THE PENINSULA CHITTAGONG LIMITED

FINANCIAL STATEMENTS (Un-audited)

AS AT AND FOR THE PERIOD ENDED 30 SEPTEMBER 2017

AMAR STOCK

THE PENINSULA CHITTAGONG LIMITED
Statement of Financial Position (Un-audited)
As at 30 September 2017

	Note(s)	30 September 2017 Taka	30 June 2017 Taka
Assets			
Non-current assets			
Property, plant and equipment	4	2,368,770,035	2,375,120,997
Intangible assets	5	1,891,586	1,974,694
Investments	6	6,125,000	6,125,000
Total non-current assets		**2,376,786,621**	**2,383,220,691**
Current assets			
Inventories	7	24,980,660	26,935,843
Accounts receivable	8	46,168,957	39,761,375
Interest receivable	9	12,490,461	12,464,049
Advances, deposits and prepayments	10	247,350,792	198,859,693
Short term investments	11	14,034,900	13,090,125
Cash and cash equivalents	12	1,184,200,092	1,172,035,106
Total current assets		**1,529,225,862**	**1,463,146,191**
Total assets		**3,906,012,483**	**3,846,366,882**
Equity and Liabilities			
Equity			
Share capital	13	1,186,668,000	1,186,668,000
Retained earnings	14	193,494,345	174,844,703
Share premium		1,050,958,284	1,050,958,284
Revaluation surplus	15	1,228,413,842	1,228,413,842
Total equity		**3,659,534,471**	**3,640,884,829**
Liabilities			
Non-current liabilities			
Lease finance	16.01	-	-
Deferred tax liabilities	17	52,078,776	49,495,635
Total non-current liabilities		**52,078,776**	**49,495,635**
Current liabilities			
Accounts payable	18	30,837,419	34,280,963
Short term borrowings	19	55,349,242	17,575,284
Current portion of lease finance	16.01	429,286	583,586
Provision for income tax	20	96,347,389	93,348,411
Unclaimed dividend	21	5,589,396	5,627,026
Provision for WPPF and Welfare Fund	22	5,846,504	4,571,148
Total current liabilities		**194,399,236**	**155,986,418**
Total liabilities		**246,478,012**	**205,482,053**
Total equity and liabilities		**3,906,012,483**	**3,846,366,882**
Net Asset Value Per Share	31	**30.84**	**30.68**

These financial statements were approved by the Board of Directors on 08 November 2017 and were signed on its behalf by :

Company Secretary	Director	Director	Chairman

As per our annexed report of same date.

Chittagong,

AMARSTOCK

THE PENINSULA CHITTAGONG LIMITED

Statement of Profit or Loss and Other Comprehensive Income (Un-audited)

For the period ended 30 September 2017

	Note(s)	01 July 2017 to 30 September 2017 Taka	01 July 2016 to 30 September 2016 Taka
Revenue	23	63,588,570	89,589,765
Cost of sales	24	(43,728,699)	(29,914,889)
Gross profit		**19,859,871**	**59,674,876**
Administrative expenses	25	(15,042,280)	(10,069,326)
Selling and distribution expenses	26	(257,458)	(95,952)
		4,560,133	**49,509,598**
Finance costs	27	(1,744,820)	(5,441,532)
Finance income	28	21,613,436	25,326,106
Non-operating income/(loss)	29	1,078,368	13,655,067
Profit before tax and WPPF and Welfare Fund		**25,507,117**	**83,049,239**
Contribution to WPPF and Welfare Fund	22	(1,275,356)	(4,161,024)
Profit before tax		**24,231,761**	**78,888,215**
Income tax expenses:			
Current tax	20	(2,998,978)	(19,764,863)
Deferred tax	17	(2,583,141)	-
		(5,582,119)	(19,764,863)
Net profit after tax for the year		**18,649,642**	**59,123,352**
Other comprehensive income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
		-	-
Total comprehensive income		**18,649,642**	**59,123,352**
Earnings Per Share (Basic)	30	**0.16**	**0.50**

These financial statements were approved by the Board of Directors on 08 November 2017 and were signed on its behalf by :

Company Secretary	Director	Director	Chairman

As per our annexed report of same date.

AMARSTOCK

THE PENINSULA CHITTAGONG LIMITED
Statement of Changes in Equity (Un-audited)
For the period ended 30 September 2017

Amount in Taka

	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2016	1,186,668,000	1,050,958,284	1,228,413,842	231,185,866	3,697,225,992
Net Profit for the year ended 30 September 2016	-	-	-	59,123,352	59,123,352
Balance as at 30 June 2017	**1,186,668,000**	**1,050,958,284**	**1,228,413,842**	**290,309,218**	**3,756,349,344**
Balance as on 01 July 2017	1,186,668,000	1,050,958,284	1,228,413,842	290,309,218	3,756,349,344
Net Profit for the year ended 30 September 2017	-	-	-	18,649,642	18,649,642
Balance as at 30 September 2017	**1,186,668,000**	**1,050,958,284**	**1,228,413,842**	**308,958,860**	**3,774,998,986**

These financial statements were approved by the Board of Directors on 08 November 2017 and were signed on its behalf by :

Company Secretary | Director | Director | Chairman

AMARSTOCK

THE PENINSULA CHITTAGONG LIMITED

Statement of Cash Flows (Un-audited)

