**DAFFODIL COMPUTERS LIMITED**
**Statement of Financial Position (Un - Audited)**
**As at 30 September 2017**

| Particulars | Notes | Figures in Taka | |
|---|---|---|---|
| | | 30 Sept. 2017 | 30 June 2017 |
| **ASSETS** | | | |
| **Non-Current Assets:** | | | |
| Property, plant & Equipment | 4.00 | 120,194,029 | 120,938,517 |
| Intangible Assets | 5.00 | 53,820,037 | 52,843,227 |
| Investment in Subsidiaries & others | 6.00 | 409,926,940 | 409,926,940 |
| Deferred Tax Assets | | 1,913,692 | 1,913,692 |
| **Total Non-Current Assets** | | **585,854,698** | **585,622,376** |
| **Current Assets:** | | | |
| Inventories | 7.00 | 129,462,444 | 132,456,442 |
| Trade and Other Receivables | 8.00 | 77,818,823 | 74,692,335 |
| Advances, Deposits and Prepayments | 9.00 | 87,798,307 | 89,314,318 |
| Cash & Cash Equivalents | 10.00 | 7,841,556 | 10,237,188 |
| **Total Current Assets** | | **302,921,130** | **306,700,283** |
| **Total Assets** | | **888,775,828** | **892,322,658** |
| **EQUITY & LIABILITIES :** | | | |
| **Shareholders' Equity** | | | |
| Share Capital | | 499,122,620 | 499,122,620 |
| Retained Earnings | 20.00 | 214,320,791 | 183,562,775 |
| **Total Shareholders' Equity** | | **713,443,411** | **682,685,395** |
| **Non Current Liabilities** | | | |
| Deferred Tax Liabilities | | - | - |
| **Total Non Current Liabilities** | | - | - |
| **Current Liabilities** | | | |
| Bank Loans, Overdraft and Credit | 11.00 | 109,641,860 | 144,087,882 |
| Trade and Others Payable | 12.00 | 7,322,029 | 7,480,804 |
| Liabilities for Expenses | 13.00 | 27,022,147 | 27,311,694 |
| Provision for Income Tax | | 27,990,057 | 27,370,715 |
| Unclaimed Dividend | | 3,356,324 | 3,386,168 |
| **Total Current Liabilities** | | **175,332,417** | **209,637,263** |
| **Total Equity & Liabilities** | | **888,775,828** | **892,322,658** |
| **Net Asset Value per share (NAV)** | | **14.29** | **13.68** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
|---|---|---|---|
| Company Secretary | DGM & CFO | Director | Managing Director |

Place : Dhaka
Dated :- 13 November, 2017.

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**DAFFODIL COMPUTERS LIMITED**
**Statement of Profit & Loss and other Comprehensive Income (Un - Audited)**
**For the period 30 September, 2017.**

| | PARTICULARS | Notes | Figures in Taka | |
|---|---|---|---|---|
| | | | 1st July 2017 to 30 Sept. 2017 | 1st July 2016 to 30 Sept. 2016 |
| | Revenue | 14.00 | 114,026,131 | 102,066,149 |
| | **Other operating revenue** | | | |
| | Operating Income from DIPTI | | 212,346 | 232,134 |
| | **Total revenue from operation** | | **114,238,477** | **102,298,283** |
| | Less : Cost of Goods Sold | 15.00 | 70,078,656 | 63,311,968 |
| **A.** | **Gross Profit** | | **44,159,821** | **38,986,315** |
| **B.** | **Operating Expenses** | | | |
| | Administrative Expenses | 16.00 | 8,918,816 | 7,192,423 |
| | Selling & Distribution Expenses | 17.00 | 373,662 | 267,274 |
| | **Total operating expenses** | | **9,292,478** | **7,459,697** |
| **C.** | **Operating Profit (A-B)** | | **34,867,343** | **31,526,618** |
| **D.** | **Non operating income/(expenses)** | | | |
| | Indirect Income | 18.00 | 833,800 | 812,856 |
| | Financial Expenses | 19.00 | (2,672,345) | (2,696,898) |
| | **Non operating income (Net)** | | **(1,838,545)** | **(1,884,042)** |
| **E.** | **Profit Before WPPF (C+D)** | | **33,028,798** | **29,642,576** |
| | Provision for contribution to WPPF | | (1,651,440) | (1,411,551) |
| | **Profit Before Tax** | | **31,377,358** | **28,231,025** |
| | **Income Tax** | | | |
| | Current Income Tax provision | | (619,342) | (302,344) |
| | Deferred tax Income/Expense | | - | - |
| **F.** | **Net Profit After Tax** | | **30,758,016** | **27,928,681** |
| | **Basic Earning Per Share (EPS)** | | **0.62** | **0.56** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM& CFO | Director | Managing Director |

Place: Dhaka
Dated :- 13 November, 2017.

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**DAFFODIL COMPUTERS LIMITED**
**Statement of Changes in Equity (Un - Audited)**
**For the year ended 30 September 2017**

**Figures in Taka**

| Particulars | Share Capital | Dividend | Retained Earnings | Total |
|---|---|---|---|---|
| As on 30 June 2017 | 499,122,620 | - | 183,562,775 | 682,685,395 |
| Net Profit after tax during the period | | | 30,758,016 | 30,758,016 |
| **Balance as on 30 September 2017** | **499,122,620** | **-** | **214,320,791** | **713,443,411** |
| **Balance as on 30 June 2017** | 499,122,620 | - | 183,562,775 | 682,685,395 |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM & CFO | Director | Managing Director |

**Place: Dhaka**
Dated :- 13 November,2017.

**DAFFODIL COMPUTERS LIMITED**
**Statement of Cash Flows (Un- Audited)**
**For the year ended 30 September 2017**

| PARTICULARS | Figures in Taka<br>1st July 2017 . to 30 Sept. 2017 | <br>1st July 2016 . to 30 Sept. 2016 |
|---|---|---|
| **A. Cash flow from Operating Activities:** | | |
| Cash Received from Customers & Others | 111,945,789 | 89,367,859 |
| Cash Paid to Suppliers, Employees & Others | (76,852,410) | (81,040,056) |
| **Cash generated from Operations:** | **35,093,379** | **8,327,803** |
| Interest income from deposit | - | - |
| Financial Expenses | (2,672,345) | (2,696,898) |
| VAT paid | (16,500) | (12,500) |
| Income Tax | - | - |
| **Net cash flow from operating activities** | **32,404,534** | **5,618,405** |
| **B. Cash flow from Investing Activities:** | | |
| Net Purchase of property, plant & equipment | - | (25,000) |
| Work-in-Progress (Customized software development) | (324,300) | (656,500) |
| Investment in subsidiaries & Others | - | - |
| **Net cash used in investing activities** | **(324,300)** | **(681,500)** |
| **C. Cash flow from Financing Activities:** | | |
| Bank Loan, Overdrafts & Credit | (34,446,022) | (5,502,938) |
| Dividend Paid | (29,844) | (502,220) |
| **Net Cash used in Financing Activities** | **(34,475,866)** | **(6,005,158)** |
| **Net Increase/(Decrease) in Cash & Cash Equivalents** | (2,395,632) | (1,068,253) |
| Cash & Cash Equivalents at Opening | 10,237,188 | 5,911,630 |
| **Cash & Cash Equivalents at Closing** | **7,841,556** | **4,843,377** |
| **Net operating cash flow per share (NOCFPS)** | **0.65** | **0.11** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM & CFO | Director | Managing Director |

