

PRIME FINANCE FIRST MUTUAL FUND

Statement of Financial Position (Un-audited)

as at March 31, 2022

Particulars	Notes	Amount in Taka	
		March 31, 2022	December 31, 2021
ASSETS			
Investable securities -at market	3.00	285,294,615	269,377,310
Bank and Cash equivalents	4.00	8,800,566	14,143,050
Other current assets	5.00	2,303,055	26,791,739
Assets		296,398,236	310,312,099
TOTAL AND LIABILITIES			
Capital	6.00	200,000,000	200,000,000
Reserve equalization fund	7.00	15,214,548	7,714,548
Accumulated earnings	8.00	23,016,674	36,391,035
Realized gain/ (losses) on investments	9.00	(93,233,673)	(88,174,908)
Equity (A)		144,997,549	155,930,675
Liabilities :			
Liabilities	10.00	147,529,511	147,529,511
Dividend / Unpaid Dividend	11.00	2,181,706	1,572,780
Other liabilities	12.00	1,689,470	5,279,133
Liabilities (B)		151,400,687	154,381,424
Equity and Liabilities (A+B)		296,398,236	310,312,099
Asset Value (NAV) per unit			
Asset Value-at cost	13.00	19.29	19.58
Asset Value-at market	14.00	14.63	15.17

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

Member-Secretary of Trustee Committee

25 April, 2022

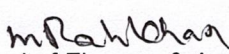


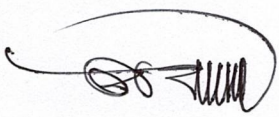
PRIME FINANCE FIRST MUTUAL FUND
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the period from January 01, 2022 to March 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to March 31, 2022	January 01, 2021 to March 31, 2021
Income			
Income from sale of investment		12,793,076	10,258,028
Income from investment in shares		3,041,512	1,631,717
Income on bank deposits	15.00	105,196	816
Income		15,939,784	11,890,561
Expenses			
Management fee		1,324,030	1,098,266
Brokerage fee		50,000	50,000
Admin fee		70,143	60,228
SEC fee		73,463	56,847
Other fees		50,000	-
Operating expenses	16.00	28,750	7,187
Expenses		217,759	38,410
Income before provision		1,814,145	1,310,938
Provision against marketable investment	10.00	14,125,639	10,579,623
Income for the period ended March 31, 2022		-	4,970,489
Income for the period ended March 31, 2022		14,125,639	5,609,134
Other Comprehensive Income			
Unrealized gain/ (losses) on investments	17.00	(5,058,765)	(4,589,677)
Other Comprehensive Income		9,066,874	1,019,457
Income Per Unit	18.00	0.71	0.28


Chief Executive Officer


Chairman of Trustee Committee


Head of Finance & Accounts
April, 2022


Member-Secretary of Trustee Committee



For the period from January 01, 2022 to March 31, 2022

Particulars	Unit Capital	Dividend equalization fund	Unrealized gain/ (losses) on investments	Retained Earnings	Total Equity
Balance as at January 01, 2022	200,000,000	7,714,548	(88,174,908)	36,391,035	155,930,675
Unrealized gain/ (losses) on investments	-	-	(5,058,765)	-	(5,058,765)
Dividend equalization fund	-	7,500,000	-	(7,500,000)	-
Dividend paid for FY 2021	-	-	-	(20,000,000)	(20,000,000)
Net Income for the year ended March 31, 2022	-	-	-	14,125,639	14,125,639
Balance as at March 31, 2022	200,000,000	15,214,548	(93,233,673)	23,016,674	144,997,549

Statement of Changes in Equity (Un-audited)
For the period from January 01, 2021 to March 31, 2021

Balance as at January 01, 2021	200,000,000	16,128,426	(128,131,439)	15,892,719	103,889,706
Provision/ Reserve for Investment	-	-	-	-	-
Unrealized gain/ (losses) on investments	-	-	(4,589,677)	-	(4,589,677)
Dividend paid for FY 2020	-	(8,413,878)	-	(7,586,122)	(16,000,000)
Net Income for the year ended March 31, 2021	-	-	-	5,609,134	5,609,134
Balance as at March 31, 2021	200,000,000	7,714,548	(132,721,116)	13,915,731	88,909,163

