ICB AMCL ISLAMIC UNIT FUND
Asset Manager: ICB Asset Management Company Limited
Green City Edge (4th Floor), 89 Kakrail, Dhaka-1000.

In terms of the Rule 69 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001, the yearly audited accounts of the ICB AMCL ISLAMIC UNIT FUND for the period ended 30 June 2018 are appended below:

Statement of Financial Position
as at June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Assets			
Marketable investment -at cost	3	66,68,10,731	49,56,07,151
Cash at bank	4	11,34,29,995	10,95,36,190
Other current assets	5	98,81,444	80,52,500
Deferred revenue expenditure	6	14,91,344	18,64,180
		79,16,13,514	**61,50,60,021**
Capital and Liabilities			
Unit capital	7	68,73,74,050	53,43,16,080
Reserves and surplus	8	6,70,37,244	5,28,93,249
Provisions	9	1,13,59,529	59,97,294
Current liabilities	10	2,58,42,691	2,18,53,398
		79,16,13,514	**61,50,60,021**
Net Asset Value (NAV)			
At cost price		**11.14**	**11.10**
At market price		**9.89**	**11.03**

Statement of Profit or Loss and Other Comprehensive Income
for the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		June 30, 2018	June 30, 2017
Income			
Profit on sale of investments		4,49,13,803	3,49,53,879
Dividend from investment in shares		1,96,66,760	1,21,66,489
Premium on sale of units		63,31,317	70,99,968
Profit on Bank deposits and Bond	11	42,84,759	30,75,638
Other income		-	18
Total Income		**7,51,96,639**	**5,72,95,992**
Expenses			
Management fee		1,02,07,569	77,53,460
Trustee fee		6,20,757	4,16,897
Custodian fee		5,50,664	4,05,076
Annual fee		6,36,557	5,89,403
Audit fee		23,000	17,250
Unit sales commission		72,919	88,016
Shariah advisory board fee		1,42,600	1,33,400
Other expenses	12	7,03,538	5,79,510
Preliminary expenses written off		3,72,836	3,72,836
Total Expenses		**1,33,30,440**	**1,03,55,848**
Profit before provision		**6,18,66,199**	**4,69,40,144**
Provision against marketable investment	9	39,34,725	10,00,000
Provision for Interest against dividend		13,89,620	20,19,279
Net Profit for the period		**5,65,41,854**	**4,39,20,865**
Earnings Per Unit		**0.82**	**0.82**

Statement of Changes in Equity
for the year ended 30 June 2018

Particulars	Unit Capital	Unit Premium reserve	Provisions	Retained Earnings	Total Equity
Balance as at July 01, 2017	**53,43,16,080**	**20,28,603**	**59,97,294**	**5,08,64,646**	**59,32,06,623**
Unit Capital	15,30,57,970	-	-	-	15,30,57,970
Unit premium reserve	-	3,55,741	-	-	3,55,741
Last Year Dividend	-	-	-	(4,27,45,286)	(4,27,45,286)
Provisions	-	-	40,17,870	-	40,17,870
Last year adjustment	-	-	-	(8,314)	(8,314)
Net profit after tax	-	-	-	5,65,41,854	5,65,41,854
Balance as at June 30, 2018	**68,73,74,050**	**23,84,344**	**1,00,15,164**	**6,46,52,900**	**76,44,26,458**
Balance as at July 01, 2016	**35,11,51,440**	**20,28,603**	**29,20,251**	**3,50,63,396**	**39,11,63,690**
Unit Capital	18,31,64,640	-	-	-	18,31,64,640
Unit premium reserve	-	-	-	-	-
Last Year Dividend	-	-	-	(2,80,92,115)	(2,80,92,115)
Provisions	-	-	30,77,043	-	30,77,043
Last year adjustment	-	-	-	(27,500)	(27,500)
Net profit after tax	-	-	-	4,39,20,865	4,39,20,865
Balance as at June 30, 2017	**53,43,16,080**	**20,28,603**	**59,97,294**	**5,08,64,646**	**59,32,06,623**

