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UNIQUE HOTEL & RESORTS LIMITED

# Unique Hotel & Resorts Limited

## Unaudited 2nd Quarter Financial Statements

## As at 31 December 2018

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UNIQUE HOTEL & RESORTS LIMITED

# Unique Hotel & Resorts Limited
## Statement of Financial Position
## As at 31 December 2018

| | Notes | Amount in Taka | |
|---|---|---|---|
| | | 31 December 2018 | 30 June 2018 |
| **ASSETS** | | | |
| **Non-current Assets** | | **23,396,053,680** | **22,751,562,317** |
| Property, plant and equipment, net | 6 | 18,930,229,143 | 18,490,761,585 |
| Construction work in progress | 7 | 4,465,824,537 | 4,260,800,732 |
| **Current Assets** | | **9,682,880,611** | **9,407,342,107** |
| Inventories | 8 | 73,793,946 | 57,763,560 |
| Investments | 9 | 341,659,674 | 339,405,611 |
| Accounts receivable | 10 | 193,341,097 | 226,334,306 |
| Other receivables | 11 | 38,404,146 | 26,199,164 |
| Advances, deposits and prepayments | 12 | 7,030,183,800 | 7,330,492,277 |
| Fixed deposit receipts | 13 | 1,532,623,363 | 1,167,851,468 |
| Cash and cash equivalents | 14 | 472,874,585 | 259,295,721 |
| **TOTAL ASSETS** | | **33,078,934,291** | **32,158,904,424** |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' Equity** | | **25,867,803,946** | **26,147,514,216** |
| Share capital | 15 | 2,944,000,000 | 2,944,000,000 |
| Share premium | 16 | 6,181,931,836 | 6,181,931,836 |
| Tax holiday reserve | 17 | 944,219,701 | 944,219,701 |
| Revaluation reserve | | 12,682,765,987 | 12,745,447,035 |
| Retained earnings | | 3,114,886,421 | 3,331,915,644 |
| **Non-current Liabilities** | | **1,785,936,206** | **2,110,573,761** |
| Term loan- non-current portion | 18 | 1,278,536,345 | 1,613,932,180 |
| Deferred tax liability | 19 | 507,399,861 | 496,641,581 |
| **Current Liabilities** | | **5,425,194,139** | **3,900,816,447** |
| Term loan- current portion | 18 | 664,604,279 | 663,020,945 |
| Short term loans | 20 | 1,207,770,902 | 1,551,085,730 |
| Due to operator and its affiliates | 21 | 240,146,730 | 164,260,902 |
| Accounts payable | 22 | 42,930,870 | 56,687,455 |
| Undistributed/unclaimed dividend | 23 | 357,543,280 | 9,604,226 |
| Other accruals and payables | 24 | 2,912,198,078 | 1,456,157,189 |
| **TOTAL EQUITY AND LIABILITIES** | | **33,078,934,291** | **32,158,904,424** |
| **Net Asset Value Per Share (NAVPS)** | 33.1 | **87.87** | **88.82** |

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

**Chief Financial Officer** **Company Secretary** **Director** **Managing Director** **Chairperson**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
27 January 2019



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## Unique Hotel & Resorts Limited
## Statement of Profit or Loss and Other Comprehensive Income
### For the period from 01 July 2018 to 31 December 2018

| | Notes | Half Year | | 2nd Quarter | |
|---|---|---|---|---|---|
| | | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 | 01 October 2018 to 31 December 2018 | 01 October 2017 to 31 December 2017 |
| Revenue | 25 | 1,131,698,131 | 1,039,435,636 | 575,839,677 | 564,780,215 |
| Cost of sales | 26 | (243,479,379) | (236,307,451) | (115,634,939) | (129,257,143) |
| **Gross profit** | | **888,218,752** | **803,128,185** | **460,204,738** | **435,523,072** |
| Administrative and other expenses | 27 | (278,496,130) | (255,710,471) | (126,207,561) | (128,691,251) |
| **Operating profit** | | **609,722,622** | **547,417,714** | **333,997,177** | **306,831,821** |
| Corporate office expenses | 28 | (139,701,304) | (138,473,693) | (73,171,632) | (66,296,696) |
| Other income/(expenses) | 29 | 63,865,780 | 71,289,760 | 27,218,813 | 31,023,903 |
| Gain/(loss) on investment in shares | 30 | (1,960,697) | 2,827,144 | 12,711,718 | (8,334,386) |
| Interest income, net | 31 | 6,118,623 | (20,997,804) | 10,249,186 | (6,779,025) |
| Workers' profit participation fund (WPPF) | 24.4 | (25,621,192) | (23,103,156) | (14,809,774) | (12,822,281) |
| **Profit before tax** | | **512,423,832** | **438,959,965** | **296,195,487** | **243,623,336** |
| Provision for income tax | 32 | (143,152,686) | (84,085,911) | (84,543,593) | (35,365,662) |
| **Net profit after tax** | | **369,271,146** | **354,874,054** | **211,651,894** | **208,257,674** |
| Other comprehensive income | | - | - | - | - |
| **Total comprehensive income for the period** | | **369,271,146** | **354,874,054** | **211,651,894** | **208,257,674** |
| **Basic Earnings Per Share (Basic EPS)** | 33.2 | **1.25** | **1.21** | **0.72** | **0.71** |
| **Diluted Earnings Per Share (Diluted EPS)** | 33.2 | **1.25** | **1.21** | **0.72** | **0.71** |

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

**Chief Financial Officer** **Company Secretary** **Director** **Managing Director** **Chairperson**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
27 January 2019

## Unique Hotel & Resorts Limited
## Statement of Changes in Equity
### For the period from 01 July 2018 to 31 December 2018

Amount in Taka

| Particulars | Ordinary Share Capital | Share Premium | Tax Holiday Reserve | Retained Earnings | Revaluation Reserve | Total |
|---|---|---|---|---|---|---|
| **For 2017:** | | | | | | |
| **Balance at 1st July 2017** | **2,944,000,000** | **6,181,931,836** | **944,219,701** | **3,205,112,993** | **12,873,111,822** | **26,148,376,352** |
| Net profit during the period | - | - | - | 354,874,054 | - | 354,874,054 |
| Cash dividend @ 20% (for Jul'16- Jun'17) | - | - | - | (588,800,000) | - | (588,800,000) |
| Adjustment for reserve fund | - | - | - | 269,926 | - | 269,926 |
| Revaluation reserve transferred to retained earnings | - | - | - | 63,832,394 | (63,832,394) | - |
| **Balance at 31 December 2017** | **2,944,000,000** | **6,181,931,836** | **944,219,701** | **3,035,289,367** | **12,809,279,428** | **25,914,720,332** |
| **For 2018:** | | | | | | |
| **Balance at 1st July 2018** | **2,944,000,000** | **6,181,931,836** | **944,219,701** | **3,331,915,644** | **12,745,447,035** | **26,147,514,216** |
| Net profit during the period | - | - | - | 369,271,146 | - | 369,271,146 |
| Cash dividend @ 22% (for Jul'17- Jun'18) | - | - | - | (647,680,000) | - | (647,680,000) |
| Adjustment made during the period | - | - | - | (1,301,417) | - | (1,301,417) |
| Revaluation reserve transferred to retained earnings | - | - | - | 62,681,048 | (62,681,048) | - |
| **Balance at 31 December 2018** | **2,944,000,000** | **6,181,931,836** | **944,219,701** | **3,114,886,421** | **12,682,765,987** | **25,867,803,946** |

**Chief Financial Officer** **Company Secretary** **Director** **Managing Director** **Chairperson**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
27 January 2019



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## Unique Hotel & Resorts Limited
### Statement of Cash Flows
### For the period ended 31 December 2018

| | Notes | Amount in Taka | |
|---|---|---|---|
| | | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |
| **Cash flows from operating activities** | | | |
| Collections from turnover and other sources | | 1,269,638,441 | 1,081,568,577 |
| Payment for operating costs and other expenses | | (324,952,611) | (429,108,113) |
| (Increase)/decrease in other receivables | | (12,204,982) | 2,301 |
| Income tax paid | | (62,829,336) | (9,415,116) |
| **Net cash from operating activities (A)** | | **869,651,512** | **643,047,650** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (53,381,009) | (34,760,667) |
| Increase in construction work in progress | | (705,197,134) | (379,602,674) |
| (Increase)/ decrease in investment and construction advances | | 43,311,170 | (12,260,493) |
| Gain/ (loss) on investment in shares | | 4,683,148 | 2,827,144 |
| Dividend received during the period | | 1,872,227 | 908,458 |
| Increase in advance against Power Plant | | 92,679,497 | - |
| Increase in advance against land | | (28,631,661) | (154,347,145) |
| (Increase)/decrease in fixed deposit receipts | | (364,771,896) | (42,315,725) |
| **Net cash used in investing activities (B)** | | **(1,009,435,658)** | **(619,551,103)** |
| **Cash flows from financing activities** | | | |
| Increase/(decrease) in term loan | | (335,395,835) | 649,915,625 |
| Increase/(decrease) in short term financing | | 1,025,334,717 | (517,813,666) |
| Interest during the period | | (36,704,495) | (42,866,170) |
| Dividend paid during the period | | (299,740,946) | (103,876) |
| **Net Cash provided by/(used in) financing activities (C)** | | **353,493,441** | **89,131,913** |
| **Net cash inflow/(outflow) for the period (A+B+C)** | | 213,709,296 | 112,628,460 |
| Add: Cash and cash equivalents at the beginning of the period | | 259,295,721 | 182,834,036 |
| Foreign currency translation difference | | (130,431) | - |
| **Cash and cash equivalents at the end of the period** | | **472,874,585** | **295,462,496** |
| **Operating cash inflow/(outflow) per share** | 33.3 | **2.95** | **2.18** |

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

**Chief Financial Officer** **Company Secretary** **Director** **Managing Director** **Chairperson**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka;
27 January 2019

UNIQUE HOTEL & RESORTS LIMITED

# Unique Hotel & Resorts Limited
## Notes to the Financial Statements
## For the period ended 31 December 2018

### 1. Legal status of the Company

### 1.1 Reporting entity

Unique Hotel & Resorts Limited ("the Company") is a Public Limited Company. The Company was incorporated on 28 November 2000 having registration no. C-41920(1279)/2000 under the Companies Act 1994 as a . Public Limited Company in Bangladesh. The Company is listed with both Dhaka Stock Exchange Limited (DSEL) and Chittagong Stock Exchange Limited (CSEL).

