Status and Key Partners of The Fund

HFAML Unit Fund (here-in-after referred to as "the Fund"), a Trust property, was made on 28 August, 2017 under the Trust Act, 1882 and registered under the Registration Act, 1908. Subsequently on 17 September, 2017 the fund registered as a Mutual Fund from Bangladesh Securities and Exchange Commission with an Initial Fund Size of Tk. 50.00 Crore divided into 5 Crore units of Tk. 10.00 each under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ as an Open end Mutual Fund vide registration no. BSEC/MUTUAL FUND/2017/83. The fund commenced its operation on 20 November, 2017.

Key partners:

Sponsor : HF Asset Management Limited (HFAML)
Registered Office : RABBE HOUSE, 2nd Floor, B-2, Building-B, House #
CEN(B)-11, Road # 99, Gulshan-2, Dhaka-1212

Trustee & Custodian : Investment Corporation of Bangladesh (ICB)
Registered Office : BDBL Bhaban, Rajuk Avenue, Dhaka-1000, Bangladesh

Asset Manager : HF Asset Management Limited (HFAML)
Registered Office : RABBE HOUSE, 2nd Floor, B-2, Building-B, House #
CEN(B)-11, Road # 99, Gulshan-2, Dhaka-1212

1.02 Principal Activities and Nature of Operations

HFAML Unit Fund is an Open end Mutual Fund which is a professionally managed portfolio of equity stocks and fixed income instruments. Investors buy units of the Fund and the Asset Manager pools that money to make investments on their behalf. Each unit represents a portion of the fund's holdings.

The target group of investors comprises both institutions and individuals. Units of the Fund may be bought / surrendered through HF Asset Management Limited and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through HFAML or the selling agents from whom the units were originally purchased.

2 Objectives

The objective of the HFAML Unit Fund is to generate capital appreciation along with current income in the form of dividend and capital gain from a combined portfolio of equity and interest income from debt and money market investment.

3 Basis of Preparation

3.1 Statement of Compliance

These financial statements have been prepared under historical cost convention and in conformity with International Accounting Standards (IAS-1), International Financial Reporting Standards (IFRS), Bangladesh Securities and Exchange Rules 1987, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and others, as applicable.

3.2 Basis of Measurement

These financial statements have been prepared on a going concern basis under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAPs).

3.3 Functional Currency and Presentation Currency

These financial statements are presented in Bangladeshi Taka, which is also the Fund's functional currency.



3.4 Accounting Year of The Fund

These Financial Statements are prepared for the year from January 01 to December 31, 2020.

3.5 Components of Financial Statements

Statement of Financial Position
Statement of Profit or Loss and Other Comprehensive Income
Statement of Changes in Equity
Statement of Cash Flows; and
Notes to the Financial Statements

4 Significant Accounting Policies

4.01 Investment Policies of the Fund

The Fund shall invest subject to সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and only in those securities, deposits and investments approved by the BSEC and /or the Bangladesh Bank and /or the Insurance Development & Regulatory Authority (IDRA) Bangladesh or any other competent authority of Bangladesh in this regard. The Fund shall not invest:

- (i) less than 60% of the total assets in capital market instruments out of which at least 50% shall be invested in listed securities;
- (ii) more than 25% of the total assets in shares, debentures or other securities in any one industry;
- (iii) more than 20% of the total assets in shares, debentures or other securities of a single company or group;
- (iv) more than 15% of the total assets in Pre-IPOs at one time;
- (v) more than 15% of any company's total paid up capital;
- (vi) more than 10% of the total asset in one particular company.

4.02 Valuation Policy

As per Rule 58 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission. The investment valuation policy of the Fund as approved by BSEC is as follows:

4.2.1 Listed Securities

The listed securities is valued at the closing quoted market price on the Dhaka Stock Exchange on 30th December, 2020 (the date of valuation) i.e the last trading date of December 2020.

4.03 Net Asset Value (NAV) Calculation

The Fund determines its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities as per Rule 60 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ by the total number of outstanding units). The Fund uses the following formula to derive the NAV per unit:

Total NAV=VA-LT

NAV per unit= Total NAV/ No. of units outstanding

VA: Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + Receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationary expenses amortized as on date.

