



এম এম রহমান এড কোং
M M Rahman & Co.
Chartered Accountants

*Auditors' Report and
Audited Financial Statements
Of*

IDLC Growth Fund

For the year ended June 30, 2022



INDEPENDENT AUDITOR'S REPORT

To the unitholder of IDLC Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **IDLC Growth Fund** (the Fund), which comprise the statement of financial position as at June 30, 2022, and 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, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) give a true and fair view of the state of the fund's affairs as at June 30, 2022 and of the results of its operations and cash flows for the year then ended and comply with the Securities and Exchanges Rules 1987 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtain is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and other applicable laws and regulation 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 responsibility for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In accordance with the Securities and Exchange Rules 1987, the Securities and Exchange Commission (Mutual Fund) Act, 2001 we also report the following:

- 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 fund so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and

Name of Firm: M M Rahman & Co.,
Chartered Accountants

Signature of the auditor: 

Name of the Auditor: Mohammed Forkan Uddin FCA
Managing Partner

Enrolment No. 886

²
DVC: 2207210886AS166891
DHAKA, 21.07.22



IDLC Growth Fund

Statement of Financial Position

As at June 30, 2022

	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
ASSETS			
Non Current Asset			
Preliminary and Issue Expenses	5	2,851,290	3,858,764
		2,851,290	3,858,764
Current Asset			
Investment in Securities at Market Price	6	268,871,450	277,534,374
Account Receivables	7	1,206,766	13,182,853
Advances, Deposits and Prepayments	8	643,550	599,095
Cash and Cash Equivalents	9	147,147,952	52,083,436
		417,869,718	343,399,759
Total Assets		420,721,008	347,258,523
OWNERS' EQUITY			
Capital Fund	10	337,527,790	259,590,390
Unit Premium / (Discount)	11	11,679,427	(8,392,151)
Investors' Available Balance		8,426	2,755
Fair Value Reserve	12	-	32,985,432
Retained Earnings	13	68,709,809	59,468,735
Total Equity		417,925,452	343,655,162
LIABILITIES			
Non Current Liabilities			
		-	-
Current Liabilities			
Account Payables	14	2,795,546	3,603,361
Unclaimed Dividend	15	10	-
		2,795,556	3,603,361
Total Liabilities		2,795,556	3,603,361
Total Equity and Liabilities		420,721,008	347,258,523
Net Asset Value (NAV) Per Unit			
At cost price	16	12.45	11.97
At market price	17	12.38	13.24

The annexed notes form an integral part of these financial statements.


Trustee

Bangladesh General Insurance Co. Ltd.


Asset Manager

IDLC Asset Management Ltd.

. As per our annexed report of same date.

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor :

Name of the Auditor :



Mohammed Forkan Uddin FCA
Managing Partner

Enrolment No.

886



IDLC Growth Fund

Statement of Profit or Loss and Other Comprehensive Income
 For the year ended June 30, 2022

	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
INCOME			
Capital Gain	18	53,001,715	68,103,659
Dividend Income	19	8,258,131	7,209,542
Interest Income	20	2,418,528	4,512,595
Accrued TDS reversed for listed bond		58,377	-
Total Income		63,736,750	79,825,795
EXPENDITURE			
Management fee		7,185,628	6,362,758
Amortization of preliminary and issue expenses	5	1,007,474	1,007,474
Brokerage commission		2,312,666	2,557,859
Trustee fee		653,847	559,217
Publication and other expenses	21	353,218	357,762
BSEC annual fee		374,062	319,619
Tax deducted at source		78,650	64,142
Custodian fee		195,326	232,177
Bank charges and excise duty		117,532	163,908
Sales agent commission		598,555	118,464
CDBL - settlement and demat charges		210,075	216,263
Audit Fee		34,500	34,500
Total Expenditure		13,121,533	11,994,144
Profit before provision		50,615,218	67,831,651
(Provision) / write back of provision for Diminution in Value of Investments	22	(2,435,585)	25,663,557
Profit for the year		48,179,632	93,495,207
Fair value reserve		-	32,985,432
Total comprehensive income		48,179,632	126,480,640
Earnings per unit	23	1.43	3.60

The annexed notes form an integral part of these financial statements.


 Trustee

Bangladesh General Insurance Co. Ltd.


 Asset Manager
 IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm:

M M Rahman & Co.
 Chartered Accountants

Signature of the Auditor
 Name of the Auditor


 Mohammed Forkan Uddin FCA
 Managing Partner
 886

Enrolment No.

