

**AUDITORS' REPORT
&
AUDITED FINANCIAL STATEMENTS
OF
HFAML SHARIAH UNIT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**



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Contents

Sl. #	Particulars	Page #
01	Auditors' Report	1-2
02	Statement of Financial Position	3
03	Statement of Profit or Loss and Other Comprehensive Income	4
04	Statement of Cash Flows	5
05	Statement of Changes in Equity	6
06	Notes to the Financial Statements	7-13
07	Annexure A-D	14-17

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying financial statements of **HFAML SHARIAH UNIT FUND**, which comprise of the Statement of Financial Position as at December 31, 2023 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Unit Capital and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

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 Shariah Unit Fund as at December 31, 2023 and of the results of its operations and cash flows for the year then ended and comply with other applicable laws and regulations.

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), Mutual Funds and the Securities and Exchange Rules 2001, and other applicable laws and regulations 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 and basis of opinion

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.



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 of HFAML Shariah Unit Fund and made due verification thereof ;
- (b) In our opinion, proper books of account as required by law have been kept by the Funds so far as it appeared from our examination of those books;
- (c) The HFAML Shariah Unit Fund Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Unit Capital and Statement of Cash Flows along with the annexed notes 1 to 24 and annexure A-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 Shariah Fund's businesses.

**Dated, Dhaka-
30 January, 2024**


Md Abdus Salam, FCA, FCS
Enrolment No: 570
Senior Partner
ARTISAN
Chartered Accountants

DVC:

HFAML SHARIAH UNIT FUND
Statement of Financial Position
As on December 31, 2023

Particulars	Notes	Amount in Taka	Amount in Taka
		31-Dec-23	31-Dec-22
Assets			
Non Current Assets			
Preliminary & Issue Expenses	Note:5	4,136,271	4,963,526
Total Non Current Assets		4,136,271	4,963,526
Current Assets			
Investment in Securities	Note:6	188,524,044	190,482,165
Applications for IPO Share	Note:7	-	-
Accounts Receivable	Note:8	6,219,027	3,937,276
Investment in MTDR	Note:9	-	30,601,817
Cash & Cash Equivalents	Note:10	61,377,403	33,868,073
Total Current Assets		256,120,475	258,889,331
Total Assets		260,256,746	263,852,857
Liabilities & Equity			
Liabilities			
Accounts Payable	Note:11	1,539,739	1,449,565
Total Liabilities		1,539,739	1,449,565
Equity			
Unit Capital	Note:12	247,683,771	250,669,954
Retained Earnings	Note:13	11,033,236	11,733,338
Total Equity		258,717,007	262,403,292
Total Liabilities & Equity		260,256,746	263,852,857
NAV at Cost Price		259,416,249	262,689,033
NAV at Market Price		258,717,007	253,783,662
NAV per Unit (Cost)	Note:15	10.48	10.48
NAV per Unit (Market)	Note:16	10.45	10.12
No. of Unit		24,759,432	25,067,250

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 annexed.



Member
Trustee Committee, ICB



Md Abdus Salam, FCA, FCS
Enrolment No: 570
Senior Partner
ARTISAN

Chartered Accountants

DVC No:

Dhaka
30 January, 2024

HFAML SHARIAH UNIT FUND
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on December 31, 2023

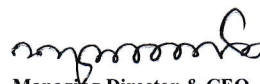
Particulars	Notes	Amount in Taka	
		31-Dec-23	31-Dec-22
Income			
Net gain on sale of securities	Note: 17	4,964,949	7,805,167
Dividend income	Note: 18	6,175,368	4,261,372
Profit on Sukuk / Bond	Note: 19	2,488,620	1,271,360
Profit from Money market investment	Note: 20	4,657,711	5,298,932
Total Income		18,286,648	18,636,832
Expenses			
BSEC Annual Fee		248,638	254,439
Trustee Fee		389,294	375,261
Custodian Fee		196,703	56,724
CDBL Charges		46,000	46,000
CDBL Data Connectivity Charges		28,675	69,580
Advertisement & Publication Expenses		145,550	100,596
IPO Subscription Fee		8,000	16,000
BO Maintenance		2,299	2,300
Management Fee		5,192,759	4,490,646
EIs Registration fee to DSE		-	25,000
Meeting Expenses		58,330	44,000
Audit Fee		30,000	18,750
Bank Charges & Excise Duty		72,563	244,185
Amortization of Preliminary Expenses		827,254	827,254
Total Expenses		7,246,067	6,570,736
Profit before Dividend Purification		11,040,581	12,066,096
Dividend purification		(46,920)	(47,017)
Profit before Provision		10,993,661	12,019,079
(Provision) / Write back for diminution in value of investment	Note: 14	(413,501)	(285,741)
Net Profit/(Loss) for the Period		10,580,160	11,733,338
Total Comprehensive Income		10,580,160	11,733,338
No. of Units		24,759,432	25,067,250
Earnings Per Unit	Note: 21	0.43	0.47