**Place: Dhaka**
Dated :- 13 November, 2017.

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**DAFFODIL COMPUTERS LIMITED**
**Consolidated Statement of Financial Position (Un - Audited)**
**As at 30 September 2017**

| Particulars | Notes | Figures in Taka | |
|---|---|---|---|
| | | 30 Sept. 2017 | 30 June 2017 |
| **ASSETS** | | | |
| **Non-Current Assets:** | | | |
| Property, plant & Equipment | 4.01 | 466,136,137 | 468,191,964 |
| Intangible Assets | 5.00 | 53,820,037 | 52,843,227 |
| Deferred Tax Assets | | 1,913,692 | 1,913,692 |
| **Total Non-Current Assets** | | **521,869,866** | **522,948,883** |
| | | | |
| **Current Assets:** | | | |
| Inventories | 7.01 | 132,485,896 | 135,221,912 |
| Trade and Others Receivable | 8.01 | 85,867,874 | 82,145,837 |
| Advances, Deposits and Prepayments | 9.01 | 113,153,741 | 114,869,636 |
| Cash & Cash Equivalents | 10.01 | 14,376,862 | 16,324,097 |
| **Total Current Assets** | | **345,884,373** | 348,561,482 |
| | | | |
| **Total Assets** | | **867,754,239** | **871,510,365** |
| | | | |
| **EQUITY & LIABILITIES :** | | | |
| **Shareholders' Equity** | | | |
| Share Capital | | 499,122,620 | 499,122,620 |
| Retained Earnings | 20.01 | 190,185,971 | 159,294,430 |
| **Total Shareholders' Equity** | | **689,308,591** | **658,417,050** |
| | | | |
| **Non Current Liabilities** | | | |
| Deferred Tax Liabilities | | | |
| Non Controlling Interest | | **155,154** | **155,154** |
| **Total Equity** | | **689,463,745** | **658,572,204** |
| | | | |
| **Current Liabilities** | | | |
| Bank Loans, Overdraft and Credit | 11.00 | 109,641,860 | 144,087,882 |
| Trade and Others Payables | 12.01 | 7,707,008 | 8,377,319 |
| Liabilities for Expenses | 13.01 | 27,181,478 | 27,460,096 |
| Provision for Income Tax | | 30,403,824 | 29,626,696 |
| Unclaimed Dividend | | 3,356,324 | 3,386,168 |
| **Total Current Liability** | | **178,290,494** | **212,938,161** |
| | | | |
| **Total Equity & Liabilities** | | **867,754,239** | **871,510,365** |
| **Net Asset Value per share (NAV)** | | **13.81** | **13.19** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM& CFO | Director | Managing Director |

Place - Dhaka
Dated :- 13 November, 2017.

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**DAFFODIL COMPUTERS LIMITED**
**Consolidated Statement of Profit & Loss and other Comprehensive Income (Un - Audited)**
**For the period 30 September, 2017**

| | PARTICULARS | Notes | Figures in Taka | |
|---|---|---|---|---|
| | | | 1st July 2017 . to 30 Sept. 2017 | 1st July 2016 . to 30 Sept. 2016 |
| | Revenue | 14.01 | 153,330,199 | 139,721,780 |
| | **Other operating revenue** | | | |
| | Operating Income from DIPTI | | 212,346 | 232,134 |
| | **Total revenue from operation** | | **153,542,545** | **139,953,914** |
| | Less : Cost of Goods Sold | 15.01 | 95,788,675 | 87,267,152 |
| **A.** | **Gross Profit** | | **57,753,870** | **52,686,762** |
| **B.** | **Operating Expenses** | | | |
| | Administrative Expenses | 16.01 | 22,204,564 | 20,765,205 |
| | Selling & Distribution Expenses | 17.01 | 429,362 | 388,694 |
| | **Total operating expenses** | | **22,633,926** | **21,153,899** |
| **C.** | **Operating Profit (A-B)** | | **35,119,944** | **31,532,863** |
| **D.** | **Non operating income/(expenses)** | | | |
| | Indirect Income | 18.01 | 872,510 | 863,456 |
| | Financial Expenses | 19.00 | (2,672,345) | (2,696,898) |
| | **Non operating income (Net)** | | **(1,799,835)** | **(1,833,442)** |
| **E.** | **Profit Before WPPF (C+D)** | | **33,320,109** | **29,699,421** |
| | Provision for contribution to WPPF | | (1,651,440) | **(1,411,551)** |
| | **Profit Before Tax** | | **31,668,669** | **28,287,869** |
| | **Income Tax** | | | |
| | Current Income Tax provision | | (777,128) | (361,173) |
| | Deferred tax Income/Expense | | - | - |
| **F.** | **Net Profit After Tax** | | **30,891,541** | **27,926,696** |
| | **Basic Earning Per Share (EPS)** | | **0.62** | **0.56** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM& CFO | Director | Managing Director |

Place: Dhaka
Dated :- 13 November, 2017.

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**DAFFODIL COMPUTERS LIMITED**
**Consolidated Statement of Changes in Equity (Un - Audited)**
**For the period 30 September 2017.**

**Figures in Taka**

| Particulars | Share Capital | Dividend | Retained Earnings | Total | Non Controlling interest | Total |
|---|---|---|---|---|---|---|
| As on 30 June 2017 | 499,122,620 | - | 159,294,430 | 658,417,050 | 155,154 | 658,572,204 |
| Net Profit after tax during the period | | | 30,891,541 | 30,891,541 | - | 30,891,541 |
| Balance as on 30 September 2017 | **499,122,620** | **-** | **190,185,971** | **689,308,591** | **155,154** | **689,463,745** |
| Balance as on 30 June 2017 | 499,122,620 | - | 159,294,430 | 658,417,050 | 155,154 | 658,572,204 |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM & CFO | Director | Managing Director |