Statement of Cash Flows
for the year ended 30 June 2018

Particulars	Amount in Taka	
	June 30, 2018	June 30, 2017
Cash flow from operating activities		
Dividend from investment in shares	1,47,97,760	1,22,36,389
Profit on bank deposits and bond	15,24,815	30,75,638
Premium income on unit sold	63,31,317	70,99,968
Other income	-	18
Expenses	(1,03,68,963)	(76,08,174)
Net cash inflow/(outflow) from operating activities	**1,22,84,929**	**1,48,03,839**
Cash flow from investment activities		
Purchase of shares-marketable investment	(39,01,71,465)	(33,92,52,674)
Sale of shares-marketable investment	26,38,81,439	22,89,47,653
Securities deposit refunded	-	2,00,000
Share application money deposited	(1,62,00,000)	(6,27,00,000)
Share application money refunded	2,20,00,000	5,47,00,000
Net cash in flow/(outflow) from investment activities	**(12,04,90,026)**	**(11,81,05,021)**
Cash flow from financing activities		
Unit capital sold	21,10,43,900	23,66,65,610
Unit capital surrendered	(5,79,85,930)	(5,35,00,970)
Premium received on sales	3,65,498	-
Premium adjustment on unit surrendered	(9,757)	(1,05,210)
Dividend paid	(4,13,14,809)	(2,69,12,278)
Net cash in flow/(outflow) from financing activities	**11,20,98,902**	**15,61,47,152**
Increase/(Decrease) in cash	**38,93,805**	**5,28,45,970**
Cash equivalent at beginning of the period	10,95,36,190	5,66,90,220
Cash equivalent at end of the period	**11,34,29,995**	**10,95,36,190**
Net Operating Cash Flow Per Unit (NOCFPU)	**0.18**	**0.28**

General Information:

Sponsor	ICB Capital Management Ltd.
Trustee	Investment Corporation of Bangladesh
Custodian	Investment Corporation of Bangladesh
Auditor	Khan Wahab Shafique Rahman & Co.
Banker	Shahjalal Islami Bank Ltd., Motijheel Branch

Other Financial Information:	**June 30, 2018**	**June 30, 2017**
Dividend (cash)	0.80	0.80

The detailed annual report is available for inspection at the Head Office of ICB Asset Management Company Ltd. Interested Investors can collect a copy of annual report on payment of Tk. 20.00 only.

Sd/-	Sd/-	Sd/-
Asset Manager	**Trustee**	**Khan Wahab Shafique Rahman & Co.**
ICB Asset Management Company Ltd.	**Investment Corporation of Bangladesh**	**Chartered Accountants**

ICB AMCL ISLAMIC UNIT FUND
Notes to the financial statements
for the year ended June 30, 2018

1 Legal status and nature of business

ICB AMCL Islamic Unit Fund was established under a Trust Deed executed between the ICB Capital Management Limited as 'Sponsor' and Investment Corporation of Bangladesh as "Trustee". The Trust Deed was executed on 07 July 2015 The Fund was registered with the Bangladesh Securities and Exchange Commission (BSEC) on 30 July 2015 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001. The prospectus was approved by the BSEC on 07 April 2015 in accordance with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001. The operation of the Fund commenced on 29 July 2015.

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 (CMDP) initiated by the Government of the Peoples' Republic of Bangladesh and the Asian Development Bank (ADB). The Company was incorporated as a public limited company under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms on 5 December, 2000 with an authorized capital of Tk 100 crore and a nominal paid up capital of Tk 2 lac which was subsequently increased to Tk 39.37 crore. Registration of the company with the SEC has been completed on 14 October 2001. The Company became operational from 1 July 2002 as per government gazette notification.

ICB AMCL Islamic Unit Fund is an open ended Mutual Fund. The objective of the Fund is to provide attractive dividend to the unit holders by investing the fund only in Shariah compliant instruments of capital market and money market.

2 Significant Accounting Policies

2.1 Basis of preparation of accounts

These financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), applicable to the Fund so far adopted by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BASs)/Bangladesh Financial Reporting Standards except IAS 39(BAS 39)& IAS 32(BAS 32). The disclosures of information made in accordance with the requirements of Trust Deed, Securities and Exchange Rules 1987 and other applicable Rules and regulations.

2.2 Investment

(a) All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognized at the trade date. Trade date is the date on which the Fund commits to purchase or sell the investments.

(b) Bonus entitlements, if any, are not accounted for as income rather included in the portfolio to reduce the average cost.

2.2.1 Valuation of investments

The market value of listed securities are valued at average closing quoted market price on the stock exchanges on the date of valuation ie, on 30 June 2018.

As per requirement of IAS 32 (BAS 32) the financial assets must be classified whether it is debt instrument or equity instrument and the subsequent measurement of financial assets will be based on this classification as per IAS 39 (BAS 39). Debt instruments would normally be measured at fair value through profit and loss, but could be measured at amortized cost if they have been shown to do so, provided the passing of "business model test" and "contractual cash flow characteristics test". Equity instruments would be measured at "fair value through profit and loss" or "fair value through comprehensive income", provided that the equity instrument cannot be held for trading and there must be an irrevocable choice for this designation up on initial recognition.

