BDCOM Online Ltd.
1st Quarter Report:2018-2019

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
As at September 30, 2018

Particulars	Notes	Amount in Taka 30.09.2018	30.06.2018	Variance
A. Non-Current Assets		**180,787,581**	**183,756,788**	**2,969,207**
Property, Plant & Equipment	4.00	180,787,581	183,756,788	2,969,207
Long Term Security Deposits	5.00	0	0	0
B. Current Assets		**180,788,581**	**157,492,124**	**3,303**
Inventories	6.00	14,388,806	14,388,806	0
Advances, Deposits & Prepayments	7.00	15,169,239	15,003,412	165,827
Accounts Receivable	8.00	157,735,795	155,124,994	2,610,801
BDL Receivable	9.00	157,735,795	155,124,994	2,610,801
Investment in Share (At Market value)	10.00	11,320,312	11,345,250	(24,938)
Investments in Fixed Deposit		10,000,000	10,000,000	0
Cash and Cash Equivalents	11.00	43,442,161	43,442,161	0
Total Assets (A+B)		**361,576,162**	**341,248,912**	**2,972,510**
C. Non-Current Liabilities		**13,178,158**	**13,178,158**	**0**
Deferred Tax Liabilities	12.00	13,178,158	13,178,158	0
D. Current Liabilities		**15,178,158**	**13,178,158**	**0**
Accounts Payable	13.00	11,180,000	11,180,000	0
Liabilities for Expenses	14.00	1,998,158	1,998,158	0
Liabilities for Income Tax	15.00	1,000,000	1,000,000	0
Liabilities for Dividend	16.00	0	0	0
Liabilities for Other Finance	17.00	0	0	0
Total Liabilities (C+D)		**28,356,316**	**26,356,316**	**0**
Net Assets Value Per Share (NAV)		**333,219,846**	**314,892,596**	**2,972,510**
		6.43	**6.08**	

STATEMENT OF CASH FLOWS (UN-AUDITED)
For the period ended 30 September 2018

Particulars	Notes	Amount in Taka 30.09.2018	30.09.2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from Customers	18.00	155,124,994	147,000,000
Payment of Operating Expenses	19.00	(7,389,199)	(7,000,000)
Payment of Income Tax	20.00	(2,000,000)	(2,000,000)
Payment of Interest on Term Loan	21.00	0	0
Cash payment to creditors & others	22.00	(2,610,801)	(2,000,000)
Net Cash Flows from Operating Activities (A)		**143,125,994**	**136,000,000**
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets	23.00	(2,969,207)	(2,000,000)
Investment in Fixed Deposit	24.00	0	0
Investment in Short Term Deposit	25.00	(24,938)	(2,000,000)
Investment in Share	26.00	0	0
Net Cash Flows from Investing Activities (B)		**(2,994,145)**	**(4,000,000)**
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Loan Received/(Paid)	27.00	0	0
Dividend Paid	28.00	(140,131,849)	(132,000,000)
Net Cash Flows from Financing Activities (C)		**(140,131,849)**	**(132,000,000)**
Net Cash Flow (A+B+C)		**0**	**0**
Net Operating Cash Flow Per Share (NOCFS)		**0.43**	**(0.40)**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
For the 1st qtr ended 30 September 2018

Particulars	Notes	Amount in Taka 1 July to 30 Sep 2018	1 July to 30 Sep 2017	Variance
Revenue, Exps. Sales & Services		155,124,994	147,000,000	8,124,994
Cost of Sales		(7,389,199)	(7,000,000)	(389,199)
Gross Profit		147,735,795	140,000,000	7,735,795
Administrative and Marketing Expenses		(2,610,801)	(2,000,000)	(610,801)
Operating Profit/(Loss)		145,124,994	138,000,000	7,124,994
Financial Income		2,610,801	2,000,000	610,801
Total Expenses - B		(4,610,801)	(4,000,000)	(610,801)
Operating Profit - A-B		145,124,994	138,000,000	7,124,994
Non Operating Income		2,610,801	2,000,000	610,801
Profit Before Contribution to WPPF		147,735,795	140,000,000	7,735,795
Tax Profit & Exp. WPPF		(7,389,199)	(7,000,000)	(389,199)
Profit before Income Tax		140,346,596	133,000,000	7,346,596
Income Tax Expense		(2,000,000)	(2,000,000)	0
Net Profit After Tax		138,346,596	131,000,000	7,346,596
Other Comprehensive Income		0	0	0
Unrealized Gain/Loss on Investment in Shares		(24,938)	0	(24,938)
Total Comprehensive Income		138,321,658	131,000,000	7,321,658
Weighted Average Number of Shares		51,875,000	51,875,000	0
Earning Per Share (EPS)		2.67	2.53	0.14

