Hoda Vasi
Chowdhury & Co

Audited Financial Statements
of
Vanguard AML Rupali Bank
Balanced Fund

For the year ended 31 December 2017

AMARSTOCK

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF Vanguard AML Rupali Bank Balanced Fund

We have audited the accompanying financial statements of Vanguard AML Rupali Bank Balanced Fund (here-in-after referred to as "the Fund"), which comprise the statement of financial position as at 31 December 2017, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Asset Manager of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud and error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the statement of financial position of the Fund as at 31 December 2017 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and comply with Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

Emphasis of Matters

Without qualifying our report, we would like to draw the attention to the accompanying note 4.3 (b) to the accompanying financial statements that fund holds-

1. 4,800,000 ordinary shares in AFC Health Ltd. (the Company), representing 6.86 percent of total shareholdings of the Company. Valuation of investment in the Company has been verified by us by reference to the financial statements and auditors' report issued by Khan Wahab Shafique Rahman & Co for the year ended 30 June 2017. No audited financial statements and audit report for the period from 1 July 2017 to 31 December 2017 were available and as such, the valuation of securities has been calculated at cost Taka 12.50 per share against face value of Taka 10.00 each having NAV of Taka 12.58 as per audited Financial Statements for the year ended 30 June 2017. We could not conduct any other due diligence and verification in this regard. However, we have accepted the valuation as authenticated by the Trustee of the Fund;
2. 600,000 ordinary shares in Bengal Poly & Paper Sack Ltd. (the Company), representing 2.14 percent of total shareholdings of the Company. Valuation of investment in the Company has been verified by us reference to the audit report issued by M/S Toha Khan Zaman & Co for the year ended 30 June 2017. No audited financial statements and audit report for the period from 1 July 2017 to 31 December 2017 were available and as such, the valuation of securities has been calculated at cost Taka 25.00 per share against face value of Taka 10.00 each having NAV of Taka 27.27 as per audited Financial Statements for the year ended 30 June 2017. We could not conduct any other due diligence and verification in this regard. However, we have accepted the valuation as authenticated by the Trustee of the Fund; and
3. 5,000,000 units in SEML FBLSL Growth Fund at Taka 10 per unit at par for amount of Taka 50,000,000 have been valued at cost as approved by the Trustee of the Fund as no financial statements and comparable data is available.

We report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) the Fund's statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 20 thereto dealt with by this report are in agreement with books of account of the Fund;

c) in our opinion, proper books of account as required by law have been kept by the Fund so far as it appeared from our examination of those books; and

d) all expenditure incurred were for the purposes of the Fund's business.

Dhaka, 07 MAR 2018

Hoda Vasi Chowdhury & Co
Chartered Accountants

Hoda Vasi Chowdhury & Co

Vanguard AML Rupali Bank Balanced Fund
Statement of Financial Position
As at 31 December 2017

	Notes	Post enlistment		Pre enlistment
		31-Dec-2017	31-Dec-2016	14-Nov-2016
Assets		Taka	Taka	Taka
Investments in securities at cost	6	1,644,143,189	1,047,177,740	371,154,959
Issue and formation expenses	7	39,608,135	44,072,919	10,354,385
Other receivables	8	9,041,928	11,308,035	32,439,198
Deposits and prepayments	9	4,559,628	2,697,635	3,105,533
Cash and cash equivalents	10	239,958,392	632,034,218	1,311,982,218
		1,937,311,272	**1,737,290,547**	**1,729,036,292**
Liabilities				
Accounts payables	11	6,884,159	5,813,747	119,762
		6,884,159	**5,813,747**	**119,762**
Net Assets		**1,930,427,113**	**1,731,476,800**	**1,728,916,530**
Equity				
Capital fund	12	1,587,450,000	1,587,450,000	1,587,450,000
Retained earnings		342,977,113	144,026,800	141,466,530
		1,930,427,113	**1,731,476,800**	**1,728,916,530**
Net Asset Value (NAV) Per Unit:				
At cost	13	**12.16**	**10.91**	**10.89**
At market price	14	**13.39**	**11.02**	**10.92**

These financial statements should be read in conjunction with annexed notes

Trustee

Asset Manager

AUDITORS' REPORT TO THE TRUSTEE
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Date, 07 MAR 2018

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Vanguard AML Rupali Bank Balanced Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2017

	Notes	Post enlistment		Pre enlistment
		01 Jan 2017 to 31 Dec 2017	15 Nov 2016 to 31 Dec 2016	21 Nov 2013 to 14 Nov 2016
Income		Taka	Taka	Taka
Net gain / (loss) on sale of marketable securities	15	176,168,416	(52,700)	(11,428,579)
Dividend income	16	45,465,345	4,324,547	22,350,363
Interest income	17	20,076,770	4,227,336	137,377,075
Gain in foreign currency exchange		-	-	8
		241,710,531	**8,499,183**	**148,298,867**
Expenditure				
Management fee		23,571,595	2,763,881	-
Amortization of issue and formation expenses		4,464,784	574,917	-
Brokerage fee		4,375,057	1,144,580	3,213,914
Trustee fee		2,935,739	337,322	-
Custodian fee		2,492,999	264,182	2,786,100
BSEC fee		1,749,433	223,828	-
DSE fee		850,000	200,000	-
CSE fee		850,000	200,000	-
Publication & others fee		611,900	-	-
CDBL - annual fee, settlement and demat and line charges	18	433,162	82,800	237,441
DSE - book building fee		21,025	-	25,038
Audit fee		40,000	35,000	110,000
Bank charges and excise duty		364,523	112,402	459,844
		42,760,217	**5,938,913**	**6,832,337**
Profit before provision for the year		**198,950,313**	**2,560,270**	**141,466,530**
Add: Provision added back / (made) during the year		-	-	-
Net profit for the year		**198,950,313**	**2,560,270**	**141,466,530**
Add: Other comprehensive income		-	-	-
Total comprehensive income		**198,950,313**	**2,560,270**	**141,466,530**
Earnings per unit during the year	19	**1.25**	**0.02**	**0.89**