For the period ended 30 September 2017

	01 July 2017 to 30 September 2017	01 July 2016 to 30 September 2016
	Taka	Taka
a. Cash flows from operating activities		
Receipts from customers against revenue	57,180,988	72,112,228
Receipts from other sources	21,596,473	39,665,999
Cash paid to suppliers	(38,565,563)	(35,146,914)
Cash paid for administrative, selling and distribution expenses	(57,922,364)	(44,793,704)
Payment of interest-Net	(1,720,296)	(5,087,282)
Income Tax paid	(4,230,480)	-
Net cash (used in)/generated by operating activities	**(23,661,242)**	**26,750,327**
b. Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,835,496)	(5,538,839)
Proceeds from sale of property, plant and equipment	-	805,000
(Increase)/decrease in investments	-	-
Dividend received (net of tax)	79,696	-
Net cash (used in)/generated by investing activities	**(1,755,800)**	**(4,733,839)**
c. Cash flows from financing activities		
Receipts /(repayments) of short term borrowings	37,773,958	(25,987,996)
Receipts /(repayments) of lease finance	(154,300)	-
Dividend paid	(37,630)	(27,625)
Net cash provided by /(used in) financing activities	**37,582,028**	**(26,015,621)**
d. Net increase in cash and cash equivalents (a+b+c)	**12,164,986**	**(3,999,133)**
e. Opening cash and cash equivalents	1,172,035,106	24,790,776
f. Closing cash and cash equivalents (d+e)	**1,184,200,092**	**20,791,643**
Net operating cash flows per share	**(0.20)**	**0.23**

These financial statements were approved by the Board of Directors on 08 November 2017 and were signed on its behalf by :

Company Secretary	Director	Director	Chairman

AMARSTOCK

1.00 THE REPORTING ENTITY

1.01 Legal form of Enterprise

The company was formed on 25 July 2002 under The Companies Act 1994 vide registration no. C-46488 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on 7 June 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM). The company converted from Private Limited Company to Public Limited Company on 30 November 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM) and obtained approval of Registrar of Joint Stock Companies & Firms accordingly. The company offloaded 55,000,000 shares after getting approval from Bangladesh Securities and Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014.

1.02 Registered Office of the Company

The registered office of the company is located at Bulbul Center, 486/B , O.R. Nizam Road, CDA Avenue, Chittagong 4100, Bangladesh.

1.03 Nature of the Business

The principal activities of the company includes carrying of business of modern hotel, restaurants, etc. In this context the company has established a hotel named "The Peninsula Chittagong Limited" which offers a range of hotel facilities including fitness centre, a luxurious oasis within the hotel with gymnasium, swimming pool, sauna, steam bath and massage treatments etc. The company started commercial operation on 17 February 2006.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

These Financial Statements have been prepared on going concern basis following accrual basis of accounting except for Statement of Cash Flows 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 (ICAB) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs).

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of BAS 1– "Presentation of Financial Statements". The financial statements comprise of:

a) A statement of financial position as at 30 September 2017.
b) A statement of profit or loss and 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.
e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

i) The Income Tax Ordinance, 1984
ii) The Income Tax Rules, 1984
iii) The Value Added Tax Act, 1991
iv) The Value Added Tax Rules, 1991
v) The Securities and Exchange Rules, 1987
vi) The Securities and Exchange Ordinance, 1969
vii) The Customs Act, 1969
viii) Bangladesh Labour Law, 2006

2.04 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on 08 November 2017.

2.05 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for land and land development of property, plant and equipment and Investment in quoted shares which are measured at fair value.

2.06 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT) which is the company's functional currency. All the financial information presented in Bangladesh Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.07 Statement of Cash Flows

Statement of cash flows has been prepared in accordance with BAS 7: Statement of Cash Flows and the cash flow from operating activities have been presented under direct method.

2.08 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.09 Applicable Accounting Standards

The following BASs and BFRSs are applicable for preparation and reporting of the Financial Statements for the year under review:

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10	Events after the Reporting Period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 17	Leases
BAS - 18	Revenue
BAS - 19	Employee Benefits
BAS - 21	The Effects of Changes in Foreign Exchange Rates
BAS - 23	Borrowing Costs
BAS - 24	Related Party Disclosures
BAS - 33	Earnings Per Share
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets
BAS - 38	Intangible Assets
BAS - 39	Financial Instruments: Recognition and Measurement
BFRS - 7	Financial Instruments: Disclosures
BFRS - 13	Fair Value Measurement

2.10 Standards Adopted but not Yet Effective

The Institute of Chartered Accountants of Bangladesh (ICAB) has adopted following new standards and amendments to standards -

(a) BFRS - 9 Financial Instruments
(b) BFRS - 15 Revenue from Contracts with Customers

The above standards are effective for annual reporting periods beginning on or after 01 January 2018, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of BFRS 9 and BFRS 15.

2.11 Use of Estimates and Judgments

The preparation of the financial statements in conformity with BFRSs 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. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note: 4	Property, plant and equipment
Note: 5	Intangible assets
Note: 7	Inventories
Note: 8	Accounts receivable
Note: 17	Deferred tax liabilities
Note: 20	Provision for income tax

2.12 Change in Accounting Estimates

For the year ended on 30 September 2017, intangible assets has been amortised using the straight line method so as to write off the assets over their expected useful life. Amortisation on additions of assets during the period is charged from the month (date of service) of addition of the respective asset.

2.13 Comparative Information

Comparative information has been disclosed in respect of the year ended on 30 September 2017 in accordance with BAS - 1 "Presentation of Financial Statements", for all numeric information in the financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.14 Reporting Period

The financial statements of the company covered the reporting period of one year commencing from 01 July 2017 to 30 September 2017 which is followed consistently.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended on 30 September 2017 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on 30 June 2017 & period ended 30 September 2016.

3.02 Property, Plant and Equipment (PPE)

Items of property, plant and equipment are stated at cost and re-valued amount less accumulated depreciation and accumulated impairment losses, if any.

3.02.01 Recognition and Measurement

The cost of an item of property, plant and equipment comprises its purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates) and any cost directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognised under other income/expenses in the statement of profit or loss and other comprehensive income.