DVC:2207210886AS166891
DHAKA, 21.07.22



IDLC Growth Fund


Statement of Changes in Equity

For the year ended June 30, 2022

Particulars	Capital fund	Unit premium/ (discount)	Investors' balance	Fair value reserve	Retained earnings	Total equity
Opening Balance	259,590,390	(8,392,151)	2,755	32,985,432	59,468,735	343,655,162
Unit Subscribed / (Redeemed) During the Year, Net	77,937,400	20,071,577	-	-	-	98,008,977
Fair Value Reserve	-	-	-	(32,985,432)	-	(32,985,432)
Investors' Balance	-	-	5,671	-	-	5,671
Net Income During the Year	-	-	-	-	48,179,632	48,179,632
Dividend Paid During the Year	-	-	-	-	(38,938,559)	(38,938,559)
As at June 30, 2022	337,527,790	11,679,427	8,426	-	68,709,809	417,925,452

For the year ended June 30, 2021

Particulars	Capital fund	Unit premium/ (discount)	Investors' balance	Fair value reserve	Retained earnings	Total equity
Opening Balance	335,037,170	(3,456,060)	1,486	-	(34,026,473)	297,556,124
Unit Subscribed / (Redeemed) During the Year, Net	(75,446,780)	(4,936,091)	-	-	-	(80,382,871)
Fair Value Reserve	-	-	-	32,985,432	-	32,985,432
Investors' Balance	-	-	1,269	-	-	1,269
Net Income During the Year	-	-	-	-	93,495,207	93,495,207
As at June 30, 2021	259,590,390	(8,392,151)	2,755	32,985,432	59,468,735	343,655,162


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor



Mohammed Forkan Uddin FCA
Managing Partner
886

Enrolment No.

DVC:2207210886AS166891
DHAKA.21.07.22



IDLC Growth Fund

Statement of Cash Flows

For the year ended June 30, 2022

	Amount in Taka	
	June 30, 2022	June 30, 2021
A. Cash Flows From / (Used in) Operating Activities		
Investment in Marketable Securities, Net	(618,297,613)	(632,115,573)
Investment in IPO Shares	(20,404,270)	(30,140,570)
Proceeds from Sell of Marketable Securities	675,408,458	655,217,872
Interest Income Realized in Cash	3,533,063	5,173,811
Dividend Income Received in Cash	8,713,131	6,754,542
Advances, Deposits and Prepayments	(1,072,363)	(979,491)
Payment Made for Expenses	(10,700,690)	(10,056,943)
Net Cash Flows From / (Used in) Operating Activities	37,179,716	(6,146,352)
B. Cash From / (Used in) Investing Activities	-	-
C. Cash From / (Used in) Financing Activities		
Unit Capital, Net	77,937,400	(75,446,780)
Unit Premium / (Discount), Net	20,071,577	(4,936,091)
Payable to Investors	(1,191,300)	1,498,911
Investor's Balance	5,671	1,268
Dividend Paid for the Year	(38,938,549)	-
Net Cash Flows From / (Used in) Financing Activities	57,884,800	(78,882,692)
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	95,064,516	(85,029,044)
E. Opening Cash and Cash Equivalents	52,083,436	137,112,480
F. Closing Cash and Cash Equivalents (D+E)	147,147,952	52,083,436
Net Operating Cash flow Per Unit	1.10	(0.24)

The annexed notes form an integral part of these financial statements.


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor
Name of the Auditor


Mohammed Forkan Uddin FCA
Managing Partner
886

Enrolment No.

DVC:2207210886AS166891
DHAKA, 21.07.22



IDLC Growth Fund

Notes to the Financial Statements

As at and for the year ended June 30, 2022

1 Introduction of the Fund and its activities

1.01 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 target of paid-up capital of BDT 500 million divided into 50 million units of BDT 10 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.

After initial public subscription, the size of the fund was BDT 28.09 crore.

Key partners of the Fund are as Follows:

Sponsor	: IDLC Finance Ltd.
Registered Address	: Bay's Galleria (1 st Floor), 57 Gulshan Avenue, Dhaka - 1212.
Trustee	: Bangladesh General Insurance Company Ltd.
Registered Address	: 42, Dilkusha C/A, Motijheel, Dhaka - 1000.
Custodian	: BRAC Bank Ltd.
Registered Address	: Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon, Dhaka - 1208.
Asset Manager	: IDLC Asset Management Ltd.
Registered Address	: Symphony (Level – 04), Plot - SE (F): 9, Road - 142, Gulshan Avenue, Bir Uttam Mir Shawkat Sarak, Dhaka - 1212.