These financial statements should be read in conjunction with annexed notes

Trustee

Asset Manager

AUDITORS' REPORT TO THE TRUSTEE
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Date, 07 MAR 2018

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Vanguard AML Rupali Bank Balanced Fund
Statement of Changes in Equity
For the year ended 31 December 2017

Amount in Taka

Particulars	Capital Fund	Retained Earnings	Total Equity
Fund raised during the period	1,587,450,000	-	1,587,450,000
Net profit for the period	-	141,466,530	141,466,530
Balance at 14 November 2016	**1,587,450,000**	**141,466,530**	**1,728,916,530**
Balance as on 15 November 2016	1,587,450,000	141,466,530	1,728,916,530
Net profit for the period	-	2,560,270	2,560,270
Balance at 31 December 2016	**1,587,450,000**	**144,026,800**	**1,731,476,800**
Balance as on 01 January 2017	1,587,450,000	144,026,800	1,731,476,800
Net profit for the year	-	198,950,313	198,950,313
Balance at 31 December 2017	**1,587,450,000**	**342,977,113**	**1,930,427,113**

Trustee

Asset Manager

Hoda Vasi Chowdhury & Co

Chartered Accountants

Date, 07 MAR 2018

AMARSTOCK

Vanguard AML Rupali Bank Balanced Fund
Statement of Cash Flows
For the year ended 31 December 2017

		Post enlistment		Pre enlistment
		01 Jan 2017 to 31 Dec 2017	15 Nov 2016 to 31 Dec 2016	21 Nov 2013 to 14 Nov 2016
		Taka	Taka	Taka
A.	**Cash flows from operating activities**			
	Interest income realized in cash	21,876,413	4,715,220	133,970,697
	Dividend income - received in cash	39,409,225	4,266,140	20,541,812
	Gain in foreign currency exchange	-	-	8
	Deposits and prepayments	(5,423,636)	-	(3,105,533)
	Issue and formation expenses	6,522,584	(27,546,187)	(23,624,234)
	Payment made for expenses	(31,160,657)	(1,764,833)	(6,712,575)
	Net cash flows from operating activities	**31,223,929**	**(20,329,660)**	**121,070,176**
B.	**Cash flows from investing activities**			
	Acquisition of shares from secondary market	(1,309,106,394)	(579,128,874)	(914,860,943)
	Investment in non-listed securities	(60,000,000)	(50,000,000)	(15,000,000)
	Investment in IPO application	20,000,000	(45,000,000)	(5,000,000)
	Proceeds from sale of shares in secondary market	925,806,640	556,114	552,277,405
	Net cash used in investing activities	**(423,299,754)**	**(673,572,760)**	**(382,583,538)**
C.	**Cash flows from financial activities**			
	Capital fund	-	13,954,420	1,573,495,580
	Net cash flows from financing activities	**-**	**13,954,420**	**1,573,495,580**
	Net Cash flows (A+B+C)	**(392,075,826)**	**(679,948,000)**	**1,311,982,218**
	Cash and cash equivalents at the beginning of the year	632,034,218	1,311,982,218	-
	Cash and cash equivalents at the end of the year	**239,958,392**	**632,034,218**	**1,311,982,218**
	Net operating cash flows	31,223,929	(20,329,660)	121,070,176
	Number of outstanding units	158,745,000	158,745,000	158,745,000
	Net operating cash flows per unit	**0.20**	**(0.13)**	**0.76**

Trustee

Asset Manager

AMARSTOCK

Vanguard AML Rupali Bank Balanced Fund
Notes to the Financial Statements
For the year ended 31 December 2017

1 Introduction

Vanguard AML Rupali Bank Balanced Fund (here-in-after referred to as "the Fund"), a close end 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 158.745 crore divided into 15.8745 crore units of Taka 10 each. The Fund was enlisted with Dhaka Stock Exchange and Chittagong Stock Exchange at 15 November 2016 and started its trading operation from 05 December 2016 under the code of "VAMLRBBF".

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

2 Closure of Accounting year of the Fund

The Fund has been consistently closing its books of accounts as at 31 December every year.

3 Objectives

The objective of the Fund is to earn superior risk adjusted return by maintaining a diversified investment portfolio and provide attractive dividend payments to unit holders. The net profit of the fund is distributable to the unit holders on declaration basis.