3.02.02 Subsequent Costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.

3.02.03 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited useful life. In respect of all other property, plant and equipment, depreciation is recognised in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of property, plant and equipment. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is charged on addition from the month (date of service) of acquisition/addition upto the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The principal annual rates/useful lives are as follows.

CATEGORY OF ASSETS	RATE OF DEPRECIATION (%)
Hotel Building	**2%**
Plant and Machineries	**5%**
Equipment and Appliance	**5% - 10%**
• Office Equipment	10%
• Electrical Equipment	10%
• Air Conditioner	5%
• Kitchen Equipment	5%
• House Keeping Equipment	10%
• Bar Equipment	10%
• Security Equipment	10%
• Linen	10%
• SPA	5%
• Wooden Floor	5%
• Tumbler Drier	10%
Motor Vehicles	**10%**
Furniture & Fixtures	**5%**
Office Decoration	**5%**

Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

3.02.04 Revaluation of Property, Plant and Equipment

Since inception, the company revalued its fixed assets for the 1st time in the year 2010-2011 by Syful Shamsul Alam & Co., Chartered Accountants. Reserve was created by the sum of revaluation surplus as per the provision of BAS-16.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for

3.03 Intangible Asset

3.03.01 Recognition and Measurement

Intangible assets that are acquired by the company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per BAS 38: "Intangible Assets" are met. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Subsequent Costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

3.03.03 Amortisation

The intangible assets of the company are ERP (Tally) and Hotel Management software which are amortised every month following straight line method for 10 (ten) years. The amortisation cost is charged in profit or loss.

Amortisation methods, useful lives and residual values are reassessed at the reporting date and adjusted if

3.04 Capital Work-in-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.05 Leases

At inception of an arrangement, the company determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the entity separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

3.05.01 Finance Lease

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant rate of interest on the remaining balance of the liability.

3.05.02 Operating Lease

Leases that are not finance lease are considered as operating leases and the leased assets are not recognised in the Company's Statement of Financial Position. Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

3.06 Inventories

Nature of inventories

Inventories comprise of food & beverage, house keeping materials, printing & stationary, hard drinks, stores & spares etc.

Valuation of the inventories

Inventories are measured at lower of cost and net realizable value. The cost of inventories include expenditure incurred in acquiring these inventories, and other costs incurred in bringing them to their existing location and condition in accordance with BAS 2 "Inventories".

Category	Valuation
Food	Weighted average cost
Beverage	Weighted average cost
House Keeping Materials	Weighted average cost
Printing & Stationary	Weighted average cost
Store & Spares	Weighted average cost

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

3.07 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.07.01 Financial Assets

The Company initially recognises, loans receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.
Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held to maturity, loans and receivables and available-for-sale financial assets.

At fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the company's documented risk management or investment strategy. Attributable transactions costs are recognised in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognised in profit or loss. Investment in equity securities and debt securities are classified under at fair value through profit or loss.

Held to maturity

These assets are initially recognised at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.
Loans and receivables comprise cash and cash equivalents, loans and accounts and other receivables and deposits.

(a) Account receivable

Account receivable are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognised.

There is no fixed company policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.

(b) Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognised in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.07.02 Financial Liabilities

The company initially recognises all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and accounts payable.

(a) Accounts payable

The company recognises a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

3.08 Impairment

3.08.01 Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Financial assets not classified as at fair value through profit or loss , including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor
- restructuring of an amount due to the company on terms that the company would not consider otherwise
- indications that a debtor or issuer will enter bankruptcy
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security, or
- observable data indicating that there is a measurable decrease in expected cash flows from a group of financial

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

3.08.02 Financial Assets Measured at Amortized Cost

The company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Collective assessment is carried out by grouping together assets with similar risks characteristics.

In assessing collective impairment, the company uses historical information on the timing of recoveries and the amount of loss incurred, and makes any adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the company considers that there is no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

3.08.03 Available for Sale Financial Assets

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through other comprehensive income.

3.08.04 Non Financial Assets

The carrying amounts of the company's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the property, plant and equipment's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss, other comprehensive income and equity as applicable.

3.09 Transactions with Related Parties

The objective of BAS 24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [BAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

3.10 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Employee Benefit Schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.11.01 Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Provident Fund for all permanent employees at which both the company and employees contribute @ 7% of basic salary. The Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in BAS-19.

Obligation for contribution to defined contribution plan is recognised as provident fund (PF) contribution expenses in profit or loss in the year during which services are rendered by employees. Advance against PF is recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.11.02 Definded Benefit Plan

Workers' Profit Participation and Welfare Funds

The company also recognises a provision for Workers' Profit Participation and Welfare Funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labour Law 2006.

3.12 Income Tax Expenses

Income tax expenses comprise current and deferred tax. Current tax and deferred tax are recognised in profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.12.01 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.12.02 Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax on revaluation surplus of land and land development has not been recognised in the financial statements on the ground that income tax payable at source on capital gain during registration of sale of land are generally borne by the buyer. Hence, possibility of having any income tax implications on land is very remote.

3.13 Provisions and Contingencies

A provision is recognised in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognised.

3.14 Revenue

Revenue arises from the provision of services where these activities give rise to economic benefits received and receivable by the company . Revenue is recognised when the services delivered/provided net of discounts and applicable duties and taxes, if any.

3.15 Other Operating Income

Other operating income includes gain / (loss) on sale of non-current assets and miscellaneous receipts. Other operating income is recognised as revenue income as and when realised.

3.16 Finance Income and Expenses

3.16.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR) and Short Term Deposits (STD) account has recognised when received or accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.16.02 Finance Expenses

Interest expenses except expenses related to acquisition/construction of assets, incurred during the year are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

Interest income/expenses on amount due to/due from inter companies, if any, has been recognised periodically.