### 1.2 Registered office

The registered office of the company is located at Plot no. 01 CWN (B), Road no. 45, Gulshan-2, Dhaka-1212.

### 1.3 Corporate office

Corporate office of the Company is located at 45 Kemal Ataturk Avenue, Banani, Dhaka-1213.

### 1.4 Company's associate and subsidiary Company

The company has no subsidiary. However, Borak Real Estate Limited holds 19.37% share of Unique Hotel & Resorts Limited.

### 2. Nature of business activities

Unique Hotel & Resorts Limited (the owner of "The Westin Dhaka") a Five Star Hotel in Bangladesh, started it's commercial operation on 1st July 2007. The principal activities of the Company throughout the period were carrying out hotel business. The business activities connected with the hotel business is carried out through a Management Contract dated 20 December 1999 (renewed on 9 April 2015) executed between Unique Hotel & Resorts Ltd ("the Owner") and Starwood Asia Pacific Hotels & Resorts Pte. Ltd. ("the operator"), now Marriott International. The Operator is knowledgeable and experienced in managing and promoting five star hotels and resorts and has (and/or its Affiliates have) performed such services throughout the world.

In terms of Management Contract, the operator is entitled to receive base fee, license fee, incentive fee, reservation fee and institutional marketing fee from the owner on account of operation of the Hotel only. In addition, under the contract, the operator is entitled to receive centralized service fees for developing, promoting, operating, maintaining and upgrading the centralized services and associated Starwood technology.

HANSA, a premium residence by UHRL has started it operation from July 2018 and all revenue, expenses, assests and liabilities have been accounted for accordingly during this period.

### 3 Basis of preparation

### 3.1 Statement of compliance

The financial statements have been prepared in accordance with the applicable Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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**3.2 Other regulatory compliances**

The Company is also required to comply with the following major laws and regulation in addition to the Companies Act 1994:

The Securities & Exchange Rules 1987;
The Securities & Exchange Ordinance 1969;
The Regulations of Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited;
The Income Tax Ordinance 1984;
The Income Tax Rules 1984;
The Value Added Tax Act 1991;
The Value Added Tax Rules 1991;
The Customs Act 1969.

**3.3 Structure, content and presentation of financial statements**

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by BAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

i) Statement of Financial Position;
ii) Statement of Profit or Loss and Other Comprehensive Income;
iii) Statement of Changes in Equity;
iv) Statement of Cash Flows;
v) Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements.

**3.4 Basis of measurement of elements of financial statements**

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation except that arising from revaluation of land, building and machineries as specified in note 6. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

**3.5 Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (BDT/Taka/Tk) which is both functional and presentation currency.

**3.6 Risk and uncertainty for use of estimates and judgment**

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make judgment, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses as well as the application of accounting policies. Uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amount of assets or liabilities affected in future period.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimates are revised as required by BAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

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**3.7 Going concern**

As per BAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. Management of the Company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage against its liabilities. For this reason, the directors continue to adopt the going concern assumption while preparing the financial statements.

**3.8 Accrual basis**

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

**3.9 Reporting period**

The financial statements of the company cover the financial period from 01 July 2018 to 31 December 2018 with comparative figures for the period from 01 July 2017 to 31 December 2017.

**4 Significant accounting policies**

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

**4.1 Foreign currency transaction and translation**

At the end of each reporting period in compliance with the provision of BAS 21: The effects of changes in Foreign Exchange Rates:

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

**4.2 Property, plant and equipment**

**Initial recognition and measurement**

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or revaluation less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc. On 30 September 2011, the land & land development and building have been revalued by an independent valuer to reflect fair value (prevailing market price) thereof following "current cost method". As the fair value of the assets do not differ significantly from its carrying amount as of 31 December 2018, so no revaluation has been made during the period ended 31 December 2018.

**Subsequent costs**

The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of an 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 recognized in the profit and loss account as repair and maintenance when it is incurred.

**Depreciation of property, plant and equipments**

Depreciation is provided to amortize the cost or revaluation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, plant and equipment. Full year depreciation is charged regardless of the date of acquisition. No depreciation is charged in the year of disposal regardless of the date of disposal. Depreciation of assets begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on reducing balance method.

| Category of Assets | Rate of depreciation |
|---|---|
| Buildings and other civil constructions | 1.25% |
| Hotel furniture | 5% |
| Hotel equipment | 5% |
| Office furniture and equipment | 5% |
| Motor vehicles | 5% |

The gain or losses on disposal or retirement of assets are included in profit or loss when the item is disposed off/derecognized.

**Revaluation of fixed assets**

The company made revaluation of company's land and land developments in conformity with paragraphs 31 and 34 of BAS 16: Property, plant and equipment and to reflect fair value of the property in terms of the prevailing market price of the properties under current cost method details of which are as follows:

| Particulars of the assets | Name of the valuer | Qualification of the valuer | Date of revaluation | The carrying amount as on 30.09.2011 | Value of assets after revaluation as on 30.09.2011 | Revaluation surplus |
|---|---|---|---|---|---|---|
| Land & Land Development | Ata Khan & Co. | Chartered Accountants | 30-Sep-11 | 3,388,296,912 | 5,664,596,600 | 2,276,299,688 |
| Building | Ata Khan & Co. | Chartered Accountants | 30-Sep-11 | 5,415,829,221 | 11,420,259,375 | 6,004,430,154 |
| **Total** | | | | **8,804,126,133** | **17,084,855,975** | **8,280,729,842** |

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head of Revaluation Surplus. However, the increase is recognized in profit or loss account to the extent that it reverses a revaluation decrease of the same assets previously recognized in profit or loss account. A sum of revaluation surplus is transferred directly to equity each year in line with para 41 of BAS 16: 'Property, plant and equipment' as the asset is used by the company. The amount of the revaluation surplus transferred would be the differences between the depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. Transfer from revaluation surplus to retained earnings is not made through profit or loss.

Other fixed assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) as mentioned in the Statement of Financial Position of the company. As the fair value of the assets do not differ significantly from its carrying amount as of 31 December 2018, so no revaluation has been made on 31 December 2018.

**4.3 Capital works in-progress**

Property, plant and equipment under construction are accounted for as capital works in progress until completion of construction are measured at cost. In conformity with BAS 16: Property, plant and equipment no depreciation is charged on capital work in progress as it is not ready for use.

**4.4 Inventories**

Inventories (stock and stores) are measured at the lower of cost and net realizable value. The cost of inventory is assigned by using average cost formula. The cost of inventories consists of purchase, costs of conversion, import duties and other non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition.

**4.5 Cash and cash equivalents**

Cash and cash equivalents consists of cash in hand and with banks on current and deposit accounts and short-term investments and with Brokerage house which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

**4.6 Accounts and other receivables**

Accounts and other receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectible of any amount so recognized.

**4.7 Earnings per share (EPS)**

**Basic earnings per share:**

Earnings per share is calculated in accordance with BAS 33 "Earnings per share" by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

**Diluted earnings per share:**

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of shares outstanding, for the effect of all dilutive potential of ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential during the relevant periods.

**4.8 Revenue**

Revenue (room rent, sales proceeds of beverage, income from laundry and shop rental) is recognized at fair value of the consideration received or receivable in the period during which the services are provided. Revenue is recognized net of value added tax, supplementary duty and service charge collectible from clients as well as rebate and discount allowed to customers in compliance with the requirements of BAS 18: "Revenue".

**4.9 Employee benefits**

According to the existing policy, the employees of the company working at The Westin Dhaka premises who have completed the required length of services are paid gratuity which is calculated on the last basic salary of the outgoing employees.

**4.10 Impairment of assets**

All assets except inventory, assets arising from construction contracts and financial assets are assessed at the end of each reporting period to determine whether there is any indication that an asset may be impaired. If any such indication exists the company assesses the recoverable amount. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. The reduction is an impairment loss as per BAS 36: Impairment of Assets.

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An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease. No such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

**4.11 Borrowing cost**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are recognized as a part of the qualifying assets. Other borrowing costs are recognized as an expense in the period in which it incurs in accordance with BAS-23 "Borrowing Costs".

**4.12 Authorization date for issuing financial statements**

The financial statements were authorized by the Board of Directors on 27 January 2019 for issue after completion of review.

**4.13 Provisions, accrued expenses and other payables**

Provisions and accrued expenses are recognized in the financial statements in line with the Bangladesh Accounting Standard (BAS) 37 "*Provisions, contingent liabilities and contingent assets*" when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Other payables are not interest bearing and are stated at their nominal value.

**4.14 Financial instruments**

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, fixed deposit receipts, borrowings and other payables are shown at transaction cost.

**Initial recognition**

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument.

**Subsequent measurement**

Financial assets and the gain or loss thereof from changes in the fair value after initial recognition is treated as follows:

| Asset Category | Description | Measurement | Gains and losses |
|---|---|---|---|
| Financial assets at fair value through profit or loss A/C: Investment in shares | Financial asset which is held for the purpose of selling in the short term held for trading or in limited circumstances, is designated under the heading. | Fair Value | In profit or loss |
| Loans and receivables:<br><br>1.Accounts receivable<br>2.Unquoted shares<br>3.Other receivable | Non-derivative financial assets with fixed or determinable payments that are:<br>* Not quoted in an active market<br>* Not designated as at fair value through profit or loss<br>* Not held for trading or designated as available for sale<br>(i.e. loans and receivables are none of the above) | Amortized cost | In profit or loss |
| Held-to-maturity investments:<br>1. Fixed deposit receipts | Non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold the maturity and are not designated or classified under any of the other headings. | Amortized cost | In profit or loss |

**4.15 Operating segments reporting**

Operating segments reporting is not applicable for the Company as required by BFRS 8: "Operating Segments ", as the company operates in a single industry segment.