4 Significant accounting policies

4.1 Basis of accounting

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

4.2 Investment policy

The Fund shall invest subject to the Securities and Exchange Commission (Mutual Fund) Rules, 2001 and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and/or any other competent authority in this regard.

a) Not less than 60 (sixty) percent of the total money collected under the Fund shall be invested in capital market instruments out of which at least 50 (fifty) percent shall be invested in listed securities.

b) Not more than 25 (twenty-five) percent of the total assets of the Fund shall be invested in Fixed Income Securities (FIS).

c) Not more than 15 (fifteen) percent of the total assets of the Fund shall be invested in Pre-IPOs at one time.

d) All money collected under the Fund shall be invested only in encashable / transferable instruments, securities whether in money market or capital market or privately placed Pre-IPO equity, preference shares, debentures or securitized debts.

e) The Fund shall get the securities purchased or transferred in the name of the Fund.

f) Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Fund's portfolio.

4.3 Valuation policy

a) Listed securities (other than mutual Fund) are valued at market value as per BAS-39 'Financial Instruments: Recognition and Measurement'. Mutual Fund securities are valued as per BSEC directive ref. No. SEC/CMRRCD/2009-193/172 dated 30 June 2015.

b) Pursuant to Rule 58(2) of Securities and Exchange Commission (Mutual Fund) Act, 2001, the Fund valued non-listed securities on a consistent basis duly authenticated by Trustee of the Fund.

c) Market value is determined by taking the closing price of the securities in Dhaka Stock Exchange (DSE) at the statement of financial position date.

4.4 Revenue Recognition

a) Gains / losses arising on sale of investment are included in the Statement of Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place. Capital gains / losses are recognised or being realised based on weighted average cost basis.

b) Dividends are recognized immediately after the record date as it is due.

c) Interest income is recognized on accrual basis.

d) Interest are accounted for net off income tax, if any as the Fund is not a taxable entity pursuant to SRO no 333 - Law/Income Tax/2011 of ITO - 1984.

4.5 Issue and formation expenses

Issue and formation expenses represent expenditures incurred prior to the commencement of operation and establishment of the Fund. Pursuant to Rule 65 (3) clause (a) of Securities and Exchange Commission (Mutual Fund) Act, 2001 these costs are amortized over a periods of ten years on a straight-line method.

4.6 Management fee

Management fee is charged as per Trust Deed as well as the provision of the Securities and Exchange Commission (Mutual Fund) Rules, 2001. The fee is accrued and payable quarterly at the following rates:

a) at the rate of 2.50% per annum of the weekly average NAV fund up to Taka 5.00 Crore
b) at the rate of 2.00% per annum for additional amount of the weekly average NAV above Taka 5.00 Crore fund up to Taka 25.00 Crore
c) at the rate of 1.50% per annum for additional amount of the weekly average NAV above Taka 25.00 Crore fund up to Taka 50.00 Crore
d) at the rate of 1.00% per annum for additional amount of the weekly average NAV over Taka 50.00 Crore.

4.7 Custodian fee

The Fund shall pay to the Custodian a safe keeping fee @ 0.15% of the balance (dematerialized and non-dematerialized) securities held by the Fund calculated on the basis of average month end value per annum.

4.8 Trustee fee

The Trustee is entitled to an annual Trusteeship Fee @ 0.15% on the Net Asset Value (NAV) of the Fund only payable on semi-annual in advance basis during the life of the Fund as per Trust Deed.

4.9 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Act/income Tax/2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984. Hence no provision for tax has been made.

4.10 Dividend policy

Pursuant to Rule 66 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001 or any amendments of the Rules by Bangladesh Securities and Exchange Commission time to time, the Fund shall distribute by way of dividend to the holders of the units after the closing of the accounts an amount which shall be minimum 70% of the annual net profit as decided in the trustee meeting.

4.11 Earnings per unit

Earnings per unit has been calculated in accordance with BAS-33 'Earnings per Share' and shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

5 General

i) Figures appearing in these financial statements have been rounded off to the nearest Taka; and
ii) Comparative figures and account titles in the financial statements have been rearranged / reclassified where necessary to conform with current year's presentation.

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		As at 31 Dec 2017	As at 31 Dec 2016	As at 14 Nov 2016
6	**Investments in securities at cost (Annexure - A)**	Taka	Taka	Taka
	Investment in listed securities	1,489,143,189	932,177,740	351,154,959
	Investment in non-listed securities	125,000,000	65,000,000	15,000,000
	Investment in IPO application	30,000,000	50,000,000	5,000,000
		1,644,143,189	**1,047,177,740**	**371,154,959**

The Fund did not recognize the unrealized gain of Tk. 195,860,972.19 (Annexure A) calculated at the year end due to conservative policy. The said unrealized gain will be recognised as and when it is realised.

6.1 The Fund has subscribed 48,00,000 shares of Taka 12.50 (including Taka 2.50 Premium) amounting Taka 60,000,000 dated 21 December 2017 of AFC Health Ltd. The Company has obtained necessary consent for raising paid-up capital through issuance of 70,000,000 Ordinary shares of Taka 10 each amounting Taka 700,000,000 from Bangladesh Securities and Exchange Commission.

6.2 The Fund has subscribed 600,000 shares of Taka 25 (including Taka 15 Premium) amounting Taka 15,000,000 dated 17 December 2013 of Bengal Poly and Paper Sack Ltd. The Company has obtained necessary consent for raising paid-up capital through issuance of 28,060,000 Ordinary shares of Taka 10 each amounting Taka 280,600,000 from Bangladesh Securities and Exchange Commission.