3.17 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per BAS 23 "Borrowing Costs". Borrowing cost incurred against loan for BMRE project has been capitalised under effective interest rate method.

3.18 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

3.19 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard BAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

This represents profit for the year attributable to ordinary shareholders. As there is no preference dividend, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered fully attributable to the ordinary shareholders.

3.19.01 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.19.02 Diluted Earnings Per Share:

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

3.20 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1:	Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2:	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3:	Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Property, plant and equipment

The fair value of land and land development of property, plant and equipment has been determined based on Net Realisable Value Method/ Market Value Method depending on the nature and corresponding circumstances.

Equity and debt securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorised under 'Level 1' of the fair value hierarchy.

3.21 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

operty, plant and equipment - at revalued model

Amount in Taka

	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
revalued amount								
lance as on 01 July 2016	1,434,250,406	754,610,639	79,328,707	361,415,581	41,470,969	96,101,322	60,461,516	2,827,639,140
Additions during the year	-	206,492	2,702,252	6,730,080	6,995,549	63,530	140,600	16,838,503
sposals/Adjustments during the year	-	-	-	-	(2,711,643)		-	(2,711,643)
lance as at 30 June 2017	**1,434,250,406**	**754,817,131**	**82,030,959**	**368,145,661**	**45,754,875**	**96,164,852**	**60,602,116**	**2,841,766,000**
lance as on 01 July 2017	1,434,250,406	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	2,841,766,000
dditions during the year	-	40,835	863,973	930,688	-	-	-	1,835,496
isposals/Adjustments during the year	-	-	-	-	-	-	-	-
alance as at 30 September 2017	**1,434,250,406**	**754,857,966**	**82,894,932**	**369,076,349**	**45,754,875**	**96,164,852**	**60,602,116**	**2,843,601,496**
Accumulated depreciation								
Balance as on 01 July 2016	-	136,924,474	38,291,460	184,149,799	16,455,448	26,957,636	31,477,564	434,256,381
Depreciation Rate	-	*2%*	*5%*	*5%-10%*	*10%*	*5%*	*5%*	-
Charged for the year	-	12,241,849	2,058,451	11,330,914	2,723,154	3,381,087	1,419,066	33,154,521
Adjustment for disposals during the year	-	-	-	-	(765,899)	-	-	(765,899)
Balance as at 30 June 2017	-	**149,166,323**	**40,349,911**	**195,480,713**	**18,412,703**	**30,338,723**	**32,896,630**	**466,645,003**
Balance as on 01 July 2017	-	149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Depreciation Rate	-	*2%*	*5%*	*5%-10%*	*10%*	*5%*	*5%*	-
Charged for the year	-	3,023,303	526,372	2,794,629	677,874	819,403	344,877	8,186,458
Adjustment for disposals during year	-	-	-	-	-	-	-	-
Balance as at 30 September 2017	-	**152,189,626**	**40,876,283**	**198,275,342**	**19,090,577**	**31,158,126**	**33,241,507**	**474,831,461**
Carrying amount								
As at 30 June 2017	**1,434,250,406**	**605,650,808**	**41,681,048**	**172,664,948**	**27,342,172**	**65,826,129**	**27,705,486**	**2,375,120,997**
As at 30 September 2017	**1,434,250,406**	**602,668,340**	**42,018,649**	**170,801,007**	**26,664,298**	**65,006,726**	**27,360,609**	**2,368,770,035**

Depreciation allocated to:	Note(s)	01 July 2017 to 30 September 2017 Taka	01 July 2016 to 30 September 2016 Taka
Cost of sales	24.01	6,651,497	7,763,574
Administrative expenses	25.00	1,534,961	1,109,082
		8,186,458	8,872,656

4.01 Property, plant and equipment - at cost model

Amount in Taka

	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
At cost								
Balance as on 01 July 2016	205,836,564	754,610,639	79,328,707	361,415,581	41,470,969	96,101,322	60,461,516	1,599,225,298
Additions during the year	-	206,492	2,702,252	6,730,080	6,995,549	63,530	140,600	16,838,503
Disposals/Adjustments during the year	-	-	-	-	(2,711,643)		-	(2,711,643)
Balance as at 30 June 2017	**205,836,564**	**754,817,131**	**82,030,959**	**368,145,661**	**45,754,875**	**96,164,852**	**60,602,116**	**1,613,352,158**
Balance as on 01 July 2017	205,836,564	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	1,613,352,158
Additions during the year	-	40,835	863,973	930,688	-	-	-	1,835,496
Disposals/Adjustments during the year	-	-	-	-	-	-	-	-
Balance as at 30 September 2017	**205,836,564**	**754,857,966**	**82,894,932**	**369,076,349**	**45,754,875**	**96,164,852**	**60,602,116**	**1,615,187,654**
Accumulated depreciation								
Balance as on 01 July 2016	-	136,924,474	38,291,460	184,149,799	16,455,448	26,957,636	31,477,564	434,256,381
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,241,849	2,058,451	11,330,914	2,723,154	3,381,087	1,419,066	33,154,521
Adjustment for disposals during the year	-	-	-	-	(765,899)	-	-	(765,899)
Balance as at 30 June 2017	**-**	**149,166,323**	**40,349,911**	**195,480,713**	**18,412,703**	**30,338,723**	**32,896,630**	**466,645,003**
Balance as on 01 July 2017		149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	3,023,303	526,372	2,794,629	677,874	819,403	344,877	8,186,458
Adjustment for disposals during year	-	-	-	-	-	-	-	-
Balance as at 30 September 2017	**-**	**152,189,626**	**40,876,283**	**198,275,342**	**19,090,577**	**31,158,126**	**33,241,507**	**474,831,461**
Carrying amount								
As at 30 June 2017	**205,836,564**	**605,650,808**	**41,681,048**	**172,664,948**	**27,342,172**	**65,826,129**	**27,705,486**	**1,146,707,155**
As at 30 September 2017	**205,836,564**	**602,668,340**	**42,018,649**	**170,801,007**	**26,664,298**	**65,006,726**	**27,360,609**	**1,140,356,193**