**Place: Dhaka**
Dated :- 13 November,2017.

**DAFFODIL COMPUTERS LIMITED**
**Consolidated Statement of Cash Flows (Un - Audited)**
**For the ended 30 September 2017**

| PARTICULARS | Figures in Taka<br>1st July 2017 to 30 Sept. 2017 | <br>1st July 2016 . to 30 Sept. 2016 |
|---|---|---|
| **A. Cash flow from Operating Activities:** | | |
| Cash Received from Customers & Others | 150,688,518 | 126,912,068 |
| Cash Paid to Suppliers, Employees & Others | (115,101,742) | (117,091,708) |
| **Cash generated from Operations:** | **35,586,776** | **9,820,360** |
| Interest income from deposit | 4,500 | - |
| Financial Expenses | (2,672,345) | (2,696,898) |
| VAT paid | (21,000) | (81,254) |
| **Net cash flow from operating activities** | **32,897,931** | **7,042,208** |
| **B. Cash flow from Investing Activities:** | | |
| Net Purchase of property, plant & equipment | (45,000) | (30,000) |
| Work-in-Progress (Customized software development) | (324,300) | (656,500) |
| **Net cash used in investing activities** | **(369,300)** | **(686,500)** |
| **C. Cash flow from Financing Activities:** | | |
| Bank Loan, Overdrafts & Credit | (34,446,022) | (5,502,938) |
| Dividend Paid | (29,844) | (502,220) |
| **Net Cash used in Financing Activities** | **(34,475,866)** | **(6,005,158)** |
| **Net Increase/(Decrease) in Cash & Cash Equivalents** | (1,947,235) | 350,550 |
| Cash & Cash Equivalents at Opening | 16,324,097 | 10,336,375 |
| **Cash & Cash Equivalents at Closing** | **14,376,862** | **10,686,925** |
| **Net operating cash flow per share (NOCFPS)** | **0.66** | **0.14** |

The accounting policies and other notes from 1 to 32 form an integral part of the Financial Statements. The Financial statements were authorized for issue by the Board of Directors on 13-11-2017 and signed on its behalf by:

| | | | |
|---|---|---|---|
| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
| Company Secretary | DGM & CFO | Director | Managing Director |

Place: Dhaka
Dated :- 13 November, 2017.

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**Daffodil Computers Limited**
**Schedule of Fixed Assets**
**As on 30 September 2017.**

| Particulars | COST | | | | | | Opening as on 01-07-2017 |
|---|---|---|---|---|---|---|---|
| | Opening as on 01-07-2017 | Addition this period | Sales/ Adj. | Total as on 30-09-2017 | Rate | | |
| Leasehold Property | 518,477 | | | 518,477 | 0% | | - |
| Land | 93,750,000 | | | 93,750,000 | 0% | | - |
| Building | 357,000 | | | 357,000 | 15% | | 75,475 |
| Generator | 571,700 | | | 571,700 | 15% | | 446,599 |
| Furniture & Fixture | 14,023,768 | | | 14,023,768 | 10% | | 9,780,772 |
| Air cooling System | 8,052,140 | | | 8,052,140 | 15% | | 6,555,169 |
| Computer Set up in Office | 7,422,900 | | | 7,422,900 | 15% | | 6,770,767 |
| Office Equipment | 2,854,146 | | | 2,854,146 | 15% | | 2,418,671 |
| Vehicles | 3,185,760 | | | 3,185,760 | 15% | | 2,555,246 |
| Telephone & PABX | 715,600 | | | 715,600 | 15% | | 648,766 |
| Office Decoration | 23,004,499 | | | 23,004,499 | 10% | | 17,159,920 |
| Video Overhead Projector | 380,000 | | | 380,000 | 15% | | 353,567 |
| Water purifying Machine | 62,000 | | | 62,000 | 15% | | 58,718 |
| Stabilizer Making Plant | 2,468,282 | | | 2,468,282 | 10% | | 1,915,158 |
| Daffodil PC Assembling Plant | 13,720,130 | | | 13,720,130 | 10% | | 10,232,657 |
| Sales Centre Establishment | 10,214,134 | | | 10,214,134 | 10% | | 7,429,369 |
| Call Centre | 5,083,920 | | | 5,083,920 | 10% | | 3,791,656 |
| Library | 2,046,500 | | | 2,046,500 | 15% | | 1,516,616 |
| Campus Decoration | 5,212,246 | | | 5,212,246 | 10% | | 2,966,366 |
| Lab Equipment | 6,541,858 | | | 6,541,858 | 15% | | 4,571,051 |
| **TOTAL (30.09.17)** | **200,185,060** | | | **200,185,060** | | | **79,246,543** |
| **TOTAL (30.06.17)** | **197,809,139** | **2,375,921** | | **200,185,060** | | | **75,927,186** |

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**Annexure-1**

| DEPRECIATION | | | |
|---|---|---|---|
| Charged | Sales / Adj. | Total as on 30-09-2017 | W.D.V as on 30-09-2017 |
| - | | - | 518,477 |
| - | | - | 93,750,000 |
| 10,557 | | 86,032 | 270,968 |
| 4,691 | | 451,290 | 120,410 |
| 106,075 | | 9,886,847 | 4,136,921 |
| 56,136 | | 6,611,305 | 1,440,835 |
| 24,455 | | 6,795,222 | 627,678 |
| 16,330 | | 2,435,001 | 419,145 |
| 23,644 | | 2,578,890 | 606,870 |
| 2,506 | | 651,272 | 64,328 |
| 146,114 | | 17,306,034 | 5,698,465 |
| 991 | | 354,558 | 25,442 |
| 123 | | 58,841 | 3,159 |
| 13,828 | | 1,928,986 | 539,296 |
| 87,187 | | 10,319,844 | 3,400,286 |
| 69,619 | | 7,498,988 | 2,715,146 |
| 32,307 | | 3,823,963 | 1,259,957 |
| 19,871 | | 1,536,487 | 510,013 |
| 56,147 | | 3,022,513 | 2,189,733 |
| 73,905 | | 4,644,956 | 1,896,902 |
| **744,488** | | **79,991,031** | **120,194,029** |

| | | | |
|---|---|---|---|
| **3,319,357** | **-** | **79,246,543** | **120,938,517** |

AMAR STOCK

**Daffodil Computers Limited**
**Consolidated Schedule of Fixed Assets**
**As on 30 September, 2017.**

| Particulars | COST | | | | Rate | |
|---|---|---|---|---|---|---|
| | opening as on 01.07.2017 | Addition this year | Sales/ Adj. | Total as on 30.09.2017 | | opening as on 01.07.2017 |
| Leasehold Property | 518,477 | | | 518,477 | 0% | - |
| Land | 396,403,483 | | | 396,403,483 | 0% | - |
| Building | 7,857,000 | | | 7,857,000 | 15% | 4,247,686 |
| Generator | 3,571,700 | | | 3,571,700 | 15% | 2,250,259 |
| Furniture & Fixture | 32,855,224 | | | 32,855,224 | 10% | 18,149,752 |
| Air cooling System | 17,046,430 | 45,000 | | 17,091,430 | 15% | 11,172,155 |
| Computer Set up in Office | 9,718,094 | | | 9,718,094 | 15% | 8,120,979 |
| Office Equipment | 4,475,871 | | | 4,475,871 | 15% | 3,402,369 |
| Vehicles | 13,230,160 | | | 13,230,160 | 15% | 9,947,877 |
| Telephone & PABX | 1,340,752 | | | 1,340,752 | 15% | 1,043,547 |
| Office Decoration | 34,655,130 | | | 34,655,130 | 10% | 23,363,278 |
| Video Overhead Projector | 380,000 | | | 380,000 | 15% | 353,567 |
| Water purifying Machine | 62,000 | | | 62,000 | 15% | 58,718 |
| Stabilizer Making Plant | 2,468,282 | | | 2,468,282 | 10% | 1,915,158 |
| PC Assembling Plant | 15,371,630 | | | 15,371,630 | 10% | 11,101,293 |
| Sales Centre Establishment | 10,214,134 | | | 10,214,134 | 10% | 7,429,369 |
| Call Centre | 5,083,920 | | | 5,083,920 | 10% | 3,791,656 |
| Library | 5,874,727 | | | 5,874,727 | 15% | 4,128,446 |
| Campus Decoration | 23,030,518 | | | 23,030,518 | 10% | 12,049,473 |
| Lab Equipment | 17,883,791 | | | 17,883,791 | 15% | 11,323,777 |
| **As on (30.09.2017)** | **602,041,323** | **45,000** | | **602,086,323** | | **133,849,359** |
| **Total (30.06.2017)** | **579,280,431** | **22,760,892** | | **602,041,323** | | **124,321,366** |

