

IDLC Growth Fund

For the Period ended 30 June 2019



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Unit-holders of IDLC Growth Fund
Report on the Audit of the Financial Statements

Opinion:

We have audited the financial statements of IDLC Growth Fund, which comprise the Statement of Financial Position as at June 30, 2019, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2019, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs), Bangladesh Securities and Exchange Commission Mutual Fund Bidhimala (Rules), 2001 and other applicable laws and regulations.

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, Bangladesh Securities and Exchange Commission Mutual Fund Bidhimala (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 misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements:

In accordance with the Bangladesh Securities and Exchange Commission Mutual Fund Bidhimala (Rules), 2001, 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 purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Fund so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position and Statement of profit and loss and other comprehensive Income, of the Fund dealt with by the report are in agreement with the books of account and returns; and
- d) The investment was made as per Rule 56 of Bangladesh Securities and Exchange Commission Mutual Fund Bidhimala (Rules), 2001

Dated, Dhaka
July 18, 2019


Malek Siddiqui Wali
Chartered Accountants

IDLC Growth Fund
Statement of Financial Position
As at June 30, 2019

Particulars	Notes	June 30, 2019 Taka
ASSETS		
Non-Current Asset		
Preliminary and issue expenses	5	5,876,472
		<u>5,876,472</u>
Current Asset		
Investment in securities at market price	6	199,953,006
Accounts Receivables	7	14,006,544
Prepayments	8	557,125
Cash and cash equivalents	9	106,656,869
		<u>321,173,544</u>
Total Assets		<u><u>327,050,016</u></u>
OWNERS' EQUITY		
Capital Fund	10	303,163,660
Investors' Available Balance	11	1,087
Retained earnings	12	22,091,581
Total Equity		<u>325,256,328</u>
LIABILITIES		
Non-Current Liabilities		
		-
Current Liabilities		
Accounts payable	13	1,793,688
		<u>1,793,688</u>
Total Liabilities		<u>1,793,688</u>
Total Equity and Liabilities		<u><u>327,050,016</u></u>
Net asset value (NAV) per unit:		
At cost	14	10.73
At market price	15	10.73

The annexed notes from 1 to 25 form an integral part of these Financial Statements.



Trustee

Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Limited

Signed in terms of our report of even date annexed

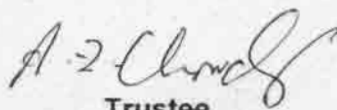
July 18, 2019
Dated, Dhaka


Malek Siddiqui Wali
Chartered Accountants

IDLC Growth Fund
Statement of Profit or Loss and Other Comprehensive Income
For the period ended on June 30, 2019

Particulars	Notes	May 07, 2018 - June 30, 2019 Taka
INCOME		
Interest income	17	12,162,963
Net gain/(loss) on sale of securities	18	18,559,462
Dividend income	19	7,382,370
Total Income		<u>38,104,795</u>
EXPENDITURE		
Management fee		7,246,897
Brokerage Commission		3,406,292
Amortization of preliminary and issue expenses	5	1,175,846
Trustee fee		632,064
BSEC annual fee		353,018
Custodian fee		321,935
Publication and other expenses	20	461,994
Sales Agent Commission		528,605
CDBL - Settlement and Demat charges		217,817
Bank charges and excise duty		135,345
Tax deducted at source		474,777
Audit fee		34,500
Total Expenditure		<u>14,989,091</u>
Income before provision for the year		<u>23,115,704</u>
Provision for diminution in value of investments	14	(119,961)
Net income for the year		<u>22,995,743</u>
Earnings per unit during the year	21	<u>0.759</u>

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Trustee

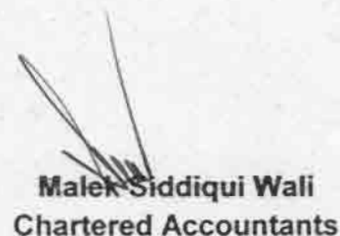
Bangladesh General Insurance Co. Ltd.