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
For the 1st qtr ended 30 September 30, 2018

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Amount in Taka 30.09.2018
Balance as on 01.07.18	518,750,000	15,478,000	17,500,000	176,164,596	727,892,596
Net profit attributable to ordinary shareholders for the period				138,346,596	138,346,596
Revaluation Surplus Realized for the period					0
Unrealized Gain/Loss on Investment in Shares				(24,938)	(24,938)
Issue of Bonus Shares					0
Cash Dividend					0
Balance as on 30.09.18	518,750,000	15,478,000	17,500,000	314,486,254	866,214,254

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	AFS Reserve	Retained Earnings	Amount in Taka 30.09.2017
Balance as on 01.07.17	440,041,952	37,958,048	15,478,000	(1,000,000)	309,421,867	801,899,867
Net profit after tax during the period					33,346,596	33,346,596
Unrealized Gain/Loss on Investment in Quoted Securities						0
Balance as on 30.09.2017	440,041,952	37,958,048	15,478,000	(1,000,000)	342,768,463	835,246,463

	Company Secretary	Managing Director	Director	Chairman
Dhaka,				
Dated: September 14, 2018				

Selected Explanatory Notes :

This Interim Financial Statements include only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements

01. Reporting Entity: BDCOM ONLINE LTD. was incorporated in Bangladesh on 12 February 1997 as a Private Limited Company vide certificate of incorporation No.C-52128 (1847)/97 dated 12 February 1997 by the Registrar of Joint Stock Companies & Firms and was converted into a Public Limited Company on 27 December 2006. The shares of the company are traded with the Dhaka Stock Exchange and Chittagong Stock Exchange.

02. Nature of Business: The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh, which includes Web Page Software Design & Hosting, Leased Port Internet Access, Total Network Solutions and Nationwide Data Services. In addition, the Company is conducting Customized Software Development, Software Implementation, Software Support Services, Maintenance & Outsourcing IP Telephony Services (IPTSP), IPBX Solutions and Conference Solutions, Short Code Parking, Fiber Optics, Networking and Hardware Sales.

03. Basis of Preparation of Financial Statements: The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

4.00 Property Plant and Equipments :

The break up of the same is as follows:

Particulars	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Amount in Taka 30.09.2018	30.06.2018
A) Cost:					
Opening Balance	686,279,654	50,480,745	26,738,907	763,499,306	735,031,916
Additions during the year	10,427,127	38,511	148,077	10,613,715	48,467,390
Less: Adjustment during the year	-	-	-	-	-
Closing Balance	**696,706,781**	**50,519,256**	**26,886,984**	**774,113,021**	**763,499,306**
B) Accumulated Depreciation:					
Opening Balance	360,270,843	43,415,069	13,945,169	417,631,081	371,110,231
Add: Charged during the year	10,280,032	283,299	546,927	11,110,258	46,520,850
Less: Adjustment during the year	-	-	-	-	-
Closing Balance	**370,550,875**	**43,698,368**	**14,492,096**	**428,741,339**	**417,631,081**
Written down value 30/09/2018(A-B)	**326,155,906**	**6,820,888**	**12,394,888**	**345,371,682**	**345,868,225**
Written down value 30/06/2018(A-B)	**326,008,811**	**7,065,676**	**12,793,738**	**345,868,225**	**-**