Annexure-1.1

| DEPRECIATION | | | W.D.V as on 30.09.2017 |
|---|---|---|---|
| Charged | Sales/ Adj. | Total as on 30.09.2017 | |
| - | | - | 518,477 |
| - | | - | 396,403,483 |
| 135,349 | | 4,383,035 | 3,473,965 |
| 49,554 | | 2,299,813 | 1,271,887 |
| 367,637 | | 18,517,389 | 14,337,835 |
| 221,973 | | 11,394,128 | 5,697,302 |
| 59,892 | | 8,180,871 | 1,537,223 |
| 40,256 | | 3,442,625 | 1,033,246 |
| 123,086 | | 10,070,963 | 3,159,197 |
| 11,145 | | 1,054,692 | 286,060 |
| 282,296 | | 23,645,574 | 11,009,556 |
| 991 | | 354,558 | 25,442 |
| 123 | | 58,841 | 3,159 |
| 13,828 | | 1,928,986 | 539,296 |
| 106,758 | | 11,208,051 | 4,163,579 |
| 69,619 | | 7,498,988 | 2,715,146 |
| 32,307 | | 3,823,963 | 1,259,957 |
| 65,486 | | 4,193,932 | 1,680,795 |
| 274,526 | | 12,323,999 | 10,706,519 |
| 246,001 | | 11,569,778 | 6,314,013 |
| **2,100,827** | | **135,950,186** | **466,136,137** |
| **9,527,992** | | **133,849,359** | **468,191,964** |

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Figures in Taka

| Sl. No. | Particulars | 30 September 2017 Amount | 30 June 2017 Amount |
|---|---|---|---|
| **4.00** | **FIXED ASSETS (At cost less depreciation)** | | |
| | This is made up as follows : | | |
| | At Cost | | |
| | Opening Balance | 200,185,060 | 197,809,139 |
| | Addition During the year | - | 2,375,921 |
| | **Total** | **200,185,060** | **200,185,060** |
| | Depreciation | | |
| | Accumulated depreciation up to last year | 79,246,543 | 75,927,186 |
| | Charged for the year | 744,488 | 3,319,357 |
| | **Total** | **79,991,031** | **79,246,543** |
| | **Written down value** | **120,194,029** | **120,938,517** |
| | Details have been shown in Annexure-1 | | |
| **4.01** | **CONSOLIDATED FIXED ASSETS (At cost less depreciation)** | | |
| | This is made up as follows : | | |
| | At Cost | | |
| | Opening Balance | 602,041,323 | 579,280,431 |
| | Addition During the year | 45,000 | 22,760,892 |
| | **Total** | **602,086,323** | **602,041,323** |
| | Depreciation | | |
| | Accumulated depreciation up to last year | 133,849,359 | 124,321,366 |
| | Charged for the year | 2,100,827 | 9,527,993 |
| | **Total** | **135,950,186** | **133,849,359** |
| | **Written down value** | **466,136,137** | **468,191,964** |
| | Details have been shown in Annexure-1 | | |
| **5.00** | **INTANGIBLE ASSETS** | | |
| | Customised Software Development | 52,853,315 | 52,200,805 |
| | Work-in-progress(Customized Software Dev.) | 966,722 | 642,422 |
| | **Total** | **53,820,037** | **52,843,227** |
| **5.01** | **Customized Software Development** | | |
| | This represent as under: | | |
| | Opening Balance | 52,200,805 | 52,448,216 |
| | Add: Development cost during this year | - | 2,500,000 |
| | | 52,200,805 | 54,948,216 |
| | Less: Amortization @ 5% | 652,510 | 2,747,411 |
| | **Total** | **52,853,315** | **52,200,805** |

This represents the cost of Customized Software developed by the Company through various Programmers engaged on contractual as well as regular employment basis.

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| | 30 September 2017 | 30 June 2017 |
|---|---|---|
| | Amount | Amount |

**5.02 Work-in-progress (Customized Software Development)**

This represents cost allocated to Customized Software which are under progress of development.

| | | |
|---|---|---|
| Opening Balance | 642,422 | 685,642 |
| Add : Incurred during the year | 324,300 | 2,456,780 |
| | **966,722** | **3,142,422** |
| Less : Transferred to Customized software Developmer | - | 2,500,000 |
| **Total** | **966,722** | **642,422** |

**6.00 Investment in subsidiary and Others**

| | | |
|---|---|---|
| Dolphin Computer Ltd. (Subsidiary) | 14,400,000 | 14,400,000 |
| Jobsbd.com | 21,709,782 | 21,709,782 |
| Daffodil International school (DIS) | 373,817,158 | 373,817,158 |
| **Total** | **409,926,940** | **409,926,940** |

This represent the amount investment in subsidiaries and Others

**7.00 INVENTORIES**

This represents as under :

| | | |
|---|---|---|
| Computers-Finished/DELL Laptop | 14,134,256 | 13,156,846 |
| Computer-Daffodil PC | 18,765,455 | 19,553,015 |
| Printers | 4,834,560 | 5,268,973 |
| Monitor | 3,565,432 | 3,591,504 |
| Hardware | 21,234,555 | 22,427,585 |
| Accessories | 9,987,654 | 10,615,866 |
| UPS | 454,344 | 491,288 |
| Stabilizer | 16,500 | 22,547 |
| Software | 7,656,876 | 8,856,422 |
| Mobile Phone - DCL/ Lee Phone | 44,247,169 | 43,709,786 |
| Smart Card | 4,565,643 | 4,762,609 |
| **Total** | **129,462,444** | **132,456,442** |