Asset Manager

IDLC Asset Management Limited

Signed in terms of our report of even date annexed

July 18, 2019
Dated, Dhaka



Malek Siddiqui Wali
Chartered Accountants

IDLC Growth Fund
Statement of Changes in Equity
 As at June 30, 2019

Particulars	Amount in Taka				
	Capital Fund	Unit Premium	Investors' Available Balance	Retained Earnings	Total Equity
Opening Balance	-	-	-	-	-
Sponsor's Contribution	100,000,000	-	-	-	100,000,000
Fund Collected from General Investors	277,091,570	1,249,817	-	-	278,341,387
Unit redemption	(73,927,910)	(1,249,817)	-	(904,162)	(76,081,888)
Investors' Available Balance	-	-	1,087	-	1,087
Net income during the year	-	-	-	22,995,744	22,995,744
Dividend paid during the year	-	-	-	-	-
Balance as at June 30, 2019	303,163,660	-	1,087	22,091,582	325,256,329

The annexed notes from 1 to 25 form an integral part of these Financial Statements.

Signed in terms of our report of even date annexed

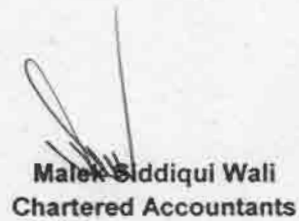


Trustee
 Bangladesh General Insurance Co. Ltd.



Asset Manager
 IDLC Asset Management Limited

July 18, 2019
 Dated, Dhaka

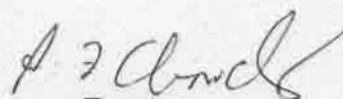


Malek Siddiqui Wali
 Chartered Accountants

IDLC Growth Fund
Statement of Cash Flows
For the period ended on June 30, 2019

Particulars	Notes	May 07, 2018 - June 30, 2019 Taka
A. Cash flows from/(used in) operating activities		
Investment in marketable securities, net		(939,472,865)
Investment in IPO shares		(5,713,990)
Proceeds from sell of marketable securities		750,118,935
Interest income realized in cash		11,683,724
Dividend income received in cash		7,382,370
Advance, Deposit and Prepayments		(557,126)
Payment made for expenses		(19,044,766)
Net cash used in operating activities		(195,603,717)
B. Cash flows from investing activities		
C. Cash flows from financing activities		
Unit Capital Issuance, net		303,095,988
Unit Premium Reserve		(836,489)
Investor's Fund		1,087
Net cash flow from financing activities		302,260,586
D. Net cash flows (A+B+C)		106,656,869
E. Cash and cash equivalents at the beginning of the year		-
F. Cash & cash equivalents at the end of the year (C+D)		106,656,869
Net Operating Cash flow per unit for the year	22	(6.45)


The annexed notes from 1 to 25 form an integral part of these Financial Statements.


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Limited

Signed in terms of our report of even date annexed

July 18, 2019
Dated, Dhaka


Malek Siddiqui Wali
Chartered Accountants

IDLC Growth Fund
Notes to the Financial Statements
As at and for the period ended on June 30, 2019

1. Introduction of the Fund and its activities

1.1 Legal status and Key partners of the Fund

IDLC Growth Fund (here-in-after referred to as "the Fund"), a Trust property, was established on September 11, 2017 under the Trust Act, 1882 and registered under the Registration Act, 1908 and subsequently on October 29, 2017 registered as a Mutual Fund from the Bangladesh Securities and Exchange Commission with an initial paid-up capital of Tk. 500 million divided into 50 million units of Tk. 10.00 each under the Securities and Exchange Commission (Mutual Fund), Rules, 2001 as an Open end Mutual Fund vide registration no. BSEC/MUTUAL FUND/2017/85.