**4.16 Statement of cash flows**

The statement of cash flows has been prepared in accordance with requirements of BAS 7: Statement of cash flows. The cash generated from operating activities has been prepared using the "Direct Method" as prescribed by Securities and Exchange Rules and the benchmark treatments of BAS 7.

**4.17 Related party disclosures**

The Company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The information as required by BAS 24: "Related party disclosures" has been disclosed in a separate notes to the financial statements (Note 34).

**4.18 Taxation:**

**Current tax liability :**

Current tax is the expected tax payable on the taxable income for the period, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. As per section 46 A (3) of the Income Tax Ordinance 1984, the Company has enjoyed Tax holiday for 4 (four) years from 1 July 2007 to 30 June 2011 vide NBR Order No. 11/(73) Anu-1/2007 dated 24th January 2008. The Provision for current tax on the profit for the period from 1 July 2018 to 31 December 2018 has been made in the financial statements (Note-32).

**Deferred tax liability:**

Deferred tax liabilities is the amount of income taxes payable in future period in respect of taxable temporary difference. A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

(a) The initial recognition of goodwill; or
(b) The initial recognition of an asset or liability in a transaction which;
(i) Is not a business combination; and
(ii) At the time of the transaction, affects neither accounting profit nor taxable profit (loss)

Deferred tax liability is measured at the tax rates that are expected to apply to the period when the assets are realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**4.19 Contingent assets and liabilities**

A contingent asset is disclosed when it is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities which require disclosure under BAS 37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent assets is disclosed in accordance with BAS 37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

**4.20 Events after the reporting period**

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend on share in accordance with the requirements of the para 125 of BAS 1: Presentation of financial statements. Also, the proposed dividend has not been considered as liability in accordance with the requirements of the para 12 & 13 of BAS 10: Events after the reporting period, because no obligation exists at the time approval of accounts and recommendation of dividend by the Board of Directors.

**4.21 Comparative information**

Relevant comparative information has been presented in the financial statements. Previous year's figures have been rearranged/reclassified and wherever possible and considered necessary to confirm to current year's presentation.

**5. Risk exposure**

**5.1 Interest rate risk**

Interest rate risk is that which the company faces due to unfavorable movements of the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

**Management perception:**

Since the Unique Hotel & Resorts Limited has not borrowed funds at flexible interest rate, hence, not involved in the interest rate risk. The company has been repaying borrowed funds on a continuous basis.

**5.2 Exchange rate risk**

Exchange rate risk arises due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. When exchange rate is increased against local currency opportunity is created for generating more profit.

**Management perception:**

Unique Hotel & Resorts Limited management changes the price of their services to cope with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

**5.3 Industry risks**

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market shares etc. which could have an adverse impact on the business, financial condition and results of operation.

**Management perception:**

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions.

**5.4 Market risks**

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

**Management perception:**

The company's brand "Westin" has a very strong image in the local and international market. Starwood Asia Pacific Hotels & Resorts Pte. Ltd. also has the reputation of providing quality hotel management services. Moreover, the demand for five star hotels in the country is increasing while there are very few five star hotels to meet the demand. Strong brand management and quality service has enabled the company to capture significant market share in the sector and the company is continuously penetrating into the market and upgrading the quality of their service to minimize the risk.

**5.5 Operational risks**

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

**Management perception:**

The Company is equipped with power backup and security (CCTV) systems, which reduce operational risk. Besides, the equipment is under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

**5.6 Compliance with Financial Reporting Standards as applicable in Bangladesh:**

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

| Sl. No. | BAS No. | BAS Title | Status |
|---|---|---|---|
| 1 | BAS- 1 | Presentation of Financial Statements | Complied |
| 2 | BAS- 2 | Inventories | Complied |
| 3 | BAS- 7 | Statement of Cash Flows | Complied |
| 4 | BAS- 8 | Accounting Policies, Changes in Accounting Estimates and Errors | Complied |
| 5 | BAS- 10 | Events after the Reporting Period | Complied |
| 6 | BAS- 11 | Construction Contracts | N/A |
| 7 | BAS- 12 | Income Taxes | Complied |
| 8 | BAS- 116 | Property, Plant & Equipment | Complied |
| 9 | BAS- 17 | Leases | N/A |
| 10 | BAS- 18 | Revenues | Complied |
| 11 | BAS- 19 | Employee Benefits | Complied |
| 12 | BAS- 20 | Accounting for Government Grants and Disclosure of Government | N/A |
| 13 | BAS- 21 | The Effects of Changes in Foreign Exchange Rates | Complied |
| 14 | BAS- 23 | Borrowing Cost | Complied |
| 15 | BAS- 24 | Related Party Disclosures | Complied |
| 16 | BAS- 26 | Accounting and Reporting by Retirement Benefit Plans | N/A |
| 17 | BAS- 27 | Separate Financial Statements | N/A |
| 18 | BAS- 28 | Investments in Associates and joint ventures | Complied |
| 19 | BAS- 29 | Financial Reporting in Hyperinflationary Economics | N/A |
| 20 | BAS- 31 | Interest in Joint Ventures | N/A |
| 21 | BAS- 32 | Financial Instruments: Presentation | Complied |
| 22 | BAS- 33 | Earnings per Share | Complied |
| 23 | BAS- 34 | Interim Financial Reporting | Complied |
| 24 | BAS- 36 | Impairment of Assets | Complied |
| 25 | BAS- 37 | Provisions, Contingent Liabilities and Contingent Assets | Complied |
| 26 | BAS- 38 | Intangible Assets | Complied |
| 27 | BAS- 39 | Financial Instruments: Recognition and Measurement | Complied |
| 28 | BAS- 40 | Investment Property | N/A |
| 29 | BAS- 41 | Agriculture | N/A |
| 1 | BFRS- 1 | First-time adoption of International Financial Reporting Standards | N/A |
| 2 | BFRS- 2 | Share-based Payment | N/A |
| 3 | BFRS- 3 | Business Combinations | N/A |
| 4 | BFRS- 4 | Insurance Contracts | N/A |
| 5 | BFRS- 5 | Non-current Assets Held for Sale and Discontinued Operations | N/A |
| 6 | BFRS- 6 | Exploration for and Evaluation of Mineral Resources | N/A |
| 7 | BFRS- 7 | Financial Instruments: Disclosures | Complied |
| 8 | BFRS- 8 | Operating Segments | Complied |
| 9 | BFRS- 10 | Consolidated Financial Statements | N/A |
| 10 | BFRS- 11 | Joint Arrangements | N/A |
| 11 | BFRS- 12 | Disclosure of Interests in other Entities | Complied |
| 12 | BFRS- 13 | Fair Value Measurement | Complied |

| | | Amount in Taka | |
|---|---|---|---|
| | | As at 31 December 2018 | As at 30 June 2018 |
| 6. | **Property, plant and equipment** | | |
| | **Cost/Revaluation** | | |
| | Opening balance | 20,544,171,602 | 20,148,035,520 |
| | Addition during the year | 553,554,338 | 396,136,082 |
| | **Closing balance** | **21,097,725,940** | **20,544,171,602** |
| | **Accumulated depreciation** | | - |
| | Opening balance | 2,053,410,017 | 1,835,969,619 |
| | Charged during the year | 114,086,780 | 217,440,398 |
| | **Closing balance** | **2,167,496,797** | **2,053,410,017** |
| | **Cloaing balance of written down value (WDV)** | **18,930,229,143** | **18,490,761,585** |
| | Details of property, plant and eqipment have been shown in Annexure- A. | | |
| 7. | **Construction work in progress** | | |
| | Hotel Sheraton Banani, Dhaka (7.1) | 4,270,386,936 | 3,900,612,490 |
| | HANSA by UHRL, a premium residence at Uttara (7.2) | 4,245,182 | 283,957,428 |
| | Multipurpose commercial complex (Southpark project) at Gulshan- 2 (7.3) | 191,192,419 | 76,230,815 |
| | | **4,465,824,537** | **4,260,800,732** |
| 7.1 | **Hotel Sheraton Banani, Dhaka** | | |
| | **Opening balance** | 3,900,612,490 | 3,195,755,565 |
| | Add: Addition during the period | 369,774,446 | 704,856,925 |
| | Less: Transferred to PPE during the period | - | - |
| | **Closing balance** | **4,270,386,936** | **3,900,612,490** |
| 7.2 | **HANSA by UHRL, a premium residence at Uttara** | | |
| | **Opening balance** | 283,957,428 | 419,321,479 |
| | Add: Addition during the period | 220,461,083 | 216,148,589 |
| | Less: Transferred to PPE during the period | (500,173,329) | (351,512,640) |
| | **Closing balance** | **4,245,182** | **283,957,428** |
| 7.3 | **Multipurpose commercial complex (Southpark project) at Gulshan- 2** | | |
| | **Opening balance** | 76,230,815 | 66,140,010 |
| | Add: Addition during the period | 114,961,604 | 10,090,805 |
| | Less: Transferred to PPE during the period | - | - |
| | **Closing balance** | **191,192,419** | **76,230,815** |
| 8. | **Inventories** | | |
| | Food | 11,542,551 | 17,198,964 |
| | Beverage | 31,050,814 | 15,407,890 |
| | Guest amenities | 11,579,062 | 9,720,310 |
| | Linen & china | 4,323,746 | 4,323,746 |
| | Utensils | 9,373,836 | 9,373,835 |
| | Others | 1,738,815 | 1,738,815 |
| | Inventories of HANSA by UHRL | 4,185,122 | - |
| | | **73,793,946** | **57,763,560** |