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

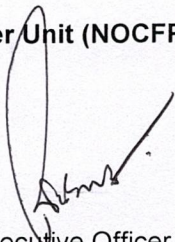
Member-Secretary of Trustee Committee

Dated: 25 April, 2022

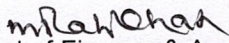


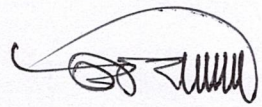
PRIME FINANCE FIRST MUTUAL FUND
Statement of Cash Flows (Un-audited)
For the period from January 01, 2022 to March 31, 2022

Particulars	Notes	Amount in Taka	
		January 01, 2022 to March 31, 2022	January 01, 2021 to March 31, 2021
Cash flows from Operating Activities:			
from investment in shares		4,583,731	3,643,158
on bank deposits		191,321	816
operating expenses		(5,403,808)	(314,684)
used in Operating Activities (A)	20.00	(628,756)	3,329,290
Cash flows from Investing Activities:			
of marketable securities		(49,563,286)	(48,746,685)
marketable securities		41,380,292	53,445,969
on for investment in shares		(3,750,000)	(12,880,000)
ceived from investment in shares		26,610,340	12,880,000
from Investing Activities (B)		14,677,346	4,699,284
Cash flows from Financing Activities:			
aid		(19,391,074)	(15,582,043)
from Financing Activities (C)		(19,391,074)	(15,582,043)
Use/(Decrease) in Cash (D = A+B+C)		(5,342,484)	(7,553,469)
Cash and bank balances (E)		14,143,050	13,489,592
Cash and bank balances (F = D+E)		8,800,566	5,936,123
Net Cash Flow Per Unit (NOCFPU)	19.00	(0.03)	0.17


 Chief Executive Officer


 Chairman of Trustee Committee


 Head of Finance & Accounts


 Member-Secretary of Trustee Committee

25 April, 2022



PRIME FINANCE FIRST MUTUAL FUND
Notes to the financial statements (Un-audited)
For the period from January 01, 2022 to March 31, 2022

Legal Status and Nature of Business

Prime Finance First Mutual Fund (hereinafter called as "Fund") was established under a Trust Deed signed on February 19, 2008 between Prime Finance & Investment Limited as 'Sponsor' and the Investment Corporation of Bangladesh (ICB) as "Trustee". The Fund was registered with the Bangladesh Securities and Exchange Commission (BSEC) on May 22, 2008 under the Securities and Exchange Commission (Mutual Fund) Ordinance, 2001 (Rules) 2001. The operations of the Fund was commenced on February 18, 2009 by listing with Dhaka and Chittagong Stock Exchanges.

As provided in Trust Deed, ICB Asset Management Company Ltd (ICB AMCL) is the Manager of the Fund. ICB AMCL was created as part of the restructuring programme of ICB under Capital Market Development Programme initiated by the Government of Bangladesh and Asian Development Bank. The Company was incorporated as a public limited company under Companies Act 1994 on December 05, 2000 with an authorised capital of Taka 100 crore and a paid-up capital of Taka 2 lac which was subsequently increased to Taka 39.37 crore.

Prime Finance First Mutual Fund is a close ended Mutual Fund of ten years' tenure. The objective of the Fund is to provide attractive dividend to the unit holders by investing the proceeds in the Capital Market and Money Market. The Fund consists of 20,000,000 units of Taka 10 each. The units of the Fund are transferable.

Significant Accounting Policies

Basis of Preparation of Accounts

These financial statements are prepared on the accrual basis accounting, under historical cost convention as modified for investments, which are 'market-to-market' and in the International Financial Reporting Standards (IFRSs) so far adopted and applicable to the Fund. The disclosures of information made in accordance with the requirements of Trust Deed, Securities and Exchange Rules 1987, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) অর্ডিন্যান্স ২০০১ and other applicable Rules and Regulations. In case there are differences between IFRS and local statutory requirements such as Mutual Fund Rules, the local regulation has been prevailed.

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Financial Instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

01: Investments in shares which are actively traded on a quoted market are designated at fair value (market price) through other comprehensive income (FVTOCI). Gains or losses arising from a change in the fair value of such financial assets are recognized in other comprehensive income of statement of profit or loss and other comprehensive income. In accordance with Mutual Fund Rules 2001(enclosure-2, Contents of Revenue Account) , such unrealized loss will be charged in profit and loss account.