Key partners of the Fund are as Follows:

Sponsor: IDLC Finance Limited

Registered Address: Bay's Galleria (1st Floor), 57 Gulshan Avenue, Dhaka 1212

Trustee: Bangladesh General Insurance Company Ltd (BGIC)

Registered Address: 42, Dilkusha C/A Motijheel Dhaka

Custodian: BRAC Bank Limited

Registered Address: Anik Tower, 220/B, Tejgaon Gulshan Link Road Tejgaon, Dhaka 1208

Asset Manager: IDLC Asset Management Limited

Registered Address: Symphony (Level – 04), Plot # SE (F): 9, Road # 142, Gulshan Avenue, Bir Uttam Mir Shawkat Sarak, Dhaka 1212.

1.2 Principal activities and nature of operation

IDLC Growth 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. An unit represents a portion of the fund's holdings.

The target group of investors comprises both Institute and Individual. Units of the Fund may be bought / surrendered through IDLC 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 IDLC AML or the selling agents from which the units are originally purchased.

2 Objectives

The objective of the IDLC Growth Fund is to generate long-term capital appreciation from a portfolio of predominantly equity & equity related instruments.

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 (IASs), International Financial Reporting Standards (IFRSs), Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001 and other applicable laws and regulations.



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.

3.3 Functional currency and presentational currency

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

3.4 Closure of Accounting year of the Fund

These financial statements are prepared for the period from May 07, 2018 to June 30, 2019.

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
- Notes to the Financial Statements

4 Significant accounting policies

4.1 Investment policy

The Fund shall invest subject to Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001 and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or the Insurance Development and Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regards.

The Fund shall not invest:

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

4.2 Valuation policy

As per section 58 of Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001, 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 will be as follows:

4.2.1 Listed Securities

The listed securities are valued at the closing quoted market price only on the Dhaka Stock Exchange on the date of valuation i.e. on June 30, 2019.

4.3 Net asset value (NAV) calculation

The Fund intends to determine 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 Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001 by the total number of outstanding units. The Fund will use 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 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

4.4 Revenue recognition

Capital gains

Capital gains/losses are recognized on being realized 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.

Finance income

Finance income comprises of interest income on fund kept at the bank accounts, FDR with Banks & NBFIs, etc and accounted for in the financial statements under accrual basis accounting system.

4.5 Preliminary and issue expenses

Preliminary and issue expenses represent expenditures incurred prior to the commencement of operations and establishment of the Fund. As per Rule 65 (3) of *Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001*, the expenses are being written off over a period of 7 (seven) years.

4.6 Management fee

As per *Bangladesh Securities and Exchange Commission (Mutual Fund) Regulation, 2001*, the Asset Management Company shall be entitled to charge the Fund an annual management fee for Investment Management at the following rate:

- (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) but 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 that week's average NAV of the Fund and accumulated up to the date of the financial statements.

4.7 Trustee fee

The Trustee shall be paid an annual Trusteeship fee of @ 0.15% of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis during the life of the Fund or as may be agreed upon between the parties.



4.8 Custodian Fee

The Fee for Custodian Services will be 0.05% p.a. of balance securities held by the fund, calculated on average market value per month. Besides this, the fund will bear all other expenses viz (a) transaction fee of BDT 200.00 per transaction, (b) local duties and fees like stamp duty on transactions, stamp duty on transfer deed, (c) levies, brokerage, registrar's fees' local counsel / representation, external auditors at the client's request, depository fees, etc. However, a fee cap of 0.09% p.a. on balance securities held by the fund, calculated on the average market value per month will be applicable if the total expenses (including custodian fees, transaction fees and other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian Services will be realized semi-annually at the end of the period.

4.9 Commission Payable to 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 0.45% - 1.00% on the total sale amount of unit sales, accruable on collection basis and payable at the end of the quarter. The Selling Agent Commission will be applicable for sales of unit; not on surrender of units. If individuals are appointed as selling agents by the Asset Manager, the commission payable to them will vary and fixed as per Bangladesh Securities and Exchange Commission (Mutual Fund) Regulation, 2001. The selling agent commission may change in future with prior approval from the Trustee.

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.