1.02 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 by paying an amount equivalent to the purchase price and the Asset Manager makes investments on their behalf. An unit represents a portion of the fund's holdings.

The target group of investors comprises both Institutions and Individuals. Units of the Fund can be subscribed / redeemed through IDLC Asset Management Ltd. 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 Asset Management Ltd. 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 and equity related instruments.

3 Basis of preparation

3.01 Statement of compliance

These financial statements have been prepared in conformity with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

3.02 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.



3.03 Functional and presentational currency

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

3.04 Reporting period of the Fund

The financial period of the Fund cover 1 year from July 01, 2021 to June 30, 2022.

3.05 Components of financial statements

- (i) Statement of Financial Position
- (ii) Statement of Profit or Loss and Other Comprehensive Income
- (iii) Statement of Changes in Equity
- (iv) Statement of Cash Flows
- (v) Notes to the Financial Statements

4 Significant accounting policies

4.01 Investment policy

The Fund shall invest subject to 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.

4.02 Valuation policy

As per Rule 58 of 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:

Listed Securities

- (i) Listed securities (other than mutual Fund) has valued at "Fair Value Through Profit or Loss" as per Securities and Exchange Commission (Mutual Fund) Rules, 2001 and related unrealized loss and right back of unrealized loss has been charged in the Statement of Profit or Loss and unrealized gain has been recognized in other comprehensive income through in the Statement of changes in equity. Mutual Fund securities are valued as per SRO No. SEC/CMRRC/2009-193/172 dated June 30, 2015.
- (ii) Market value is determined by taking the closing quoted market price of the securities only on the Dhaka Stock Exchange on the date of valuation i.e. on June 30, 2022.

4.03 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.

4.04 Revenue recognition

Capital Gains / Losses

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.

Interest Income

Interest income comprises of interest income on fund kept at the bank accounts, FDR with Banks & NBFIs, Investments made in listed / non-listed Corporate Bonds, Zero Coupon Bonds, etc. and accounted for in the financial statements under accrual basis accounting system.

4.05 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 Securities & Exchange Commission (Mutual Fund) Rules, 2001, the expenses are being written off over a period of 7 (seven) years in a straight line method.

4.06 Management fee

As per Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Asset Management Company shall be entitled to charge the Fund a 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 BDT 50,000,000 (five crore);
- (ii) @ 2.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 50,000,000 (five crore) but up to BDT 250,000,000 (twenty five crore);
- (iii) @ 1.5% per annum for additional amount of the weekly average NAV of the Fund over BDT 250,000,000 (twenty five crore) but up to BDT 500,000,000 (fifty crore);
- (iv) @ 1.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 500,000,000 (fifty crore).

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

4.07 Trustee fee

The Trustee is paid an annual Trusteeship fee of @ 0.15% p.a. of the Net Asset Value (NAV) of the Fund or BDT 400,000 (four lac only), whichever is higher, on semi-annual in advance basis during the life of the Fund.

4.08 Custodian Fee

The Fee for Custodian Services is 0.05% p.a. of balance securities held by the fund, calculated on average market value per month. Besides this, the fund bears all other expenses viz.



- (i) transaction fee of BDT 200 per transaction;
- (ii) local duties and fees like stamp duty on transactions, stamp duty on transfer deed; and
- (iii) 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 is 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 is realized semi-annually at the end of the period.

4.09 Commission Payable to Selling Agent(s)

The Fund pays commission to the authorized selling agent(s) 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 is 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 Securities and Exchange Commission (Mutual Fund) Rules, 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-Ain/Aikor/2011 dated November 10, 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 BDT 1,000,000 (ten lac) only to the Bangladesh Securities and Exchange Commission (BSEC) as Registration Fee as per Rule 10 of Securities & Exchange Commission (Mutual Fund) Rules, 2001. In addition to that, the Fund pays 0.10% of the Net Asset Value (NAV) of the fund or BDT 50,000 (fifty thousand), whichever is hisgher, as annual fee as per Rule 11 of Securities & Exchange Commission (Mutual Fund) Rules, 2001.