Considering the volatility of the stock markets in Bangladesh, the fund measures and recognize the investment in financial assets at cost. If the fund measures and recognize the financial assets at fair value through the recognition of fair value gain in the profit and loss account and distributes the 50% of this gain among unit holders (Rule 66 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001), there would not be any option open to the fund to adjust the fair value losses in case of unlikely circumstances in the subsequent period.

2.3 Provision for marketable investment

The investments have been valued on aggregate portfolio basis and a provision is required to be made considering overall decrease in the value of the investments. To meet any future unforeseen diminution in the value of the investment portfolio over the cost, the management has established a policy of making a general provision out of its profit and has set up an accumulated general provision for Tk 59,34,825.

Provision against unrealized losses arising from investment in mutual fund units are maintained as per Bangladesh Securities and Exchange Commission directive no. SEC/CMRRCD/2009-193/172 as on 30 June 2015. Provision is calculated as, Required Provision (RP)= Average cost price (CP) - NAVcmp*85%.

2.4 Provision for Interest against Dividend

To comply Shariah Law as per the guidance of Shariah Advisory Board of ICB AMCL Islamic Unit Fund provision Tk. 20,19,279 has been made against interest among dividend income during the year and cumulative balance as at 30.06.17 is Tk. 54,24,804.

2.5 Deferred Revenue Expenditure (Preliminary and Issue Expenses)

Preliminary and issue expenses represent expenditure incurred prior to commencement of operations and establishment of the Fund. These costs are amortised within seven years' tenure.

2.6 Taxation

The income of the Fund is exempted from income tax as per SRO no. 333 Dated 27.10.2011.

2.7 Pricing of units

Units issued are recorded at the offer price, determined by the management Company for the applications received during business hours on that date/week. The offer price represents the Net Asset Value per unit as of the close of the business day of each week plus the allowable difference between sales and repurchases prices (at present Tk. 0.30 (paisa thirty) only). Units redeemed are recorded at the redemption price. The redemption price represents Net Asset Value.

2.8 Premium on sale of units

This indicates the difference between sales and repurchase price, which at present is Tk 0.30 per unit.

2.9 Dividend policy

As per Rule 66 of the wসকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001, the Fund is required to distribute in the form of dividend to its unit holders an amount which shall not be less than 50% of annual profit during the year, net of provisions.

2.10 Management fee

ICB 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:

NAV (Taka)	Rate (%)
Not exceeding Taka 5 crore	2.50%
Exceeding Taka 5 crore and up to Taka 25 crore	2.00% on additional amount
Exceeding Taka 25 crore and up to Taka 50 crore	1.50% on additional amount
Exceeding Taka 50 crore	1.00% on additional amount

2.11 Trusteeship fee

The Trustee is entitled to an annual Trusteeship Fee of @ 0.10% on weekly average NAV of the Fund on semi annual in advance basis during the entire life of the Fund.

2.12 Custodian fee

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

2.13 Registration and other charges/annual fee to SEC

As per Rule 11 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001, the Fund is required to pay an annual fee to SEC an amount equal to @ 0.10% of the value of the Fund or Tk 50,000 whichever is higher.

2.14 Revenue recognization

Gains/losses arising on sale of investment are included in the Revenue Account on the date at which the transaction takes place. Dividend and interest income are recognised on accrual basis.

	Amount in Taka	
	June 30,2018	**June 30,2017**
3 Marketable investment at cost		
Non listed securities (Note 3.1)	2,00,00,815	-
Equity shares (Note 3.2)	64,68,09,916	49,56,07,151
	66,68,10,731	**49,56,07,151**
3.1 Non listed securities		
Unit Certificate :	2,00,00,815	-