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| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **9. Investments** | | |
| Investment in quoted shares (9.1) | 260,474,674 | 258,220,611 |
| Investment in unquoted shares (9.2) | 81,185,000 | 81,185,000 |
| | **341,659,674** | **339,405,611** |

Investments in equity shares in different companies are classified as a financial asset at fair value through profit or loss as it was held for trading (it was acquired or incurred principally for the purpose of selling or repurchasing it in the near future). The investment has been measured at fair value except investments that do not have a quoted investment price in an active market and whose fair value can not be reliably measured. Investments that do not have a quoted investment price has been measured at cost. Gain or loss arising from a change in the fair value of the investments is recognized in the profit or loss.

| | Book value 31.12.2018 | Fair value 31.12.2018 | Fair value 30.06.2018 |
|---|---|---|---|
| **9.1 Investment in quoted shares** | **352,559,573** | **260,474,674** | **258,220,611** |
| Bashundhara Paper Mills Ltd. | 615,546 | 389,586 | - |
| MIDAS Finance | 383,061 | 368,271 | - |
| Aman Feed | 1,036,439 | 848,209 | - |
| VFSTDL | 13,934,512 | 13,510,634 | - |
| Eastern Bank Ltd. | 8,165,086 | 7,498,548 | - |
| Brac Bank Ltd. | 544,092 | 521,841 | - |
| Trust Bank Limited | 30,920 | 32,500 | - |
| Pubali Bank Ltd. | 16,189,498 | 13,650,000 | - |
| Nahee Aluminium | 415,426 | 391,747 | - |
| Information Technology Cons | 13,909,633 | 13,044,746 | - |
| Khulna Power Company Ltd. | 1,921,847 | 1,382,876 | - |
| Safco Spinning Mills Ltd | 379,342 | 355,696 | - |
| Advent Pharmaceuticals | 1,066,130 | 1,227,000 | - |
| QueenSouth Textile | 48,523 | 36,500 | - |
| Dhaka Electric Supply Co. Ltd. | 1,819,094 | 1,676,600 | - |
| Beximco Pharma Ltd. | 51,308,060 | 37,338,839 | 43,760,217 |
| Lafarge Surma Cement Ltd. | 5,434,400 | 1,740,000 | 2,256,000 |
| Power Grid Bangladesh Limited | 14,976,080 | 7,896,000 | 7,764,400 |
| Lanka Bangla Finance | 21,048,887 | 13,501,519 | 15,672,265 |
| GPH Ispat Ltd. | 12,844,997 | 11,998,525 | 11,437,555 |
| City Bank Ltd. | 9,584,931 | 6,246,055 | 6,109,253 |
| Acme Laboratories Ltd. | 11,394,300 | 8,160,500 | 9,490,500 |
| Shahjibazar Power Co. Ltd. | 134,465 | 142,200 | 837,371 |
| IDLC Finance Ltd. | 8,671,620 | 6,970,000 | 8,392,188 |
| EBL NRB Mutual Fund | 10,000,225 | 6,880,698 | 8,321,767 |
| Dutch Bangla Bank Ltd. | 14,958,065 | 13,826,300 | 11,624,050 |
| National Bank Ltd. | 38,714,128 | 17,611,057 | 18,557,888 |
| NCC Bank Ltd. | 4,800,090 | 2,783,422 | 2,910,600 |
| Beximco Ltd. | 17,682,777 | 12,954,375 | 13,755,000 |
| Grameen Phone Limited | 5,449,920 | 4,407,600 | 4,141,785 |
| Mobil Jamuna Ltd. | 7,868,658 | 7,196,166 | 7,040,067 |
| Square Pharmaceuticals Ltd. | 16,303,915 | 13,923,551 | 14,830,274 |
| FAS Finance & Investment Ltd. | 1,454,993 | 1,350,000 | 238,428 |
| Exim Bank Ltd. | 4,617,129 | 3,011,301 | 3,036,821 |
| Continental Insurance Ltd. | 4,917,622 | 4,185,600 | 2,486,400 |
| Jamuna Bank Ltd. | 1,768,140 | 1,654,400 | 3,757,600 |
| IFIC Bank Ltd. | 3,662,568 | 2,380,560 | 2,773,680 |

| | Book value 31.12.2018 | Fair value 31.12.2018 | Fair value 30.06.2018 |
|---|---|---|---|
| Southeast Bank Ltd. | 17,416,812 | 14,352,998 | 14,445,005 |
| Aftab Automobiles Ltd. | 4,916,870 | 3,028,253 | 3,476,883 |
| Bangladesh General Insurance Co. Ltd. | 2,170,771 | 2,000,000 | 1,980,000 |
| Eastern Bank Ltd. | - | - | 7,040,303 |
| Saiham Cotton Mills Ltd. | - | - | 7,413,055 |
| Pubali Bank Ltd. | - | - | 12,127,500 |
| Singer BD Ltd. | - | - | 753,458 |
| IPDC BD. LTD | - | - | 680,915 |
| RAK Ceramics (BD) Ltd | - | - | 979,884 |
| Paramount Textile Ltd. | - | - | 5,310,000 |
| Rupali Insurance Ltd. | - | - | 1,680,000 |
| Fortune Shoes Limited | - | - | 3,139,500 |
| **9.2 Investment in unquoted shares** | **81,185,000** | **81,185,000** | **81,185,000** |
| Eastern Industries Bangladesh Limited | 185,000 | 185,000 | 185,000 |
| Chartered Life Insurance Co. Ltd. | 18,000,000 | 18,000,000 | 18,000,000 |
| Dacca Steel Works Ltd. | 51,000,000 | 51,000,000 | 51,000,000 |
| Sonargaon Economic Zone Ltd. | 12,000,000 | 12,000,000 | 12,000,000 |
| | **433,744,573** | **341,659,674** | **339,405,611** |

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **10. Accounts receivable** | | |
| **Receivable of Westin Dhaka** | | |
| Accounts receivable (10.1) | 195,767,787 | 230,953,373 |
| Less: Provision for bad debt | (3,915,356) | (4,619,067) |
| | **191,852,431** | **226,334,306** |
| Receivable of HANSA by UHRL | 1,488,666 | - |
| | **193,341,097** | **226,334,306** |
| **10.1 Accounts receivable- ageing summary** | | |
| 0- 30 days | 77,710,648 | 54,903,740 |
| 31-60 days | 44,152,080 | 15,287,485 |
| 61-90 days | 27,393,991 | 25,097,865 |
| 91-120 days | 26,162,179 | 22,524,350 |
| 121- 150 days | 8,430,108 | 27,277,316 |
| 151 days and over | 13,407,447 | 85,862,618 |
| | **197,256,453** | **230,953,373** |

This is considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

| Sl. | Particulars | Amount in Taka | Amount in Taka |
|---|---|---|---|
| I | Accounts receivable considered good in respect of which the company is fully secured | 193,341,097 | 226,334,306 |
| II | Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security | - | - |
| III | Accounts receivable considered doubtful or bad | - | - |
| IV | Accounts receivable due by any director or other officer of the company | - | - |
| V | Accounts receivable due by common management | - | - |
| VI | The maximum amount of receivable due by any director or other officer of the company | - | - |
| | **Total** | **193,341,097** | **226,334,306** |

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **11. Other receivables** | | |
| Accrued interest on FDR | 37,876,556 | 25,640,219 |
| Insurance receivable | 527,590 | 558,945 |
| | **38,404,146** | **26,199,164** |
| **12. Advances, deposits and prepayments** | | |
| Advances (12.1) | 6,999,964,107 | 7,307,801,005 |
| Deposits (12.2) | 23,808,445 | 20,624,821 |
| Prepayments (12.3) | 6,207,367 | 2,066,451 |
| Advances By HANSA by UHRL | 203,881 | - |
| | **7,030,183,800** | **7,330,492,277** |
| **12.1 Advances** | | |
| Advance income tax (12.1.1) | 250,663,802 | 385,177,533 |
| Advance to Govt. | 175,500,000 | 175,500,000 |
| Advance against rent (security) | 2,400,000 | 2,400,000 |
| Advance against purchases | 8,749,422 | 18,229,849 |
| Advance to parties/ suppliers | 767,052,352 | 819,261,429 |
| Advance to employees- Westin Dhaka | 427,000 | 508,600 |
| Advance to suppliers- Westin Dhaka | 5,625,476 | 15,382,004 |
| Others- Westin Dhaka | 20,376,873 | 8,591,184 |
| Advance for Limousine Service | 516,929 | 212,408 |
| Advance for HANSA by UHRL | 3,354,675 | 48,901,372 |
| Advance for LC Margin | 843,025 | 843,025 |
| Advance for hotel and service apartment | 927,875,000 | 927,875,000 |
| Advance against land* | 3,274,132,073 | 3,313,274,237 |
| Advance against salary | 323,000 | 332,000 |
| Advance for Unique Convention centre | 1,505,070 | 1,505,070 |
| Advance for Southpark project | 4,993,938 | 564,500 |
| Advance to Unique Meghnaghat Power Company | 120,008,599 | 212,688,094 |
| Sonargoan Economic Zone Ltd. | 784,136,621 | 716,362,796 |
| Purnima Constructions (Pvt.) Ltd. | 617,312,547 | 638,112,547 |
| Chartered Life Insurance Co. Ltd. | 1,553,287 | 1,553,287 |
| Borak Real Estate Ltd. | - | 2,426,093 |
| Other advances | 32,614,418 | 18,099,977 |
| | **6,999,964,107** | **7,307,801,005** |

* Advance against land includes the advance for the purchase of 23.9375 katha of land at Gulshan Avenue, Gulshan-2, Dhaka-1213, from Borak Real Estate Limited to be used by the Company as Seven Star International Chain Hotel as per shareholders approval in 12th AGM, dated 24 June 2013. The advance shall be accounted for as land as soon as the registration is completed.