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



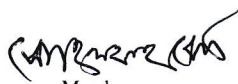
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Managing Director & CEO
HF Asset Management Limited
(Asset Manager)

Signed in terms of our separate report of even date annexed.



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Enrolment No: 570

Senior Partner
ARTISAN

Chartered Accountants

DVC No:

Dhaka
30 January, 2024


HFAML SHARIAH UNIT FUND
Statement of Cash Flows
For the year ended December 31, 2023

Particulars	Notes	31.12.2023	31.12.2022
Cash Flow from Operating Activities		43,211,610	(211,317,254)
Dividend Income Received		8,351,144	2,768,612
Profit Received		825,919	3,904,231
Payment for Investment in Marketable Securities		(21,858,612)	(186,388,183)
Received from Sale of Marketable Securities		(2,757,100)	17,221,149
Investment in IPO Shares		28,849,617	(14,735,200)
MTDR Encashment/(Investment)		36,777,472	(29,722,653)
Payment for Expenses		(6,976,830)	(4,365,210)
		-	-
Cash Flow from Investing Activities			(5,484,680)
Payment for Preliminary & Issue Expenses		-	(5,484,680)
		-	-
Cash Flow from Financing Activities		(13,156,547)	250,670,008
Unit Sale		1,080,020	250,670,008
Dividend Paid		(10,737,367)	-
Unit Repurchase		(3,499,200)	-
		-	-
Total Cash Flow for the Period		30,055,063	33,868,074
Beginning Cash & Cash Equivalent		33,868,073	-
Closing Cash & Cash Equivalent		63,923,136	33,868,074
Net Operating Cash Flow Per Unit		1.75	(8.43)

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Chartered Accountants

Dhaka
30 January, 2024

DVC No:

HFAML SHARIAH UNIT FUND
Statement of Changes in Unit Capital
For the year ended on December 31, 2023

Amount in BDT

Particulars	Capital Fund	Retained Earnings	Total Equity
Beginning Balance	250,669,954	11,733,338	262,403,292
Fund Collected/(Redeemed) during the Period	(2,986,183)	-	(2,986,183)
Net Profit	-	10,580,160	10,580,160
Dividend Paid	-	(11,280,263)	(11,280,263)
Balance as on December 31, 2023	247,683,771	11,033,236	258,717,007

Statement of Changes in Unit Capital
For the year ended on December 31, 2022

Amount in BDT

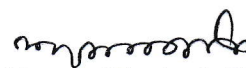
Particulars	Capital Fund	Retained Earnings	Total Equity
Beginning Balance	-	-	-
Fund Collected/(Redeemed) during the Period	250,669,954	-	250,669,954
Net Profit	-	11,733,338	11,733,338
Dividend Paid	-	-	-
Balance as on December 31, 2022	250,669,954	11,733,338	262,403,292

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



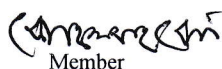
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Managing Director & CEO
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Member
Trustee Committee, ICB

Dhaka
30 January, 2024



Md Abdus Salam, FCA, FCS
Enrolment No: 570
Senior Partner
ARTISAN

Chartered Accountants
DVC No:

HFAML SHARIAH UNIT FUND
Notes to the Financial Statements
For the year ended December 31, 2023

1 Introduction of the Fund and its Activities

1.01 Legal Status and Key Partners of The Fund

HFAML Shariah Unit Fund (here-in-after referred to as "the Fund"), a Trust property, was made on August 26, 2021 under the Trust Act, 1882 and registered under the Registration Act, 1908. Subsequently on 16 September, 2021 the fund registered as a Mutual Fund from Bangladesh Securities and Exchange Commission with an Initial Fund Size of Tk. 25.00 Crore divided into 2.5 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/2021/122. The fund commenced its Investment activities on March 03, 2022.