In Finance Act, 2016, 5% Income tax at source was applied to any Mutual Fund from the interest accrued on savings deposits or fixed deposits or any term deposit maintained with any Schedule Bank including a co-operative Bank or any bank run on Islamic principles or non-banking financial institutions or any leasing company or any housing finance company.

4.11 BSEC Registration Fees and Annual Fees

The Fund has paid Tk. 1,000,000 (Taka Ten lac) only to the Securities and Exchange Commission (SEC) as Registration Fee as per Rule - 10 of Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001. 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 Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001.

4.12 Dividend policy

- (i) The Fund shall distribute minimum 50%, or as may be determined by the Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001 from time to time, of the annual net profit of the Fund as dividend at the end of each accounting year after making provision for bad and doubtful investments.
- (ii) The Fund may create a dividend equalization reserve by suitable appropriation from the income of the Scheme to ensure consistency in dividend disbursement for each year.
- (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 will be incorporated in the notes of accounts.

- (iv) Surpluses arising simply from the valuation of investments shall not be available for dividend.
- (v) The Asset Management Company will dispatch the Dividend warrants, at the expense of the Fund, within 45 days from the declaration of such dividend and submit a statement within next 7 (seven) days to the Commission, Trustee and the Custodian.
- (vi) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared.
- (vii) There will be a Cumulative Investment Plan (CIP) scheme in this Unit Fund. Under this scheme a unit holder instead of receiving dividend may reinvest such dividend income accrued for purchasing Unit at a rate determined by IDLC Asset Management Ltd. The unit holders may change their dividend preference in future as per their need.

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 period 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 Unit premium reserves

The general investors invest in IDLC Growth Fund by purchasing Fund's units through the Asset Manager or its approved selling agents. Investors buy or sale units of the Fund at the purchase price or surrender price, NAV/unit, published weekly at daily newspaper and Asset Manager's website. If the purchase price is greater than the face value, i.e. Tk. 10/unit, the investors are buying the units at premium and the Fund creates unit premium reserves from selling the units more than the face value. Similarly when investors redeem or sale their units at surrender rate which is more than the face value, they realized a portion of unit premium reserves and Fund's performance as well.

4.16 Departure from IFRS and IAS

a. The Fund has written off Preliminary and issue expenses over a period of seven (07) years on a straight-line method according to Rule-65(3) Ka of Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with Paragraph 69(a) of IAS 38 'Intangible Assets', as it states that "no intangible or other asset is recognized when expenditure on start-up activities (i.e. Start-up costs) is incurred to provide future economic benefits".

b. The Fund is required to maintain provision for the erosion on value of marketable securities according Rule-67(1) of *Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001* whereas the IFRS 9 requires to present the investment at market value.

4.17 Statement of cash flows

Cash flows from operating activities have been presented under direct method according to IAS-7.

4.18 Earnings per unit

Earnings per unit has been calculated in accordance with IAS-33 "Earnings per Share" and shown on the face of Profit or Loss & Other Comprehensive Income.

4.19 General

- i) Figures appearing in these financial statements have been rounded off to nearest Taka.
- ii) This is the First year Financial statements for the Fund, therefore no comparisons data are applicable.

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. IDLC Growth Fund applied following IAS and IFRS:

Name of the IAS	IAS/IFRS No.	Status
Presentation of Financial Statements	1	Applied
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Sheet Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	N/A
Employee Benefits	19	N/A
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Financial Instruments: Presentation	32	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Not applied
Financial Instruments: Recognition and Measurement	IFRS-9	Not applied



IDLC Growth Fund
Notes to the Financial Statements
As at and for the period ended on June 30, 2019