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **12.1.1 Advance income tax** | | |
| Opening balance | 385,177,533 | 718,271,937 |
| Add: Income tax during the year | 62,079,288 | 188,584,514 |
| Less: Income tax adjusted during the year | (196,593,019) | (521,678,918) |
| | **250,663,802** | **385,177,533** |
| **12.2 Deposits:** | | |
| Bank margin | 6,938,192 | 5,999,192 |
| Security deposit | 13,508,261 | 13,984,541 |
| Security deposit- The Westin Dhaka | 3,361,992 | 641,088 |
| | **23,808,445** | **20,624,821** |
| **12.3 Prepayments:** | | |
| Insurance premium | 1,697,880 | 283,375 |
| Prepaid expenses- The Westin Dhaka | 4,104,172 | 1,783,076 |
| Prepaid expenses- HANSA by UHRL | 405,315 | - |
| | **6,207,367** | **2,066,451** |
| **13. Fixed deposit receipts** | | |
| **Fixed deposit receipts of The Westin Dhaka** | | |
| Lanka Bangla Finance Ltd. | 40,000,000 | - |
| Standard Chartered Bank Ltd. (operations-TWD) | 255,000,000 | - |
| Fareast Finance and Investment Ltd. | 55,000,000 | 55,000,000 |
| People Leasing and Financial Services Ltd. | 56,833,000 | 56,833,000 |
| International Leasing and Financial Services Ltd. | 244,388,500 | 244,388,500 |
| Eastern Bank Ltd. | 170,000,000 | 70,000,000 |
| Standard Chartered Bank Ltd. | - | 45,000,000 |
| | **821,221,500** | **471,221,500** |
| **Fixed deposit receipts of Head office** | | |
| Southeast Bank Ltd.- Gulshan | 15,544,490 | 14,978,099 |
| United Commercial Bank Ltd- Banani | 644,507,373 | 631,651,869 |
| Dutch Bangla Bank Ltd. | 51,350,000 | 50,000,000 |
| | **711,401,863** | **696,629,968** |
| | **1,532,623,363** | **1,167,851,468** |
| **14. Cash and cash equivalents** | | |
| **A. Cash in hand** | | |
| Cash in hand- Corporate office | 45,760 | 123,919 |
| Cash at brokerage house | 12,850,367 | 17,065,127 |
| Cash in hand- HANSA by UHRL | 134,718 | - |
| | **13,030,845** | **17,189,046** |

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **Cash at bank** | | |
| United Commercial Bank Ltd.-HANSA by UHRL | 1,153,351 | - |
| United Commercial Bank Ltd.-Banani Branch | 1,526,854 | 1,487,704 |
| Bank Alfalah Ltd., Gulshan Branch | 645,212 | 647,397 |
| Eastern Bank Ltd.-Gulshan Branch | 177,045 | 148,666 |
| Eastern Bank Ltd., HPA- Banani | 303,255 | 299,704 |
| Eastern Bank Ltd.-Dividend 2011 | 804,555 | 794,672 |
| Eastern Bank Ltd.-Dividend 2012 | 6,332,430 | 6,250,889 |
| Eastern Bank Ltd.-Dividend 2013 | 3,307,237 | 3,265,991 |
| Eastern Bank Ltd.-Dividend 2014 | 2,343,838 | 2,315,425 |
| Eastern Bank Ltd.-Dividend 2015-16 | 2,186,583 | 2,161,650 |
| Eastern Bank Ltd.-Dividend 2016-17 | 1,239,609 | 1,302,828 |
| Eastern Bank Ltd.-Dividend 2017-18 | 183,882,755 | - |
| Prime Bank Ltd.- Banani Branch, (Unit-2) | 123,107 | 10,468 |
| Prime Bank Limited.-Banani Branch | (32,188,987) | (16,833,478) |
| BRAC Bank Ltd., Gulshan- SND | 6,631,484 | 6,574,078 |
| BRAC Bank Ltd., Gulshan- FC Dollar | 416,924 | 416,081 |
| BRAC Bank Ltd., Gulshan- FC Pound | 2,814,694 | 2,911,017 |
| BRAC Bank Ltd., Gulshan- FC Euro | 1,921,281 | 1,956,231 |
| Janata Bank Ltd.-Corporate Branch | 23,269 | 23,269 |
| Shahjalal Islami Bank Ltd.-Banani Branch | 7,570 | 7,570 |
| The City Bank Ltd.-Kawran Bazaar Branch | 358,441 | 356,370 |
| Mercantile Bank Ltd.-Banani Branch | 44,460 | 44,460 |
| Premier Bank Ltd. Banani Branch | 3,100 | 3,100 |
| Dutch Bangla Bank Ltd. | 954,850 | 10,000 |
| One Bank Ltd. | 7,447 | 8,505 |
| Sonali Bank Ltd, Gulshan. Branch, Dhaka | 17,012 | 17,012 |
| Sonali Bank Ltd., Dhaka Reg. Complex Branch | 12,083 | 12,083 |
| Sonali Bank Ltd., Gulshan Branch | 50,000 | - |
| Agrani Bank Ltd. | 50,000 | - |
| Southeast bank Ltd. | 153,931 | - |
| IFIC Bank Ltd. | 11,661 | - |
| Standard Chartered Bank LTD. | 177,990,878 | - |
| | **363,305,929** | **14,191,692** |
| | **376,336,774** | **31,380,738** |
| **B. With The Westin Dhaka** | | |
| **Cash in hand** | **925,000** | **925,000** |
| **Cash at bank** | | |
| Standard Chartered Bank | 243,817,691 | 112,126,996 |
| Standard Chartered Bank CD | (183,298,485) | 7,106,592 |
| Standard Chartered Bank | 500 | - |
| Prime Bank Limited- C/A | 14,694,215 | 5,414,784 |
| Prime Bank Limited- STD | 1,239,508 | 49,349,284 |
| Prime Bank Limited- replacement reserve | (22,628,616) | 40,740,188 |
| The City Bank Limited- Gulshan Branch | 41,557,370 | 9,985,947 |
| Eastern Bank Ltd.-Gulshan Branch | - | 2,034,989 |
| Dutch Bangla Bank Ltd. | 230,628 | 231,203 |
| | **95,612,811** | **226,989,983** |
| | **96,537,811** | **227,914,983** |
| **Total : (A+B)** | **472,874,585** | **259,295,721** |

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| | | Amount in Taka | |
|---|---|---|---|
| | | As at 31 December 2018 | As at 30 June 2018 |
| **15.** | **Share capital** | | |
| **A.** | **Authorized share capital** | | |
| | 1,000,000,000 ordinary shares of Tk. 10 each | 10,000,000,000 | 10,000,000,000 |
| | | **10,000,000,000** | **10,000,000,000** |
| **B.** | **Issued, subscribed and paid- up capital** | | |
| | 294,400,000 ordinary shares of Tk. 10 each fully paid | 2,944,000,000 | 2,944,000,000 |
| | | **2,944,000,000** | **2,944,000,000** |

| **C.** | **Shareholding position** | **Percentage** | **No. of shares** | | |
|---|---|---|---|---|---|
| | Sponsors/Directors | 48.34% | 142,312,772 | 1,423,127,720 | 1,344,515,280 |
| | Companies and financial institutions | 30.19% | 88,876,855 | 888,768,550 | 851,410,060 |
| | Foreign individual & companies | 1.35% | 3,970,910 | 39,709,100 | 46,010,080 |
| | General public | 20.12% | 59,239,463 | 592,394,630 | 702,064,580 |
| | | **100.00%** | **294,400,000** | **2,944,000,000** | **2,944,000,000** |

| | | | |
|---|---|---|---|
| **16.** | **Share premium** | **6,181,931,836** | **6,181,931,836** |
| **17.** | **Tax holiday reserve** | **944,219,701** | **944,219,701** |

Tax holiday period has been ended on 30 June 2011. So, no provision has been made thereafter.

| | | | |
|---|---|---|---|
| **18.** | **Total long term loan** | **1,943,140,624** | **2,276,953,125** |
| | **Current and non-current distinction** | | |
| | Non-current portion | 1,278,536,345 | 1,613,932,180 |
| | Current portion | 664,604,279 | 663,020,945 |
| | | **1,943,140,624** | **2,276,953,125** |

| | | |
|---|---|---|
| **Name of lender** | : | Standard Chartered Bank, Singapore |
| **Security agent** | : | Standard Chartered Bank, Dhaka |
| **Name of facility** | : | Term loan facility |
| **Facility limit** | : | USD 35 million ($ 35 million disbursed) |
| **Rate of interest** | : | LIBOR+4.50% per annum |
| **Purpose of loan** | : | Financing capital expenditure |
| **Repayment** | : | 5 years including 12 months grace period for principal amount that will be paid through 16 equal quarterly installments after the grace period. (For 3rd Tranche- $ 10 million, 24 equal installments in 7 years including 1 year moratorium period). |
| **Security** | : | i) Registered mortgage on 24 storied five star hotel building (The Westin Dhaka) including 1 bigha and 4.25 katha of land on which the building is situated along with fittings and fixtures and boundary wall etc.;<br>ii) Personal guarantee of Mr. Mohd. Noor Ali, Managing Director;<br>iii) Exclusive charge on receivables of the Company. |

The Company has taken the above foreign currency loan which are denominated in USD. The loan shall be repaid over a period of 5 years from the revenue of the Company during the relevant period from hotel operation which are also invoiced and collected in USD. The foreign currency loan was sanctioned solely for the purpose of a capital project termed as "purchase and installation of interiors and furnishing materials of Unique Hotel and Resorts Limited (unit 2), Hotel Sheraton Dhaka, an international five star hotel". The said project is ongoing and the underlying property is yet to be ready for available for use.

