VANGUARD AML RUPALI BANK BALANCED FUND

Asset Manager : Vanguard Asset Management Limited

As per rule 70 of Securities and Exchange Commission (Mutual Fund) Rule, 2001, The Unaudited Financial Statements of ***Vanguard AML Rupali Bank Balanced Fund*** *for the 3rd Quarter ended 30 September, 2018 are appended below:*

3rd QUARTER (Q3) FINANCIAL STATEMENTS (PROVISIONAL & UNAUDITED)

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	Notes	(Provisional & Unaudited)	Audited
		30.09.2018	31.12.2017
		In BDT	In BDT
Assets		**1,811,461,234**	**1,937,311,272**
Investment in securities at cost	3	1,703,396,068	1,644,143,189
Issue and formation expenses	4	36,268,722	39,608,135
Other receivables	5	3,444,847	9,041,928
Deposits and prepayments	6	3,813,645	4,559,628
Cash and cash equivalents	7	64,537,952	239,958,392
Liabilities		**89,976,282**	**6,884,159**
Accounts payables	8	7,723,846	6,884,159
Provision for erosion in value of marketable securities	9	82,252,436	-
Net Assets		**1,721,484,952**	**1,930,427,113**
Equity		**1,721,484,952**	**1,930,427,113**
Capital fund	10	1,587,450,000	1,587,450,000
Retained earnings		134,034,952	342,977,113
Net Asset Value (NAV) Per Unit:			
-At Cost	11	**11.36**	**12.16**
-At Market Price	12	**10.84**	**13.39**

Chairman Trustee
Investment Corporation of Bangladesh
Trustee of "**Vanguard AML Rupali Bank Balanced Fund**"

Member Trustee
Investment Corporation of Bangladesh
Trustee of "**Vanguard AML Rupali Bank Balanced Fund**"

SVP & Head, Fund Operations & Control
Vanguard Asset Management Limited
Asset Manager of "**Vanguard AML Rupali Bank Balanced Fund**"

Managing Director & CEO
Vanguard Asset Management Limited
Asset Manager of "**Vanguard AML Rupali Bank Balanced Fund**"

VANGUARD AML RUPALI BANK BALANCED FUND

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 01 JANUARY 2018 TO 30 SEPTEMBER 2018

	Notes	(Provisional & Unaudited)			
		01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017	01.07.2018 to 30.09.2018	01.07.2017 to 30.09.2017
		In BDT	In BDT	In BDT	In BDT
Income		**92,593,410**	**144,805,696**	**32,391,763**	**63,180,331**
Net gain on sale of marketable securities		54,052,840	99,912,234	20,824,176	49,645,607
Dividend income		30,130,833	29,064,478	9,347,046	8,650,833
Interest income	13	8,409,737	15,828,984	2,220,542	4,883,891
Expenditure		**28,789,135**	**31,743,812**	**9,228,265**	**10,697,800**
Management fee		16,947,678	17,259,766	5,362,432	6,045,404
Amortization of issue and formation expenses		3,339,414	3,339,414	1,125,370	1,125,370
Brokerage fee		1,318,174	3,527,901	467,721	1,103,135
Trustee fee		2,093,384	2,140,198	653,132	755,578
Custodian fee		1,840,441	1,826,480	570,201	671,673
BSEC annual fee		1,580,328	1,308,480	532,565	440,953
DSE annual fee		450,000	700,000	150,000	150,000
CSE annual fee		450,000	700,000	150,000	150,000
Publication & others fee		463,685	408,600	128,600	116,200
CDBL - annual fee, settlement and demat and line charges	14	187,960	336,508	62,779	105,013
DSE - book building fee		37,000	11,025	22,000	6,000
Bank charges and excise duty		81,072	185,440	3,466	28,475
Profit before provision for the period		**63,804,275**	**113,061,884**	**23,163,498**	**52,482,530**
Add: Provision added back / (made) during the period	9	(82,252,436)	-	(26,676,667)	-
Net profit for the year		**(18,448,161)**	**113,061,884**	**(3,513,168)**	**52,482,530**
Add: Other comprehensive income		-	-	-	-
Total comprehensive income		**(18,448,161)**	**113,061,884**	**(3,513,168)**	**52,482,530**
Earning Per Unit during the period	15	**(0.12)**	**0.71**	**(0.02)**	**0.33**