Notes	June 30, 2019 Taka
5. Preliminary and issue expenses	
Opening Balance	(Note: 5.1) 7,052,318
Less: Amortized during the year	(1,175,846)
	<u>5,876,472</u>
5.1 Preliminary and issue expenses	
Formation Fee	2,809,350
Management Fee	2,904,629
Application & Registration Fees paid to BSEC	1,010,000
CDBL Fees	90,640
Trust Deed Registration Fees	100,000
Printing and Publication	458,522
Bank Charges and other expenses	296,942
	<u>7,670,083</u>
Less: Interest income from Escrow Account	(617,765)
	<u>7,052,318</u>
6. Investment in securities at market price	
Investment in listed securities	(Note: 6.1) 199,953,006
	<u>199,953,006</u>
6.1 Investment in listed securities	
Bank	39,952,941
Engineering	44,944,643
Fuel & Power	15,846,000
Information & technology	1,896,074
Mutual Fund	10,351,260
Pharmaceuticals	53,596,834
Telecommunication	32,677,120
Textile	467,544
Travel & Leisure	220,590
<i>Details are mentioned in Annexure A</i>	<u>199,953,006</u>
7. Accounts Receivables	
Interest Receivables	(Note: 7.1) 427,604
Accounts receivable - Sale of Securities	13,527,306
Other Receivable	(Note: 7.3) 51,634
	<u>14,006,544</u>
7.1 Interest Receivables	
Interest Receivables - Fixed Deposits	427,604
Interest Receivables - Bank Accounts	-
	<u>427,604</u>
7.3 Other Receivable	<u>51,634</u>
This represents the excess amount of tax deducted at source from the accrued interest on the cash balances with Bank accounts.	

June 30, 2019
Taka

8. Prepayments		
Annual fee - BSEC		303,166
Trustee fee		253,960
		<u>557,125</u>

9. Cash and cash equivalents

Cash at bank	(Note: 9.1)	43,209,369
Term deposits (FDR)	(Note: 9.2)	63,447,500
		<u>106,656,869</u>

9.1 Cash at bank

Name of Bank	Account Name	Account No.	Type	
BRAC Bank Limited	IDLC Balanced Fund	1551203826228001	CA	19,301,091
	IDLC Balanced Fund - Trading	1501203826228006	CA	1,489,003
	IDLC Balanced Fund - Operations	1501203826228005	CA	409,706
ONE Bank Ltd	IDLC Balanced Fund - Trading	0013000002087	SND	21,847,372
Standard Chartered Bank	IDLC Balanced Fund	02130870901	CA	162,198
				<u>43,209,369</u>

9.2 Term deposits

Name of Institution	Account No.	Term	Rate	
IPDC Finance Limited	04938	3 Months	11.90%	7,482,500
	04939	3 Months	11.90%	7,482,500
	04940	3 Months	11.90%	7,482,500
United Finance Ltd	0667648619	3 Months	12.00%	41,000,000
				<u>63,447,500</u>

10. Capital Fund

Sponsor's Contribution	100,000,000
Fund collected from General Investors, net	203,163,660
	<u>303,163,660</u>

10.1 Capital Allotment

Allotment Year	Basis of allotment	No. of unit	Face value per share (Taka)	Amount in Taka
2018 - 2019	Sponsor's Contribution	10,000,000	10	100,000,000
2018 - 2019	General Investors	20,316,366	10	203,163,660
	Total	30,316,366		303,163,660

(All the transactions are held through Banking Channel)

11. Investors' Available Balance

1,087

Investors' available balance represents the residual balance kept for converting into Unit Capital from the General Investors of Systematic Investment Plan (SIP).