Key partners:

Sponsor : HF Asset Management Limited (HFAML)
Registered Office : 138/1 Tejgaon I/A, Dhaka-1208

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

Custodian : BRAC Bank Limited
Registered Office : Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon, Dhaka 1208, Bangladesh.

Asset Manager : HF Asset Management Limited (HFAML)
Registered Office : 138/1 Tejgaon I/A, Dhaka-1208

1.02 Principal Activities and Nature of Operation

HFAML Shariah 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 Shariah 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 profit 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 Period ended from January 01 to 31 December, 2023.

3.5 Components of Financial Statements

Statement of Financial Position
Statement of Profit or Loss and Other Comprehensive Income
Statement of Changes in Unit Capital
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; and
- (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 are valued at the closing market price on the Dhaka Stock Exchange on 28th December, 2023 (the date of valuation) i.e the last trading date of December 2023.

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 + Profit receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationery 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 profit income on fund deposited with the bank accounts, MTDR 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 period 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);

(iv) @1.0% per annum for additional amount of the weekly average NAV of the Fund over Tk. 500,000,000 (Taka fifty crore);

The management fee is calculated on every closing day of the week on the NAV of the Fund and paid at the end of each quarter.

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 @ 0.06% of money market instruments and 0.08% of capital market instruments 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 as approved by BSEC HFAML acts as the selling agent of the HFAML Shariah Unit Fund.

4.10 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 and Directives নং- বিএসইসি/ সিএমআরআরসি/ ২০১৯-৩৯২/২৪/ প্রশাসন/১২৪.

4.11 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 shall be disbursed through investor's Bank Account 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.

(vii) The Fund has a Systematic Investment Plan or SIP to allow an investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, yearly etc.). A SIP is a planned approach towards investments and helps to inculcate the habit of saving and building wealth for the future.

4.12 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. The reporting year 2023 being a crucial and challenging year in achieving Funds objectives, some departures are needed in presentation of financial statements of HFAML Shariah Unit Fund, particularly in recognition and measurement of provisions. Such departure is allowed for provision against unrealized loss on investment as per IAS 1, Para 19 and 20. Rule 67 of Securities and Exchange Commission (Mutual Fund) Rules, 2001 stipulates that "Before declaring dividend of any scheme, every Mutual Fund shall, to the satisfaction of its Auditors, maintain a Provision for losses arising out of fall in the market price of the investment below its cost price, and the method of determining the said provision shall be mentioned in the note."

4.13 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.

4.14 Related Party Disclosure

As per International Accounting Standard (IAS) 24 Related Party Disclosures, 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.

4.15 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.

4.16 Statement of Cash Flows

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

4.17 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.

4.18 General

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

4.19 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 Shariah Unit Fund applied following IAS and IFRS:

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	Applied
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	9	Applied

HFAML SHARIAH UNIT FUND
Note to the Financial Statements
For the Period Ended on December 31, 2023