6.3 5,000,000 units SEML FBLSL Growth Fund at Taka 10 per unit for amount of Taka 50,000,000 have been valued at cost as approved by the Trustee of the fund as no financial statements and comparable data is available. The management of the Fund does not anticipate any major deviation in the valuation of this securities. The SEML FBLSL Growth Fund get consent for collection of Taka 55.00 Crore of total scheme (100.00 Crore) through Initial Public Offering (IPO) as per approval of BSEC on date 13 February 2018 by 629th meeting of commission.

7	**Issue and formation expenses**			
	Opening balance	44,072,919	10,354,385	-
	Add: Issue and formation expense made during the period	-	34,425,775	25,113,574
	Add: Reversal of BSEC fee	-	-	825,100
		44,072,919	**44,780,160**	**25,938,674**
	Less: Interest on FDRs - Escrow account	-	132,323	15,584,289
		-	**132,323**	**15,584,289**
		44,072,919	**44,647,837**	**10,354,385**
	Less: Amortization made during the year	4,464,784	574,917	-
		39,608,135	**44,072,919**	**10,354,385**
8	**Other receivables**			
	Dividend receivables			
	Aamra Network Ltd.	69,001	-	-
	ACI Limited	762,370	-	-
	BDCOM Online Ltd.	375,000	-	-
	Beximco Pharmaceuticals Ltd.	1,443,750	-	20,000
	Confidence Cement Ltd.	120,000	-	-
	Delta Brac Housing Finance Corp. Ltd.	-	-	60,000
	IFAD Autos Ltd.	3,255,000	-	-
	Investment Corporation of Bangladesh	150,000	-	-
	Matin Sprinning Mills Ltd.	-	173,089	-
	Mobile Jamuna Bangladesh Ltd.	-	1,470,867	1,470,867
	Nahee Aluminum Composite Panel Ltd.	14,423	-	-
	Olympic Industries Ltd.	-	120,000	-
	Regent Textile Mills Ltd.	-	29,800	29,800
	Renata Ltd.	220,665	-	129,315
	The ACME Labratories Ltd.	1,512,868	-	25,368
	Tosrifa Industries Ltd.	-	73,201	73,201
		7,923,077	**1,866,957**	**1,808,551**
	Interest receivables			
	Short term deposit (FDRs)	1,078,056	2,915,737	3,406,378
	Short term deposit (FDRs) - Escrow accounts	-	6,522,584	13,269,849
		1,078,056	**9,438,321**	**16,676,227**
	Tax Receivable			
	Tax refund on interest of STD accounts	40,795	2,757	-
		40,795	**2,757**	**-**
	Receivable from shareholders			
	Share money receivable	-	-	13,954,420
		-	**-**	**13,954,420**
		9,041,928	**11,308,035**	**32,439,198**

		As at 31 Jan 2017	As at 31 Dec 2016	As at 14 Nov 2016
		Taka	Taka	Taka
9	**Deposits and prepayments**			
	Deposit			
	Deposit with CDBL	500,000	500,000	500,000
		500,000	**500,000**	**500,000**
	Prepayments			
	Annual fees - DSE	168,825	1,018,825	1,218,825
	Annual fees - CSE	168,825	1,018,825	1,218,825
	Annual fees - CDBL	94,674	159,985	167,883
	Annual fees - BSEC	3,627,304	-	-
		4,059,628	**2,197,635**	**2,605,533**
		4,559,628	**2,697,635**	**3,105,533**
10	**Cash and cash equivalents**			
	Cash at bank with:			
	Rupali Bank Ltd.	3,062,055	322,589,218	557,862,218
	Midland Bank Ltd.	421,187	-	-
	The City Bank Ltd.	76,475,150	-	-
		79,958,392	**322,589,218**	**557,862,218**
	Short term deposits (FDRs) with:			
	AB Bank Ltd.	-	30,000,000	30,000,000
	Bangladesh Finance & Investment Company Ltd	-	-	100,000,000
	IDLC Finance Ltd.	-	-	100,000,000
	IPDC Finance Ltd.	-	13,800,000	92,900,000
	Meridian Finance & Investment Ltd.	-	100,000,000	-
	People's Leasing & Financial Services Ltd.	-	10,000,000	10,000,000
	Rupali Bank Ltd.	-	-	258,975,000
	Social Islami Bank Ltd.	30,000,000	-	-
	The City Bank Ltd.	30,000,000	-	-
	Union Bank Ltd.	-	-	39,400,000
	Union Bank Ltd. Askhona Br.	-	13,000,000	-
	Union Bank Ltd. Banani Br.	-	26,400,000	-
	Union Capital Ltd.	100,000,000	16,245,000	22,845,000
	Uttara Finance & Investments Ltd.	-	100,000,000	100,000,000
		160,000,000	**309,445,000**	**754,120,000**
		239,958,392	**632,034,218**	**1,311,982,218**
11	**Accounts payables**			
	Management fee	6,311,829	2,763,881	-
	Custodian fee	232,063	127,970	-
	Audit fee	40,000	145,000	110,000
	Publication & others fee	145,900	-	-
	Right share redemption	-	2,502,720	-
	Trustee fee	95,368	1,580	-
	BSEC fees	-	223,828	-
	CDBL fee - settlement and demat charges and line charges	33,654	48,768	9,762
	Bank charges and excise duty	25,345	-	-
		6,884,159	**5,813,747**	**119,762**
12	**Capital Fund**			
	Opening balance	1,587,450,000	1,587,450,000	1,050,000,000
	Add: New subscription of 53,745,000 units of Taka 10 each	-	-	537,450,000
		1,587,450,000	**1,587,450,000**	**1,587,450,000**
13	**Net Asset Value (NAV) per unit at cost**			
	Net Asset Value (NAV) at cost	1,930,427,113	1,731,476,800	1,728,916,530
	Net Asset Value (NAV) at cost	**1,930,427,113**	**1,731,476,800**	**1,728,916,530**
	Number of units	158,745,000	158,745,000	158,745,000
	Net Asset Value (NAV) per unit at cost	**12.16**	**10.91**	**10.89**
14	**Net Asset Value (NAV) per unit at market price**			
	Net Asset Value (NAV) at cost	1,930,427,113	1,731,476,800	1,728,916,530
	Add: Unrealized gain (Annexure - A)	195,860,972	18,133,110	3,839,048
	Net Asset Value (NAV) at market price	**2,126,288,085**	**1,749,609,910**	**1,732,755,578**
	Number of units	158,745,000	158,745,000	158,745,000
	Net Asset Value (NAV) per unit at market price	**13.39**	**11.02**	**10.92**