LT: Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

4.04 Revenue Recognition

Capital Gains

Capital gains/losses are recognized on realized basis and based on average costing method.

Dividend Income

Dividend Income is recognized on being declared by the investee-company based on the record date as the cut off date.

Financial Income

Financial Income comprises of interest income on fund deposited with the bank accounts, FDR with Banks & NBFIs, etc.

4.05 Preliminary and Issue Expenses

Preliminary and issue expenses represent expenditures incurred prior to the launching of initial public subscription of the Fund. As per Rule 65 (3) of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the preliminary expenses are being written off over a year of 7 (seven) years.

4.06 Management Fee

As per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, the Asset Management Company shall be entitled to charge the Fund an annual management fee for the management of the Fund at the following rates:

- (i) @ 2.5% per annum of weekly average Net Asset Value (NAV) of the fund up-to Tk. 50,000,000 (Taka five crore);
- (ii) @2.0% per annum for additional amount of the weekly average NAV of the Fund over Tk. 50,000,000 (Taka five crore) but up to Tk. 250,000,000 (Taka twenty five crore);
- (iii) @ 1.5% per annum for additional amount of the weekly average NAV of the Fund over Tk. 250,000,000 (Taka twenty five crore) up to Tk. 500,000,000 (Taka fifty crore); and
- (iv) @1.0% per annum for additional amount of the weekly average NAV of the Fund over Tk. 500,000,000 (Taka fifty crore);

4.07 Trustee Fee

The Trustee shall be paid an annual trustee fee @ 0.15% of the NAV of the Fund during the life of the Fund.

4.08 Custodian Fee

The Fund shall pay to the Custodian a safe keeping fee @ 0.15% of balance (dematerialized and non-dematerialized) securities and assets held by the Fund calculated on the basis of average month end value per annum.

4.09 Commission Payable on Selling Agent(s)

The Fund shall pay commission to the authorized selling agent(s) to be appointed by the Asset Manager at the rate of highest 1.00%(one percent) and minimum 0.50% (zero point five zero percent) on the total face value of unit sales which may change in future with the approval of Trustee. If individuals are appointed as selling agents BY AMC, the commission payable to them will vary as fixed as per AMC's selling agents policy which will be approved by Trustee. In no case, selling agents commission applicable for individuals will be more than 1% (one percent) on the face value on unit sales. According to prospectus approved by BSEC HFAML acts as the selling agent of the HFAML Unit Fund.

4.10 Taxation

The income of the Fund is 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 is required.

4.11 BSEC Registration Fees and Annual Fees

The Fund has paid to Bangladesh Securities and Exchange Commission (BSEC) Registration Fee as per Rule - 10 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. In addition to that the Fund will have to pay 0.10% of the fund size per annum as annual fee as per Rule - 11 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.

4.12 Dividend Policy

- (i) The Fund shall distribute at least 50% of the total net profit earned in the respective year or as determined by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ from time to time.
- (ii) The Fund shall create a dividend equalization reserve by suitable appropriation from the income of the fund.
- (iii) Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the Auditor if market value of investments goes below the acquisition cost and the method of calculation of this provision shall be incorporated in the notes of accounts.
- (iv) Dividend warrant shall be dispatched within 45 (forty five) days from the declaration of such dividend, and shall submit a statement within next 7 (seven) days to the Commission.
- (v) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared; and
- (vi) There shall be a Cumulative Investment Plan (CIP) scheme in this Fund. Under this scheme a unit holder instead of receiving dividend may reinvest such dividend income accrued for purchasing Unit at a Concession rate, to be determined by HFAML.

4.13 Provisions

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 year according to IAS -37.

4.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and bank deposits when it has a short maturity of three months or less from the date of acquisition.

4.15 Related Party Disclosure

As per International Accounting Standard (IAS) 24 Related Party Disclosure, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 22.

4.16 Departure From IFRS and IAS

- (a) The Fund has written off preliminary and issue expense over a year of seven (07) years on a straight -line method according to Rule-65(3) Ka of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ 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 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ which contradicts with IFRS 9.

4.17 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with IAS-7 under direct method.

4.18 Earnings Per Unit

Earnings per unit has been calculated in accordance with IAS-33. Earnings per Share is shown on the face of Comprehensive Income.

4.19 General

i) Figures appearing in these Financial Statements have been rounded off to nearest Taka.