4.12 Dividend policy

- (i) The Fund distributes minimum 50%, or as may be determined by the 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 can reinvest such dividend income accrued for purchasing Unit at a rate determined by IDLC Asset Management Ltd. The unit holders can 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 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 Unit premium / discount

The general investors buy or sale units of the Fund at the purchase price or surrender price, NAV / unit, published weekly in daily newspaper and Asset Manager's website. If the purchase price is greater than the face value, i.e. BDT 10 per unit, the investors are buying the units at premium and the Fund creates unit premium 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 realize a portion of unit premium 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 07 (seven) 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".

4.17 Statement of cash flows

Cash flows from operating activities have been presented under direct method according to IAS 7 "Statement of Cash Flows".

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 the Statement of Profit or Loss and Other Comprehensive Income.

4.19 General

- (i) Figures appearing in these financial statements have been rounded off to nearest Taka.
- (ii) Comparative figures and account titles in the financial statements have been rearranged / reclassified where necessary to conform with current year's presentation.

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 IASs and IFRSs:

Name of the IAS / IFRS	IAS/IFRS No.	Status
Presentation of Financial Statements	IAS 1	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	N/A
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	N/A
Employee Benefits	IAS 19	N/A
Borrowing Costs	IAS 23	N/A
Related Party Disclosures	IAS 24	Applied
Financial Instruments: Presentation	IAS 32	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	N/A
Investment Property	IAS 40	N/A
Agriculture	IAS 41	N/A
Financial Instruments	IFRS 9	Applied

4.21 Application of Compliance Standards by Bangladesh Securities & Exchange Commission (BSEC)

IDLC Growth Fund has maintained the following compliance standards mentioned in Securities & Exchange Commission (Mutual Fund) Rules, 2001.

Compliance Standards	Reference	Status
Minimum of 60% of total fund assets invested in capital market instruments, of which at least 50% shall be invested in listed securities	Rule 55	Complied
The Fund hasn't allowed any advances or loans for any purpose	5 th Schedule (1) and Rule 56	Complied
No more than 10% of total fund assets shall be invested in any one particular company	5 th Schedule (2) and Rule 56	Complied
No more than 15% of any company's total paid up capital is held by the fund	5 th Schedule (3) and Rule 56	Complied
No more than 20% of total fund assets are invested in shares, debentures or other securities of a single company or group	5 th Schedule (4) and Rule 56	Complied
No more than 25% of total fund assets are invested in shares, debentures or other securities in any one industry	5 th Schedule (5) and Rule 56	Complied
Any transfers made by the Fund from one scheme to another if – → Are made at current market price of the listed securities through spot market; and → The investment objective of the scheme (which receives the securities) matches with the transferred securities	5 th Schedule (6) and Rule 56	Complied
The Fund has not invested in or lent to another Scheme under management of IDLC Asset Management Ltd.	5 th Schedule (7) and Rule 56	Complied
The Fund has not taken any loan for investment purpose	5 th Schedule (8) and Rule 56	Complied
Total Expenditure except preliminary expense shall not greater than 4% of weekly average Net Asset Value at market price	5 th Schedule (10) and Rule 56	Complied



		Amount in Taka	
		June 30, 2022	June 30, 2021
5.00 Preliminary and Issue Expenses			
Opening Balance	5.01	3,858,764	4,866,238
Less: Amortized During the Year		(1,007,474)	(1,007,474)
		2,851,290	3,858,764
5.01 Opening Balance			
Formation Fee		2,809,350	2,809,350
Management Fee		2,904,629	2,904,629
Application and Registration Fees Paid to BSEC		1,010,000	1,010,000
CDBL Fees		90,640	90,640
Trust Deed Registration Fees		100,000	100,000
Printing and Publication		458,522	458,522
Bank Charges and Other Expenses		296,942	296,942
		7,670,083	7,670,083
Less: Interest Income from Escrow Account		(617,765)	(617,765)
		7,052,318	7,052,318
Less: Amortized Balance		(3,193,555)	(2,186,081)
		3,858,764	4,866,238
6.00 Investment in Securities at Market Price			
Investment in Listed Securities at Cost Price	6.01	256,307,035	222,049,742
Investment in Initial Public Offering (IPO)	6.02	15,000,000	22,499,200
		271,307,035	244,548,942
Add / (Less): Unrealized Gain / (Loss)		(2,435,585)	32,985,432
		268,871,450	277,534,374
6.01 Investment in Listed Securities at Cost Price			
Bank		48,286,605	40,905,303
Corporate Bond		15,454,107	28,186,580
Engineering		-	19,876,688
Financial Institutions		13,385,980	14,746,201
Food & Allied		19,861,557	28,126,310
Insurance		73,120	200,000
Pharmaceuticals & Chemicals		87,069,299	33,385,858
Telecommunication		72,176,368	56,622,802
		256,307,035	222,049,742
<i>Details are mentioned in Annexure A.</i>			
6.02 Investment in Initial Public Offering (IPO)*			
Baraka Patenga Power Ltd.		-	22,499,200
Achia Sea Foods Ltd.		15,000,000	-
		15,000,000	22,499,200
<i>*This is application money for IPO investment under Mutual Fund quota.</i>			
7.00 Account Receivables			
Interest Receivables		111,375	1,167,533
Receivables on Sale of Securities		1,095,391	11,560,320
Dividend Receivables	7.01	-	455,000
		1,206,766	13,182,853