		June 30, 2019
		Taka
12. Retained earnings		
Opening balance		-
Less: Dividend paid during the year		-
		-
Add: Profit during the year		22,995,743
		22,995,743
Less: Units redeemed with realization of Fund's performance		(904,162)
		<u>22,091,581</u>
13. Accounts payable		
Management fees		1,499,824
Custodian fees		177,783
CDBL fees		15,816
Tax deductible at source from Fixed Deposits		48,755
Audit fees		34,500
Sales agent commission		17,008
		<u>1,793,688</u>
14. Provision/(Write back of provision) for diminution in value of investments		
Opening Balance		-
Add: Provision /(Write Back of provision) during the year (listed securities)		119,961
Required provision against diminution in value of investments at the end of the period		119,961
		<u>119,961</u>
15. Net asset value (NAV) per unit at cost		
Total Asset at Cost Price		327,050,016
Less: Accounts payable		(1,793,688)
Total net asset value at cost		<u>325,256,328</u>
Number of units		30,316,366
NAV per unit at cost		<u>10.73</u>
16. Net asset value (NAV) per unit at market price		
Total net asset value at cost		325,256,328
Less: Provision for erosion of value of securities		-
Total net asset value at market price		<u>325,256,328</u>
Number of units		30,316,366
NAV per unit at market price		<u>10.73</u>
		May 07, 2018 - June 30, 2019
		Taka
17. Interest income		
Fixed Deposit Receipt(FDR)		3,492,118
Cash at Bank (STD Account)		8,670,845
		<u>12,162,963</u>
18. Gain / (Loss) from Listed Securities		
Active Fine Chemicals Limited		(945,049)
Aman Feed Limited		211,512
Bank Asia Limited		(71)
BBS Cables Limited		1,536,451
BRAC Bank Limited		1,192,351



May 07, 2018 - June 30, 2019
Taka

Beximco Pharmaceuticals Limited	265,958
British American Tobacco Bangladesh	5,825,240
City Bank Limited	1,703,062
Dhaka Bank Limited	1,239,505
Dutch-Bangla Bank Limited	173,118
Delta Life Insurance Company Limited	(53,577)
Grameenphone Limited	(3,177,481)
Ifad Autos Limited	400,216
Indo-Bangla Pharmaceuticals Limited	765,077
IPDC Finance Limited	(956,987)
Kattali Textile Limited	711,149
Khulna Power Company Limited	956,416
LankaBangla Finance Limited	(653,005)
Mercantile Bank Limited	(1,547,114)
M. L. Dyeing Limited	726,124
Nahee Aluminum Composite Panel Limited	2,816,727
New Line Clothings Limited	203,494
Olympic Industries Limited	(112,441)
Prime Bank Limited	(1,735,775)
Shepherd Industries Limited	177,600
Silva Pharmaceuticals Limited	876,905
Silco Pharmaceuticals Limited	289,717
Singer Bangladesh Limited	4,708,532
S. K. Trims Limited	1,465,602
Square Pharmaceuticals Limited	(1,121,731)
S.S. Steel Limited	827,153
Summit Power Limited	2,093,857
Western Marine Shipyard Limited	(5,645,259)
Unique Hotel & Resorts Limited	(120,386)
United Power Generation and Distribution Co. Limited	3,515,708
VFS Thread and Dyeing Limited	1,162,846
	18,559,462

19. Dividend income

Beximco Pharmaceuticals Limited	120,726
Dhaka Bank Limited	245,000
Grameen Phone Limited	1,025,000
IFAD Autos Limited	521,400
Indo-Bangla Pharmaceuticals Limited (Fraction share)	10
IPDC Finance Limited	181,650
Kattali Textile Limited (Fraction share)	20
Prime Bank Limited	1,437,500
SK Trims & Industries Limited	2,455
Summit Power Limited	2,154,000
The City Bank Limited	1,539,055
Unique Hotel & Resorts Limited	145,642
VFS Thread Dyeing Limited	9,895
Western Marine Shipyard (Fraction share)	16
	7,382,370



May 07, 2018 - June 30, 2019
Taka

20. Publication and other expenses

Renewal and registration fees	25,000
Printing and publication expenses	323,898
BO account maintenance fees	5,400
CDBL Annual maintenance fees	66,696
IPO subscription fees	41,000
	<u>461,994</u>

21. Earnings per unit

Net income for the year (A)	22,995,743
Outstanding number of units (B)	30,316,366
Earnings per unit (A+B)	<u>0.7585</u>

22. Net Operating Cashflow per share

Net Operating cash flow for the year (A)	(195,603,717)
Outstanding number of units (B)	30,316,366
Net Operating Cashflow per share (A+B)	<u>(6.45)</u>