**7.01 CONSOLIDATED INVENTORIES**

This represents as under :

| | | |
|---|---|---|
| Computers-Finished/DELL Laptop | 15,634,256 | 13,792,266 |
| Computer-Daffodil PC | 19,865,455 | 20,204,584 |
| Printers | 4,858,012 | 5,495,516 |
| Monitor | 3,565,432 | 3,834,749 |
| Hardware | 21,334,555 | 22,751,072 |
| Accessories | 10,087,654 | 11,051,298 |
| UPS | 504,344 | 601,720 |
| Stabilizer | 16,500 | 25,347 |
| Software | 7,806,876 | 8,992,964 |
| Mobile Phone - DCL/ Lee Phone | 44,247,169 | 43,709,786 |
| Smart Card | 4,565,643 | 4,762,609 |
| **Total** | **132,485,896** | **135,221,912** |

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| | | 30 September 2017 | 30 June 2017 |
|---|---|---|---|
| | | Amount | Amount |
| **8.00** | **TRADE AND OTHER RECEIVABLES** | | |
| | This represents as under : | | |
| | Trade Receivable | 77,764,323 | 74,650,385 |
| | Other Receivable (Related party transcation) | 54,500 | 41,950 |
| | **Total** | **77,818,823** | **74,692,335** |
| | This is unsecured but considered good. | | |
| **8.01** | **CONSOLIDATED TRADE AND OTHER RECEIVABLES** | | |
| | This represents as under : | | |
| | Trade Receivable | 85,813,374 | 82,103,887 |
| | Other Receivable (Related Party Transcation) | 54,500 | 41,950 |
| | **Total** | **85,867,874** | **82,145,837** |
| | This is unsecured but considered good. | | |
| **9.00** | **ADVANCES, DEPOSITS AND PREPAYMENTS** | | |
| | **A. Advances** | **83,256,515** | **84,772,526** |
| | Income Tax | 29,080,990 | 29,080,990 |
| | Local Purchase | 9,080,500 | 10,500,000 |
| | Office Rent | 1,086,700 | 1,086,700 |
| | Salaries | 1,890,500 | 1,878,250 |
| | Advance against Development works | 2,441,900 | 2,441,900 |
| | Advance against Projects Expenses | 39,241,425 | 39,241,425 |
| | Advance against C & F Expenses | 434,500 | 543,261 |
| | **B. Deposits** | **4,541,792** | **4,541,792** |
| | Security Deposit | 399,352 | 399,352 |
| | Earnest Money | 353,830 | 353,830 |
| | Bank Guarantee Margin | 846,810 | 846,810 |
| | L/C Margin | 2,941,800 | 2,941,800 |
| | **Total (A+B)** | **87,798,307** | **89,314,318** |
| | This is unsecured but considered good. | | |
| **9.01** | **CONSOLIDATED ADVANCES, DEPOSITS AND PREPAYMENTS** | | |
| | **A. Advances** | **108,611,949** | **110,327,844** |
| | Income Tax | 29,087,817 | 29,087,817 |
| | Local Purchase | 11,099,500 | 12,708,833 |
| | Office Rent | 20,385,770 | 20,385,770 |
| | Salaries | 2,343,450 | 2,341,250 |
| | Advance against Development works | 6,019,487 | 6,019,487 |
| | Advance against Projects Expenses | 39,241,425 | 39,241,425 |
| | Advance against C & F Expenses | 434,500 | 543,262 |
| | **B. Deposits** | **4,541,792** | **4,541,792** |
| | Security Deposit | 399,352 | 399,352 |
| | Earnest Money | 353,830 | 353,830 |
| | Bank Guarantee Margin | 846,810 | 846,810 |
| | L/C Margin | 2,941,800 | 2,941,800 |
| | **Total (A+B)** | **113,153,741** | **114,869,636** |
| | This is unsecured but considered good. | | |

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| 10.00 CASH AND CASH EQUIVALENTS | 30 September 2017 | 30 June 2017 |
|---|---|---|
| This consists of as follows: | Amount | Amount |
| Cash at Bank | 5,074,216 | 9,250,245 |
| Cash in Hand | 2,722,020 | 922,411 |
| Cheques in Hand | 45,320 | 64,532 |
| **Total** | **7,841,556** | **10,237,188** |

The break up is given below:

| 10.01 CONSOLIDATED CASH AND CASH EQUIVALENTS | | |
|---|---|---|
| This consists of as follows: | | |
| Cash at Bank | 8,618,902 | 12,794,931 |
| Cash in Hand | 5,712,640 | 3,464,634 |
| Cheques in Hand | 45,320 | 64,532 |
| **Total** | **14,376,862** | **16,324,097** |

The break up is given below:

| 11.00 BANK LOAN, OVERDRAFT AND CASH CREDIT | | |
|---|---|---|
| C.C - Pubali Bank Ltd. | 24,608,067 | 33,235,502 |
| C.C (Hypo) MBL | 15,859,830 | 30,922,847 |
| LTR - Mercantile Bank Ltd | 884,964 | 6,454,754 |
| LTR - Pubali Bank Ltd | 18,301,146 | 20,341,463 |
| MPI - Islami Bank | 49,987,853 | 53,133,316 |
| **Total** | **109,641,860** | **144,087,882** |

| 12.00 TRADE AND OTHER PAYABLES | | |
|---|---|---|
| Opening balance | 7,480,804 | 11,553,408 |
| Add: Addition during the year | 46,756,768 | 153,934,139 |
| | 54,237,572 | 165,487,547 |
| Less: Paid/Adjusted during the year | 46,915,543 | 158,006,743 |
| **Closing balance** | **7,322,029** | **7,480,804** |

This is against credit purchase of trading goods from local vendors.

| 12.01 CONSOLIDATED TRADE AND OTHER PAYABLES | | |
|---|---|---|
| Opening balance | 8,377,319 | 12,553,800 |
| Add: Addition during the year | 59,458,373 | 232,129,809 |
| | 67,835,692 | 244,683,609 |
| Less: Paid/Adjusted during the year | 60,128,684 | 236,306,290 |
| **Closing balance** | **7,707,008** | **8,377,319** |

This is against credit purchase of trading goods from local vendors.

| | 30 September 2017 | 30 June 2017 |
|---|---|---|
| **13.00 LIABILITIES FOR EXPENSES** | **Amount** | **Amount** |

This amount consists of liabilities for salaries , office rent , utilities bill and other purchases. Break up of the above amount is as under :

| | | |
|---|---|---|
| Salaries & Allowances | 845,578 | - |
| Contribution to Employees PF | 2,723,256 | 2,651,231 |
| Audit Fee | 175,000 | 175,000 |
| Telephone Bill | 35,200 | 34,100 |
| Electricity Bill | 36,543 | 35,060 |
| Paper Bills | 2,020 | 2,020 |
| Internet Bills | 20,250 | 21,300 |
| Insurance premium | 24,500 | 35,100 |
| Provision for Contribution to WPPF | 4,754,169 | 5,952,251 |
| Renewal Fee | 10,000 | 10,000 |
| Dividend Distribution Tax | 18,395,631 | 18,395,631 |
| **Total** | **27,022,147** | **27,311,694** |