Notes	Amount in Taka	Amount in Taka															
	31-Dec-23	31-Dec-22															
<i>Note: 5</i>																	
Preliminary & Issue Expenses	4,136,271	4,963,526															
Opening Balance	4,963,526	5,790,780															
Less: Amortization during the Period	827,254	827,254															
<i>Note: 5.01</i>																	
Preliminary & Issue Expenses	4,136,271	4,963,526															
Legal & Compliance Related Expenses	450,000	540,000															
Printing & Publication Expenses	211,750	254,100															
Formation Fee	1,785,714	2,142,857															
Management Fee	1,643,836	1,972,603															
Other Expenses	44,971	53,966															
<i>Note: 6</i>																	
Investment in Securities																	
Investment in listed securities	164,416,459	166,243,826															
Investment in non-listed securities (MF-Open End)	13,702,210	15,618,709															
	178,118,670	181,862,535															
Provision shortfall against Unrealized loss of Equity & Debt Securities & Mutual Fund**	14	10,405,375															
Total	188,524,044	190,482,165															
<i>*Provision not required against Unrealized loss of Mutual Fund as per calculation of BSEC Directives No. SEC/CMRRCD/2009-193/172 dated 30 June 2015</i>																	
<i>**Management of the fund has requested to BSEC for allowing them not to charge full amount of shortfall provision against unrealised loss of equity and debt securities in Profit & Loss accounts vide letter no. HFAML/MF/BSEC/2024/0022 dated January 14, 2024 due to persistent bearish market condition during the reporting year interms of বিধি 67 সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১</i>																	
Details are mentioned in (Annexure-A)																	
<i>Note: 6.01</i>																	
Investment in non-listed securities (MF-Open End)	13,702,210	15,618,709															
Capitec-IBBL Shariah Unit Fund	13,702,210	15,618,709															
<i>Note: 7</i>																	
Applications for IPO Share	-	-															
<i>Note: 8</i>																	
Accounts Receivable, Advance, Deposit And Payments	6,219,027	3,937,276															
Dividend receivable (Annexure -B)	1,056,813	1,492,760															
Receivable Profit on Bond	1,244,310	1,271,360															
Profit accrued on money market investment	244,000	541,089															
Sale of Securities (From Securities Trading House)	2,890,798	632,067															
Advance BSEC Annual Fee	5,800	-															
Advance Tax	777,306	-															
Other Receivables	-	-															
<i>Note: 8.01</i>																	
Profit accrued on money market investment	244,000	541,089															
Expected Profit Receivable MTDR IFIL: 13410	-	37,778															
Expected Profit Receivable MTDR SB-SBL-277309	137,250	412,895															
Expected Profit Receivable MTDR SB: SBL-277574	106,750	90,417															
<i>Note: 9</i>																	
Investment in MTDR																	
<table border="1"> <thead> <tr> <th>Name of the Institution</th> <th>Account No.</th> </tr> </thead> <tbody> <tr> <td>Islamic Finance and Investment Limited</td> <td>0013071</td> </tr> <tr> <td>Standard Bank Ltd</td> <td>277309</td> </tr> <tr> <td>Total</td> <td></td> </tr> </tbody> </table>	Name of the Institution	Account No.	Islamic Finance and Investment Limited	0013071	Standard Bank Ltd	277309	Total		<table border="1"> <thead> <tr> <th>Amount</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>-</td> <td>10,000,000</td> </tr> <tr> <td>-</td> <td>20,601,817</td> </tr> <tr> <td>-</td> <td>30,601,817</td> </tr> </tbody> </table>	Amount	Amount	-	10,000,000	-	20,601,817	-	30,601,817
Name of the Institution	Account No.																
Islamic Finance and Investment Limited	0013071																
Standard Bank Ltd	277309																
Total																	
Amount	Amount																
-	10,000,000																
-	20,601,817																
-	30,601,817																
<i>Note: 10</i>																	
Cash & Cash Equivalents	61,377,403	33,868,073															
Cash at Bank	11,377,403	3,868,073															
Term Deposit- FDR	50,000,000	30,000,000															

Notes	Amount in Taka	Amount in Taka
	31-Dec-23	31-Dec-22

Note: 10.01

Cash at Bank

Name of Bank	Account Name	Account No.	Type	Amount in Taka	Amount in Taka
Islami Bank Bangladesh Ltd.	HFAML Shariah Unit Fund	20503420100145006	C/A	96,103	157,800
Al-Arafah Islami Bank Limited		541220001218	SND	11,272,970	3,708,866
Al-Arafah Islami Bank Limited		541020010611	AWCA	488	1,408
Al-Arafah Islami Bank Limited			Dividend	7,843	-
Total				11,377,403	3,868,073

Note: 10.02

Term Deposit-3 Months

Name of the Institution	Account No.
Standard Bank Ltd	277574
Standard Bank Ltd	277309
Total	

Amount	Amount
30,000,000	30,000,000
20,000,000	-
50,000,000	30,000,000

Note: 11

Accounts Payable

Payable for Management Fees	1,313,211	1,335,519
Payable for Publication & Printing	10,933	10,167
Payable for Trustee	2,568	20,532
Payable to Audit Fee	30,000	18,750
Payable Custodian Fees	133,826	13,036
Payable BSEC Fee	-	4,511
Payable Dividend purification	46,920	47,017
Others Payable	2,282	33

1,539,739	1,449,565
1,313,211	1,335,519
10,933	10,167
2,568	20,532
30,000	18,750
133,826	13,036
-	4,511
46,920	47,017
2,282	33

Note: 12

Unit Capital

Sponsor Contribution	21,400,000	25,000,000
Fund Collected other than Sponsors	226,194,320	225,672,500
Unit Discount	(11,349)	(2,546)
Unit Premium	100,800	-

247,683,771	250,669,954
21,400,000	25,000,000
226,194,320	225,672,500
(11,349)	(2,546)
100,800	-