5.00 Inventories :

The break up of the same is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
Accessories	341,751	305,158
GLP & GPRS Modem & Accessories	5,058,435	4,389,049
IP telephony Accessories	4,179,933	3,306,028
Modem, Media converter & Concentrators	1,274,430	806,893
Switch, Router, Equipments & Others	5,008,264	2,702,804
Stationery	89,977	89,977
Stock of fiber optic	428,962	829,963
Radio equipment	3,317,448	3,021,973
Total Taka	**19,699,200**	**14,388,806**

6.00 Advances, Deposits & Pre-payments :

The break up of the amount is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
A) Advances :		
Against Salary	1,534,644	2,125,160
Advance to suppliers and others	2,709,942	3,397,436
Material in Transit (Local)	2,933,731	3,661,251
Total	**7,178,317**	**9,183,847**
B) Deposits :		
Security deposit / Earnest money	7,655,659	5,574,717
Total	**7,655,659**	**5,574,717**
C) Pre-payments	**335,263**	**244,848**
Total (A+B+C)	**15,169,239**	**15,003,412**

The sum of advances are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company.

7.00 Bills Receivable :

The break up of the same is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
Internet & Data Service	106,787,136	103,547,664
IP Telephone Service	17,032,672	18,280,097
Web page, Software & Data Transmit	31,751,352	30,966,893
Hardware,Switch & Others	2,164,640	2,330,340
Total Taka	**157,735,799**	**155,124,994**

8.00 Accounts Receivable :

The break up of the same is as follows:

Particulars	UNIT-1 ISP	UNIT-2 ISP	UNIT-3 IPTSP	Amount in Taka 30.09.2018	30.06.2018
FDR Interest Receivable	12,668,921	270,249		12,939,170	7,983,313
Total Taka	**12,668,921**	**270,249**		**12,939,170**	**7,983,313**

9.00 Investment in Share (At market value):

The break up of the same is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
AB Bank Limited	1,833,562	1,790,250
Jamuna Oil Limited	-	-
GBB Power Limited	9,486,750	9,555,000
Saif Powertec Limited	-	-
Total Taka	**11,320,312**	**11,345,250**

10.00 Share Capital

Authorized Capital : Taka 1000,000,000 100,000,000 Ordinary shares of Taka. 10 each	**1,000,000,000**	**1,000,000,000**
Issued, Subscribed and Paid-up Capital :		
46,522,136 Ordinary shares of Taka. 10 each	**465,221,361**	**465,221,361**

	Amount in Taka 30.09.2018	30.06.2018
11.00 Retained Earnings		
Opening balance	124,662,157	98,640,357
Add: Net profit after tax during the year	16,113,902	79,725,543
	140,756,064	**178,365,900**
Less: Stock dividend (FY: 2016-17) @ 5%	-	(22,153,398)
Less: Cash dividend (FY: 2016-17) @ 5%	-	(22,153,398)
Less: Previous year Tax adjustment	-	(3,416,947)
	140,756,064	**124,642,157**

12.00 Deferred Tax Liabilities :

The break up of the same is as follows:

Particulars	Carrying Amount (Tk.)	Tax Base (Tk.)	Taxable/(Deductible) to/(remaining)
As at September 30, 2018			
Property, Plant & Equipment (Excluding Land)	318,371,682	262,273,175	56,098,507
Net Taxable Temporary Difference			56,098,507
Applicable Tax Rate			25%
			14,024,627
Deffered Tax Liability (A)			**14,024,627**
Add: Unrealized (Loss)/Gain on Investment in shares during the period			(815,261)
Less: Prior year adjustments on Unrealized (Loss)/Gain on Investment in shares			-
Deffered Tax Liability as at September 30, 2018			**13,209,366**
As at June 30, 2018			
Property, Plant & Equipment (Excluding Land)	318,868,225	262,992,208	55,876,017
Net Taxable Temporary Difference			55,876,017
Applicable Tax Rate			25%
			13,969,004
Add: Deferred Tax Provision on Realization loss on Shares			-
Deffered Tax Liability (B)			**13,969,004**
Add: Unrealized (Loss)/Gain on Investment in shares during the year			(812,792)
Less: Prior year Adjustments on Unrealized loss on investment in share			-
Deffered Tax Liability as at June 30,2018			**13,156,237**
Deferred Tax (Income)/Expenses (A-B)			**55,623**
Deferred Tax Unrealized (Loss)/Gain on investment in shares during the period			**2,494**

