INFORMATION SERVICES NETWORK LIMITED

TMC Building (4th Floor), 52 New Eskaton Road, Dhaka-1000.

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT 30TH SEPTEMBER, 2017

PARTICULARS	30th September, 2017	30th June, 2017
ASSETS:		
Non-Current Assets	**116,488,315**	**117,836,726**
Tangible Fixed Assets, Net of accumulated depreciation	115,740,969	116,973,021
Investment (at cost)	165,550	165,550
Deferred Expenditure	581,796	698,155
Current Assets	**116,614,545**	**118,689,956**
Accounts Receivable	102,697,004	103,575,480
Accrued Loan Interest	809,544	809,544
Loans, Advances and Deposits	12,733,915	13,046,196
Cash and Cash Equivalents	374,082	1,258,736
Total Assets	**233,102,860**	**236,526,682**
Equity and Liabilities:		
Shareholders' Equity	**152,770,306**	**155,025,612**
Share capital	109,200,035	109,200,035
Retained Earnings-As per Profit and Loss Account	(12,306,761)	(10,708,126)
General Reserve	2,000,000	2,000,000
Dividend Equalization Fund	1,000,000	1,000,000
Inflation and Currency Fluctuation	1,000,000	1,000,000
Capital Reserve	51,877,032	52,533,703
Non-Current Liabilities.	**28,916,635**	**30,091,494**
Long Term Loan	28,120,725	29,295,584
Deferred Tax Liabilities	795,910	795,910
Current Liabilities and Provisions	**51,415,919**	**51,409,576**
Accrued Expenses	7,038,896	6,537,372
Liabilities for other Finance	3,984,920	3,789,920
Short Term Loan	39,583,994	40,369,374
Provision for Income Tax	808,109	712,910
Total Liabilities	**80,328,354**	**81,501,070**
Total Equity & Liabilities	**233,102,860**	**236,526,682**

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2017

Particulars	30th Sept., 2017	30th Sept., 2016
Share Capital	109,200,035	109,200,035
General Reserve	2,000,000	2,000,000
Capital Reserve	51,877,032	54,607,402
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Retained Earnings	(12,306,761)	(7,342,739)
Shareholders' Equity at 30th Sept.,2017	**152,770,306**	**160,464,698**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2017

PARTICULARS	July-September 2017			July - September 2016
	Unit-1 ISP	Unit-2 IPTSP	Total	
Operating Revenue	14,805,130	790,838	15,595,968	15,454,391
Operating Expenses	(8,264,931)	(752,450)	(9,017,381)	(8,003,587)
Gross Profit	**6,540,199**	**38,388**	**6,578,587**	**7,450,804**
Other Income	**4,144,418**	**-**	**4,144,418**	**3,472,026**
	10,684,617	**38,388**	**10,723,005**	**10,922,830**
Admin.& Other Expenses	**(12,606,739)**	**(276,373)**	**(12,883,112)**	**(11,084,360)**
Administrative Expenses	(10,788,466)	(189,005)	(10,977,471)	(8,685,035)
Financial Expenses	(1,789,282)	-	(1,789,282)	(2,282,966)
Amortization of Def. Exp	(28,991)	(87,368)	(116,359)	(116,359)
Net profit before Tax for the period	**(1,922,122)**	**(237,985)**	**(2,160,107)**	**(161,530)**
Provision for Income Tax for	(95,199)	-	(95,199)	(49,420)
Net profit after Tax for the period	**(2,017,321)**	**(237,985)**	**(2,255,306)**	**(210,950)**
Profit /(Loss) brought forward	(9,686,269)	(1,021,857)	(10,708,126)	(7,823,022)
Balance transferred to Balance sheet	**(11,703,590)**	**(1,259,842)**	**(12,963,432)**	**(8,033,972)**
Earning Per Share			(0.21)	(0.02)
(Per Value Tk. 10/-)				

CASH FLOW STATEMENT (UN-AUDITED)

FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2017

	Particulars	July-Sept. 2017	July-Sept. 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Collection from Turnover and other Income	22,149,659	19,709,919
	Payment for Cost and Expenses	(19,936,948)	(16,988,128)
	Total Cash Flow from Operating Activities	**2,212,711**	**2,721,791**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Acquisition of Fixed Assets	(1,557,442)	(4,499,550)
	Share Investment		-
	Total Cash Flow from Investing Activities	**(1,557,442)**	**(4,499,550)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Dividend Paid		-
	Earnest Money		13,636
	Term Loan	(1,960,239)	308,750
	Advance & deposit	420,316	57,173
	Total Cash Flow from Financing Activities	**(1,539,923)**	**379,559**
	Net cash inflow/ (Outflows) for the year	(884,654)	(1,398,200)
	Opening Cash and Bank Balance	1,258,736	2,041,678
	Closing Cash and Bank Balance **Total Tk.**	**374,082**	**643,478**

Md. Mahmudul Hasan
Company Secretary(cc)

Habibul Alam, *Bir Pratik*
Managing Director

The details of the published 1st quarter financial statements are available at Company's website. The address of the website is http://www.bangla.net/english/financial_statement.php

Selected Notes to the Financial Statement (Un-audited) for the 1st Quarter ended 30th September, 2017

1. Reporting Entity

Information Services Network Limited was incorporated in Bangladesh on August 16, 1995 as a Public Limited Company under the Companies Act, 1994. The shares of this Company are listed in the stock exchange of Dhaka and Chittagong.
The main objective of the Company interalia is to carry on all its offices in and outside of Bangladesh for providing connectivity with the World's Information super highway and disseminate knowledge and information in electronic form and to develop, deliver and maintain computer based system. It has gone into commercial operation from 6th August, 1996.