**13.01 CONSOLIDATED LIABILITIES FOR EXPENSES**

This amount consists of liabilities for salaries , office rent , utilities bill and other purchases. Break up of the above amount is as under :

| | | |
|---|---|---|
| Salaries & Allowances | 845,578 | - |
| Contribution to Employees PF | 2,723,256 | 2,651,231 |
| Audit Fee | 190,000 | 185,000 |
| Telephone Bill | 68,840 | 70,500 |
| Electricity Bill | 141,075 | 131,602 |
| Paper Bills | 4,180 | 4,480 |
| Internet Bills | 24,250 | 24,300 |
| Insurance premium | 24,500 | 35,100 |
| Provision for Contribution to WPPF | 4,754,169 | 5,952,251 |
| Renewal Fee | 10,000 | 10,000 |
| Dividend Distribution Tax | 18,395,631 | 18,395,631 |
| **Total** | **27,181,478** | **27,460,096** |

| **14.00 REVENUE** | **30 September 2017** | **30 September 2016** |
|---|---|---|
| This is made up as follows : | **Amount** | **Amount** |
| Sales of Computer and Computer Goods | 84,180,785 | 80,422,691 |
| Sales of Customized Software | 29,845,346 | 21,643,458 |
| **Total Net Sales** | **114,026,131** | **102,066,149** |

Revenue recognition has been discussed i

**14.01 CONSOLIDATED REVENUE**

This is made up as follows :

| | | |
|---|---|---|
| Sales Revenue (DCL+Dolphin) | 141,038,063 | 127,340,653 |
| Income from Students (DIS) | 9,214,570 | 9,124,695 |
| Service Revenue (Jobsbd.com) | 3,077,566 | 3,256,432 |
| **Total Net Sales** | **153,330,199** | **139,721,780** |

Revenue recognition has been discussed i

| | 30 September 2017 | 30 September 2016 |
|---|---|---|
| **15.00 COST OF GOODS SOLD** | **Amount** | **Amount** |
| It consists of : | | |
| Computer and Computer Goods | 64,211,313 | 56,876,545 |
| Customized Software & Web hosting etc. | 5,867,343 | 6,435,423 |
| **Total** | **70,078,656** | **63,311,968** |

| | | |
|---|---|---|
| **15.01 CONSOLIDATED COST OF GOODS SOLD** | | |
| It consists of : | | |
| Computer and Computer Goods (DCL) | 64,211,313 | 56,876,545 |
| Customized Software & Web hosting etc. | 5,867,343 | 6,435,423 |
| Computer and Computer Goods (Dolphin) | 24,398,800 | 22,630,842 |
| Direct expenses (Jobsbd.com) | 1,311,219 | 1,324,342 |
| **Total** | **95,788,675** | **87,267,152** |

**16.00 ADMINISTRATIVE EXPENSES**

This consists of as follows :

| | | |
|---|---|---|
| Directors Remuneration | 114,000 | 114,000 |
| Salaries & Allowances | 4,185,605 | 3,074,596 |
| Bonus | 1,213,231 | 862,112 |
| Co's Contribution to Employees' Provident Fund | 102,343 | 92,500 |
| Office Rent | 769,816 | 769,816 |
| AGM Expenses | - | - |
| Audit fee | - | - |
| Bank charges | 2,435 | 1,881 |
| Business Tour & Traveling exp. | - | - |
| Car maintenance | 123,548 | 80,315 |
| Commission paid on credit cards | 32,450 | 36,052 |
| Computer Fair exp. | - | |
| Consultation Fees | - | |
| Conveyance | 194,943 | 57,196 |
| Discount allowed | 1,000 | |
| Directors meeting attendance fee | 5,000 | |
| Donation | 1,000 | 5,000 |
| Electricity | 152,346 | 146,797 |
| Entertainment | 93,598 | 72,189 |
| Internet bills | 53,000 | 27,000 |
| Miscellaneous | 102,151 | 31,019 |
| Office Maintenance | 66,628 | 98,410 |
| Papers & Periodicals | 3,310 | 2,300 |
| Stationery | 90,088 | 55,822 |
| Renewal expenses | 36,000 | 128,260 |
| Maintenance | 24,110 | |
| Schedule purchase | - | 4,500 |
| Staff welfare Expenses | 32,360 | 18,621 |
| Subscriptions | 3,000 | 1,200 |
| Telephone bills | 106,156 | 68,647 |
| Training Expenses | - | |
| Utilities | 10,500 | 14,517 |

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| | 30 September 2017 | 30 September 2016 |
|---|---|---|
| | Amount | Amount |
| Human Resource Dev. Expanse. | 2,200 | |
| R & D Expenditure | 1,000 | |
| Corporate Social Response (CSR) | - | |
| Depreciation | 744,488 | 774,070 |
| **Total** | **8,266,306** | **6,536,820** |

**Allocation:**

| | | |
|---|---|---|
| Hardware & Network activities 70% | 5,786,414 | 4,575,774 |
| Software & Web hosting activities 30% | 2,479,892 | 1,961,046 |
| | 8,266,306 | 6,536,820 |
| Add: Amortization expenses 5% on cost of Customized SW D | 652,510 | 655,603 |
| **Total** | **8,918,816** | **7,192,423** |

## 16.01 CONSOLIDATED ADMINISTRATIVE EXPENSES

This consists of as follows :

| | | |
|---|---|---|
| Directors Remuneration | 129,000 | 129,000 |
| Salaries & Allowances | 10,242,749 | 9,087,153 |
| Bonus | 2,035,283 | 1,677,044 |
| Co's Contribution to Employees' Provident Fund | 102,343 | 92,500 |
| Office Rent | 4,204,628 | 4,204,628 |
| AGM Expenses | - | |
| Audit fee | 1,250 | 1,250 |
| Bank charges | 9,071 | 6,937 |
| Business Tour & Traveling exp. | 15,400 | 3,480 |
| Car maintenance | 435,888 | 416,728 |
| Commission paid on credit cards | 32,450 | 36,052 |
| Computer Fair exp. | 9,569 | 5,769 |
| Consultation Fees | - | |
| Conveyance | 225,073 | 99,047 |
| Discount allowed | 1,000 | |
| Directors meeting attendance fee | 5,000 | |
| Donation | 1,500 | 17,000 |
| Electricity | 483,414 | 515,594 |
| Entertainment | 214,713 | 232,471 |
| Internet bills | 122,800 | 162,890 |
| Miscellaneous | 129,051 | 79,519 |
| Office Maintenance | 119,645 | 142,952 |
| Papers & Periodicals | 13,169 | 6,390 |
| Stationery | 190,122 | 232,740 |
| Renewal expenses | 36,000 | 128,260 |
| Maintenance | 44,942 | 25,294 |
| Schedule purchase | - | 4,500 |
| Staff welfare Expenses | 33,860 | 20,121 |
| Subscriptions | 3,000 | 1,200 |
| Telephone bills | 188,320 | 161,786 |
| Training Expenses | - | |
| Utilities | 38,676 | 47,117 |
| Human Resource Dev. Expanse. | 2,200 | |
| R & D Expenditure | 1,000 | |

| | 30 September 2017 | 30 September 2016 |
|---|---|---|
| | Amount | Amount |
| Corporate Social Response (CSR) | - | |
| Advertisement | 10,000 | 25,500 |
| Promotional Expenses | 132,398 | 133,570 |
| Course meterials | 200,090 | 58,867 |
| Exam. Expenses | 32,123 | 31,097 |
| Overtime Expenses | | |
| Extra Curriculur Activities | 5,500 | 10,100 |
| Depreciation | 2,100,827 | 2,313,044 |
| **Total** | **21,552,054** | **20,109,602** |