02: The market value of listed securities are valued at average closing quoted market price on the Dhaka and Chittagong stock exchanges on the date of valuation i.e., on March 31, 2022.

Reporting period

These financial statements cover the period from 01 January 2022 to 31 March 2022.

Provision for unrealized losses on Marketable Investments

In order to meet any future unforeseen diminution in the value of the investment portfolio over the cost, the management has established a policy of making provision. Such provision is created on lump-sum basis when satisfactory unit performance is ensured and transferred to income on rational basis subsequently, if required, to ensure consistent distribution of dividend at a reasonable rate even in the bear market scenario.

Investment Policy

The fund shall invest subject to the Securities and Exchanges 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.

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

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

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

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, ventures or securitized debts.

Dividend policy

per Rule 66 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা ২০০১, the Fund is required to distribute in the form of dividend to its unit holders an amount which shall not be less than 70% of annual profit during the year, net of provisions.

Management fee

3 Asset Management Company Ltd, the management company of the Fund is to be paid an annual management fees on weekly average net asset value (NAV) as per Rule 65 of Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 and Trust Deed at the following rates:

<u>NAV (Taka)</u>	<u>Rate (%)</u>
Not exceeding Taka 5 crore	2.25%
Exceeding Taka 5 crore and up to Taka 25 crore	1.75% on additional amount
Exceeding Taka 25 crore and up to Taka 50 crore	1.25% on additional amount
Exceeding Taka 50 crore	0.75% on additional amount

Trustee fee

The Trustee is entitled to get an annual Trustee fee of Taka 2 lac, payable semi-annually during the entire life of the Fund as per Trust Deed.

Custodian fee

The Custodian is entitled to receive a safekeeping fee @ 0.10% of the balance of securities and assets held by the fund calculated on the basis of average month end value per annum.

Annual BSEC fee

per Rule 11 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা ২০০১, Fund is required to pay an annual fee to BSEC an amount equal to @ 0.10% of the Net Asset Value (NAV) of the Fund or Tk 50,000.00 whichever is higher.

Stock Exchange Annual Listing fee

As per listing regulations the Fund is required to pay amount equal to @ 0.05% of the Capital of the Fund to Dhaka & Chittagong stock exchanges as annual listing fee.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and term deposits.

Statement of cash flows

Statement of cash flows has been prepared under the direct method for the period , classified by operating , investing and financing activities as prescribed in paragraph 10 and 18(a) of IAS 7: Statements of Cash Flows . In accordance with সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা ২০০১, proceeds from investments has been shown under investing activities . However, the amount of resultant gain on sale of investments has been shown in operating activities.

Dividend Equalization Reserve:

Visible profit is transferred to Dividend Equalization Reserve on rational basis based on the decision of the Board of Trustee to ensure reasonable dividend from year to year.

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.

Financial Risk Management

ICB AMCL seeks to reduce financial risks (specially market risk- interest rate, currency & price, credit risk, liquidity risk and concentration risk) by employing and overseeing professional and experienced portfolio advisers that regularly monitor the Funds' positions and market events and diversify investment portfolios within the constraints of each Fund's investment objectives, investment strategies and applicable ICB AMCL policies and procedures.

Net Asset Value (NAV) Per Unit

The mutual fund calculates Net Asset Value per share using the cost and market value, which has been shown on the face of Statement of Financial Position, and the computation of NAV per unit is stated in Note 13 and 14.

Components of financial statements

Statement of Financial Position
Statement of Profit or Loss and Other Comprehensive Income
Statement of Changes in Equity
Statement of Cash Flows
Notes to the Financial Statements

Revenue Recognition

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.

Cash Dividend is recognized on accrual basis. Dividends are recognized immediately after the record date as per industry practice, though as per IFRS-9 (Financial Instrument) dividends should be recognized when shareholders' right to receive dividend is established.

Interest income is recognized on accrual basis.

Earnings Per Unit

The mutual fund calculates Earnings Per Unit (EPU) in accordance with IAS 33. Earnings Per Share, which has been shown on the face of the statement of Profit or Loss and other Comprehensive Income.