The Company has translated the foreign currency loan from USD to BDT at the rate prevailing on the closing date. Recognizing of foreign currency difference in profit or loss, will result significant fictitious impact on its financial performance which will also be misleading to the fair presentation. Accordingly, the Company has recognized foreign currency difference in translation of USD denominated loans to capital work in progress of the underlying property taking under cognizance the substance of the above matter.

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **19. Deferred tax liability** | | |
| Opening balance | 496,641,581 | 364,441,365 |
| Deferred tax obligation/(benefit) during the period | 10,758,280 | 132,200,216 |
| | **507,399,861** | **496,641,581** |
| **20. Short term loans** | | |
| Standard Chartered Bank | 170,000,000 | 130,000,000 |
| Bank Alfalah Ltd. | 500,000,000 | 500,000,000 |
| Prime Bank Ltd. Banani Branch, overdraft | 537,770,902 | 616,071,212 |
| Standard Chartered Bank, Gulshan Branch, overdraft | - | 305,014,518 |
| | **1,207,770,902** | **1,551,085,730** |
| **21. Due to operator and its affiliates** | | |
| License fee | 70,886,305 | 50,205,909 |
| Marketing fee | 81,926,759 | 66,906,223 |
| Reservation fee | 39,346,503 | 36,385,319 |
| Office base fee | 7,682,094 | 7,154,654 |
| Incentive fee | 40,305,069 | 3,608,797 |
| | **240,146,730** | **164,260,902** |
| **22. Accounts payable** | | |
| Igloo Food Ltd. | - | 107,027 |
| Paragon Poultry Ltd. | - | 312,129 |
| Blue Bird International | - | 32,400 |
| Bashundhara Tissue Industries Ltd. | - | 179,520 |
| Transcom Beverage Ltd. | 645,996 | - |
| Quality Integrated Ltd. | 881,697 | - |
| Band Box | 1,027,035 | - |
| Creative Engineering | 830,544 | - |
| Noor Trade House | 3,905,887 | - |
| North End Pvt. Ltd. | 1,015,280 | - |
| Bengal Meat Processing Ind. Ltd. | 1,670,509 | 3,359,525 |
| Expolink Resources Ltd. | 1,148,348 | 1,003,718 |
| Ahsan Motina Food | 222,368 | 1,159,425 |
| R. M. Enterprise | 1,077,660 | 2,863,555 |
| Northern Hatcheries Ltd. | 593,702 | 1,417,860 |
| Other creditors | 28,105,419 | 46,252,296 |
| Accounts payable of HANSA by UHRL | 1,806,425 | - |
| | **42,930,870** | **56,687,455** |
| **23. Undistributed/unclaimed dividend** | | |
| Opening balance | 9,604,226 | 8,502,281 |
| Add: Dividend declared during the period | 647,680,000 | 588,800,000 |
| Less: Dividend paid during the period | (299,740,946) | (587,698,055) |
| | **357,543,280** | **9,604,226** |

| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **24. Other accruals and payables** | | |
| Taxes, deposits and other creditors- The Westin Dhaka (24.1) | 93,407,244 | 42,074,750 |
| Accrued expenses (24.2) | 149,813,200 | 121,863,660 |
| Provision for corporate tax (24.3) | 340,445,314 | 405,393,974 |
| Workers' profit participation fund (24.4) | 86,225,986 | 60,604,794 |
| Liability to intercompanies (24.5) | 1,728,614,575 | 361,548,364 |
| Liability to directors and shareholders | 341,376,165 | 269,876,165 |
| Provision for gratuity | 18,479,479 | 18,293,447 |
| Liability for finance cost | 13,750,000 | 54,325,007 |
| Other payables | 140,086,116 | 122,177,028 |
| | **2,912,198,078** | **1,456,157,189** |
| **24.1 Taxes, deposits and other creditors** | | |
| Security deposits from suppliers | 7,890,000 | 7,560,000 |
| Security deposits from tenants | 4,727,980 | 4,560,220 |
| Supplementary duty | 2,302,783 | 1,306,298 |
| Service charge | 15,853,457 | 13,259,068 |
| Payables to employee fund | 6,111,363 | (3,217,370) |
| Breakage fund and others | 9,243,546 | (8,697,812) |
| TDS payables- suppliers | 1,365,135 | 29,457 |
| VAT payables | 25,913,508 | 22,305,906 |
| Tax payable on management fees | 15,094,610 | 3,790,159 |
| Travel agents' commission | 414,021 | 1,178,824 |
| Payables of HANSA by UHRL | 4,490,841 | - |
| | **93,407,244** | **42,074,750** |
| **24.2 Accrued expenses** | | |
| Salaries, wages, bonus and other benefits | 9,672,284 | 2,177,257 |
| Accruals for utility services | 2,736,680 | 3,188,358 |
| Income tax payable for expatriate salaries | 1,123,074 | 2,689,842 |
| Accrual for Starwood preferred guest programme | 80,614,734 | 66,047,971 |
| Accrual for employee survey and vacation | 777,726 | 502,700 |
| Accrual for Starwood-third party reservation | 2,144,003 | 788,856 |
| Accrual for Starwood GSI/GEI | 5,111,588 | 2,377,000 |
| Westin privilege card and SPP card selling | 395,500 | 230,167 |
| Advance received tower rent and workout | 11,742,128 | 9,779,008 |
| Expatriate benefits | 346,793 | 1,256,653 |
| Audit fee | 1,173,708 | 669,750 |
| Other payables- Westin Dhaka | 12,845,732 | 20,676,091 |
| Other payables- HANSA by UHRL | 10,232,863 | - |
| Accrued expenses- corporate office | 10,896,387 | 11,480,007 |
| | **149,813,200** | **121,863,660** |
| **24.3 Provision for corporate tax** | | |
| Opening balance | 405,393,974 | 858,684,481 |
| Add: Income tax paid during the period | 132,394,406 | 222,298,172 |
| Less: Income tax adjusted during the period | (197,343,066) | (675,588,679) |
| **Closing balance** | **340,445,314** | **405,393,974** |

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| | Amount in Taka | |
|---|---|---|
| | As at 31 December 2018 | As at 30 June 2018 |
| **24.4 Provision for workers' profit participation fund (WPPF)** | | |
| Opening balance | 60,604,794 | 38,096,284 |
| Add: Provision made during the period | 25,621,192 | 41,784,938 |
| Less: Paid during the period | - | (19,276,428) |
| **Closing balance** | **86,225,986** | **60,604,794** |

The Company has established workers' profit participation fund (WPPF) in the current year in compliance with the section 234 of Bangladesh Labor (Amendments) Act, 2013.

| | | |
|---|---|---|
| **24.5 Liabilities to intercompanies** | | |
| Borak Real Estate Ltd. | 1,297,516,210 | - |
| Unique Eastern (Pvt.) Ltd. | 306,223,365 | 264,173,364 |
| Borak Travels Pvt Ltd. | 121,875,000 | 97,375,000 |
| Unique Vocational Training Centre | 3,000,000 | - |
| | **1,728,614,575** | **361,548,364** |

| | Amount in Taka | |
|---|---|---|
| | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |
| **25. Revenues** | | |
| **Revenue from Westin Dhaka** | | |
| Rooms | 474,862,977 | 460,229,048 |
| Food and beverage | 539,666,211 | 517,627,123 |
| Minor operating department (MOD) | 39,436,131 | 40,107,282 |
| Space rental | 23,555,277 | 15,507,771 |
| Shop rent | 6,110,465 | 5,964,412 |
| | **1,083,631,061** | **1,039,435,636** |
| **Revenue from HANSA by UHRL** | | |
| Rooms | 34,531,882 | - |
| Food and beverage | 11,877,356 | - |
| Minor operating department (MOD) | 1,657,832 | - |
| | **48,067,070** | **-** |
| | **1,131,698,131** | **1,039,435,636** |

## 26. Costs of sales (COS)

**COS of Westin Dhaka**

| Particulars | 1 July 2018 to 31 December 2018 | | | | 01 July 2017 to 31 December 2017 |
|---|---|---|---|---|---|
| | Rooms | Food & beverage | Minor operating dept | Total | |
| Salary, wages, bonus and benefits | 8,651,549 | 30,402,467 | 3,869,390 | 42,923,406 | 45,930,119 |
| Cost of materials & other related expenses | - | 137,894,612 | 52,720 | 137,947,332 | 132,550,317 |
| Operating supplies | 3,102,066 | 13,569,136 | 2,653,256 | 19,324,458 | 18,564,023 |
| Laundry, dry cleaning and uniforms | 3,049,035 | 3,800,289 | 1,565,928 | 8,415,252 | 10,175,844 |
| Complementary guest services | 11,601,947 | 141,969 | 39,418 | 11,783,334 | 12,860,051 |
| Linen, china, glass & silver | 54,000 | 418,389 | - | 472,389 | 3,546,774 |
| In-house TV , video, movies, music etc. | 754,550 | 3,473,520 | - | 4,228,070 | 5,147,252 |
| Travel agents commission | 897,813 | 875,257 | - | 1,773,070 | 4,035,403 |
| Traveling and communication | (764) | 52,810 | 125,096 | 177,142 | 179,602 |
| Airport counter charge | 385,094 | | - | 385,094 | 373,214 |
| Fees and purchase | 5,773 | 300 | - | 6,073 | 41,101 |
| Third party reservation & amenities | 703,633 | - | 1,940 | 705,573 | 5,368,582 |
| Decoration & training | 311,063 | 235,518 | - | 546,581 | 284,486 |
| Postage | - | - | - | - | 431,911 |
| Promotion & others | - | 78,304 | - | 78,304 | 356,571 |
| Entertainment | - | 57,753 | - | 57,753 | 44,847 |
| Others | 1,103,497 | 81,303 | 43,020 | 1,227,820 | (3,582,646) |
| | **30,619,256** | **191,081,627** | **8,350,768** | **230,051,651** | **236,307,451** |
| **Cost of sales of HANSA by UHRL** | | | | | |
| Cost of sales | 10,297,265 | 3,130,463 | - | **13,427,728** | - |
| **Total** | **40,916,521** | **194,212,090** | **8,350,768** | **243,479,379** | **236,307,451** |