2. Basis of Preparation of Financial Statements

These interim Financial statements should be read in conjunction with the Financial Statements for the year ended June 30, 2017 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. The accounting policies used are consistent with those used in the Annual Financial Statements. The Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

3.00 Fixed assets: Tk.115,740,969

The above amount is made up as follows

	30.09.2017	30.06.2017
Opening Balance at Cost	281,395,161	270,755,819
Add : Re-valuation surplus		-
Add : Addition during the period	1,557,442	10,639,342
Less : Adjustment during the period		-
Closing Balance at cost	**282,952,603**	**281,395,161**
Less: Accumulated depreciation	167,211,634	164,422,140
Written down value	**115,740,969**	**116,973,021**

4.00 Investment (at cost) : Tk.165,550

The above amount is made up as follows

	30.09.2017	30.06.2017
Investment in subsidiary	102,000	102,000
Investment in shares	63,550	63,550
	165,550	**165,550**

5.00 Deferred expenditure : Tk. 581,796

The above amount is made up as follows

	30.09.2017	30.06.2017
IPTSP Project	436,839	524,207
Share Issue Expenditure	144,957	173,948
	581,796	**698,155**

6.00 Accounts receivable: Tk. 102,697,004

This is arrived at as under :

	30.09.2017	30.06.2017
Opening Balance	103,575,480	116,410,217
Add: Addition during the period	4,735,185	6,235,964
	108,310,665	**122,646,181**
Less : Received during the period	**5,613,661**	**15,576,301**
	102,697,004	**107,069,880**
Less : Bad & Doubtful Debt		3,494,400
Closing Balance	**102,697,004**	**103,575,480**
Internet Bill (DSL)	27,876,944	28,578,797
Internet Bill (D/U)	16,759,630	16,760,430
Software Sales	20,748,533	20,839,103
Networking & IT Solutions	15,135,272	15,188,476
IP Phone Bill	3,995,188	3,918,921
Data Service Bill	7,715,547	7,744,895
Fax Bill	103,746	103,746
Web Hosting & Development	10,362,144	10,441,112
	102,697,004	**103,575,480**

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7.00 Advances, deposits and prepayments: Tk.12,733,915

This is made up as follows :

	30.09.2017	30.06.2017
Loan to subsidiary company	1,635,343	1,635,343
Other Advance and Prepayments	11,098,572	11,410,853
	12,733,915	**13,046,196**

8.00 Accrued expenses: Tk. 7,038,896

This is made up as under:

	30.09.2017	30.06.2017
Opening Balance	6,537,372	5,677,527
Add: Addition during the period	3,515,031	3,885,197
	10,052,403	**9,562,724**
Less : Paid/adjustment during the period	3,013,507	3,025,352
Closing Balance	**7,038,896**	**6,537,372**

9.00 Liabilities for other finance: Tk.3,984,920

The above amount is made up as follows:

	30.09.2017	30.06.2017
Security money (Internet)	648,476	453,476
Security money (Fax)	448,847	448,847
Dividend Payable	2,788,525	2,788,525
Provision for share value decrese	99,072	99,072
	3,984,920	**3,789,920**

10.00 Short Term Loan : Tk.39,583,994

The above amount is made up as follows:

	30.09.2017	30.06.2017
CC(Hypo.)-FBL	19,984,925	19,984,925
Loan from Others parties	8,750,000	8,750,000
Loan from Managing Director	5,849,069	6,634,449
HRC Shipping	2,500,000	2,500,000
Loan from Directors(GP Project)	2,500,000	2,500,000
	39,583,994	**40,369,374**

11.00 Operating revenue: Tk.15,595,968

This is made up as following

	30.09.2017	30.09.2016
Internet bill (D/U)	37,720	65,660
Internet bill (DSL/UUCP A/C)	9,390,814	11,005,380
Data Service bill	643,999	1,260,678
IP Phone Bill	909,458	1,011,710
	10,981,991	**13,343,428**
Less : VAT	1,432,434	1,740,447
Net sales after VAT	**9,549,557**	**11,602,981**
Sales of software	3,873,915	2,453,000
Networking and IT solutions	2,172,496	1,398,410
Total	**15,595,968**	**15,454,391**

12.00 Operating expenses: TK.9,017,381

This consists of as follows :

	30.09.2017	30.09.2016
Bandwidth charge	2,732,285	3,721,505
Data Connectivity Exp.	1,915,675	431,070
Telephone line rental		2,503
Call carring charge	620,700	176,852
Salary & Allowance	2,039,526	2,031,897
Depreciation	1,709,195	1,639,760
	9,017,381	**8,003,587**

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13.00 Other income: TK.4,144,418

This consists of as follows :

	30.09.2017	30.09.2016
Connectivity	315,216	384,600
Web Hosting & Development	1,629,100	1,375,860
Re-installation & Servicing	207,077	143,337
Domain Registration	48,600	28,000
Miscellaneous	10,000	1,100
Email Forward	384,690	384,690
Hardware sale	1,227,089	716,628
Insurance claim		20,000
Revenue from office rent	202,924	371,911
Spamwall Income	10,500	31,500
VPN Charge	109,170	14,400
Dividend Income	52	
	4,144,418	**3,472,026**

Sl.	Particulars	30.09.2017 (Taka)	30.09.2016 (Taka)
1.00	Earnings Per Share (EPS)	(0.21)	(0.02)
2.00	Net Assets Value (NAV)	13.99	14.69
3.00	Net Operating Cash Flow (NOCFPS)	0.20	0.25

Md. Mahmudul Hasan
Company Secretary(CC)

Habibul Alam, Bir Pratik
Managing Director

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