INFORMATION SERVICES NETWORK LIMITED

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

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 30TH SEPTEMBER, 2018

PARTICULARS	30th September, 2018	30th June, 2018
ASSETS:		
Non-Current Assets	**82,622,777**	**82,331,492**
Fixed Assets,	80,774,614	80,258,317
Intangible Assets	1,629,803	1,738,456
Investment (at cost)	102,000	102,000
Deferred Expenditure	116,360	232,719
Current Assets	**131,833,298**	**131,862,482**
Accounts Receivable	101,874,768	101,591,576
Accrued Interest	809,544	809,544
Advances and Deposits	25,550,397	25,479,673
Cash and Cash Equivalents	3,598,589	3,981,689
Total Assets	**214,456,075**	**214,193,974**
Equity and Liabilities:		
Shareholders' Equity	**138,228,031**	**137,164,890**
Share capital	109,200,035	109,200,035
Retained Earnings	(2,646,058)	(3,709,199)
General Reserve	2,000,000	2,000,000
Dividend Equalization Fund	1,000,000	1,000,000
Inflation and Currency	1,000,000	1,000,000
Revaluation Surplus	27,674,054	27,674,054
Non-Current Liabilities.	**27,782,306**	**28,172,036**
Long Term Loan	27,105,671	27,512,401
Deferred Tax Liabilities	676,635	659,635
Current Liabilities and	**48,445,737**	**48,857,048**
Accrued Expenses	3,519,847	3,537,259
Liabilities for other Finance	4,018,773	3,910,848
Short Term Loan	38,581,740	39,153,291
Provision for Income Tax	2,325,377	2,255,650
Total Liabilities	**76,228,042**	**77,029,084**
Total Equity & Liabilities	**214,456,075**	**214,193,974**

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2018

Particulars	30th Sept., 2018	30th Sept., 2017
Share Capital	109,200,035	109,200,035
General Reserve	2,000,000	2,000,000
Revaluation Surplus	27,674,054	51,877,032
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Retained Earnings	(12,646,058)	(12,306,761)
Shareholders' Equity at 30th Sept.,2017	**138,228,031**	**152,770,306**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2018

PARTICULARS	July-September 2018			July - September 2017
	Unit-1 ISP	Unit-2 IPTSP	Total	
Operating Revenue	21,238,769	184,050	21,422,819	15,595,968
Operating Expenses	(10,781,171)	(1,95,939)	(10,977,110)	(9,017,381)
Gross Profit	**10,457,598**	**(11,889)**	**10,445,709**	**6,578,587**
Other Income	**1,718,234**	**-**	**1,718,234**	**4,144,418**
	12,175,823	**(11,889)**	**12,163,943**	**10,723,005**
Admin.& Other Expenses	**(10,926,707)**	**(87,368)**	**(11,014,075)**	**(12,883,112)**
Administrative Expenses	(9,085,997)		(9,085,997)	(10,977,471)
Financial Expenses	(1,811,719)	-	(1,811,719)	(1,789,282)
Amortization of Def. Exp	(28,991)	(87,368)	(116,359)	(116,359)
Net profit before Tax	**1,249,125**	**(99,257)**	**1,149,868**	**(2,160,107)**
Deferred Tax Expenses			(17,000)	
Provision for Income Tax for	(69,727)	-	(69,727)	(95,199)
Net profit after Tax			**1,063,141**	**(2,255,306)**
Profit /(Loss) brought forward				(10,708,126)
Balance transferred to Balance sheet	-	-	1,063,141	(12,963,432)
Earning Per Share			**0.10**	**(0.21)**
(Per Value Tk. 10/-)				

CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED 30TH SEPTEMBER, 2018

	Particulars	July-Sept. 2018	July-Sept. 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Collection from Turnover and other Income	22,857,861	22,149,659
	Payment for Cost and Expenses	(17,809,541)	(19,936,948)
	Interest paid	(1,790,000)	
	Total Cash Flow from Operating Activities	**3,258,320**	**2,212,711**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Acquisition of Fixed Assets	(2,678,620)	(1,557,442)
	Share Investment		-
	Total Cash Flow from Investing Activities	**(2,678,620)**	**(1,557,442)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Dividend Paid	-	-
	Earnest Money	107,925	-
	Loan	(1,000,000)	(1,960,239)
	Advance & deposit	(70,724)	420,316
	Total Cash Flow from Financing Activities	**(962,799)**	**(1,539,923)**
	Net cash inflow/ (Outflows) for the year	(3,83,099)	(884,654)
	Opening Cash and Bank Balance	3,981,689	1,258,736
	Closing Cash and Bank Balance **Total Tk.**	**3,598,589**	**3,74,082**

Md. Hasan Ali
Company Secretary(cc)

A.H.M. Al-Faruq
Independent 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, 2018

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, 2018 (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. 80,774,614

The above amount is made up as follows

	30.09.2018	30.06.2018
Opening Balance at Cost	207,095,039	281,395,161
Add : Re-valuation surplus	-	-
Add : Addition during the period	2,678,620	5,477,807
Less : Adjustment during the period		79,777,929
Closing Balance at cost	**209,773,659**	**207,095,039**
Less: Accumulated depreciation	128,999,045	126,836,722
Written down value	**80,774,614**	**80,258,317**