4.20 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. HFAML Unit Fund applied following IASs and IFRSs:

Name of the IAS/IFRS	IAS/IFRS No.	Status
Presentation of Financial Statements	1	Applied
Statements of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Not Applicable
Revenue from contracts with customers	15	Applied
Employee Benefits	19	Not Applicable
Borrowing Costs	23	Not Applicable
Related Party Disclosures	24	Applied
Financial Instruments: Presentation	32	Applied
Earning Per Share	33	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Not Applicable
Financial Instruments	09	Applied



Notes

Amount in Taka
December 31, 2020 December 31, 2019

5.00 Investment in Securities at cost price
Investment in listed securities
Investment in non-listed securities(IPO)*
Investment in non-listed securities(MF-Open End)

Details are mentioned in (Annexure-A)

307,683,533	266,727,396
-	1,502,340
23,659,850	20,993,600
331,343,383	289,223,336

5.01 Investment in IPO
ADN Telecom

-	1,502,340
-	1,502,340

*This is application money for IPO investment under Mutual fund quota

5.02 Investment in non-listed Mutual Fund(Open End)
CAPM Unit Fund
Vanguard AML Growth Fund
ATC Shariah Unit Fund

8,654,050	5,987,800
5,000,000	5,000,000
10,005,800	10,005,800
23,659,850	20,993,600

6.00 Accounts Receivable
Dividend receivable (Annexure-B)
Interest receivable (6.1)
Receivable from Sale of Securities
Other Receivables

2,738,671	3,310,024
301,470	1,151,135
2,363,146	-
9,707	16,019
5,412,995	4,477,177

6.01 Interest receivable-FDR
Interest Receivable-FDR No-101-12-7881
Interest Receivable-FDR No-101-14-8349
Interest Receivable-FDR No-101-14-8350
Interest Receivable-FDR No-1325417
Interest Receivable-FDR No-1325343
Interest Receivable-FDR No-1325411
Interest Receivable-FDR No-1325418
Interest Receivable-FDR No-1325426

210,845	-
45,313	-
45,313	-
-	794,375
-	15,751
-	30,662
-	230,625
-	79,722
301,470	1,151,135

7.00 Investment in FDR
Investment in FDR-6 Months (Term Deposit)

Name of Institution	Account No.	Term	Rate	Amount	Amount
IIDFC	101-14-8349	6 Months	9%	5,151,167	-
IFIC Bank Limited	1325426	6 Months	10.25%	-	4,000,000
	1325343	6 Months	10.25%	-	3,688,125
				5,151,167	7,688,125

8.00 Preliminary & Issue Expenses
Opening Balance
Less: Amortization during the year

4,758,442	5,708,495
950,053	950,053
3,808,389	4,758,442

8.01 Preliminary & Issue Expenses
Legal & Compliance Related Expenses
Printing & Publication Expenses
Formation Fee
Management Fee
Other Expenses

943,929	1,132,391
1,231,139	1,476,943
1,525,078	1,829,569
964,287	1,156,813
94,009	112,779
4,758,442	5,708,495

Notes

Amount in Taka

December 31, 2020

December 31, 2019

9.00 Advance, Deposit and Prepayments

Advance CDBL Annual Fee

3,446

3,740

3,446

3,740

10.00 Cash & Cash Equivalent

Cash at Bank-IFIC

Term Deposit (FDR)*

1,721,171

630,018

15,000,000

47,692,188

16,721,171

48,322,205

10.01 Term Deposit-3 Months (FDR)*

Name of Institution	Account No.	Term	Rate	Amount	Amount
IIDFC	101-14-8349	3 Months	7.50%	7,500,000	-
	101-14-8350	3 Months	7.50%	7,500,000	-
IFIC Bank Limited	1325417	3 Months	10.25%	-	31,000,000
	1325418	3 Months	10.25%	-	9,000,000
	1325411	3 Months	10.25%	-	7,692,188
				15,000,000	47,692,188