Amount in Taka	
June 30, 2022	June 30, 2021

7.01 Dividend Receivables

First Security Islami Bank Ltd.	-	120,000
National Credit and Commerce Bank Ltd.	-	195,000
Marico Bangladesh Ltd.	-	140,000
	-	455,000

8.00 Advances, Deposits and Prepayments

Annual fee - BSEC	391,173	326,383
Trustee fee	252,377	272,712
	643,550	599,095

9.00 Cash and Cash Equivalents

Bank Deposits	9.01	79,647,952	52,083,436
Term Deposits	9.02	67,500,000	-
		147,147,952	52,083,436

9.01 Bank Deposits

Bank	Account No.	Type	Amount in Taka	Amount in Taka
BRAC Bank Ltd.	1551-2038-2622-8001	CA	9,854,778	949,522
	1501-2038-2622-8006	CA	25,184,700	2,804,055
	1501-2038-2622-8005	CA	1,461,526	2,380,385
Standard Chartered Bank	02130870901	CD	420,220	45,936,170
ONE Bank Ltd.	0013000002087	SND	-	4,355
	0013000002123	SND	24,917	8,950
The City Bank Ltd.	1123362736001	CETA	18,147,642	-
	1123362736002	CETA	24,554,168	-
			79,647,952	52,083,436

9.02 Term Deposits

Bank	Account No.	Term	Rate	Amount in Taka	Amount in Taka
Export Import (Exim) Bank of Bangladesh Ltd.	0121001221969	3 Months	6.60%	45,000,000	-
	0121001221985	3 Months	6.60%	7,500,000	-
	0121001221044	3 Months	6.60%	7,500,000	-
	0121001221028	3 Months	6.60%	7,500,000	-
				67,500,000	-

10.00 Capital Fund

Opening Balance	259,590,390	335,037,170
Add: Units Subscribed During the Year	110,670,150	38,396,450
Less: Units Redeemed During the Year	(32,732,750)	(113,843,230)
	337,527,790	259,590,390

10.01 Capital Allotment, Net

Allotment Year	Investor Category	No. of Units	Face Value	Amount in Taka	Amount in Taka
2018 - 19	Sponsor	10,000,000	10	100,000,000	100,000,000
2018 - 19	General	20,316,366	10	203,163,660	203,163,660
2019 - 20	General	3,187,351	10	31,873,510	31,873,510
2020 - 21	General	(7,544,678)	10	(75,446,780)	(75,446,780)
2021 - 22	General	7,793,740	10	77,937,400	-
		33,752,779		337,527,790	259,590,390

All the transactions are held through Banking Channel.