No. of Units

24,759,432	25,067,250
-------------------	-------------------

Note: 13

Retained Earnings

Opening Balance	11,733,338	11,733,338
Add: Profit during the period	10,580,160	11,733,338
Less: Dividend paid during the year	(11,280,263)	11,733,338

11,033,236	11,733,338
11,733,338	-
10,580,160	11,733,338
(11,280,263)	11,733,338

Note: 14

Provision for diminution in value of investment

Portfolio Value at Cost Price	189,223,286	190,767,906
Portfolio Value at Market Price	178,118,670	181,862,535
Value Diminution	(11,104,617)	(8,905,371)

(No Provision made following BSEC Directive No- SEC/CMRRCD/2009-193/172 Dt-30 June 2015 & Rule 67 of BSEC (Mutual Fund) Regulation 2001) (Treated in B/S)

(699,242)	(285,741)
189,223,286	190,767,906
178,118,670	181,862,535
(11,104,617)	(8,905,371)
(10,405,375)	(8,619,630)
-	-
(413,501)	(285,741)

Provision made following BSEC Directive & Rules as mentioned above) (Treated in I/S)

Note: 15

Net asset value (NAV) per unit at cost

Total Asset at Cost Price	260,955,988	264,138,598
Less: Accounts payable	1,539,739	1,449,565
Total net asset value at cost	259,416,249	262,689,033
Number of units	24,759,432	25,067,250
NAV per unit at cost	10.48	10.48

260,955,988	264,138,598
1,539,739	1,449,565
259,416,249	262,689,033
24,759,432	25,067,250
10.48	10.48

Note: 16

Net asset value (NAV) per unit at market price

Total Asset at Market Price	260,256,746	255,233,227
Less: Accounts payable	1,539,739	1,449,565
Total net asset value at market price	258,717,007	253,783,662
Number of units	24,759,432	25,067,250
NAV per unit at market	10.45	10.12

260,256,746	255,233,227
1,539,739	1,449,565
258,717,007	253,783,662
24,759,432	25,067,250
10.45	10.12

Notes	Amount in Taka	Amount in Taka
	31-Dec-23	31-Dec-22

Note: 17

Net gain on sale of securities	4,964,949	7,805,167
Gain on Sale of Securities (Annexure -C)	4,964,949	7,805,167

Note: 18

Dividend Income	6,175,368	4,261,372
Dividend Income from Securities (Annexure -D)	6,175,368	4,374,051
Less: AIT on Dividend	-	112,679

Note: 19

Profit/Interest on Sukuk / Bond	2,488,620	1,271,360
Profit/Interest on Sukuk / Bond	2,488,620	1,271,360

Note: 20

Profit from money market investment	4,657,711	5,298,932
Cash at Bank (SND & AWCA)	106,281	681,325
Term Deposit (MTDR)	4,551,430	4,617,607

Note: 21

Earning per unit		
Net income for the year (A)	10,580,160	11,733,338
Outstanding number of units (B)	24,759,432	25,067,250
Earning per unit (A/B)	0.43	0.47

Note: 22

Related party transaction

Relationship	Name of the related party	Nature of transaction	Closing balance as on 31.12.2023	Closing balance as on 31.12.2022
Trustee of the Fund	Investment Corporation of Bangladesh	Trustee Fees	389,294	375,261
Custodian of the Fund	BRAC Bank Limited	Custodian Fees	196,703	56,724
Asset Manager	HF Asset Management Limited	Management Fees	5,192,759	4,490,730

Note: 23

Events after the reporting year

The Board of Trustee of Fund has approved dividend at the rate of Tk. 0.425 Per unit i.e. 4.25% for the year ended December 31, 2023 at the meeting held on January 30, 2024

Note: 24

Date of authorisation

The Trustee Board has authorised these financial statements for issue on January 30, 2024