11.00 Accounts Payable

Payable for Custodian Fees

Payable for Trustee Fees

Payable to BSEC

Payable for Management Fees

Payable CDBL charge

Payable for Purchase of Securities

Payable for Advertisement Expenses

Payable Audit Fees

Source Tax Payable

Payable for Agent Commission

Fraction amount of SIP

Others payable

192,951

189,057

16,544

-

48,370

-

1,426,614

1,444,316

22,310

-

-

226,407

12,872

8,552

25,000

20,000

680

24,196

-

106

60

29

614

492

1,746,015

1,913,155

12.00 Provision/(Write back) of provision for diminution in value of investments

Opening Balance

Add: Provision /(Write Back) of provision during the year

Required provision against diminution in value of investments at the end of year

8,411,089

5,792,184

-

2,618,905

8,411,090

8,411,089

Provision @18.75% is maintained on total erosion of (BDT. 44,859,560.08)

13.00 Unit Capital

Sponsor's Contribution

Fund collected other than Sponsors

Unit Discount

Unit Premium

30,000,000

50,000,000

312,634,450

278,639,020

(14,091,247)

(8,258,881)

5,564,053

1,375,334

334,107,256

321,755,473

14.00 Retained earnings

Opening Balance

Add: Profit during the year

Less: Dividend paid during the year

Closing Balance

22,393,309

24,122,886

13,858,025

19,336,393

36,251,334

43,459,279

(18,075,146)

(21,065,970)

18,176,188

22,393,309

Notes	Amount in Taka	
	December 31, 2020	December 31, 2019
15.00 Net asset value (NAV) per unit at cost		
Total Asset at Cost Price	362,440,550	354,473,026
Less: Accounts payable	1,746,015	1,913,155
Total net asset value at cost	360,694,535	352,559,871
Number of units	34,263,445	32,863,902
NAV per unit at cost	10.53	10.73
16.00 Net asset value (NAV) per unit at market price		
Total Net asset value at Cost Price	360,694,535	352,559,870
Less: Provision for erosion of value of securities	8,411,090	8,411,089
Total net asset value at market price	352,283,445	344,148,781
Number of units	34,263,445	32,863,902
NAV per unit at cost	10.28	10.47
If total diminution value in all securities (BDT.44,859,560.08) as of reporting date was kept as provision then the total Net Asset Value (NAV) per unit at market price would be BDT. 9.22.		
17.00 Capital Gain		
Gain on sale of securities (Annexure-C)	11,796,347	18,673,960
18.00 Dividend Income		
Dividend Income from securities (Annexure-D)	6,983,732	7,330,702
19.00 Interest income		
Term Deposit (FDR)	2,683,243	4,186,915
Cash at Bank (SND & CP)	227,346	231,038
	2,910,589	4,417,953
20.00 Earning per unit		
Net income for the year (A)	13,858,025	19,336,393
Outstanding number of units (B)	34,263,445	32,863,902
Earning per unit (A/B)	0.40	0.59
21.00 Payment for Expenses		
Annual Fee to BSEC	254,991	345,753
Bank Charge & Excise Duty	19,470	17,792
CDBL Charge	68,555	46,413
CDBL Data Connectivity Charge	20,544	40,908
CDBL Fees	36,000	41,400
IPO Subscription Fee	32,000	15,000
Advertisement Expense	79,248	222,858
Source Tax Paid	986,847	2,039,700
Custodian Fee	329,561	357,364
Trustee Fee	335,563	392,415
Agent Commission	6,020	992,679
Audit Fee	18,000	13,500
Management Fee	5,396,103	5,471,061
BD A/C Maintenance Charge	1,400	1,800
Other Expenses	45,089	53,013
	7,629,392	10,051,656

Notes	Amount in Taka	
	December 31, 2020	December 31, 2019

22.00 Related party transaction

Relationship	Name of the related party	Nature of transaction	Closing balance as on 31.12.2020	Closing balance as on 31.12.2019
Trustee of the Fund	Investment Corporation of Bangladesh	Trustee Fees	392,120	392,415
Custodian of the Fund	Investment Corporation of Bangladesh	Custodian Fees	370,073	357,364
Asset Manager	HF Asset Management Limited	Management Fees	5,421,195	5,471,061
		Sales agent commission	-	992,679

23.00 Events after the reporting year

The Board of Trustees of the has approved dividend at the rate of Tk. 0.5 Per unit i.e. 5.00% for the year ended December 31, 2020 at the meeting held on January 31, 2021.

24.00 Date of authorisation

The Trustee Board has authorised these financial statements for issue on January 31, 2021.