General

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

Marketable Securities (At Market)

Equity shares (note 3.01)

Unit certificate

Amount in Taka	
March 31, 2022	December 31, 2021
285,294,615	269,377,310
285,294,615	269,377,310

3.01 Sector-wise break up of investment in shares are as follows:

Sector/category	Amounts in Taka		
	Cost	Market value	Difference
BANKS	56,737,269	46,759,085	(9,978,184)
FUNDS	29,704,005	28,562,553	(1,141,452)
ENGINEERING	52,141,785	31,340,468	(20,801,316)
FOOD AND ALLIED PRODUCTS	20,677,372	16,388,844	(4,288,528)
FUEL AND POWER	69,561,775	60,091,250	(9,470,525)
TEXTILES	12,584,067	4,563,922	(8,020,145)
PHARMACEUTICALS AND CHEMICAL	16,447,918	15,668,745	(779,173)
SERVICES	7,298,958	6,237,000	(1,061,958)
CEMENT	32,820,606	23,320,522	(9,500,084)
CERAMIC INDUSTRY	1,648,611	1,765,000	116,389
INSURANCE	18,281,640	15,785,000	(2,496,640)
TELECOMMUNICATION	10,280,409	9,408,235	(872,174)
FINANCE AND LEASING	800,000	2,684,000	1,884,000
CORPORATE BOND	44,378,873	18,247,102	(26,131,771)
MISCELLANEOUS	5,165,000	4,472,890	(692,110)
	378,528,288	285,294,615	(93,233,673)

Cash and Cash equivalents

IC Bank Ltd, Motijheel Br 1001-183099-041	18,570	21,569
Prime Bank, Kakrail Br '14831030002961	43,039	95,138
Amuna Bank Ltd., Kakrail Branch 0090320001173	8,369,371	3,709,862
IC, Federation Br (D/A 2009) 1008-000217-041	1,114	1,114
JIBL, Motijheel, (D/A 2010) 4015 1310000078 5	776	776
JIBL, Motijheel, (D/A 2011) 4015 1310000102 1	836	836
JIBL, Motijheel, (D/A 2012) 4015 1310000130 1	793	793
IC, Principal (D/A account 2013) 1008-000544-041	1,435	1,435
IC, Principal (D/A account 2014) 1001-709965-041	983	983
C, Principal (D/A account 2015) 1001-042399-041	916	916
C, Principal (D/A account 2016) 1001-027712-041	1,102	1,102
L, Shantinagar (D/A 2017) 0009-0320000674	1,810	1,810
L, Shantinagar (D/A 2018) 0090320000790	92,663	92,663
L, Shantinagar (D/A 2019) 0090320000914	48,356	48,356
L, Shantinagar (D/A 2020) 0090320001093	163,297	165,697
L, Shantinagar (D/A 2020) 0090320001324	55,505	-
R with		
aka Bank Ltd., Shahjahanpur Branch	-	10,000,000
	8,800,566	14,143,050

Other Current Assets

Dividend receivables	1,503,055	3,045,274
Interest receivable	-	86,125
Share application money	-	22,860,340
Securities and others deposits	300,000	300,000
Receivable from Sale of shares	500,000	500,000
	2,303,055	26,791,739