Annexure -A

HFAML Shariah Unit Fund Statement of Fund Portfolio As on December 31, 2023										
SL	Sector	Company Name	Ticker	No of Shares	Average Cost (BDT)	Total Cost Value (BDT)	Market Price (BDT)	Total Market Value (BDT)	% of Total Assets	Total Unrealized Gain/Loss
1		Export Import (EXIM) Bank of Bangladesh	EXIMBANK	817,301	11.95	9,770,347.19	10.40	8,499,930.40	3.75%	(1,270,416.79)
2		First Security Islami Bank Limited	FIRSTSBANK	407,000	9.67	3,935,530.35	8.90	3,622,300.00	1.51%	(313,230.35)
3		Global Islami Bank Limited	GIB	1,039,769	8.58	9,902,570.00	8.60	8,942,013.40	3.80%	(960,556.60)
4	Bank	Standard Bank Limited	STANDBANKL	728,750	8.60	6,253,290.63	8.60	6,267,250.00	2.40%	13,959.37
5		Islami Bank Bangladesh Limited	ISLAMIBANK	25,000	32.67	816,630.00	32.60	815,000.00	0.31%	(1,630.00)
6		Shahjalal Islami Bank Ltd	SHAHJABANK	350,200	20.30	7,108,285.80	18.30	6,408,660.00	2.73%	(699,625.80)
7		Social Islami Bank Limited	SIBL	462,000	13.02	6,017,292.80	11.70	5,405,400.00	2.31%	(611,892.80)
8		Union Bank Limited	UNIONBANK	603,750	11.61	7,006,986.00	8.90	5,373,375.00	2.69%	(1,633,611.00)
		Sub-Total			50,810,932.77	50,810,932.77		45,333,928.80	19.52%	(5,477,003.97)
9	Cement	LafargeHolcim Bangladesh Limited	LHBL	12,000	68.82	825,848.40	69.30	831,600.00	0.32%	5,751.60
		Sub-Total			825,848.40	825,848.40		831,600.00	0.32%	5,751.60
10	Ceramics Sector	RAK Ceramics (Bangladesh) Limited	RAK CERAMIC	90,100	40.56	3,654,455.49	42.90	3,865,290.00	1.40%	210,834.51
		Sub-Total			3,654,455.49	3,654,455.49		3,865,290.00	1.40%	210,834.51
11	Engineering	BBS Cables Limited	BSCABLES	102,700	46.97	4,823,878.50	49.90	5,124,730.00	1.85%	300,851.50
		Sub-Total			4,823,878.50	4,823,878.50		5,124,730.00	1.85%	300,851.50
12	Food & Allied	Auro Organica PLC	AOPPLC	3,694	10.00	36,940.00	17.60	65,014.40	0.01%	28,074.40
		Sub-Total			36,940.00	36,940.00		65,014.40	0.01%	28,074.40
13	Fuel & Power	Linde Bangladesh Limited	LINDEBD	5,050	1,500.30	7,576,493.51	1,397.70	7,058,385.00	2.91%	(518,108.51)
14		Shahjibazar Power Co. Ltd.	SPCL	25,000	60.09	1,502,241.79	65.50	1,637,500.00	0.58%	135,258.21
15		United Power Generation & Distribution	UPGDCL	27,100	239.14	6,480,799.52	233.70	6,333,270.00	2.49%	(147,529.52)
		Sub-Total			15,559,534.82	15,559,534.82		15,029,155.00	5.98%	(530,379.82)
16	Insurance	Islami Insurance Bangladesh Limited	ISLAMINS	1,455	44.71	65,052.96	46.00	66,930.00	0.02%	1,877.04
17		Prime Islami Life Insurance Ltd.	PRIMELIFE	43,000	54.09	2,325,948.58	52.70	2,266,100.00	0.89%	(59,848.58)
		Sub-Total			2,391,001.54	2,391,001.54		2,333,030.00	0.92%	(57,971.54)