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
5.00	**Intangible assets**			
	Software (ERP Tally)	5.01	37,307	39,795
	Hotel Management Software	5.01	1,854,279	1,934,899
			1,891,586	1,974,694

5.01 Intangible assets schedule

	Software (ERP Tally)	Hotel Management Software	30 September 2017 Taka	30 June 2017 Taka
Cost				
Opening balance	100,000	3,471,560	3,571,560	3,571,560
Add: Addition during the year	-	-	-	-
Closing balance	**100,000**	**3,471,560**	**3,571,560**	**3,571,560**
Accumulated amortisation				
Opening balance	60,205	1,536,661	1,596,866	1,264,433
Add: Charged during the year	2,488	80,620	83,108	332,433
Closing balance	**62,693**	**1,617,281**	**1,679,974**	**1,596,866**
Carrying amount	**37,307**	**1,854,279**	**1,891,586**	**1,974,694**

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
6.00	**Investments**			
	Investments in non-tradable shares at cost	6.01	6,125,000	6,125,000
			6,125,000	6,125,000

6.01 Investments in non-tradable shares at cost

	Quantity		
Lanka Bangla Securities Limited	52,500	3,750,000	3,750,000
Energy Prima Limited	25,000	2,375,000	2,375,000
		6,125,000	6,125,000

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
7.00	**Inventories**			
	Food	7.01	13,412,869	14,583,810
	House keeping materials	7.02	3,428,178	4,555,325
	Printing and stationeries	7.03	1,150,832	1,199,780
	Beverage	7.04	4,770,231	4,847,937
	Stores & Spares		2,218,550	1,748,991
			24,980,660	26,935,843

7.01	**Food**		
	Opening balance	14,583,810	13,607,112
	Add: Purchased during the year	14,320,931	62,002,049
	Available for consumption	28,904,741	75,609,161
	Less: Consumed during the year	(15,491,872)	(61,025,351)
	Closing balance	13,412,869	14,583,810
7.02	**House keeping materials**		
	Opening balance	4,555,325	2,543,800
	Add: Purchased during the year	1,753,212	10,411,262
	Available for consumption	6,308,537	12,955,062
	Less: Consumed during the year	(2,880,359)	(8,399,737)
	Closing balance	3,428,178	4,555,325
7.03	**Printing and stationeries**		
	Opening balance	1,199,780	1,171,538
	Add: Purchased during the year	155,788	832,881
	Available for consumption	1,355,568	2,004,419
	Less: Consumed during the year	(204,736)	(804,639)
	Closing balance	1,150,832	1,199,780

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
7.04	**Beverage**			
	Opening balance		4,847,937	5,861,268
	Add: Purchased during the year		-	-
	Available for consumption		4,847,937	5,861,268
	Less: Consumed during the year		(77,706)	(1,013,331)
	Closing balance		4,770,231	4,847,937
8.00	**Accounts receivable**			
	Opening Balance		39,761,375	32,971,929
	Add: Addition during the Year		29,220,889	161,908,059
	Less: Realised during the Year		(22,813,307)	(155,118,613)
	Closing Balance		46,168,957	39,761,375
8.01	**Ageing of accounts receivable**			
	Dues within 6 Months		42,848,135	36,440,553
	Dues over 6 months		3,320,822	3,320,822
			46,168,957	39,761,375
8.02	**Accounts receivable - Classification by security and related party:**			
	Receivable considered good and secured		-	
	Receivable considered good without security		46,168,957	32,971,929
	Receivable considered doubtful or bad		-	-
	Receivable due by directors or other officers		-	-
	Receivable due from companies under same management		-	-
	Maximum receivable due by directors or officers at any time		-	-
			46,168,957	32,971,929
9.00	**Interest receivable**			
	Interest receivable on Fixed Deposits (FDR)		12,490,461	12,464,049
			12,490,461	12,464,049
10.00	**Advances, deposits and prepayments**			
	Advances	10.01	189,076,270	178,335,296
	Deposits	10.02	54,997,022	14,997,022
	Prepayments	10.03	3,277,500	5,527,375
			247,350,792	198,859,693
10.01	**Advances**			
	Advance income tax		178,209,523	173,979,043
	Advance to suppliers		5,548,550	1,154,168
	The Peninsula Chittagong Airport Garden Hotel		4,229,248	2,376,465
	Lankabangla securities Limited		47,267	47,267
	Advance for Supplementary Duty		186,417	197,530
	VAT current account		606,791	29,157
	Advance against salary		248,474	551,666
			189,076,270	178,335,296
10.02	**Deposits**			
	Bangladesh Telecommunications Company Limited		140,000	140,000
	Karnapuli Gas Distribution Company Limited		1,069,148	1,069,148
	Bangladesh Power Development Board		285,000	285,000
	House rent deposit		89,000	89,000
	Rainbow CNG service station		25,000	25,000
	Chittagong Port Authority		5,000,000	5,000,000
	Tender earnest money to Khulna Development Authority		48,266,520	8,266,520
	Sha Amanat International Airport		42,354	42,354
	Chittagong WASA		80,000	80,000
			54,997,022	14,997,022

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		Note(s)	30 September 2017 Taka	30 June 2017 Taka
10.03	**Prepayments**			
	Prepaid insurance		-	611,125
	Prepaid Expense		3,277,500	4,916,250
			3,277,500	5,527,375

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

11.00	**Short term investments**			
	Investment in Fixed Deposit Receipts (FDR)	11.01	1,456,715	1,456,715
	Investment in tradable securities at fair value	11.02	12,578,185	11,633,410
			14,034,900	13,090,125