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		01 Jan 2017 to 31 Dec 2017	15 Nov 2016 to 31 Dec 2016	21 Nov 2013 to 14 Nov 2016
		Taka	Taka	Taka
15	**Net gain / (loss) on sale of marketable securities**			
	Aamra Networks Limited	4,573,820	-	-
	ACI Limited	-	-	1,255,976
	Active Fine Chemicals Limited	-	-	(1,812,726)
	AFC Agro Biotech Ltd.	-	-	2,840,724
	Aftab Automobiles Limited	-	-	117,801
	Al-Arafah Islami Bank Ltd.	-	-	127,000
	Aman Feed Limited	-	-	304,200
	Apex Foods Limited	-	-	1,083,122
	Apex Footwear Limited.	-	-	906,632
	Apex Tannery Limited	-		(34,960)
	Asian Tiger Sandhani Life Growth Fund	-	-	18,900
	Bangas Ltd.	-	-	1,177,185
	Bangladesh National Insurance Company Limited	-	-	60,077
	Bangladesh Submarine Cable Company Limited	-	-	(3,656,264)
	Baraka Power Limited	517,725	-	47,360
	Bata Shoe Company (Bangladesh) Limited	-	-	1,885,706
	BBS Cables Limited	3,097,749	-	-
	Bengal Windsor Thermoplastics Ltd.	-	-	122,500
	Beximco Pharmaceuticals Ltd.	15,193,045	-	379,472
	BRAC Bank Ltd.	25,107,161	-	1,226,860
	BSRM Steels Limited	-	-	369,947
	C & A Textiles Limited	-	-	166,000
	CAPM BDBL Mutual Fund 01	905,000	-	-
	Confidence Cement Ltd.	1,175,322	-	-
	Delta Brac Housing Finance Corporation Ltd	24,612	(28,858)	-
	Dhaka Electric Supply Company Ltd.	-	-	409,939
	Eastern Cables Ltd.	-	-	8,980
	Eastern Housing Limited	-	-	(319,153)
	Emerald Oil Industries Ltd.	-	-	497,150
	Envoy Textiles Limited	-	-	87,667
	Far Chemical Industries Limited	-		288,300
	Far East Knitting & Dyeing Industries Limited	-		249,380
	GlaxoSmithKline(GSK) Bangladesh Ltd.	-	-	2,425,046
	Grameenphone Ltd.	18,747,312	-	(1,183,502)
	Green Delta Insurance Ltd.	2,995,380	-	-
	Heidelberg Cement Bangladesh Ltd.	-	-	1,748,197
	Hwa Well Textiles (BD) Limited	-	-	425,100
	IDLC Finance Ltd.	4,204,284	-	-
	IFAD Autos Limited	25,558,330	-	486,870
	Investment Corporation Of Bangladesh Limited	3,405,103	-	-
	IPDC Finance Limited	5,622,274	-	6,854,632
	IT Consultants Limited	-	-	471,053
	Jamuna Oil Company Limited	-	-	(1,219,668)
	KDS Accessories Limited	-	-	802,560
	Khan Brothers PP Woven Bag Industries Limited	-	-	856,150
	Lafarge Surma Cement Ltd.	-	-	(14,895,414)
	LankaBangla Finance Ltd.	102,043	-	-
	Linde Bangladesh Limited	-	-	2,276,318
	Marico Bangladesh Limited	-	-	970,152
	Matin Spinning Mills Ltd.	111,708	-	50,395
	MBL 1st Mutual Fund	171,982	-	(135,000)
	Meghna Petroleum Limited	-	-	(7,661,115)
	Mercantile Bank Ltd.	5,809,340	-	-
	MJL Bangladesh Limited	(6,965,769)	-	143,871
	Nahee Aluminum Composite Panel Ltd.	1,323,006	-	-
	National Credit and Commerce Bank Ltd.	3,297,047	-	-
	National Feed Mill Limited	-	-	259,214
	National Tubes Limited	-	-	39,450
	NCCBL Mutual Fund-1	-	-	30,000
	Nurani Dyeing & Sweater Limited	856,265	-	-
	Balance carried forward	**115,832,739**	**(28,858)**	**552,085**