**Allocation:**

| | | |
|---|---|---|
| Hardware & Network activities 70% | 15,086,438 | 14,076,722 |
| Software & Web hosting activities 30% | 6,465,616 | 6,032,881 |
| | 21,552,054 | 20,109,602 |
| Add: Amortization expenses 5% on cost of Customized SW D | 652,510 | 655,603 |
| **Total** | **22,204,564** | **20,765,205** |

## 17.00 SELLING & DISTRIBUTION EXPENSES

This consists of as follows :

| | | |
|---|---|---|
| Postage & Stamp | 48,850 | - |
| Advertisement | 30,541 | 6,440 |
| Business Promotion Expenses | 48,850 | 61,900 |
| Carriage outward | - | - |
| Replacement of sold goods | - | - |
| Sales incentives | 245,421 | 198,934 |
| **Total** | **373,662** | **267,274** |

**Allocation:**

| | | |
|---|---|---|
| Hardware & Network activities 70% | 261,563 | 187,092 |
| Software & Web hosting activities 30% | 112,099 | 80,182 |
| **Total** | **373,662** | **267,274** |

## 17.01 CONSOLIDATED SELLING & DISTRIBUTION EXPENSES

This consists of as follows :

| | | |
|---|---|---|
| Postage & Stamp | 48,970 | 120 |
| Advertisement | 30,541 | 6,440 |
| Business Promotion Expenses | 50,050 | 62,900 |
| Carriage outward | - | - |
| Replacement of sold goods | - | - |
| Sales incentives | 299,801 | 319,234 |
| **Total** | **429,362** | **388,694** |

**Allocation:**

| | | |
|---|---|---|
| Hardware & Network activities 70% | 300,553 | 272,086 |
| Software & Web hosting activities 30% | 128,809 | 116,608 |
| **Total** | **429,362** | **388,694** |

| | | 30 September 2017 | 30 September 2016 |
|---|---|---|---|
| | | Amount | Amount |
| **18.00** | **INDIRECT INCOME** | | |
| | Interest on Deposit | - | - |
| | Income from DCL general service section | 510,456 | 500,456 |
| | Income from Dpc laptop service | 323,344 | 312,400 |
| | Income from Subsidiaries | - | - |
| | **Total** | **833,800** | **812,856** |
| **18.01** | **CONSOLIDATED INDIRECT INCOME** | | |
| | Interest on Deposit | 4,500 | - |
| | Income from DCL general service section | 510,456 | 500,456 |
| | Income from Dpc laptop service | 323,344 | 312,400 |
| | Income from Dolphin Computer service centre | 34,210 | 50,600 |
| | **Total** | **872,510** | **863,456** |
| **19.00** | **FINANCIAL EXPENSES** | | |
| | Bank Interest | 2,672,345 | 2,696,898 |
| | **Total** | **2,672,345** | **2,696,898** |

| | | 30 September 2017 | 30 June 2017 |
|---|---|---|---|
| | | Amount | Amount |
| **20.00** | **RETAINED EARNINGS** | | |
| | Opening Balance | 183,562,775 | 150,037,760 |
| | Add - Adition during the period | 30,758,016 | 108,393,409 |
| | Less - Dividend Paid | - | 74,868,393 |
| | | **214,320,791** | **183,562,775** |
| **20.01** | **CONSOLIDATED RETAINED EARNINGS** | | |
| | Opening Balance | 159,294,430 | 125,974,846 |
| | Add - Adition during the period | 30,891,541 | 108,187,978 |
| | Less - Dividend Paid | - | 74,868,393 |
| | | **190,185,971** | **159,294,430** |

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# DAFFODIL COMPUTERS LIMITED

**Notes to the Financial Statement**
**For the ended 30 September 2017**

## 1.00 REPORTING ENTITY

### 1.01 Legal form of Company

Daffodil Computers Limited started its business in the year 1990 as a sole proprietorship business organization. It was converted into a Private Limited Company on 26 January 1998 under the Companies Act, 1994 and registered with the Registrar of Joint Stock Companies and Firms and its Registration No. is C-34749. Again it was converted into a Public Limited Company on 25 April 2002. The company is listed with the Dhaka & Chittagong Stock Exchange of Bangladesh.

### 1.02 Address of the Registered and Corporate Office

The Registered Office and principal place of business of the company is situated at 64/3 Lake Circus, Kalabagan (2nd Floor), Mirpur Road, Dhaka – 1215.

### 1.03 Nature of Business Activities

The main objectives of the Company is to carry on the business of buying component parts, assembling, selling and marketing all types of computer, computer peripherals, accessories, hardware, software, software development including network installation, services, electric, electronics office equipments, training aids, communication equipments, audio visual equipments and all other allied items.

### 1.04 Number of Employees

The numbers of employees at period-end were 176 (One hundred seventy six only) persons.

## 2.00 BASIS OF PREPARATION

### 2.01 Statement of Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs).

### 2.02 Regulatory Compliances

As required, Daffodil Computers Limited complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

a) The Income Tax Ordinance 1984;
b) The Income Tax Rules 1984;
c) The Value Added Tax Act 1991;
d) The Value Added Tax Rules 1991;
e) Bangladesh Securities and Exchange Commission Rules 1987.

**2.03 Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**2.04 Functional and presentational currency and level of precision**

The financial statements are prepared in Bangladesh Taka (Taka/Tk.) which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest taka.

**2.05 Use of estimates and judgment**

The preparation of financial statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from the estimates. Estimates and underlying assumptions are reviewed on an on going basis.

**2.06 Presentation of Financial Statements**

The presentation of these financial statements is in accordance with the guidelines provided by BAS 1: Presentation of Financial Statements, The Financial Statements comprises:

a. a statement of financial position as at the end 30 September 2017;
b. a statement of profit or loss & other comprehensive income for the year ended 30 september 2017;
c. a statement of changes in equity for the year ended 30 september 2017;
d. a statement of cash flows for the year ended 30 September 2017; and
e.notes, comprising a summary of significant accounting policies and explanatory information.

**2.07 Reporting period**

The financial period of the company covers 1st quarter from 01 July to 30 september and is followed consistently.

**2.08 Date of Authorization**

The financial statements 1st quarter were approved by the Board of Directors and authorized for issue on 13 november, 2017

**2.09 Books of Accounts**

The Company maintains its books of accounts for main business in electronic form through its own created software.