11.01 **Investment in Fixed Deposit Receipts (FDR)**

Name of banks	Purpose	Tenure	Rate of interest	30 September 2017 Taka	30 June 2017 Taka
AB Bank Limited	Investment	12 Months	7.25%	1,456,715	1,456,715
				1,456,715	1,456,715

11.02	**Investment in tradable securities at fair value**		
	Opening balance	11,633,410	9,802,530
	Add/(less): Changes in fair value oftradable securities	944,775	1,830,880
	Closing balance	12,578,185	11,633,410

Fair value oftradable securities

Particulars	30 September 2017			30 June 2017
	Quantity	Fair value	Increase/ (Decrease) in Fair value	Fair value
ACI Limited	16,500	9,627,750	1,105,500	8,522,250
Beximco pharma Limited	15,750	1,691,550	(88,200)	1,779,750
First Security Bank Limited	4,500	80,325	17,955	62,370
Unique Hotel & Resort Limited	23,200	1,178,560	(90,480)	1,269,040
		12,578,185	944,775	11,633,410

Management has changed its objectives for investments in tradable securities. As part of its revised objectives, some of these securities have already been sold out. Hence investments in tradable securities has been reclassified as held for trading and changes in fair value of these tradable securities has been charge to the statement of Profit or Loss and other comprehensive income.

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
12.00	**Cash and cash equivalents**			
	Cash in hand		750,384	955,738
	Cash at banks	12.01	33,449,708	21,079,368
	Fixed Deposit Receipts	12.02	1,150,000,000	1,150,000,000
			1,184,200,092	1,172,035,106

12.01 **Cash at banks**

Name of the Banks	Branches	Account Type		
AB Bank Limited - 4110-753162-000	CDA Avenue	CD	1,043,220	1,043,220
AB Bank Limited - 4110-761221-430	CDA Avenue	SND	105,250	11,240
AB Bank Limited - 4110-776797-000	CDA Avenue	CD	775	775
AB Bank Limited - 4110-776797-430	CDA Avenue	SND	558,111	1,202,908
AB Bank Limited-4110-753033-000	CDA Avenue	CD	28,562	28,562
Bank Al-falah Limited - 03700249	Agrabad	MPA	3,213,624	3,191,958
Brac Bank Limited - 00014141	Kazir Dhewri	Credit Card	469,423	357,735
Brac Bank Limited - 02019912560-01	Kazir Dhewri	CD	400,970	631,630

Name of the Banks	Branches	Account Type	30 September 2017 Taka	30 June 2017 Taka
Eastern Bank Limited - 0013050813341	Agrabad	FCY	230,946	230,946
Eastern Bank Limited - 0013060813352	Agrabad	FCY	29,267	29,267
Eastern Bank Limited - 0013070813363	Agrabad	FCY	5,219	5,219
Eastern Bank Limited - 001136081331	Agrabad	HPA	20,332,419	12,158,144
Eastern Bank Limited - 0051350196584	O.R Nizam Road	STD	4,059,893	434,412
Mutual Trust Bank Limited - 00090320001771	CDA Avenue	SND	2,027,143	2,045,130
Prime Bank Limited - 13411030000449	O.R Nizam Road	CD	619,621	619,621
Standard Chartered Bank Limited - 01-2736063	Nasirabad	CD	1,911	1,911
Standard Bank Limited - 33000324	CDA Avenue	CD	139,475	139,475
The City Bank Limited - 1101238038001	O.R Nizam Road	CD	758,390	2,056,312
The City Bank Limited - 444105160200417	O.R Nizam Road	Credit Card	765,808	495,623
The Premier Bank Limited - 01231110008242	O.R Nizam Road	CD	(2,382,888)	(4,667,103)
United Commercial Bank Limited - 0023132000	Jubilee Road	SND	2,581	2,581
United Commercial Bank Limited - 0651301000	Kamal Bazar	SND	1,039,988	1,059,802
			33,449,708	21,079,368

12.02 Investment in Fixed Deposits Receipts (FDR)

Name of banks	Purpose	Tenure	Rate of interest	30 September 2017 Taka	30 June 2017 Taka
The Premier Bank Limited	Investment	3 months	7.50%	1,150,000,000	1,150,000,000
				1,150,000,000	1,150,000,000

13.00 Share capital

Authorised capital:		
300,000,000 Ordinary Shares of Tk. 10 each	3,000,000,000	3,000,000,000
	3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up capital:		
250,000 Ordinary Shares of Tk.10 each issued in cash	2,500,000	2,500,000
9,000,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	90,000,000	90,000,000
23,125,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	231,250,000	231,250,000
12,950,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	129,500,000	129,500,000
12,691,000 Ordinary Shares of Tk.10 each issued as Bonus Shares	126,910,000	126,910,000
55,000,000 Ordinary Shares of Tk.10 each issued in cash issued through Initial Public Offering (IPO)	550,000,000	550,000,000
5,650,800 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	56,508,000	56,508,000
118,666,800 Ordinary Shares of Tk 10 each	1,186,668,000	1,186,668,000

13.01 Classification of shares by holding

Class by number of shares	No. of Holders	No. of Shares	Holding (%)
Less than 500	20,483	4,084,923	3.44%
From 500 to 5,000	3,574	6,800,997	5.73%
From 5,001 to 10,000	651	4,920,921	4.15%
From 10,001 to 20,000	375	5,386,987	4.54%
From 20,001 to 30,000	126	3,178,088	2.68%
From 30,001 to 40,000	58	2,010,142	1.69%
From 40,001 to 50,000	32	1,513,039	1.28%
From 50,001 to 100,000	81	5,942,707	5.01%
From 100,001 to 1,000,000	51	14,485,034	12.20%
From 1,000,001 to above	15	70,343,962	59.28%
	25,446	118,666,800	100.00%