18	IT Sector	GENEX Infosys Limited	GENEXIL	54,912	76.69	4,211,342.59	65.40	3,591,244.80	1.62%	(620,097.79)
		Sub-Total			4,211,342.59	4,211,342.59		3,591,244.80	1.62%	(620,097.79)
19	Miscellaneous	Berger Paints Bangladesh Ltd.	BERGERPBL	50	1,737.15	86,857.39	1,774.00	88,700.00	0.03%	1,842.61
		Sub-Total			86,857.39	86,857.39		88,700.00	0.03%	1,842.61
20	Financial Institutions	Islamic Finance & Investment Ltd.	ISLAMICFIN	250,000	21.28	5,319,106.34	19.70	4,925,000.00	2.04%	(394,106.34)
21		Asiatic Laboratories Ltd	ASIATICLAB	95,000	50.00	4,750,000.00	50.00	4,750,000.00	1.83%	-
22		The IBN SINA Pharmaceutical Industry Ltd	IBNSINA	21,990	286.21	6,293,769.13	286.60	6,302,334.00	2.42%	8,564.87
23		Marico Bangladesh Limited	MARICO	1,350	2,505.24	3,382,075.83	2,460.70	3,321,945.00	1.30%	(60,130.83)
24	Pharmaceuticals & Chemicals	Renata Ltd.	RENATA	6,794	1,264.34	8,589,908.55	1,217.90	8,274,412.60	3.30%	(315,495.95)
25		Silco Pharmaceutical Limited	SILGOPHL	57,890	23.45	1,357,335.25	23.40	1,354,626.00	0.52%	(2,709.25)
26		Silva Pharmaceuticals Limited	SILVAPHL	186,200	19.54	3,638,161.80	21.60	4,021,920.00	1.40%	383,758.20
27		Square Pharmaceuticals Ltd	SQRPHARMA	61,100	220.14	13,450,744.19	210.30	12,849,330.00	5.17%	(601,414.19)
		Sub-Total			46,781,101.08	46,781,101.08		45,799,567.60	17.97%	(981,533.48)
28	Telecommunication	Gramophone Ltd.	GP	36,400	315.38	11,479,776.81	286.60	10,432,240.00	4.41%	(1,047,536.81)
		Sub-Total			11,479,776.81	11,479,776.81		10,432,240.00	4.41%	(1,047,536.81)
29	Textile	VFS Thread Dyeing Limited	VFSTDL	290,000	22.18	6,432,611.54	22.20	6,438,000.00	2.47%	5,388.46
		Sub-Total			6,432,611.54	6,432,611.54		6,438,000.00	2.47%	5,388.46
30	Travel & Leisure	Best Holdings Limited	BESTHLDNG	72,000	35.00	2,520,000.00	35.00	2,520,000.00	0.97%	-
		Sub-Total			2,520,000.00	2,520,000.00		2,520,000.00	0.97%	-
31	Mutual Fund (Close-End)	AIBL 1st Islamic Mutual Fund	AIBL1STMF	501,618	9.12	4,572,428.30	7.70	3,862,458.60	1.76%	(709,969.70)
32		SEML IBBL Shariah Fund	SEMLIBLSF	5,000	8.69	43,429.99	8.90	44,500.00	0.02%	1,070.01
		Sub-Total			4,615,858.29	4,615,858.29		3,906,958.60	1.77%	(708,899.69)
33	Corporate Bond	Beximco Green-Sukuk al Istisna'a	BEXGSUKUK	224,200	89.18	19,993,150.07	85.00	19,057,000.00	7.68%	(936,150.07)
		Sub-Total			19,993,150.07	19,993,150.07		19,057,000.00	7.68%	(936,150.07)
34	Mutual Funds (Open-End)	CAPITEC-IBBL SHARIAH UNIT FUND	CAPITEC-IBBL SHARI	1,509,054	9.94	14,999,996.76	9.08	13,702,210.32	5.76%	(1,297,786.44)
		Sub-Total			14,999,996.76	14,999,996.76		13,702,210.32	5.76%	(1,297,786.44)
	Total				189,223,286.07	189,223,286.07		178,118,669.52	72.71%	(11,104,616.55)