## 27. Administrative and other expenses

| | | |
|---|---|---|
| **Administrative and other expenses of Westin Dhaka** | | |
| Operators and its affiliated company fees (27.1) | 58,596,244 | 55,749,608 |
| Administrative and general expenses (27.2) | 50,421,273 | 45,723,045 |
| Repairs and maintenance (27.3) | 87,537,823 | 91,401,465 |
| Advertising, promotion and public relations (27.4) | 54,710,070 | 53,094,390 |
| Information and Telecommunications systems (27.5) | 8,918,596 | 9,741,963 |
| | **260,184,006** | **255,710,471** |
| **Administrative and other expenses of HANSA by UHRL** | | |
| Administrative and general expenses | 8,093,843 | - |
| Repairs and maintenance | 6,769,137 | - |
| Advertising, promotion and public relations | 2,844,972 | - |
| Information and Telecommunications systems | 604,172 | - |
| | **18,312,124** | - |
| | **278,496,130** | **255,710,471** |

| | Amount in Taka | |
|---|---|---|
| | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |
| **27.1 Operators and its affiliated company fees** | | |
| License fee (27.1.1) | 21,539,917 | 20,677,069 |
| Incentive fee (27.1.2) | 37,056,327 | 35,072,539 |
| | **58,596,244** | **55,749,608** |
| **27.1.1 License fee** | | |
| Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd. | **21,539,917** | **20,677,069** |
| **27.1.2 Incentive fee** | | |
| Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd.: | | |
| Adjusted gross operating profit | 642,103,970 | 608,098,688 |
| Less: | | |
| Marketing fee | 20,462,920 | 19,643,215 |
| Reservation fee | 4,035,600 | 3,913,156 |
| | 24,498,520 | 23,556,371 |
| Gross operating profit for the purpose of incentive fee | **617,605,450** | **584,542,317** |
| Incentive fee @ 6% on GOP | **37,056,327** | **35,072,539** |
| **27.2 Administrative and general expenses** | | |
| Salaries, wages, bonus and benefits | 30,729,458 | 15,568,743 |
| Operating supplies | 1,214,126 | 1,357,647 |
| Travel and communication | 443,779 | 1,029,192 |
| Entertainment | 948,494 | 788,170 |
| Internal audit fee | 558,458 | (1,031,454) |
| Security services | - | 10,582,944 |
| Legal and professional charges | - | 212,800 |
| Fee and purchased services | 54,325 | 167,185 |
| Uniforms | 347,932 | 21,789 |
| Subscriptions | 25,000 | 70,000 |
| Bank charges | 140,335 | 231,347 |
| Credit card commission | 12,906,089 | 12,480,873 |
| Recruitment and training | 2,179,501 | 1,741,559 |
| Postage | (38,193) | 39,139 |
| Expense against provision | (703,712) | 999,609 |
| Permits and license fee | 1,031,555 | 1,127,481 |
| Other expenses | 584,126 | 336,021 |
| | **50,421,273** | **45,723,045** |

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| | Amount in Taka | |
|---|---|---|
| | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |
| **27.3 Repairs and maintenance** | | |
| Salaries, wages, bonus and benefits | 5,468,461 | 4,649,075 |
| Electric bulbs | 881,790 | 960,408 |
| Painting and decorations | 1,227,932 | 450,205 |
| Travel and communication | 70,428 | 161,396 |
| Laundry equipments | 46,900 | 89,394 |
| Pest control | 455,000 | 462,000 |
| Electricity expenses | 56,694,339 | 59,557,983 |
| Fuel | 387,432 | 83,306 |
| Repair and maintenance | 8,070,377 | 8,937,773 |
| Locks and keys | 128,507 | 583,484 |
| Operating supplies | 521,042 | 1,706,316 |
| Plumbing charge | 262,385 | 843,715 |
| Propine gas | 7,259,622 | 7,852,084 |
| Waste removal expenses | 304,410 | (102,330) |
| Water treatment and pest control | 5,013,929 | 4,510,557 |
| Uniforms | 84,785 | 167,530 |
| Other expenses | 660,484 | 488,569 |
| | **87,537,823** | **91,401,465** |
| **27.4 Advertising, promotion and public relation** | | |
| Salaries, wages, bonus and benefits | 4,569,927 | 4,769,506 |
| Operating supplies | 581,110 | 213,879 |
| Postage | 7,520 | 600 |
| Travel and communication | 170,996 | 415,979 |
| Entertainment | 1,072,366 | 1,638,553 |
| Advertising | 519,080 | 103,395 |
| Signs, events and functions | 2,117,912 | 1,876,902 |
| SPG expenses | 20,364,713 | 19,837,733 |
| Institutional marketing fee | 20,462,920 | 19,643,215 |
| Reservation fee | 4,035,600 | 3,913,156 |
| Uniforms | 57,452 | 184,742 |
| Other expenses | 750,474 | 496,730 |
| | **54,710,070** | **53,094,390** |
| **27.5 Information and Telecommunications Systems** | | |
| Salaries, wages, bonus and benefits | 622,475 | 555,891 |
| Uniforms | 3,419 | 18,021 |
| Operating supplies | 217,350 | 22,150 |
| Travel and communication | 1,544,463 | 2,504,248 |
| Data processing and maintenance | 6,399,549 | 6,599,060 |
| Other expenses | 131,340 | 42,593 |
| | **8,918,596** | **9,741,963** |

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| | Amount in Taka | |
|---|---|---|
| | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |

**28. Corporate office expenses**

| | | |
|---|---|---|
| Managing Director's remuneration | 3,000,000 | 3,000,000 |
| Salary, allowance and wages | 11,518,098 | 7,472,941 |
| Festival allowance | 1,506,302 | 705,180 |
| Traveling, conveyance and allowances | 330,348 | 244,550 |
| Printing, stationary and papers | 540,218 | 286,533 |
| Computer expenses | 39,280 | 2,300 |
| Food and entertainment | 785,648 | 576,834 |
| Office repairs and maintenance | 126,054 | 43,485 |
| Telephone, mobile and internet | 164,257 | 165,894 |
| Advertisement and publicity for BSEC compliance | 417,428 | 212,331 |
| Donation and subscriptions | 200,000 | 700,000 |
| Trade license, renewal fees, duty and taxes | 230,460 | 115,790 |
| Consultancy fees | - | 505,000 |
| Value added tax expense | - | 10,264,185 |
| Paper, books and periodicals | 9,470 | 4,300 |
| Office rent, utility and electrical | 175,908 | - |
| Documentation expenses | 100,000 | - |
| Consultancy expenses | 345,000 | - |
| AGM expenses | 1,179,428 | 60,500 |
| Meeting fees | 440,000 | 224,000 |
| Insurance premium | 1,912,383 | 3,476,824 |
| Audit fees | 288,983 | 37,500 |
| Car repairs and maintenance | 549,127 | 165,120 |
| Bank charge | 65,867 | 62,684 |
| Regulatory fees | 106,000 | 106,000 |
| Depreciation | 114,086,780 | 108,481,749 |
| Other expenses | 1,584,265 | 1,559,993 |
| | **139,701,304** | **138,473,693** |

**29. Other income/(expenses)**

| | | |
|---|---|---|
| Dividend income | 1,872,227 | 908,458 |
| Tower rent | 840,715 | 1,476,069 |
| Hotel service charge | 17,940,000 | 18,753,282 |
| Receipts from Westin for limousine service | 6,244,465 | 7,313,355 |
| Receipts from Westin for Security service | 2,915,847 | 2,154,551 |
| Receipts from Westin for electricity | 33,126,174 | 38,506,719 |
| Fluctuation gain/ (loss) | 659,528 | 382,578 |
| Others | 266,824 | 1,794,748 |
| | **63,865,780** | **71,289,760** |

**30. Gain/(loss) on investment in shares**

| | | |
|---|---|---|
| Realized gain/ (loss) from sale of shares | 4,683,148 | 9,403,914 |
| Unrealized gain/(loss) for difference between cost and market price | (6,643,845) | (6,576,770) |
| | **(1,960,697)** | **2,827,144** |

Unrealized gain/ (loss) is recognized due to difference between the cost and the market price of corresponding investment in shares which have not been sold yet.

| | | Amount in Taka | |
|---|---|---|---|
| | | 01 July 2018 to 31 December 2018 | 01 July 2017 to 31 December 2017 |
| **31. Interest income/(expense)** | | | |
| Interest income from FDR and bank deposits | | 42,823,117 | 21,868,366 |
| Interest paid on loan | | (36,704,494) | (42,866,170) |
| | | **6,118,623** | **(20,997,804)** |
| **32. Provision for income tax** | | | |
| Current tax expenses | | 132,394,406 | 92,750,753 |
| Deferred tax expenses/(benefit) | | 10,758,280 | (8,664,842) |
| | | **143,152,686** | **84,085,911** |
| **33.1 Net Asset Value Per Share (NAVPS)** | | | |
| Net Asset Value | A | 25,867,803,946 | 26,147,514,216 |
| Number of ordinary shares | B | 294,400,000 | 294,400,000 |
| **Net Asset Value Per Share (NAVPS)** | C= (A/B) | **87.87** | **88.82** |
| **33.2 Earnings per share (EPS) on Net Profit after tax before Other Comprehensive Income: (Par Value of Tk.10)** | | | |
| Earnings attributable to ordinary shareholders | A | 369,271,146 | 354,874,054 |
| Number of ordinary shares | B | 294,400,000 | 294,400,000 |
| **Basic Earnings Per Share** | C= (A/B) | **1.25** | **1.21** |
| **Diluted Earnings Per Share** | | **1.25** | **1.21** |