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Sanjib K.B

SVP & Head, Fund Operations & Control
Vanguard Asset Management Limited
Asset Manager of "**Vanguard AML Rupali Bank Balanced Fund**"

Managing Director & CEO
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VANGUARD AML RUPALI BANK BALANCED FUND

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 01 JANUARY 2018 TO 30 SEPTEMBER 2018

	(Provisional & Unaudited) In BDT		
	Capital fund	Retained earnings	Total equity
Balance as at 01 January 2017	1,587,450,000	144,026,800	1,731,476,800
Net profit for the period	-	198,950,313	198,950,313
Balance as at 31 December 2017	**1,587,450,000**	**342,977,113**	**1,930,427,113**
Balance as at 01 January 2018	1,587,450,000	342,977,113	1,930,427,113
Declared Dividend	-	(190,494,000)	(190,494,000)
Net profit for the period	-	(18,448,161)	(18,448,161)
Balance as at 30 September 2018	**1,587,450,000**	**134,034,952**	**1,721,484,952**

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 01 JANUARY 2018 TO 30 SEPTEMBER 2018

	(Provisional & Unaudited)	
	01-Jan-2018 to 30-Sep-2018 In BDT	01-Jan-2017 to 30-Sep-2017 In BDT
A. Cash Flows from Operating Activities	**18,223,687**	**23,449,700**
Interest income realized in cash	6,083,741	14,819,351
Dividend income - received in cash	38,053,910	30,931,435
Deposits and prepayments	(1,161,650)	(6,104,214)
Issue and formation expenses	-	6,522,584
Payment made for expenses	(24,752,314)	(22,719,456)
B. Cash Flows from Investing Activities	**(3,175,504)**	**(405,349,261)**
Acquisition of shares from secondary market	(324,653,231)	(1,124,996,639)
Investment in Pre-IPO	(12,000,000)	-
Investment in IPO	(9,167,970)	48,500,000
Proceeds from sale of shares in secondary market	342,645,697	671,147,377
C. Cash Flows from Financial Activities	**(190,468,624)**	**-**
Dividend Paid	(190,468,624)	-
Net Cash flows from all Activities (A+B+C)	**(175,420,440)**	**(381,899,562)**
Cash and cash equivalent at the beginning of the period	239,958,392	632,034,218
Cash and Cash Equivalent at the Ending of the Period	**64,537,952**	**250,134,656**
Net Operating Cash Flow Per Unit During the Period	**0.11**	**0.15**

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VANGUARD AML RUPALI BANK BALANCED FUND
NOTES TO THE FINANCIAL STATEMENT
FOR THE PERIOD FROM 01 JANUARY 2018 TO 30 SEPTEMBER 2018

1 The Fund and the legal status

Vanguard AML Rupali Bank Balanced Fund (hereafter referred to as "the Fund"), a close ended Fund was established on 21 November 2013 under the Trust Act, 1882, registered under the Registration Act, 1908 and subsequently on 12 December 2013 registered as a Close-End Mutual Fund from the Bangladesh Securities and Exchange Commission with initial tenure of 10 years under Securities and Exchange Commission (Mutual Fund) Rules, 2001 for a total paid-up capital of Taka 1587.45 million divided into 158.745 million units of Taka 10 each. The Fund was enlisted with Dhaka Stock Exchange and Chittagong Stock Exchange as of 15 November 2016 and started its trading operation as of 05 December 2016 under the code of "VAMLRBBF".

Investment Corporation of Bangladesh (ICB) is the Trustee as well as the Custodian of the Fund and Vanguard Asset Management Limited is Asset Manager of the Fund.

2 Basis of measurement

These financial statements have been prepared under historical cost convention on going concern basis and in conformity with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund), Rules, 2001 and other applicable laws and regulations.

Reporting Period

The reporting period of the fund covers a period from 01 January 2018 to 30 September 2018 and fund's accounting period ended on 31 December at every calendar year.