	Amount in Taka	
	June 30, 2022	June 30, 2021
11.00 Unit Premium / (Discount)		
Opening Balance	(8,392,151)	(3,456,060)
Add: Units Subscribed / (Redeemed) During the Year, Net	20,071,577	(4,936,091)
	<u>11,679,427</u>	<u>(8,392,151)</u>
12.00 Fair Value Reserve		
Opening Balance	32,985,432	-
Add: Increase / (Decrease) During the Year	(32,985,432)	32,985,432
	<u>-</u>	<u>32,985,432</u>
13.00 Retained Earnings		
Opening Balance	59,468,735	(34,026,472)
Less: Dividend Paid During the Year	(38,938,559)	-
	<u>20,530,177</u>	<u>(34,026,472)</u>
Add: Net Income During the Year	48,179,632	93,495,207
	<u>68,709,809</u>	<u>59,468,735</u>
14.00 Account Payables		
Management Fees	1,852,420	1,618,789
Custodian Fees	202,295	228,054
TDS Against Interest Income	-	58,377
Sales Agent Commission	258,966	48,415
Publication and Other Expenses	83,396	1,800
Audit Fees	34,500	34,500
Payable to the Investors	363,354	1,554,653
Brokerage Commission	-	22,590
CDBL Fees	616	36,182
	<u>2,795,546</u>	<u>3,603,361</u>
15.00 Unclaimed Dividend		
Up to 1 Year	10	-
	<u>10</u>	<u>-</u>
16.00 Net Asset Value (NAV) Per Unit at Cost		
Total Asset Value at Market Price	420,721,008	347,258,523
Less: Unrealized Gain / (Loss)	(2,435,585)	32,985,432
Total Asset Value at Cost Price	<u>423,156,593.14</u>	<u>314,273,090.68</u>
Less: Account Payables	2,795,546	3,603,361
Unclaimed Dividend	10	-
NAV at Cost Price	<u>420,361,036.88</u>	<u>310,669,729.38</u>
Number of Units	33,752,779	25,959,039
	<u>12.45</u>	<u>11.97</u>
17.00 Net Asset Value (NAV) Per Unit at Market Price		
NAV at Cost Price	420,361,037	310,669,729
Add: Unrealized Gain / (Loss)	(2,435,585)	32,985,432
NAV at Market Price	<u>417,925,451</u>	<u>343,655,161</u>
Number of Units	33,752,779	25,959,039
	<u>12.38</u>	<u>13.24</u>



Amount in Taka	
June 30, 2022	June 30, 2021

18.00 Capital Gain

AB Bank Ltd.	(640,000)	-
ACI Ltd.	1,060,431	-
ACME Pesticides Ltd.	760,397	-
APSCL Non-Convertible Coupon Bearing Bond	63,027	-
Associated Oxygen Ltd.	-	495,508
Bangladesh Export Import Company Ltd.	(413,805)	-
Bangladesh Submarine Cable Company Ltd.	6,827,835	1,795,679
Baraka Patenga Power Ltd.	9,814,050	-
BBS Cables Ltd.	-	137,727
BD Thai Food & Beverage Limited	191,256	-
Beacon Pharmaceuticals Ltd.	2,413,866	-
Berger Paints Bangladesh Ltd.	-	73,655
Beximco Pharmaceuticals Ltd.	13,591,839	13,816,591
BRAC Bank Ltd.	2,076,183	5,571,498
British American Tobacco Bangladesh Company Ltd.	7,295,309	14,344,179
Coppertech Industries Ltd.	-	66,531
Crystal Insurance Company Ltd.	-	777,941
DBH First Mutual Fund	-	(1,034,536)
Delta Life Insurance Company Ltd.	(868,549)	-
Desh General Insurance Company Ltd.	-	335,066
Dominage Steel Building Systems Ltd.	-	1,298,548
Dutch-Bangla Bank Ltd.	(528,613)	-
eGeneration Ltd.	-	714,063
Export Import (Exim) Bank of Bangladesh Ltd.	-	(403,347)
First Security Islami Bank Ltd.	4,448	(454,048)
Genex Infosys Ltd.	-	(1,148,367)
GPH Ispat Ltd.	(464,956)	-
Grameenphone Ltd.	911,903	(682,170)
Green Delta Mutual Fund	-	(2,291,502)
IFIC Bank Ltd.	(404,447)	(569,625)
Investment Corporation Of Bangladesh	-	(1,154,592)
Jamuna Bank Ltd.	-	(108,330)
LafargeHolcim Bangladesh Ltd.	8,846,693	9,120,766
LankaBangla Finance Ltd.	(51,201)	3,083,410
Malek Spinning Mills Ltd.	(277,100)	-
Marico Bangladesh Ltd.	803,427	-
Master feed Agrotec Ltd.	66,661	-
Matin Spinning Mills Ltd.	193,020	-
Mercantile Bank Ltd.	66,376	(595,700)
Mostafa Metal Industries Ltd.	48,528	-
National Credit and Commerce Bank Ltd.	(279,288)	-
NRB Commercial Bank Ltd.	-	371,158
Olympic Industries Ltd.	-	42,948
One Bank Ltd.	-	(1,527,781)
Oryza Agro Industries Ltd	59,937	-
Paramount Textile Ltd.	(752,054)	-
Power Grid Company of Bangladesh Ltd.	(3,583,855)	-
Reckitt Benckiser (Bd.) Ltd.	-	29,810
Renata Ltd.	-	919,563
Robi Axiata Ltd.	-	19,935,457
SAIF Powertec Ltd.	361,199	-
Sea Pearl Beach Resort & Spa Ltd.	-	184,067
Sena Kalyan Insurance Company Ltd.	997,779	-
Singer Bangladesh Ltd.	88,327	(764,738)
Sonali Life Insurance Company Ltd.	1,174,261	-
South Bangla Agriculture & Commerce Bank Ltd.	1,077,283	-