Both Basic EPS and Diluted EPS are same since there was no dilutive potential during the relevant periods.

| | | | |
|---|---|---|---|
| **33.3 Net Operating cash inflow/(outflow) per share** | | | |
| Net cash from operating activities | A | 869,651,512 | 643,047,650 |
| Number of ordinary shares | B | 294,400,000 | 294,400,000 |
| **Net Operating cash inflow/(outflow) per share** | C= (A/B) | **2.95** | **2.18** |
| **33.4 Reconciliation of net operating cash flow with net profit** | | | |
| **Profit after tax (PAT)** | | **369,271,146** | **354,874,054** |
| Income tax expense | | 143,152,686 | 84,085,911 |
| **Profit before tax (PBT)** | | **512,423,832** | **438,959,965** |
| **Adjustment for:** | | | |
| Depreciation | | 114,086,780 | 108,481,749 |
| Interest Expense | | 36,704,494 | 42,866,170 |
| Unrealised foreign exchange loss | | 130,431 | - |
| Dividend received | | (1,872,227) | (908,458) |
| (Gain)/loss from investment in shares | | 1,960,697 | (2,827,144) |
| | | **663,434,008** | **586,572,282** |
| **Changes in:** | | | |
| Decrease in inventory | | (16,030,386) | (4,029,642) |
| (Increase)/ decrease in accounts receivables | | 32,993,209 | (50,116,727) |
| Decrease in advances, deposits and prepayments | | 48,236,418 | 269,926 |
| Increase in other receivables | | (12,204,982) | 2,301 |
| Increase/(decrease) in accounts payable | | (13,756,585) | 153,032,343 |
| Increase/(decrease) in accruals and payables | | 153,923,339 | 22,891,275 |
| Increase/(decrease) in due to operator and its affiliates | | 75,885,828 | (56,158,993) |
| **Cash generated from operating activities** | | **932,480,848** | **652,462,766** |
| Tax paid during the period | | (62,829,336) | (9,415,116) |
| **Net cash generated by operating activities** | | **869,651,512** | **643,047,650** |

## 34. Related party disclosure

During the period the Company carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in below table in accordance with the provisions of BAS-24- "Related Party Disclosure".

Amount in Taka

| Name of the Party | Relationship | Nature of Transaction | Balance as on 31 December 2018 | | | |
|---|---|---|---|---|---|---|
| | | | Opening balance | Addition | Adjustment/ Received | Closing balance |
| Borak Real Estate Ltd. | Common Director | Balance with current account | 2,426,093 | - | 1,299,942,303 | (1,297,516,210) |
| Unique Group of Companies Ltd. | Common Director | Balance with current account | 5,479,059 | 229,290 | - | 5,708,349 |
| Unique Vocational Training Centre Ltd. | Common Director | Balance with current account | 116,152 | - | 3,000,000 | (2,883,848) |
| Ms. Salina Ali | Chairperson | Balance with current account | (42,094,907) | - | 30,000,000 | (72,094,907) |
| Mr. Mohd. Noor Ali | Managing Director | Balance with current account | (43,865,560) | - | 21,500,000 | (65,365,560) |
| Ms. Nabila Ali | Director | Balance with current account | (75,519,684) | - | - | (75,519,684) |
| Ms. Nadiha Ali | Director | Balance with current account | (53,905,295) | - | - | (53,905,295) |
| Ms. Nadila Ali | Shareholder | Balance with current account | (54,490,719) | - | 20,000,000 | (74,490,719) |
| Purnima Construction Ltd. | Common Director | Advance against constructions | 638,112,548 | - | 20,800,000 | 617,312,548 |
| Chartered Life Insurance Company Ltd. | Common Director | Advance payment | 1,553,287 | - | - | 1,553,287 |
| Star Infrastructure Development Consortium Ltd. | Common Director | Advance payment | 1,100,000 | - | - | 1,100,000 |
| Borak Real Estate Ltd. | Common Director | Advance against land | 2,600,000,000 | - | - | 2,600,000,000 |
| Unique Property Development Ltd. | Common Director | Advance against land | 3,804,880 | - | - | 3,804,880 |
| Unique Eastern (Pvt.) Ltd. | Common Director | Balance with current account | (264,173,364) | - | 42,050,000 | (306,223,364) |
| Sonargoan Economic Zone Ltd. | Common Director | Advance against land | 728,362,796 | 84,175,306 | 25,976,481 | 786,561,621 |
| Unique Ceramics Industries (Pvt.)Ltd. | Common Director | Balance with current account | 117,433 | - | - | 117,433 |
| Borak Travels (Pvt.) Ltd. | Common Director | Balance with current account | (97,375,000) | - | 24,500,000 | (121,875,000) |
| **Total** | | | **3,349,647,718** | **84,404,596** | **1,487,768,784** | **1,946,283,530** |

**Transaction with key management personnel of the entity:**

| No. | Particulars | Value in Tk. |
|---|---|---|
| (a) | Managerial remuneration paid or payable during the year from 1 July 2017 to 31 December 2018 to the directors, including managing directors, a managing agent or manager | 3,000,000 |
| (b) | Net cash inflow/(outflow) for the period | (3,000,000) |
| (c) | Commission or remuneration payable separately to a managing agent or his associate | Nil |
| (d) | Cash and cash equivalents at the end of the period | Nil |
| (e) | The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year. | Nil |
| (f) | Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable. | Nil |
| (g) | Other allowances and commission including guarantee commission | Nil |
| (h) | Pensions etc. | Nil |
| | (i) Pensions | Nil |
| | (ii) Gratuities | Nil |
| | (iii)Payments from a provident funds, in excess of own subscription and interest thereon | Nil |
| (i) | Share based payments | Nil |

**35. Events after reporting period**

In compliance with the requirements of BAS 10 : "Events after reporting period", post balance sheet adjusting events that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material. The Company have no adjusting or non adjusting events after reporting period.

**36. Directors responsibility statements**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

**37. General**

**37.1 Employee details:**

Total number of employees having annual salary and allowances of Tk. 36,000 or above each at the reporting date was as follows:

| Particulars | 31 December 2018 | 30 June 2018 |
|---|---|---|
| Number of employees | 957 | 940 |

None of the employees were in receipt of remuneration which in aggregate was less than Tk. 3,000 per month.

**37.2 Rounding off**

Amounts appearing in these financial statements have been rounded off to the nearest Taka and wherever considered necessary.

**37.3 Rearrangement of last year figures**

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

**Chief Financial Officer** **Company Secretary** **Director** **Managing Director** **Chairperson**

Dated, Dhaka;
27 January 2019

## Unique Hotel & Resorts Limited
**Property, plant and equipment Schedule**
**As at 31 December 2018**

**Annexure- A**

**Property, plant and equipment (cost/ revaluation less accumulated depreciation)**

**Amount in Taka**

| Sl. No. | Assets | Cost | | | | Rate (%) | Depreciation | | | | Written down value as on 31 December 2018 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Balance as at 1 July 2018 | Additions during the period | Disposal during the period | Balance as at 31 December 2108 | | Balance as at 1 July 2018 | Charged during the period | Accumulated depreciation for disposal | Balance as at 31 December 2108 | |
| 1 | Land and land developments | 6,387,343,185 | 11,799,117 | - | 6,399,142,302 | - | - | - | - | - | 6,399,142,302 |
| 2 | Building and other Civil constructions | 11,626,208,982 | 279,069,625 | - | 11,905,278,607 | 1.25% | 1,129,675,380 | 67,347,520 | - | 1,197,022,900 | 10,708,255,707 |
| 3 | Office furniture and equipments | 32,643,691 | 2,647,452 | - | 35,291,143 | 5% | 10,227,243 | 626,597 | - | 10,853,841 | 24,437,302 |
| 4 | Hotel furniture | 343,340,249 | 64,520,317 | - | 407,860,566 | 5% | 136,921,530 | 6,773,476 | - | 143,695,006 | 264,165,560 |
| 5 | Motor vehicles | 158,650,684 | 7,061,723 | - | 165,712,407 | 5% | 35,397,104 | 3,257,883 | - | 38,654,987 | 127,057,420 |
| 6 | Hotel equipments | 1,995,984,811 | 188,456,104 | - | 2,184,440,915 | 5% | 741,188,759 | 36,081,304 | - | 777,270,063 | 1,407,170,852 |
| **Total as at 31 Dec 2018** | | **20,544,171,602** | **553,554,338** | **-** | **21,097,725,940** | **-** | **2,053,410,017** | **114,086,780** | **-** | **2,167,496,797** | **18,930,229,143** |
| **Total as at 30 June 2018** | | **20,148,035,520** | **396,136,082** | **-** | **20,544,171,602** | **-** | **1,835,969,619** | **217,440,398** | **-** | **2,053,410,017** | **18,490,761,585** |

Ata Khan & Co. Chartered Accountants, have further revalued Land & land development and building as of 30 September 2011 following "Current cost method" showing total current cost Tk 5,664,596,600 and Tk. 11,420,259,375 resulting in a revaluation surplus of Tk 2,276,299,688 and Tk.6,004,430,154 respectively.

S. F. Ahmed & Co, Chartered Accountants, have revalued all property, plant and equipment of the company as of 30 June 2009 (When Ata Khan & Co, Chartered Accountants was the auditor) following Current cost method, showing total current cost at Tk.8,325,239,643, resulting in a revaluation surplus at Tk. 4,689,598,221. Thereafter Ata Khan & Co, (When S.F. Ahmed & Co, Chartered Accountants were the auditor), have revalued the land of the company as of 30 June 2010 following "Current cost method" showing current cost thereof at Tk. 1,687,000,000, resulting in a further revaluation surplus at Tk. 843,500,000. Fixed assets to the extent of Tk.657,868,395 have been kept as mortgage against the short-term bank loan.

UNIQUE HOTEL & RESORTS LIMITED