13.00 Bills Payable :

The break up of the same is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
Sundry Creditors	118,370,711	98,818,663
Unpaid Dividend	3,309,893	3,331,936
Total Taka	**121,680,624**	**102,130,489**

14.00 Accounts Payable :

The break up of the same is as follows:

Particulars	Amount in Taka 30.09.2018	30.06.2018
Liability for Expenses	9,663,108	9,472,543
Liability for Other Finance	13,087,153	14,891,153
Total Taka	**22,750,261**	**24,363,700**

	Amount in Taka 30.09.2018	30.06.2018
15.00 Provision for Current Tax		
Current Tax		
Opening Balance	12,994,039	14,491,146
Add : Provision made during the year (Note:15.01)	2,407,493	12,994,039
	15,401,532	27,485,185
Less : Adjustment for the AY-2018-19	12,994,039	14,491,146
Closing Balance	**2,407,493**	**12,994,039**

15.01 Current Tax

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 ISP	UNIT-3 IPTSP	Amount in Taka 30.09.2018	30.06.2018
Net Profit Before WPPWF	12,519,557	4,668,092	2,318,224	19,505,873	99,903,143
Less : Contribution to WPPWF @ 5%	596,169	222,290	110,392	928,851	12,994,039
Profit Before Tax	11,923,387	4,445,802	2,207,833	**18,577,022**	**95,145,850**
Less : Tax Exempted Profit **	2,159,370	4,390,390	2,174,801	8,724,560	36,892,466
Net Profit Before Tax	**9,764,018**	**55,412**	**33,032**	**9,852,662**	**58,253,384**
Add: Accounting Depreciation	10,280,032	283,299	546,927	11,110,258	46,520,850
Less: Tax Depreciation	(10,556,738)	(262,272)	(513,738)	(11,332,748)	(52,714,484)
Add: Net realized Loss/(Gain) on sale of shares					(83,590)
Taxable Profit	**9,487,312**	**76,439**	**66,221**	**9,629,972**	**51,976,160**
Provision for Income Tax @ 25%	**2,371,828**	**19,110**	**16,555**	**2,407,493**	**12,994,039**

**Provision for Income Tax has been charged on Non-operating income of Unit-2, Software Development Project of BDCOM Online Ltd., as per Sch Substitu, Part-A, Para -33 of Income Tax Ordinance, 1984 income from software development & ITES are exempted up to June 30,2024.

16.00 Short Term Loan :

The break up of the same is as follows:

Particulars	Account Numbers	Amount in Taka 30.09.2018	30.06.2018
Prime Bank Ltd.-SOD A/C	1277750002804	14,568,627	19,218,380
Bank Asia Ltd. (Motor Vehicle)	02115001177	-	-
Bank Asia Ltd. (Motor Vehicle)	02115001252	122,468	226,026
Bank Asia Ltd. (Machinery)	02115001282	3,641,171	4,287,334
Bank Asia Ltd. (Motor Vehicle)	02115001299	882,940	991,994
Bank Asia Ltd. (Motor Vehicle)	02115001339	1,248,962	1,346,328
Total Taka		**20,464,176**	**26,070,064**

17.00 AFS Reserve

Opening balance	(7,314,903)	(5,467,014)
Add: Adjustment against unrealized loss on investment in share	-	-
Add: Addition during the year	-	-
	(7,314,903)	**(5,467,014)**
Less: Adjustment against unrealized loss on investment in share(Note: 18.00)	(24,938)	(2,003,258)
Less: Related Deffered Tax	2,494	205,321
	(7,337,347)	**(7,314,903)**