23. Reconciliation between net profit to operating cashflow

Net Profit	22,995,743
Amortization charged	1,175,846
Operating cash flow before changes in working capital	<u>24,171,590</u>

Changes in Working capital:

Increase of investment	(199,953,006)
Increase of prepayments	(557,125)
Increase of accounts receivables	(14,006,544)
Increase of account payables	1,793,688
Payment made for Preliminary expenses	(7,052,318)
	<u>(219,775,307)</u>
Net operating cash flows	<u>(195,603,717)</u>


24. Events after the reporting period

The Board of Trustees of the Fund has approved dividend at the rate of Tk. 0.70 Per unit i.e., 7% for the period from May 07, 2018 to June 30, 2019 at the meeting held on July 18, 2019.

25. Date of authorisation

The Trustee Board has authorised these financial statements for issue on July 18, 2019.

July 18, 2019
Dated, Dhaka


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management
Limited



Annexure A

IDLC Growth Fund
Details of Investment in Listed Securities
As at June 30, 2019

Sl.	Sector	Name of the Company	No. of Share	Avg. Cost	Total Cost	Market Value	Total Market Value	% of Total Assets	Unrealized Gain/ (Loss)
(Amount in Taka)									
1	Bank	BRAC Bank Limited	498,574	61.59	30,708,616	66.10	32,955,741	10%	2,247,126
2		Dhaka Bank Limited	514,500	17.30	8,901,301	13.60	6,997,200	2%	(1,904,101)
					39,609,917		39,952,941	12%	343,024
1	Engineering	Coppertech Industries Ltd.	23,810	10.00	238,100	10.00	238,100	0%	-
2		IFAD Autos Limited	144,000	102.19	14,715,390	81.10	11,678,400	4%	(3,036,990)
3		S.S. Steel Limited	8,803	10.00	88,030	20.80	235,920	0.1%	147,890
4		Singer Bangladesh Limited	169,732	185.08	31,414,593	193.20	32,792,222	10%	1,377,629
				46,456,122		44,944,643	14%	(1,511,479)	
1	Fuel & Power	Summit Power Limited	380,000	39.90	15,161,100	41.70	15,846,000	5%	684,900
					15,161,100		15,846,000	5%	684,900
1	Information Technology	Genex Infosys Limited	7,043	10.00	70,430	55.90	393,704	0.1%	323,274
2		ADN Telecom Limited	50,079	30.00	1,502,370	30.00	1,502,370	0.5%	-
				1,572,800		1,896,074	1%	323,274	
1	Mutual Funds	Asian Tiger Sandhani Life Growth Fund	873,284	9.23	8,060,970	10.30	8,984,825	3%	933,855
2		Green Delta Mutual Fund	180,858	7.36	1,331,926	7.50	1,356,435	0.4%	24,509
				9,392,896		10,351,260	3%	958,364	
1	Pharmaceuticals	Beximco Pharmaceuticals Limited	202,000	79.25	16,007,965	83.50	16,867,000	5%	859,036
2		Renata Limited	3,000	1,166.25	3,498,754	1,198.40	3,595,200	1%	96,446
3		Silco Pharmaceuticals Limited	18,990	10.00	189,900	24.60	467,154	0.1%	277,254
4		Square Pharmaceuticals Ltd.	123,600	263.71	32,594,785	264.30	32,667,480	10%	72,695
				52,291,404		53,596,834	16%	1,305,430	
1	Telecom	Grameenphone Ltd.	89,600	392.56	35,173,328	304.70	32,677,120	10%	(2,496,208)
					35,173,328		32,677,120	10%	(2,496,208)
1	Textile	New Line Clothings Ltd.	19,481	10.00	194,810	24.00	467,544	0.1%	272,734
					194,810		467,544	0.1%	272,734
1	Travel & Leisure	Seapeari Beach Resort & Spa Ltd.	22,059	10.00	220,590	10.00	220,590	0.1%	-
					220,590		220,590	0.1%	-
				200,072,967		199,953,006	61%	(119,961)	



Grand Total