	Amount in Taka	
	June 30, 2022	June 30, 2021
Square Pharmaceuticals Ltd.	841,259	2,665,260
Star Adhesives Ltd.	601,528	-
Summit Power Ltd.	-	(1,208,177)
Taufika Foods and Agro Industries Ltd.	-	427,039
The City Bank Ltd.	(205,286)	728,112
Union Bank Ltd.	740,315	-
Union Insurance Company Ltd.	493,733	-
Walton Hi-Tech Industries PLC	-	3,112,000
	53,001,715	68,103,659
19.00 Dividend Income		
ACI Ltd.	663,000	-
APSCL Non-Convertible Coupon Bearing Bond	660,025	-
Bangladesh Submarine Cable Company Ltd.	779,183	370,000
Beximco Pharmaceuticals Ltd.	769,335	373,080
BRAC Bank Ltd.	634,726	681,000
British American Tobacco Bangladesh Company Ltd.	1,483,078	1,431,360
Dominage Steel Building Systems Ltd.	-	7,500
Dutch-Bangla Bank Ltd.	178,500	-
First Security Islami Bank Ltd.	-	120,000
Grameenphone Ltd.	2,273,125	2,822,800
LafargeHolcim Bangladesh Ltd.	-	130,000
Marico Bangladesh Ltd.	448,160	140,000
National Credit and Commerce Bank Ltd.	-	195,000
National Housing Fin. and Inv. Ltd.	369,000	-
Sea Pearl Beach Resort & Spa Ltd.	-	552
Singer Bangladesh Ltd.	-	339,000
Square Pharmaceuticals Ltd.	-	599,250
	8,258,131	7,209,542
20.00 Interest Income		
Term Deposit	111,375	1,215,270
Corporate Bond	36,279	2,384,721
Bank Deposits	2,270,874	912,604
	2,418,528	4,512,595
21.00 Publication and other expenses		
Renewal and Registration Fees	20,000	20,000
Printing and Publication Expenses	295,418	248,662
BO Account Maintenance Fees	1,800	1,800
Other Operational Expense	10,000	50,300
IPO Subscription Fees	26,000	37,000
	353,218	357,762
22.00 (Provision) / Write Back of Provision for Diminution in Value of Investments		
Opening Balance	-	(25,663,557)
(Add) / Less: (Addition) / write back during the year	(2,435,585)	25,663,557
	(2,435,585)	-
23.00 Earnings Per Unit		
Net Income for the Year	48,179,632	93,495,207
Number of Units	33,752,779	25,959,039
	1.43	3.60



Amount in Taka	
June 30, 2022	June 30, 2021

24.00 Net Operating Cash Flow Per Unit

Net Operating Cash Flow for the Year	37,179,716	(6,146,352)
Number of Units	33,752,779	25,959,039
	<u>1.10</u>	<u>(0.24)</u>

25.00 Reconciliation of Net Profit with Cash Flow from Operating Activities

Net Profit Before Provision	50,615,218	67,831,651
Amortization of preliminary and issue expenses	1,007,474	1,007,474
Operating Cash Flow Before Changes in Working Capital	<u>51,622,692</u>	<u>68,839,125</u>
Changes in Working Capital:		
(Increase)/ Decrease of Investment	(26,758,093)	(63,581,609)
(Increase)/ Decrease of Advances, Deposits and Prepayments	(44,454)	(100,656)
(Increase)/ Decrease of Account Receivables	11,976,087	(11,354,104)
Increase/ (Decrease) of Account Payables	(807,815)	1,549,803
Increase/ (Decrease) of Unclaimed Dividend	10	-
	<u>(15,634,266)</u>	<u>(73,486,566)</u>
Less: Non-operating items		
Increase/ (Decrease) of Payables to Investors	(1,191,300)	1,498,911
Increase/ (Decrease) of Unclaimed Dividend	10	-
	<u>(1,191,290)</u>	<u>1,498,911</u>
Net operating cash flows	<u>37,179,716</u>	<u>(6,146,352)</u>

26.00 Events After the Reporting Period

The Board of Trustees of The Fund in its meeting held on July 14, 2022 has approved Cash Dividend 13% for the year ended June 30, 2022.