HFAML Shariah Unit Fund		
Statement of Dividend Receivable		
As on December 31, 2023		
Company Name	Year 2023	Year 2022
Export Import (EXIM) Bank of Bangladesh Limited	-	133,460
Agni Systems Ltd.	-	4,500
Dominage Steel Building Systems Limited	1,000	-
BBS Cables Limited	-	20,000
GENEX Infosys Limited	31,680	-
Olympic Industries Ltd.	-	99,000
Silco Pharmaceutical Limited	18,000	-
Renata Ltd.	42,463	88,900
Silva Pharmaceuticals Limited	18,620	-
SK Trims & Industries Limited	1,200	56,000
Shahjibazar Power Co. Ltd.	27,500	19,200
VFS Thread Dyeing Limited	58,000	-
Square Pharmaceuticals Ltd.	641,550	611,000
United Power Generation & Distribution Company Ltd.	216,800	460,700
Total	1,056,813	1,492,760

Annexure -C

HFAML Shariah Unit Fund Comparative Capital Gain From January 01 to December 31, 2023		
Company Name	2023	2022
Singer Bangladesh Limited	-	22,140
Renata Ltd.	-	45
Islami Commercial Insurance Company Limited	270,541	-
Grameenphone Ltd.	-	8,182
IT Consultants Limited	253,229	192,465
SK Trims & Industries Limited	235,198	78,349
BBS Cables Limited	-	392,400
M.L. Dyeing Limited	-	11,601
Social Islami Bank Limited	-	1
IFIL Islamic Mutual Fund-1	61,409	-
Shahjibazar Power Co. Ltd.	45,141	357,824
United Power Generation & Distribution Company Ltd.	-	92,287
Islamic Finance & Investment Ltd.	-	389,610
aamra networks limited	-	268,856
Square Pharmaceuticals Ltd.	-	4,546
The IBN SINA Pharmaceutical Industry Ltd.	(20,686)	32,585
Prime Islami Life Insurance Ltd.	277,452	980,138
Takaful Islami Insurance Limited	330,500	-
Standard Bank Limited	-	6,316
SEML IBBL Shariah Fund	248,963	-
Beximco Green Sukuk Al Istisna'a	-	337,017
Islami Insurance Bangladesh Limited	132,307	387,588
Dominage Steel Building Systems Limited	422,970	-
Linde Bangladesh Limited	-	22,978
Berger Paints Bangladesh Ltd.	(2,358)	18,732
Silva Pharmaceuticals Limited	21,000	-
Trust Islami Life Insurance Limited	421,130	-
Al-Madina Pharmaceuticals Limited	134,235	-
MK Footwear PLC	312,754	8,635
BD Paints Limited	-	848,017
Genex Infosys Limited	279,618	1,109,200
LafargeHolcim Bangladesh Limited	203,983	98,914
Olympic Industries Ltd.	161,232	601,636
Silco Pharmaceuticals Limited	354,576	165,895
VFS Thread Dyeing Limited	-	53,029
Marico Bangladesh Limited	2,103	-
Achia Sea Foods Limited	-	967,988
Advent Pharma Limited	14,109	-
JMI Syringes & Medical Devices Ltd.	-	9,407
RAK Ceramics (Bangladesh) Limited	-	104,579
Heidelberg Cement Bangladesh Ltd.	656,436	161,343
Agni Systems Ltd.	149,108	70,598
Islami Bank Bangladesh Limited	-	2,266
Total	4,964,949	7,805,167

HFAML Shariah Unit Fund		
Dividend Income		
From 01 January to December 31, 2023		
Company Name	2023	2022
Grameenphone Ltd.	308,750	406,250
CAPITEC-IBBL SHARIAH UNIT FUND	1,509,054	-
RAK Ceramics (Bangladesh) Limited	90,100	-
LafargeHolcim Bangladesh Limited	25,500	18,000
Islami Bank Bangladesh Limited	-	10,100
First Security Islami Bank Limited	-	84,500
Marico Bangladesh Limited	-	25,500
Berger Paints Bangladesh Ltd.	12,640	10,820
Linde Bangladesh Limited	212,100	118,250
Agni Systems Ltd.	-	4,500
Shahjalal Islami Bank Ltd.	408,000	221,800
Export Import (EXIM) Bank of Bangladesh Limited	817,301	667,301
Takaful Islami Insurance Limited	40,800	-
Islami Insurance Bangladesh Limited	6,000	-
Union Bank Limited	301,875	262,500
Global Islami Bank Limited	495,129	-
Islamic Finance & Investment Ltd.	125,000	42,000
AIBL 1st Islamic Mutual Fund	30,097	501,618
Standard Bank Limited	137,500	88,911
Social Islami Bank Limited	220,000	155,000
Olympic Industries Ltd.	-	99,000
IFIL Islamic Mutual Fund-1	46,470	62,000
SEML IBBL Shariah Fund	193,500	306,000
The IBN SINA Pharmaceutical Industry Ltd.	118,200	34,200
BBS Cables Limited	20,540	20,000
Renata Ltd.	42,463	88,900
Square Pharmaceuticals Ltd.	641,550	611,000
United Power Generation & Distribution Company Ltd.	216,800	460,700
VFS Thread Dyeing Limited	58,000	-
GENEX Infosys Limited	31,680	-
SK Trims & Industries Limited	1,200	56,000
Silva Pharmaceuticals Limited	18,620	-
Shahjibazar Power Co. Ltd.	27,500	19,200
Silco Pharmaceutical Limited	18,000	-
Dominage Steel Building Systems Limited	1,000	-
Total	6,175,368	4,261,372