13.02 Shareholding position

Name of shareholders	30 September 2017 Percentage of holding	30 September 2017 Number of shares	30 June 2017 Percentage of holding	30 June 2017 Number of shares
Engineer Mosharraf Hossain	6.41%	7,610,016	6.41%	7,610,016
Mrs. Ayesha Sultana	4.36%	5,173,344	4.36%	5,173,344
Mr. Mustafa Tahseen Arshad	12.32%	14,620,032	12.32%	14,620,032
Mrs. Bilkis Arshad	7.70%	9,137,520	7.70%	9,137,520
Mr. Mustafa Tahir Arshad	4.62%	5,482,512	4.62%	5,482,512
Mr. Mahboob Ur Rahman	2.57%	3,045,840	2.57%	3,045,840
Mrs. Mirka Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Aminur Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Sabedur Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Afzal Bin Tarique	2.05%	2,436,672	2.05%	2,436,672
Mrs. Shaheda Sultana	1.02%	1,218,336	1.02%	1,218,336
Mr. Hamidur Rahman	0.77%	913,752	0.77%	913,752
Mrs. Daliya Sultana Jui	0.77%	913,752	0.77%	913,752
Mrs. Azra Sultana Keya	0.77%	913,752	0.77%	913,752
Mrs. Shahina Sultana	0.77%	913,752	0.77%	913,752
Institute, NRB, General Public	48.16%	57,150,000	48.16%	57,150,000
	100.00%	118,666,800	100%	118,666,800

	30 September 2017 Taka	30 June 2017 Taka
14.00 Retained earnings		
Opening balance	174,844,703	231,185,866
Add: Net profit after tax for the year	18,649,642	62,325,637
Less: Dividend paid	-	(118,666,800)
	193,494,345	174,844,703
15.00 Revaluation surplus	1,228,413,842	1,228,413,842

15.01 Revaluation of company's assets were carried out by, an independent valuer, Syful Shamsul Alam & Co., Chartered Accountants, following Estimated Net Realisable Value Method of Valuation based on the nature of the assets as on 30 April 2011 and submitted their report on 23 June 2011. Revaluation surplus has been credited to Revaluation Surplus Account and treated as per BAS and BFRS and other applicable laws, regulations and guidelines.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

	Note(s)	30 September 2017 Taka	30 June 2017 Taka
16.00 Lease finance			
Opening balance		583,586	1,145,482
Add: Interest and other charges during the year	27.00	21,200	141,804
Less: Paid during the year		(175,500)	(703,700)
Closing balance		429,286	583,586
16.01 Lease finance - Maturity analysis			
Due within one year		429,286	583,586
Due after one year		-	-
		429,286	583,586

	30 September 2017	30 June 2017
	Taka	Taka
16.02 Details of lease finance		
The Premier Bank Limited	429,286	583,586
	429,286	583,586

The Premier Bank Limited, O. R. Nizam Road Branch

Total sanctioned amount	: Tk. 21 Lac
Purpose	: Lease for Motor Vehicle
Interest rate	: 15% (Revised from time to time)
Payment method	: The loan is repayable in 48 (Forty Eight) equal monthly installments.
Tenure	: Four years
Securities	: i) 48 MICR cheques covering the total payment through monthly rental payment. ii) Personal guarantee from the Director

17.00 Deferred tax liabilities

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment as per financial statements and tax written down value and financial position method for investment in tradable securities.

	30 September 2017	30 June 2017
	Taka	Taka
Opening balance	49,495,635	35,269,336
Add: Provision made during the year	2,583,141	14,226,299
Closing balance	**52,078,776**	**49,495,635**

17.01 Reconciliation of deferred tax liabilities/ (assets)

	Carrying amount	Tax base	Tax rate	Taxable/ (Deductible) temporary difference	Deferred tax liabilities/ (assets)
	Taka	Taka	Percentage	Taka	Taka
Property, plant and equipment (except land)	934,519,629	727,184,403	25%	207,335,226	51,833,807
Investment in tradable securities	12,578,185	10,128,492	10%	2,449,693	244,969
Total deferred tax liabilities					**52,078,776**

	Note(s)	30 September 2017	30 June 2017
		Taka	Taka
18.00 Accounts payable			
Opening balance		34,280,963	38,689,723
Add: Addition during the year		44,416,868	221,079,394
Less: Paid during the year		(47,860,412)	(225,488,154)
Closing balance		**30,837,419**	**34,280,963**
19.00 Short term borrowings			
Loans against CC (Hypo) and Overdraft	19.01	55,349,242	17,575,284
		55,349,242	**17,575,284**

19.01 Borrowings against CC (Hypo) and Overdraft

Name of the Banks	Branch	Types		
IFIC Bank Limited	Agrabad	OD	1,018,016	819,038
The Premier Bank Limited	O.R Nizam Road	OD	54,331,226	16,756,246
			55,349,242	**17,575,284**

		Note(s)	30 September 2017 Taka	30 June 2017 Taka
20.00	**Provision for income tax**			
	Opening balance		93,348,411	83,048,540
	Add: Provision made during the year		2,998,978	10,299,871
			96,347,389	93,348,411
	Less: Paid/adjusted during the year		-	-
	Closing balance		96,347,389	93,348,411
21.00	**Unclaimed dividend**			
	Opening balance		5,627,026	4,754,647
	Add: Provision made during the year		-	118,666,800
	Less: Paid during the Period		(37,630)	(117,794,421)
			5,589,396	5,627,026

Year	Balance as on 01 July 2016	Provision	Payment		
2013-2014	2,816,930	-	170	2,817,100	2,816,930
2014-2015	1,883,911	-	(17,986)	1,865,925	1,883,911
2015-2016	926,185	-	(19,814)	906,371	926,185
	5,627,026	-	(37,630)	5,589,396	5,627,026