## 2.10 Changes in Accounting Policies for Financial Instruments

As adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) from 01 January 2010, the Company has applied Bangladesh Accounting Standard 32 Financial Instruments : Presentation and Bangladesh Accounting Standard 39 Financial Instruments : Recognition and Measurement in accounting for financial instruments and Bangladesh Financial Reporting Standards-7 Financial Instruments: Disclosures for presentation of financial instruments. The change in accounting policy has been applied retrospectively and had no material impact on earnings per share for comprehensive income.

## 2.11 Comparative Information and Rearrangement Thereof

Comparative information has been disclosed in respect of the period ended 30 september 2017 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year ended 30 June 2017 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

## 3.00 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

## 3.01 Application of Standards

In preparing and presenting these financial statements, considering relevant for the significant accounting issues of the company, which were issued by the ICAB formulated in the light of the IASs originally issued by the International Accounting Standard Board and the conditions and practices prevailing in Bangladesh and which also stand valid as on the statement of financial position date.

## 3.02 Impact of Recently Issued Accounting Standards

There was no such impact on these financial statements as no new accounting standard was issued by the ICAB during the year under audit.

## 3.03 Recognition of Property & Equipment and Depreciation:

Property Plant & Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 “Property, Plant & Equipment". Cost represents cost of acquisition or construction. Depreciation is charged from used on additions to Property, Plant and Equipment.Depreciation on all other property and equipment are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Depreciation has been charged at varying rates from 10% to 15% for all assets. No depreciation is charged on Land & Leasehold Property.

**3.04 Inventories**

Inventories comprise computers, computer peripherals, accessories, hardware, software, etc. They are stated at the lower of cost and net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items.

The cost is calculated on weighted average method consistently. Costs comprise expenditure incurred in the normal course of business in bringing such inventories to its location and conditions. Where necessary, provision is made for obsolete, slow moving and defective inventories (if any) identified at the time of physical verification of inventories.

**3.05 Cash and Cash Equivalents**

For the purpose of statement of financial position and statement of cash flows, cash in hand and bank balances represent cash and cash equivalents considering the IAS 1 "Presentation of Financial Statements" and IAS 7 "Cash Flow Statement", which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value and are not restricted as to use.

**3.06 Statement of Cash flows**

Statement Cash flows is prepared principally in accordance with IAS 7 " Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method considering the provision of Paragraph 19 of IAS -7 which provides that Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method.

**3.07 Creditors and Accrued Expenses**

Liabilities are recognized for amounts to be paid in the future for goods and services received whether or not billed by the suppliers.

**3.08 Taxation**

The Company is a listed public limited company. As per the Income Tax Ordinance, 1984, provision for tax has been made at the existing rate of 25%.

**3.09 Revenue Recognition**

Revenue is recognized as per IAS 18 "Revenue Recognition" as follows:

**(a)** Revenue has been recognized at the time of invoice made for the goods and services rendered by the company.

**(b)** Other Incomes are recognized at the time of receipt of money from other purpose than the normal course of business of the Company.

### 3.10 Leases

Lease rentals against assets acquisition have been expensed as they were incurred.

### 3.11 Earnings per share

**(a) Basic Earnings per Share (BEPS)**

Basic Earnings per share has been calculated by dividing the earnings attributable to the number of shares (ordinary) outstanding during the period.

**(b) Weighted average Number of shares outstanding during the year**

This represents the number of ordinary shares outstanding at the beginning of the year plus the year the numbers of ordinary shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific shares are outstanding as a proportionate of the number of days in the year.

### 3.12 Additional information on Financial Statements

**a) Responsibility for Preparation and Presentation of Financial Statements**

The Board of Directors is responsible for the preparation and presentation of Financial Statement under Section 183 of The Companies Act 1994 and as per the provisions of the Framework for the Preparation And Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC).

**b) Risk and Uncertainties for use of estimates in preparation of financial Statements**

The preparation of Financial Statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting certain items, such as, provision for Doubtful accounts, depreciation and amortization, taxes reserves and contingencies.

**21.00 Foreign Exchange Earned and Payment**

No remittances were made in foreign currency on account of dividend, royalty, technical experts, professional advisor fees, interest, etc

**22.00 Directors' Responsibility on Statement**

The board of Directors take the responsibility for the preparation and presentation of these financial statements.

**23.00 Directors' Interest in Contracts with the Company**

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to directors.

**24.00 Receivable from directors**

No amount is lying as receivable from the Directors.

**25.00 Payment/Perquisites to Director and Officers**

i) No compensation was allowed by the company to Directors of the company other than Directors' Remuneration as reported in Note-16.

ii) No amount of money was expended by the company for compensating any member of the board for special services rendered.

iii) Board meeting attendance fee was paid to the directors of the company.

iv) Compensation Package of Key Management of the Company is given below:

| Name | Designation | Short term benefits | Long term benefits (PF) | Long term | Terminations benefits | Share based payments |
|---|---|---|---|---|---|---|
| Md. Sabur Khan | Managing Director | 129,000 | N/A | N/A | N/A | N/A |
| Md. Abdur Rob | GM, Operation | 330,000 | 5% on salary own contribution & same company contribution | Two month's salary for per completed year | Two months salary | - |
| Md. Jafor Ahmed Patwary | DGM, Business Operation | 270,000 | do | do | do | - |
| Md. Jahir Uddin | DGM, Accounts & Finance | 273,750 | do | do | do | - |
| Md. Monir Hossain | Company Secretary | 306,125 | do | do | do | - |

**26.00 Capital Expenditure Commitment**

There was no Capital Expenditure Commitment as on 30 september 2017.

**27.00 Claim Not Acknowledged**

There was no claim against the company as on 30 september 2017.

**28.00 Commission, Brokerage or Discount against Service**

No commission, Brokerage or discount was allowed or incurred or paid during the year under review except which mentioned in note-16.

**29.00 Credit Facility Not Availed**

There are no credit facilities available to the company under any contracts other than trade credit available in the ordinary course of business at the balance sheet date.

**30.00 Subsequent Events-Disclosures under IAS 10 "Events after the Balance Sheet Date"**

**Proposed Dividend**

Subsequent to the statement of financial position 1st quarter, the Board of Directors in their meeting held on 13-11-2017.

Except the fact stated above, no circumstances have arisen since the statement of financial position date which would require adjustment to, or disclosure in, the financial statements or notes thereto.

**31.00 Miscellaneous**

No individual expenses include under miscellaneous expenses, which exceed 1 percent of the total revenue of the company or Tk. 5,000 whichever is higher.

**32.00 Special Reports as per Companies Act, 1994**

| | 30.09.2017 | 30.06.2017 |
|---|---|---|
| **(a)** Number of Employees drawing salary Taka 3,000/- or above per month | 176 | 176 |
| Number of Employees drawing salary below Taka 3,000/- per month | - | - |
| **Total** | **176** | **176** |

**(b)** There was no non-resident Bangladeshi shareholder during the year under audit.

| Md. Monir Hossain | Md. Jahir Uddin | Mohamed Emran Hossain | Md. Sabur Khan |
|---|---|---|---|
| Company Secretary | DGM & CFO | Director | Managing Director |

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