3.2 Sector wise break up of investments in shares is as follows:

Sector/category	No of shares	Total cost price (Tk)	Total market price (Tk)	Difference excess/(short)
BANKS	39,55,000	7,50,60,823	6,02,94,750.00	(1,47,66,073)
FUNDS	2,00,000	16,54,125	15,70,000.00	(84,125)
ENGINEERING	8,90,054	4,76,77,081	3,71,19,969.35	(1,05,57,111)
FOOD & ALLIED PRODUCTS	6,75,203	3,67,80,353	3,29,44,434.40	(38,35,919)
FUEL & POWER	6,90,625	9,09,05,869	8,39,85,274.50	(69,20,594)
TEXTILES	9,27,000	2,43,51,634	1,91,63,550.00	(51,88,084)
PHARMACEUTICALS & CHEMICAI	9,93,899	21,57,20,611	20,52,08,178.90	(1,05,12,432)
SERVICES	5,00,000	2,34,64,316	1,35,50,000.00	(99,14,316)
CEMENT	2,29,000	6,01,89,643	4,12,74,150.00	(1,89,15,493)
TANNARY INDUSTRIES	3,000	34,69,569	33,63,750.00	(1,05,819)
CERAMIC INDUSTRY	75,000	14,67,441	12,52,500.00	(2,14,941)
INSURANCE	98,734	45,36,440	44,03,536.40	(1,32,903)
TELECOMMUNICATION	49,000	1,15,30,416	1,21,42,200.00	6,11,784
FINANCE AND LEASING	9,75,000	1,97,90,502	1,53,07,500.00	(44,83,002)
CORPORATE BOND	31,000	3,02,11,093	2,96,12,750.00	(5,98,343)
	1,02,92,515	**64,68,09,916**	**56,11,92,544**	**(8,56,17,372)**

	Amount in Taka	
4 Cash at bank	**June 30,2018**	**June 30,2017**
STD Accounts with		
Shahjalal Islamic Bank Ltd., Motijheel Br.	4,11,60,842	7,81,60,022
Islami Bank BD Ltd, Local Office, Current A/C	67,64,512	65,78,950
" " " " " " , MSND A/C	22,448	23,598
" " " " " " , MSND (ESCROW) A/C	3,14,825	3,16,125
Shahjalal Islamic Bank Ltd., Motijheel Br.(Interest on Div. Income)	40,32,339	19,78,015
Dividend account		
" " " " " " , MSND (D/A -04-05)	4,15,293	4,04,950
" " " " " " , MSND (D/A -05-06)	4,36,097	4,25,173
" " " " " " , MSND (D/A -06-07)	9,28,583	9,04,232
" " " " " " , MSND (D/A -07-08)	13,10,231	12,83,517
" " " " " " , MSND (D/A -08-09)	17,89,637	17,51,908
" " " " " " , MSND (D/A -09-10)	20,78,398	20,25,046
" " " " " " , MSND (D/A -10-11)	14,59,757	14,39,035
Shahjalal Islamic Bank Ltd., Motijheel Br. MSND (D/A -11-12)	11,84,313	11,86,994
Shahjalal Islamic Bank Ltd., Motijheel Br. MSND (D/A -12-13)	14,26,978	13,95,746
Shahjalal Islamic Bank Ltd., Motijheel Br. MSND (D/A -13-14)	6,84,972	6,85,811
Shahjalal Islamic Bank Ltd., Motijheel Br. MSND (D/A -15-16)	11,51,959	12,38,683
Shahjalal Islamic Bank Ltd., Motijheel Br. MSND (D/A -16-17)	14,95,756	-
STD/SND Accounts with selling agent		
Shahjalal Islamic Bank Ltd,Nayapaltan Br.	1,59,38,884	55,32,794
Shahjalal Islamic Bank Ltd,Agrabad Br.	18,50,439	5,52,917
Shahjalal Islamic Bank Ltd,Sylhet Br.	1,72,075	1,88,994
Shahjalal Islamic Bank Ltd,Bogra Br.	5,30,275	5,77,874
Shahjalal Islamic Bank Ltd,Rajshahi Br.	10,76,558	13,41,224
Shahjalal Islamic Bank Ltd,Khulna Br.	22,04,824	15,44,582