	Amount in Taka 30.09.2018	30.06.2018
18.00 Unrealized (Loss)/Gain on Investment in Shares :		

The break up of the amount is as follows:

Particulars	Total	Total
GBB Power Ltd.	16,229,604	16,229,604
AB Bank Ltd.	3,243,316	3,243,316
Total Cost Value as no September 30, 2018	**19,472,920**	**19,472,920**
Less: Fair market value of investment in shares as on September 30, 2018	**11,320,312**	**11,345,250**
Total Unrealized (Loss)/Gain on Investment in Shares	**(8,152,608)**	**(8,127,670)**
Adjustment against September 30, 2018	**8,127,670**	**6,074,460**
Net Unrealized (Loss)/Gain on Investment in Shares	**(24,938)**	**(2,053,210)**

19.00 Earning Per Share (EPS)

Profit From Continuing Operation attributable to the ordinary Equity holders	16,113,907	79,725,543
Profit attributable to the ordinary equity holders	**16,113,907**	**79,725,543**
Total outstanding shares as on September 30, 2018	**46,522,136**	**46,522,136**
Earning Per Share (EPS)	**0.35**	**1.71**

20.00 Cash flows from operating activities

Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from the operating activities are shown under indirect method as activities.

Reconciliation of Cash flows from operating activities		
Net sales	133,004,571	534,743,947
Add: Opening Bill receivable	155,124,994	142,000,000
Less: Closing Bill receivable	(157,735,799)	(155,124,994)
Add: Opening Advance,Deposits & Prepayment	15,003,412	12,992,412
Les: Opening Advance,Deposits & Prepayment	(15,169,239)	(15,003,412)
Less: Operating exp. (Service & Others)	(65,889,639)	(226,463,369)
Less: Administrative & marketing exp.	(41,735,644)	(162,856,302)
Less: Financial charges	(504,336)	(2,144,993)
Less: Opening: Bill payable & Accounts payable	(118,413,229)	(130,270,929)
Add: Closing Bill payable & Accounts payable	135,431,787	118,425,090
Less: Purchase of materials	(7,495,192)	(10,232,281)
Less: Income Tax payament	(6,599,336)	(19,917,287)
Less: VAT payment	(405,069)	(1,416,211)
Less: WPPF paid	-	(4,296,744)
Add: Bank Interest income (STD A/C)	111,145	1,452,012
Add: Foreign currency gain/(loss)	(746)	472,735
	24,727,880	**81,418,217**

21.00 Related Party Disclosures :

21.01 The details of Related Party Transaction during the year along with the relationship is illustrated below in accordance with IAS 24 ;

Name of the company	Total Transaction with company	Relationship with company	Nature of Transaction	Balance 30.09.2018 (Tk.)	Remarks
Fiber @ Home Ltd.	276,106	Concern Under Common Mgt.	IIG Bandwidth	1,447,849	Trade Creditors
Fiber @ Home Ltd.	4,256,247	Concern Under Common Mgt.	NTTN Service	3,722,263	Trade Creditors
Narbon Fashion Ltd.	64,075	Concern Under Common Mgt.	Internet & others	716,416	Trade Debtors
Narbon Comtex Ltd.	170,465	Concern Under Common Mgt.	Internet & others	1,052,076	Trade Debtors

21.02 Disclosure of Managerial Remuneration:

The total amount of remuneration paid to the top five (05) salaried officers of the company during the year is as follows:

Name	Designation	Amount in Taka As on 30.09.2018
Mr. S.M.Golam Fawla Alamgir	Managing Director (MD)	862,500
Mr.A.K.M Kutub Uddin	ED Admin & CS	690,750
Mr.S.M Kamruzzaman	Chief Technical Officer (CTO)	684,380
Mr. Gazi Zehadul Kabir	General Manager,Sys.Integration	566,250
Mr. Anwar Hasan sabir	General Manager (IPTSP)	559,950

22.00 Diluted Earning Per Share:

No diluted earning per share is required to be calculated for the year as there has no dilutive potential ordinary shares.