Capital

100,000 units of Taka 10 each fully paid

200,000,000	200,000,000
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		Amount in Taka	
		March 31, 2022	December 31, 2021
Dividend equalization fund			
Balance as at 1st January		7,714,548	16,128,426
Less: Dividend paid for FY 2021		-	8,413,878
Add: Addition for this year		7,500,000	-
		15,214,548	7,714,548
Retained earnings			
Opening Balance		36,391,035	15,892,719
Less: Dividend paid for FY 2021		20,000,000	7,586,122
Less: Dividend Equalization Fund		7,500,000	-
		8,891,035	8,306,597
Add: Net income for the year		14,125,639	28,084,438
Closing Balance		23,016,674	36,391,035
Unrealized gain/ (losses) on investments			
Opening balance		(88,174,908)	(128,131,439)
Add/Less: Adjustment during the period		(5,058,765)	39,956,531
Closing Balance		(93,233,673)	(88,174,908)
Other Liabilities			
Provision for Other Investment (Note 10.01)		147,200,000	147,200,000
Provision for Mutual Fund (Note 10.02)		329,511	329,511
		147,529,511	147,529,511
10.01 Provision for Other Investment			
Balance as at 1st January		147,200,000	128,200,000
Add: Addition for this year		-	19,000,000
		147,200,000	147,200,000
10.02 Provision for Investments in Mutual Fund			
Balance as at 1st January		329,511	329,511
Add: Addition for this year		-	-
		329,511	329,511
Unclaimed / Unpaid Dividend			
Opening Balance		1,572,780	15,150,446
Add: Addition for this year		20,000,000	16,000,000
Less: Dividend credited to investors account		(19,391,074)	(15,957,156)
Less: Paid to Capital Market Stabilization Fund (FY 2009 to 2017)		-	(13,620,510)
Closing Balance as at December 31, 2021 (11.01)		2,181,706	1,572,780
Year wise breakup of unclaimed/ Dividend payable as on March 31, 2022			
Dividend payable for FY 2018		519,779	519,779
Dividend payable for FY 2019		562,122	562,122
Dividend payable for FY 2020		488,479	490,879
Dividend payable for FY 2021		611,326	-
		2,181,706	1,572,780
Current Liabilities			
Management fee - ICB AMCL		1,324,030	4,996,555
Trustee fee - ICB		50,000	-
Stodian fee - ICB		70,143	-
Audit fee		28,750	28,750
Annual fee payable to BSEC		71,724	3,642
Annual listing fee		50,000	200,000
Other		94,823	50,186
		1,689,470	5,279,133

Net Asset Value (NAV) Per Unit (At Cost Price) :

Total Assets (Investment considered at cost price)

Less: Liabilities

Net Asset Value**Number of Units****NAV per Unit at Cost****Net Asset Value (NAV) Per Unit (At Market Price) :**

Total Assets

Less: Liabilities

Net Asset Value**Number of Units****NAV per Unit at Market Value****Interest on Bank Deposits**

Interest on Short term deposits

Interest on Fixed deposits

Corporate bonds

Other Operating Expenses

Advertisement

Printing and Stationary

Bank charges & Excise duty

IPO application expenses

DBL charges

Dividend distribution expenses

Others

Calculation of Unrealized gain/ (losses) on investments

Unrealized Gain/(losses) as on December 31, 2021

Unrealized Gain/(losses) as on March 31, 2022

Increase/(decrease)**EPU**

Net profit after Provision

Number of Units

Earnings Per Unit**Earnings Per Unit (EPU) has been increased due to increase of Profit on sale of investments and dividend income than previous year.******NOCFPU**

Net cash inflow/(outflow) from operating activities

Number of Units

NOCFPU Per Unit**Net operating cash flow per unit (NOCFPU) has been decreased due to increase of operating expenses in previous year.****

Amount in Taka	
March 31, 2022	December 31, 2021

389,631,909 398,487,007

3,871,176 6,851,913

385,760,733 391,635,094**20,000,000 20,000,000****19.29 19.58**

296,398,236 310,312,099

3,871,176 6,851,913

292,527,060 303,460,186**20,000,000 20,000,000****14.63 15.17**

Amount in Taka	
January 01, 2022 to March 31, 2022	January 01, 2021 to March 31, 2021

9,433 816

60,125 -

35,638 -

105,196 816

110,829.00 5,254

32,318.00 -

36,269 16,154

5,000 12,000

13,538 -

12,083 -

7,722 5,002

217,759 38,410

(88,174,908) (128,131,439)

(93,233,673) (132,721,116)

(5,058,765) (4,589,677)

14,125,639 5,609,134

20,000,000 20,000,000

0.71 0.28

(628,756) 3,329,290

20,000,000 20,000,000

(0.03) 0.17

Reconciliation between net profit to operating cash flow

Net Profit before provision

Less: Profit on sale of investment

Operating cash flow before changes in working capital

Changes in Working capital:

Decrease/(Increase) of Other Current Assets

(Decrease)/Increase of Current liabilities

Net operating cash flows

Amount in Taka	
January 01, 2022 to March 31, 2022	January 01, 2021 to March 31, 2021
14,125,639	10,579,623
(12,793,076)	(10,258,028)
1,332,563	321,595
1,628,344	2,011,441
(3,589,663)	996,254
(1,961,319)	3,007,695
(628,756)	3,329,290