AMARSTOCK

		01 Jan 2017 to 31 Dec 2017	15 Nov 2016 to 31 Dec 2016	21 Nov 2013 to 14 Nov 2016
		Taka	Taka	Taka
	Balance brought forward	**115,832,739**	**(28,858)**	**552,085**
	Oimex Electrode Limited	2,420,808	-	-
	Olympic Accessories Limited	-	-	225,000
	Olympic Industries Ltd.	556,098	-	1,633,780
	Orion Pharma Ltd.	-	-	32,100
	Pacific Denims Limited	2,166,908	-	-
	Padma Oil Co. Ltd.	-	-	(14,633,713)
	Prime Bank Ltd.	-	-	(56,880)
	RAK Ceramics (Bangladesh) Limited	(1,082,716)	-	-
	Ratanpur Steel Re-Rolling Mills Limited	-	-	1,946,200
	Regent Textile Mills Limited	-	(23,842)	(613,906)
	Renata Ltd.	752,069	-	2,891,001
	Shahjibazar Power Company Ltd.	-	-	1,451,026
	Shasha Denims Limited	-	-	1,800
	Shepherd Industries Limited	614,993	-	-
	Simtex Industries Limited	-	-	54,000
	Square Pharmaceuticals Ltd.	5,848,691	-	(683,921)
	The ACME Laboratories Limited	600,603	-	725,656
	The City Bank Ltd.	34,798,840	-	161,521
	Titas Gas Transmission & Distribution Company Ltd.	-	-	(6,784,162)
	Tosrifa Industries Limited	-	-	144,065
	Trust Bank Limited	-	-	1,036,787
	Tung Hai Knitting & Dyeing Limited	-	-	450,000
	Union Capital Limited	535,120	-	-
	United Power Generation & Distribution Company Ltd.	13,124,263	-	38,981
		176,168,416	**(52,700)**	**(11,428,579)**
16	**Dividend income**			
	Aamra Network Ltd.	69,001	-	-
	ACI Limited	762,370	-	-
	Active Fine Chemicals Limited	-	-	53,281
	Apex Foods Industries Ltd.	-	-	83,360
	Apex Footwear Ltd.	88,035	-	626,336
	Apex Tannery Ltd.	-	-	174,024
	Bangladesh Submarine Cable Ind. Ltd.	-	-	35,000
	Baraka Power Ltd.	-	-	107,123
	Bata Shoe Company (Bangladesh) Ltd.	2,077,115	1,131,458	1,591,253
	BDCOM Online Ltd.	375,000	-	-
	Beximco Pharmaceuticals Ltd.	1,443,750	-	48,000
	BRAC Bank Ltd.	502,511	-	
	BSRM Steels Ltd.	-	-	194,838
	Confidence Cement Ltd.	120,000	-	-
	Delta Brac Housing Finance Corp. Ltd.	-	-	60,000
	Dhaka Electric Supply Company Ltd.	-	-	8,800
	Eastern Housing Ltd.	-	-	39,449
	GlaxoSmithKline Bangladesh Ltd.	-	-	410,656
	GrameenPhone Ltd.	11,232,624	-	6,972,050
	Green Delta Insurance Ltd.	3,332,900	-	-
	Green Delta Mutual Fund	977,497	-	822,085
	Heidelberg Cement Ltd.	3,705,000	-	2,175,046
	IDLC Finance Ltd.	1,126,227	-	-
	IFAD Autos Ltd.	3,255,000	-	176,680
	IPDC Finance Ltd.	8	-	-
	Investment Corporation of Bangladesh	150,000	-	-
	Jamuna Oil Company Ltd.	-	-	247,000
	Lafarge Surma Cement Ltd.	550,000	-	402,191
	Linde Bangladesh Ltd.	-	-	142,571
	LR Global Bangladesh Mutual Fund One	5,304,000	2,500,000	-
	Marico Bangladesh Ltd.	-	-	79,875
	Matin Spinning Mills Ltd.	-	173,089	328,191
	MBL 1st Mutual Fund	-	-	9,000
	Meghna Petroleum Ltd.	-	-	1,469,910
	Balance carried forward	**35,071,038**	**3,804,547**	**16,256,717**