22.00	**Provision for WPPF and Welfare Fund**			
	Opening Balance		4,571,148	8,090,308
	Add: Provision made for the year		1,275,356	4,571,148
			5,846,504	12,661,456
	Less: Paid during the year		-	(8,090,308)
	Closing Balance		5,846,504	4,571,148

		Note(s)	01 July 2017 to 30 September 2017 Taka	01 July 2016 to 30 September 2016 Taka
23.00	**Revenue**			
	Rooms		27,231,288	40,401,842
	Food & Beverages		31,449,813	36,138,423
	Minor Operating Department		4,156,748	9,105,691
	Space Rent		750,721	3,943,809
			63,588,570	89,589,765
24.00	**Cost of sales**			
	Cost of sales	24.01	43,728,699	29,914,889
			43,728,699	29,914,889
24.01	**Cost of sales**			
	Cost of materials		15,491,872	4,001,078
	Complementary guest service		244,311	132,495
	Depreciation	4.00	6,651,497	7,763,574
	Function and amenities		481,835	-
	House keeping expenses		2,880,359	1,749,815
	Packet and packing materials		303,907	220,895
	Purchased services		120,403	72,000
	Repair and maintenance		502,083	866,650
	Salary, wages, bonus and benefits		12,411,845	10,481,396
	Staff uniform		14,000	-
	Utility and fuel expenses		4,626,587	4,626,986
			43,728,699	29,914,889

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		Note(s)	01 July 2017 to 30 September 2017	01 July 2016 to 30 September 2016
			Taka	Taka
25.00	**Administrative expenses**			
	Salaries and allowances		4,590,682	4,018,379
	Director remuneration		1,697,500	1,680,000
	Association and membership fees		4,400	74,150
	Audit fee		86,250	86,250
	Lease rental of The Peninsula Chittagong - Airport Garden Hotel		1,638,750	-
	Conveyance expenses		27,017	16,455
	Depreciation	4.00	1,534,961	1,109,082
	Amortisation	5.01	83,108	-
	Dhaka office expenses		386,680	360,710
	Entertainment expense		181,910	160,924
	Fees and renewals		153,090	70,310
	Gift and donation		52,710	16,000
	Insurance expenses		639,804	117,996
	Legal fees and other professional charges		173,750	106,250
	Medical expenses		5,813	4,117
	Office expenses		744,462	340,307
	Printing and stationery		204,736	175,977
	Regulatory fees		106,000	-
	Rent, rate and taxes		1,073,979	56,272
	Repair and maintenance		38,462	216,663
	Staff uniform		164,230	58,174
	Telephone and communication		156,075	117,240
	Tours and travel expenses		141,264	127,324
	Utility and fuel expenses		1,156,647	1,156,746
			15,042,280	**10,069,326**
26.00	**Selling and distribution expense**			
	Advertisement		257,458	95,952
			257,458	**95,952**
27.00	**Finance costs**			
	Interest on overdraft		1,204,233	5,037,538
	Interest and other charges on finance lease	16.00	21,200	42,917
	Foreign currency exchange (gain)/loss	27.01	-	-
	Bank charges		519,387	361,077
			1,744,820	5,441,532

		Taka	Taka
27.01	**Foreign currency exchange (gain)/ loss**		
	Unrealized foreign currency translation (gain)/ loss	-	-
		-	-

27.02 Foreign currency translation (gain)/loss

This represents net (gain)/loss on translation of foreign currencies denominated assets/ liabilities into Bangladeshi Taka at the rate prevailing on reporting date.

		01 July 2017 to 30 September 2017	01 July 2016 to 30 September 2016
28.00	**Finance income**		
	Interest on fixed deposit receipts	21,588,912	25,302,215
	Interest on bank deposits	24,524	23,891
		21,613,436	**25,326,106**
29.00	**Non-operating income / (loss)**		
	Dividend income	99,620	-
	Sale of wastage	33,973	14,044,115
	Loss on sale of tradable securities	-	-
	Loss on sale of non-current assets	-	(217,813)
	Changes in fair value of tradable securities	944,775	(171,235)
		1,078,368	**13,655,067**
30.00	**Earnings per share**		
30.01	**Basic earnings per share (EPS)**		
	Profit attributable to the ordinary shareholders	18,649,642	59,123,352
	Weighted Average number of shares outstanding during the year	118,666,800	118,666,800
	Basic earnings per share (EPS)	**0.16**	**0.50**

30.02 **Diluted earnings per share (DEPS)**

No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

		30 September 2017 Taka	30 June 2017 Taka
31.00	**Net Asset Value Per Share (NAV)**		
	Total Assets	3,906,012,483	3,846,366,882
	Less: Liabilities	(246,478,012)	(205,482,053)
	Net Asset Value (NAV)	3,659,534,471	3,640,884,829
	Number of ordinary shares outstanding during the year	118,666,800	118,666,800
	Net Asset Value (NAV) per share	**30.84**	**30.68**

		01 July 2017 to 30 September 2017 Taka	01 July 2016 to 30 September 2016 Taka
32.00	**Net operating cash flow per share**		
	Net operating cash flows (from statement of cash flows)	(23,661,242)	26,750,327
	Number of ordinary shares outstanding during the year	118,666,800	118,666,800
	Net operating cash flow per share	**(0.20)**	**0.23**

		30 September 2017	30 June 2017
33.00	**Employees**	-	-
	Number of employees whose monthly salary was below Tk. 3,000	**251**	244
	Number of employees whose monthly salary was above Tk. 3,000	**251**	244

During June 2017, total 205 number of employees were in the permanent payroll of the company.

These financial statements were approved by the Board of Directors on 08 November 2017 and were signed on its behalf by :

Company Secretary	Director	Director	Chairman