4.00 Intangible Assets : Tk. 1,629,803

	30.09.2018	30.06.2018
Opening Balance	1,738,456.00	-
Add : Addition during the period		2,173,070.00
Less : Amortized Buring the period	108,653.50	434,614.00
	1,629,803	**1,738,456**

5.00 Investment (at cost) : Tk.102,000

The above amount is made up as follows

	30.09.2018	30.06.2018
Investment in subsidiary	102,000	102,000
Investment in shares		-
	102,000	**102,000**

6.00 Deferred expenditure : Tk. 116,360

The above amount is made up as follows

	30.09.2018	30.06.2018
IPTSP Project	87,368	174,735
Share Issue Expenditure	28,992	57,984
	116,360	**232,719**

7.00 Accounts receivable: Tk. 101,874,768

This is arrived at as under :

	30.09.2018	30.06.2018
Opening Balance	101,591,576	103,575,480
Add: Addition during the period	283,192	49,300
	101,874,768	**103,624,780**
Less : Received during the period		-
	101,874,768	**103,624,780**
Less : Bad & Doubtful Debt		2,033,204
Closing Balance	**101,874,768**	**101,591,576**

Internet Bill (DSL)	28,130,004	28,096,814
Internet Bill (D/U)	16,627,378	16,477,375
Software Sales	20,602,596	20,502,596
Networking & IT Solutions	15,052,266	15,052,266
IP Phone Bill	3,796,292	3,796,292
Data Service Bill	7,253,131	7,253,131
Fax Bill	99,625	99,625
Web Hosting & Development	10,313,477	10,313,477
	101,874,769	**101,591,576**

8.00 Accrued expenses: Tk. 3,519,847

This is made up as under:

	30.09.2018	30.06.2018
Opening Balance	3,537,259	3,537,259
Add: Addition during the period	1,561,874	-
	5,099,133	**3,537,259**
Less : Paid/adjustment during the period	1,579,286	
Closing Balance	**3,519,847**	**3,537,259**

9.00 Advances, deposits and prepayments: Tk.25,550,397

This is made up as follows :	30.09.2018	30.06.2018
Loan to subsidiary company (GKISN)	1,635,343	1,635,343
Loan to Mr. mujibul huq	2,500,000	2,500,000
Other Advance and Prepayments	9,200,054	9,129,330
Other Receivables (Mrs. Zakia Huq Against 2521 sft Floor Space)	12,215,000	12,215,000
	25,550,397	**25,479,673**

10.00 Liabilities for other finance: Tk.4,018773

The above amount is made up as follows:

	30.09.2018	30.06.2018
Security money (Internet)	561,401	453,476
Security money (Fax)	448,847	448,847
Dividend Payable	2,788,525	2,788,525
Security money received	220,000	220,000
Provision for share value decrese		
	4,018,773	**3,910,848**

11.00 Short Term Loan : Tk. 38,581,740

The above amount is made up as follows:

	30.09.2018	30.06.2018
CC(Hypo.)-FBL	21,252,631	20,824,182
Loan from Others parties	8,750,000	8,750,000
Loan from Managing Director	4,579,109	4,579,109
HRC Shipping	2,500,000	2,500,000
Loan from Directors(GP Project)	1,500,000	2,500,000
	38,581,740	**39,153,291**

12.00 Operating revenue: Tk.21,422,819

This is made up as following

	Amount (Tk.)	30.09.2017

Internet bill (D/U)	54,580	37,720
Internet bill (DSL/UUCP A/C)	9,035,712	9,390,814
Data Service bill	1,028,071	643,999
IP Phone Bill	184,050	909,458
	10,302,413	**10,981,991**
Less : VAT	650,824	1,432,434
Net sales after VAT	**9,651,589**	**9,549,557**
Sales of software	11,465,511	3,873,915
Networking and IT solutions	305,719	2,172,496
Total	**21,422,819**	**15,595,968**

13.00 Operating expenses: TK.10,977,110

This consists of as follows :

	Amount (Tk.)	30.09.2017
Bandwidth charge	3,215,248	2,732,285
Data Connectivity Exp.	3,176,832	1,915,675
Telephone line rental		
Call carring charge	195,939	620,700
Salary & Allowance	2,866,988	2,039,526
Depreciation	1,522,103	1,709,195
	10,977,110	**9,017,381**

14.00 Other income: TK.1,718,234

This consists of as follows :

	Amount (Tk.)	30.09.2017
Connectivity	205,890	315,216
Web Hosting & Development	430,160	1,629,100
Re-installation & Servicing		207,077
Domain Registration	103,900	48,600
Miscellaneous	34,450	10,000
Email Forward	421,666	384,690
Hardware sale	400,448	1,227,089
Revenue from office rent	31,175	202,924
Spamwall Income	10,500	10,500
VPN Charge	80,045	109,170
IP Service Bill		52
	1,718,234	**4,144,418**

Sl.	Particulars	30.09.2018 (Taka)	30.09.2017 (Taka)
1.00	Earnings Per Share (EPS)	0.10	(0.21)
2.00	Net Assets Value (NAV)	12.66	13.99
3.00	Net Operating Cash Flow (NOCFPS)	0.30	0.20

Md. Hasan Ali
Company Secretary

A.H.M. Al-Faruq
Independent Director

AMAR STOCK