AMARSTOCK

		01 Jan 2017 to 31 Dec 2017	15 Nov 2016 to 31 Dec 2016	21 Nov 2013 to 14 Nov 2016
		Taka	Taka	Taka
	Balance brought forward	**35,071,038**	**3,804,547**	**16,256,717**
	Mobile Jamuna Bangladesh Ltd.	-	-	1,770,867
	Nahee Aluminum Composite Panel Ltd.	14,423		
	Olympic Industries Ltd	-	120,000	-
	Padma Oil Company Ltd.	-	-	1,894,000
	Prime Bank Ltd.	-	-	87,900
	Ratanpur Steel Re-rolling Mills Ltd.	-	-	5,000
	Regent Textile Mills Ltd.	-	-	29,800
	Renata Ltd.	342,441	-	277,435
	Southeast Bank 1st Mutual Fund	1,350,000	-	-
	Southeast Bank Ltd	2,345,962	-	-
	Square Pharmaceuticals Ltd.	1,641,653	400,000	-
	The ACME Labratories Ltd.	1,512,868	-	25,368
	The City Bank Ltd.	3,186,960	-	105,000
	Titas Gas Transmission & Distribution Company Ltd.	-	-	633,926
	Tosrifa Industries Ltd.	-	-	80,701
	Trust Bank Ltd.	-	-	369,964
	United Power Generation & Distribution Company Ltd.	-	-	813,686
		45,465,345	**4,324,547**	**22,350,363**
17	**Interest income**			
	Interest income from FDR - net off tax	15,630,982	4,208,953	137,038,985
	Interest income from savings account - net off tax	4,445,788	18,383	338,090
		20,076,770	**4,227,336**	**137,377,075**
18	**CDBL - annual fees, settlement and demat and line charges**			
	Annual fees	112,211	7,897	-
	Transection fees	284,951	72,303	237,441
	Line fees	36,000	2,600	-
		433,162	**82,800**	**237,441**
19	**Earnings per unit during the year**			
	Net profit for the year (A)	198,950,313	2,560,270	141,466,530
	Number of units (B)	158,745,000	158,745,000	158,745,000
	Earnings per unit (A÷B)	**1.25**	**0.02**	**0.89**

20 **Events after the reporting year**

The Board of Trustees of the Fund has declared and approved cash dividend at the rate of 12% i.e. Taka 1.2 per unit for the year ended 31 December 2017 at its meeting held on 7 March 2018.

Trustee

Asset Manager

AMARSTOCK

Investment in Securities
Vanguard AML Rupali Bank Balanced Fund
As at 31 December 2017

ANNEXURE - A

Investment in listed securities

Amount in Taka

Sl. No.	Sectors	Name of Securities	Number of Share	Weighted Average Price	Total Cost Value	Market Price	Total Market Value	Unrealized Gain/(Loss)
1	Bank	The City Bank Ltd.	1,112,900	42.22	46,989,198	53.20	59,206,280	12,217,082
		One Bank Limited.	2,721,600	23.22	63,198,546	24.00	65,318,400	2,119,854
		Prime Bank Ltd.	1,748,034	23.36	40,829,704	27.40	47,896,132	7,066,427
		Southeast Bank Ltd.	1,200,000	20.38	24,451,800	22.20	26,640,000	2,188,200
2	Cement	Confidence Cement Ltd.	126,000	134.75	16,978,235	152.50	19,215,000	2,236,765
		Heidelberg Cement Bangladesh Ltd.	123,500	552.69	68,257,808	424.90	52,475,150	(15,782,658)
		Lafarge Surma Cement Ltd.	550,000	84.18	46,299,990	69.90	38,445,000	(7,854,990)
3	Engineering	IFAD Autos Limited	2,037,500	94.15	191,832,459	126.00	256,725,000	64,892,541
		Nahee Aluminum Composite Panel Ltd.	17,307	9.09	157,339	73.40	1,270,334	1,112,995
		Oimex Electrode Limited	25,781	9.09	234,380	65.20	1,680,921	1,446,541
4	Financial Institutions	Investment Corporation Of Bangladesh Limited	52,500	156.09	8,194,510	160.00	8,400,000	205,490
		IDLC Finance Ltd.	580,390	68.00	39,463,792	85.30	49,507,267	10,043,475
		IPDC Finance Limited	583,983	35.34	20,639,186	50.10	29,257,548	8,618,363
5	Fuel & Power	United Power Generation & Distribution Company Ltd.	58,835	144.31	8,490,598	181.10	10,655,019	2,164,420
6	Insurance	Green Delta Insurance Ltd.	1,092,250	60.05	65,594,309	61.40	67,064,150	1,469,841
7	IT Sector	Aamra Networks Limited	69,001	39.00	2,691,039	97.70	6,741,398	4,050,359
		BDCOM Online Ltd.	787,500	40.05	31,540,793	27.20	21,420,000	(10,120,793)
8	Mutual Funds (Closed end)[1]	Green Delta Mutual Fund	1,954,993	6.16	12,045,298	9.20	17,985,936	5,940,637
		ICB AMCL First Agrani Bank Mutual Fund	3,000,000	10.00	30,000,000	8.10	24,300,000	(2,230,500)
		LR Global Bangladesh Mutual Fund One	6,800,000	6.89	46,873,080	8.30	56,440,000	9,566,920
		Southeast Bank 1st Mutual Fund	1,000,000	12.10	12,100,000	14.20	14,200,000	2,100,000
	Mutual Funds (Open end)[1]	Peninsula Sadharan Bima Corporation Unit Fund One	1,000,000	10.00	10,000,000	9.90	9,900,000	(100,000)
		VIPB Accelerated Income Unit Fund	440,141	11.36	5,000,002	14.16	6,232,397	1,232,395
9	Pharmaceuticals & Chemicals	ACI Limited	209,588	496.67	104,095,045	459.80	96,368,562	(7,726,483)
		The ACME Laboratories Limited	332,248	112.44	37,358,463	114.00	37,876,272	517,809
		Active Fine Chemicals Limited	712,500	39.66	28,260,101	35.20	25,080,000	(3,180,101)
		Beximco Pharmaceuticals Ltd.	1,155,000	112.49	129,928,029	103.80	119,889,000	(10,039,029)
		Reckitt Benckiser (Bd.)Ltd.	6,400	2,132.60	13,648,660	1,776.20	11,367,680	(2,280,980)
		Renata Ltd.	28,110	934.50	26,268,868	1,124.20	31,601,262	5,332,394
		Square Pharmaceuticals Ltd.	579,206	243.29	140,916,290	301.80	174,804,371	33,888,081
10	Tannery Industries	Apex Footwear Limited.	17,607	431.83	7,603,308	328.60	5,785,660	(1,817,648)
		Bata Shoe Company (Bangladesh) Limited	62,787	1,171.39	73,547,849	1,171.80	73,573,807	25,958
11	Telecommunication	Grameenphone Ltd.	454,996	298.14	135,654,509	470.80	214,212,117	78,557,607
	Sub-Total				**1,489,143,189**		**1,681,534,661**	**195,860,972**