		(Provisional & Unaudited)	(Audited)
		30.09.2018	31.12.2017
		In BDT	In BDT
3	**Investment at cost price (Annexure A)**		
	Investment in listed securities	1,566,396,068	1,489,143,189
	Investment in IPO application	-	30,000,000
	Investment in non-listed securities	137,000,000	125,000,000
		1,703,396,068	**1,644,143,189**
4	**Issue and formation expenses**		
	Opening balance	39,608,135	44,072,919
	Less: Amortization made during period	3,339,414	4,464,784
		36,268,722	**39,608,135**
5	**Other receivables**		
	Dividend receivables	-	7,923,077
	Interest receivables	3,444,847	1,078,056
	Tax receivable	-	40,795
		3,444,847	**9,041,928**
6	**Deposits and prepayments**		
	Deposit with CDBL	500,000	500,000
	Prepayments	3,313,645	4,059,628
		3,813,645	**4,559,628**
7	**Cash and Cash Equivalents**		
	Cash at bank - savings account	14,537,952	79,958,392
	Short term deposit (FDR)	50,000,000	160,000,000
		64,537,952	**239,958,392**
8	**Accounts Payables**		
	Management fees	5,362,432	6,311,829
	Dividend Payable	25,376	-
	Custodian fees	185,628.0	232,063
	Audit Fees	-	40,000
	Publication & others fee	103,000	145,900
	Trustee fee	-	95,368
	CDBL fees- settlement & demat charges	22,874	33,654
	IPO application payable	2,024,535	-
	Bank charges and excise duty	-	25,345
		7,723,846	**6,884,159**

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		(Provisional & Unaudited)	(Audited)
		30.09.2018	31.12.2017
		In BDT	In BDT
9	**Provision for erosion in value of marketable securities**		
	Provision made during the period	82,252,436	-
		82,252,436	-
10	**Capital fund**		
	15,87,45,000 units at par value of Tk. 10 each.	1,587,450,000	1,587,450,000
		1,587,450,000	1,587,450,000
11	**Net Asset Value (NAV) per unit at Cost**		
	Net Asset Value (NAV) at market price	1,721,484,952	-
	Net Asset Value (NAV) at cost	-	1,930,427,113
	Add: Unrealized loss	82,252,436	-
	Net Asset Value (NAV) at cost	1,803,737,388	1,930,427,113
	Number of Units	158,745,000	158,745,000
	NAV Per Unit at Cost Price	11.36	12.16
12	**Net Asset Value (NAV) per Unit at Market Price**		
	Net Asset Value (NAV) at market price	1,721,484,952	-
	Net Asset Value (NAV) at cost	-	1,930,427,113
	Add: Unrealized gain	-	195,860,972
	Net Asset Value (NAV) at market price	1,721,484,952	2,126,288,086
	Number of Units	158,745,000	158,745,000
	NAV Per Unit at Market Price	10.84	13.39

		(Provisional & Unaudited)			
		01.01.2018 to 30.09.2018	01.01.2017 to 30.09.2017	01.07.2018 to 30.09.2018	01.07.2017 to 30.09.2017
		In BDT	In BDT	In BDT	In BDT
13	**Interest Income**				
	Interest income from short term deposit (FD	5,417,085	14,495,288	1,373,611.11	3,808,542
	Interest income from savings account	2,992,653	1,333,696	846,930.64	1,075,349
		8,409,737	15,828,984	2,220,542	4,883,891
14	**CDBL - annual fee, settlement & demat charges and line charges**				
	CDBL - annual fee	78,583	79,295	26,718	26,705
	CDBL fee - settlement & demat charges	82,377	230,214	27,060	69,307
	Line charges	27,000	27,000	9,000	9,000
		187,960	336,508	62,778	105,013
15	**Earning Per Unit**				
	Net profit for the period (A)	(18,448,161)	113,061,884	(3,513,168)	52,482,530
	Number of units (B)	158,745,000	158,745,000	158,745,000	158,745,000
	Earning per unit - A/B	(0.12)	0.71	(0.02)	0.33

16 Other Notes

(a) Investment valuation policies are closing price or last trading price of the period at DSE is taken.

(b) Earning per unit has been calculated on number of units outstanding for the period ended 30 September 2018 and profit for the respective period.

(c) The fund has not recognized the unrealised gain from Pre-IPO investment of Tk. 1,43,11,200.00 calculated at the quarter end due to conservative policy. The said unrealized gain will be recognized as and when it is realized.

(d) To facilitate comparison, certain relevant balances pertaining to the previous period may have been rearranged/ restated/ reclassified, whenever considered necessary, to confirm to current period's presentation.

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