		Amount in Taka	
		June 30,2018	June 30,2017
	MTDR		
	Islamic Finance & Investment Limited	50,00,000	-
	Shahjalal Islamic Bank Ltd,Agrabad Br.	2,00,00,000	-
	Total	**11,34,29,995**	**10,95,36,190**
5	**Other current assets**		
	Dividend receivable	49,21,500	52,500
	Share application money	22,00,000	80,00,000
	Profit receivable on Bank Deposit	1,61,944	-
	Profit receivable on listed bond	25,98,000	-
		98,81,444	**80,52,500**
6	**Deferred revenue expenditure (Preliminary and Issue Expenses)**		
	Printing general and computer	6,40,250	6,40,250
	Milad mahfil/ entertainment	36,809	36,809
	Postage and telegram	5,232	5,232
	Reistration fee	1,89,670	1,89,670
	Bank charge	1,728	1,728
	Advertisement	1,14,312	1,14,312
	Conversion fee	16,00,000	16,00,000
	Legal expenses	23,000	23,000
		26,11,001	**26,11,001**
	Less: Profit on bank deposit	1,148	1,148
		26,09,853	**26,09,853**
	Less: Amortization of Preliminary expenses (yearly)	11,18,509	7,45,673
	Balance as on 30 June	**14,91,344**	**18,64,180**
7	**Unit capital**		
	Opening balance	53,43,16,080	35,11,51,440
	Add: Unit sold during the year	21,10,43,900	23,66,65,610
		74,53,59,980	58,78,17,050
	Less: unit surrender by holder	5,79,85,930	5,35,00,970
	Balance as on 30 June	**68,73,74,050**	**53,43,16,080**
	The unit capital represents 6,87,37,405 number of units of Tk 10 each in circulation with premium.		
8	**Reserve and surplus**		
	Unit premium reserve (Note 8.1)	23,84,344	20,28,603
	Retained earnings (Note 8.2)	6,46,52,900	5,08,64,646
		6,70,37,244	**5,28,93,249**
8.1	**Unit premium reserve**		
	Balance as on 1 July	20,28,603	21,33,813
	Premium on sales of unit	3,65,498	-
		23,94,101	21,33,813
	Less: Unit surrendered	9,757	1,05,210
	Balance as on 30 June	**23,84,344**	**20,28,603**
8.2	**Retained earning**		
	Opening balance	5,08,64,646	3,50,63,396
	Add/(Less): Last year adjustment	(8,314)	(27,500)
	Less: Last Year Dividend	4,27,45,286	2,80,92,115
		81,11,046	**69,43,781**
	Add: Addition during the year	5,65,41,854	4,39,20,865
	Balance as at June 30	**6,46,52,900**	**5,08,64,646**
9	**Provisions**		
	Provision for Marketable Investment (Note 9.01)	59,34,725	20,00,000
	Provision for Interest Against Dividend (Note 9.02)	54,24,804	39,97,294
	Total provisions	**1,13,59,529**	**59,97,294**

		Amount in Taka	
		June 30,2018	June 30,2017
9.01	**Provision for Marketable Investment**		
	Opening balance	20,00,000	10,00,000
	Add: provision for investment in Mutual Fund	24,34,725	-
	Add: provision for other investment	15,00,000	10,00,000
	Closing Balance	**59,34,725**	**20,00,000**
9.02	**Provision for Interest Against Dividend**		
	Opening balance	39,97,294	19,20,251
	Add: Provision during the year	13,89,620	20,19,279
	Add: Profit on bank deposit	1,21,035	59,954
	Less: Donation and bank charge	83,145	2,190
	Closing Balance	**54,24,804**	**39,97,294**
10	**Current liabilities**		
	Management fee payable to ICB AMCL	1,02,07,569	77,53,460
	Custodian fee payable to ICML	5,50,664	4,05,076
	Annual fee payable to BSEC	51,956	1,01,881
	Audit fee payable	23,000	17,250
	Unit sales commission payable	69,058	88,016
	Payable to ISTCL	12,09,159	12,09,407
	Share application money refundable	3,19,425	3,19,425
	Other expenses payable	29,000	6,500
	Dividend payable (Note-10.1)	1,33,82,860	1,19,52,383
	Total current liabilities	**2,58,42,691**	**2,18,53,398**
10.01	**Dividend payable**		
	Dividend payable 2004-05	3,80,487	3,80,487
	Dividend payable 2005-06	4,00,691	4,00,691
	Dividend payable 2006-07	8,46,597	8,46,597
	Dividend payable 2007-08	11,95,620	11,96,420
	Dividend payable 2008-09	16,29,125	16,30,375
	Dividend payable 2009-10	18,98,597	18,98,597
	Dividend payable 2010-11	13,35,092	13,42,292
	Dividend payable 2011-12	10,49,006	10,81,386
	Dividend payable 2012-13	12,55,400	12,59,400
	Dividend payable 2013-14	6,59,800	6,67,800
	Dividend payable 2015-16	11,64,685	12,48,338
	Dividend payable 2016-17	15,67,760	-
		1,33,82,860	**1,19,52,383**
11.00	**Profit on Bank deposits and Bond**		
	Profit on Short Term Deposit	15,24,815	11,43,168
	Profit on MTDR	1,61,944	-
	Profit on Listed Bond	25,98,000	19,32,470
		42,84,759	**30,75,638**
12.00	**Other operating expenses**		
	Printing and stationery	86,820	31,500
	Postage & Telegram	-	7,983
	Bank charges and exise duty	1,15,731	76,771
	Publicity expenses	2,80,229	3,36,122
	CDBL charges	88,328	65,161
	Dividend distribution expenses	10,703	-
	IPO application expenses	43,000	-
	Others	78,727	61,973
		7,03,538	**5,79,510**