1. Detailed calculation of required provision for the mutual funds as per BSEC directive given in ANNEXURE - B.

Hoda Vasi Chowdhury & Co

Investment in non-listed securities

Sl. No.	Name of the Securities	Number of Shares	Face Value	Cost Per Share	Total Cost	Revalued Rate	Revalued Amount	Unrealized Gain/(Loss)
1	AFC Health Ltd.[2]	4,800,000	10.00	12.50	60,000,000	12.50	60,000,000	-
2	Bengal Poly & Paper Sack Ltd.[3]	600,000	10.00	25.00	15,000,000	25.00	15,000,000	-
3	SEML FBLSL Growth Fund[4]	5,000,000	10.00	10.00	50,000,000	10.00	50,000,000	-
	Sub-Total				**125,000,000**		**125,000,000**	-

2. The revalued rate of "AFC Health Ltd." has been calculated at Tk. 12.58 each on the basis of audited financial statements ended on 30 June 2017 and resulting unrealized gain Tk. 384,000, though it has not been considered to calculate total unrealized gain by the guidance of trustee "Investment Corporation of Bangladesh (ICB)".

3. The revalued rate of "Bengal Poly & Paper Sack Ltd." has been calculated at Tk. 27.27 each on the basis of audited financial statements ended on 30 June 2017 and resulting unrealized gain Tk. 1,362,000, though it has not been considered to calculate total unrealized gain by the guidance of trustee "Investment Corporation of Bangladesh (ICB)".

4. The BSEC approved the prospectus (draft) of the SEML FBLSL Growth Fund for IPO held on 13 February 2018 by 629th commission meeting.

Investment in IPO application

Sl. No.	Name of the Securities	Number of Shares	Face Value	Cost Per Share	Total Cost	Revalued Rate	Revalued Amount	Unrealized Gain/(Loss)
1	HF AML Unit Fund[5]	3,000,000	10.00	10.00	30,000,000	10.00	30,000,000	-
	Sub-Total				**30,000,000**		**30,000,000**	-
Total (investments in listed, non-listed securities and IPO application)					**1,644,143,189**		**1,836,534,661**	**195,860,972**

5. HF AML Unit Fund has been allotted 3,000,000 shares to the Fund at after the reporting period.

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Valuation of Mutual Fund
Vanguard AML Rupali Bank Balanced Fund
As at 31 December 2017

ANNEXURE-B

Detailed calculation of provision requirement for the mutual funds as pr BSEC directive ref. no. SEC/CMRRCD/2009-193/172 dated 30 June 2015.

Amount in Taka

Sector	Name of the Mutual Funds	No. of Unit	Cost price per unit	Cost value	Market price/ Surrender price per unit	Total market value	Unrealised gain/ (loss)	NAVcmp	85% of NAVcmp	Required provision	Unrealised loss recovery	Total adjusted unrealised gain / (loss)
Mutual Funds (Closed end)	Green Delta Mutual Fund	1,954,993	6.16	12,045,298	9.20	17,985,936	5,940,637	12.76	10.85	-	-	5,940,637
	ICB AMCL First Agrani Bank Mutual Fund	3,000,000	10.00	30,000,000	8.10	24,300,000	(5,700,000)	10.89	9.26	(2,230,500)	3,469,500	(2,230,500)
	LR Global Bangladesh Mutual Fund One	6,800,000	6.89	46,873,080	8.30	56,440,000	9,566,920	12.00	10.20	-	-	9,566,920
	Southeast Bank 1st Mutual Fund	1,000,000	12.10	12,100,000	14.20	14,200,000	2,100,000	16.17	13.74	-	-	2,100,000
Mutual Funds (Open end)	Peninsula Sadharan Bima Corporation Unit Fund One	1,000,000	10.00	10,000,000	9.90	9,900,000	(100,000)	N/A	N/A	(100,000)	-	(100,000)
	VIPB Accelerated Income Unit Fund	440,141	11.36	5,000,002	14.16	6,232,397	1,232,395	N/A	N/A	-	-	1,232,395
Total				**116,018,380**		**129,058,332**	**13,039,952**			**(2,330,500)**	**3,469,500**	**16,509,452**

The NAVcmp of mutual funds based on 28/12/2017 except ICB AMCL First Agrani Bank Mutual Fund which is based on 26/12/2017

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