27.00 Date of Authorisation

These Financial Statements are authorised for issue by The Board of Trustees in its meeting held on July 14, 2022.

Trustee

Bangladesh General Insurance Co. Ltd.

Asset Manager

IDLC Asset Management Ltd.

IDLC Growth Fund
Details of Investment in Securities
As at June 30, 2022

A. Investment in Listed Securities

Sl.	Sector	Name of The Company	No. of Securities	Avg. Cost	Total Cost Price	Market Value	Total Market Price	% of Total Assets	Unrealized Gain/ (Loss)
1	Bank	BRAC Bank Ltd.	934,881	42.07	39,326,505	41.50	38,797,562	9.22%	(528,944)
2		Dutch-Bangla Bank Ltd.	112,200	79.86	8,960,100	65.40	7,337,880	1.74%	(1,622,220)
					48,286,605		46,135,442	10.97%	(2,151,164)
3	Corporate Bond	APSC Non-Convertible Bearing Bond Coupon	3,106	4,975.57	15,454,107	5,570.00	17,300,420	4.11%	1,846,313
					15,454,107		17,300,420	4.11%	1,846,313
4	Financial Institution	National Housing Fin. and Inv. Ltd.	246,000	54.41	13,385,980	44.90	11,045,400	2.63%	(2,340,580)
					13,385,980		11,045,400	2.63%	(2,340,580)
5	Food & Allied	British American Tobacco Bangladesh Company Ltd.	40,521	490.15	19,861,557	543.50	22,023,164	5.23%	2,161,607
					19,861,557		22,023,164	5.23%	2,161,607
6	Insurance	Meghna Insurance Company Ltd.	7,312	10.00	73,120	49.30	360,482	0.09%	287,362
					73,120		360,482	0.09%	287,362
7	Pharmaceuticals & Chemicals	BD Paints Ltd.	25,551	10.00	255,510	33.90	866,179	0.21%	610,669
8		Beacon Pharmaceuticals Ltd.	35,373	231.34	8,183,361	258.30	9,136,846	2.17%	953,485
9		Beximco Pharmaceuticals Ltd.	240,674	163.36	39,316,290	154.60	37,208,200	8.84%	(2,108,090)
10		Square Pharmaceuticals Ltd.	176,300	223.00	39,314,137	216.70	38,204,210	9.08%	(1,109,927)
					87,069,299		85,415,435	20.30%	(1,653,863)
11	Telecommunication	Bangladesh Submarine Cable Company Ltd.	187,352	187.29	35,089,797	219.10	41,048,823	9.76%	5,959,027
12		Grameenphone Ltd.	103,850	357.12	37,086,571	294.10	30,542,285	7.26%	(6,544,286)
					72,176,368		71,591,108	17.02%	(585,259)
	Sub-Total				256,307,035		253,871,450	60.34%	(2,435,585)

B. Investment in Initial Public Offering (IPO)

	Sub-Total	Achia Sea Foods Ltd.			15,000,000		15,000,000	3.57%	-
	Sub-Total				15,000,000		15,000,000	3.57%	-
	Grand Total				271,307,035		268,871,450	63.91%	(2,435,585)



IDLC Growth Fund

Disclosure under Rule 69 of Securities and Exchange Commission (Mutual Fund) Rules, 2001.

Particular		June 30, 2022	June 30, 2021	June 30, 2020
(a)	Net Asset Value per unit at Cost Price	12.45	11.97	9.65
(b)	Net Asset Value per unit at Market Price	12.38	13.24	8.88
(c)	Per unit income other than investment	0.073	0.174	0.344
(d)	Per unit income from Capital gain / (loss) & Dividend Income	1.815	2.901	(0.365)
(e)	Per Unit Expense	0.39	0.46	0.29
(f)	Per unit provision for diminution value of Investment	(0.07)	-	(0.76)
(g)	Per unit net income / (loss)	1.427	3.601	(1.069)
(h)	Highest Purchase / Surrender Price per unit during the year	13.92	14.01	9.96
(i)	Lowest Purchase / Surrender Price per unit during the year	11.91	8.96	8.78

