ICB AMCL PENSION HOLDERS' 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 PENSION HOLDERS' 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	Amount in Taka June 30, 2017
Assets			
Investment in securities -at cost	3	51,28,80,879	51,59,98,542
Cash at bank	4	1,71,76,152	1,52,42,546
Other current assets	5	47,19,089	91,86,953
		53,47,76,120	**54,04,28,041**
Equity and Liabilities			
Equity			
Unit capital	6	17,29,73,700	17,42,75,400
Reserves and surplus	7	17,36,18,222	17,96,65,926
Provision for marketable investment	8	16,89,30,433	16,79,30,433
		51,55,22,355	**52,18,71,759**
Current liabilities	9	1,92,53,765	1,85,56,282
Total Equity and Liabilities		**53,47,76,120**	**54,04,28,041**
Net Asset Value (NAV)			
At cost price		**298.04**	**299.45**
At market price		**192.36**	**223.38**

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

Particulars	Notes	Amount in Taka June 30, 2018	Amount in Taka June 30, 2017
Income			
Net Profit on sale of investments		1,50,96,153	1,60,88,215
Profit on sale of unit certificate		-	32,23,155
Dividend from investment in shares		1,41,97,270	1,28,19,520
Interest on bank deposits and bonds	10	10,51,488	17,68,124
Premium on sale of units		6,02,120	3,95,005
Other income		120	50
Total Income		**3,09,47,151**	**3,42,94,069**
Expenses			
Management fee		71,28,169	62,07,157
Trustee fee		3,75,211	3,13,810
Custodian fee		3,74,465	3,59,060
Annual fee to SEC		3,31,489	3,89,292
Commission to agents		17,545	6,899
Audit fee		23,000	17,250
Other operating expenses	11	5,23,083	4,84,414
Total Expenses		**87,72,962**	**77,77,882**
Profit before provision		**2,21,74,189**	**2,65,16,187**
Provision for Marketable Investments	8	10,00,000	25,65,710
Net profit for the year		**2,11,74,189**	**2,39,50,477**
Earnings Per Unit		**12.24**	**13.74**

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

Particulars	Unit Capital	Unit Premium reserve	Dividend equalization Reserve	Provision for Marketable investment	Retained Earnings	Total Equity
Balance as at July 01, 2017	**17,42,75,400**	**15,21,83,807**	**29,34,919**	**16,79,30,433**	**2,45,47,200**	**52,18,71,759**
Unit Capital	(13,01,700)	-	-	-	-	(13,01,700)
Unit Premium reserve	-	(15,86,386)	-	-	-	(15,86,386)
Provision for marketable investment	-	-	-	10,00,000	-	10,00,000
Transfer from dividend equalization fund to retained earnings			-	-	-	-
Last year dividend	-	-	-	-	(1,65,56,163)	(1,65,56,163)
Half yearly dividend paid					(89,14,680)	(89,14,680)
Last year adjustment					(1,64,664)	(1,64,664)
Net profit after tax	-	-	-	-	2,11,74,189	2,11,74,189
Balance as at June 30, 2018	**17,29,73,700**	**15,05,97,421**	**29,34,919**	**16,89,30,433**	**2,00,85,882**	**51,55,22,355**
Balance as at July 01, 2016	**18,95,79,200**	**16,32,02,956**	**55,05,271**	**16,53,64,723**	**1,73,47,823**	**54,09,99,973**
Unit Capital	(1,53,03,800)	-	-	-	-	(1,53,03,800)
Unit Premium reserve	-	(1,10,19,149)	-	-	-	(1,10,19,149)
Provision for marketable investment	-	-	-	25,65,710	-	25,65,710
Transfer from dividend equalization fund to retained earnings			(25,70,352)		25,70,352	-
Last year dividend	-	-	-	-	(1,23,22,648)	(1,23,22,648)
Half yearly dividend paid					(69,98,804)	(69,98,804)
Net profit after tax	-	-	-	-	2,39,50,477	2,39,50,477
Balance as at June 30, 2017	**17,42,75,400**	**15,21,83,807**	**29,34,919**	**16,79,30,433**	**2,45,47,200**	**52,18,71,759**

Statement of Cash Flows
for the year ended 30 June 2018

Particulars	Amount in Taka June 30, 2018	Amount in Taka June 30, 2017
Cash flow from operating activities		
Dividend from investment in shares	1,32,98,134	1,39,30,950
Interest on bank deposits and bonds	6,18,488	17,68,124
Premium income on unit sold	6,02,120	3,95,005
Other income	120	50
Expenses	(80,13,315)	(86,63,616)
Net cash inflow/(outflow) from operating activities	**65,05,547**	**74,30,513**
Cash flow from investment activities		
Sales of shares-marketable investment	10,90,38,576	16,67,81,539
Purchase of shares-marketable investment	(9,10,94,085)	(11,96,25,864)
Share application money deposited	(1,22,00,000)	(2,52,00,000)
Share application money refunded	1,80,00,000	1,72,00,000
Net cash inflow/(outflow) from investment activities	**2,37,44,491**	**3,91,55,675**
Cash flow from financing activities		
Unit capital sold	1,20,42,400	79,00,100
Unit capital surrendered	(1,33,44,100)	(2,32,03,900)
Premium received on sales	1,05,81,486	56,41,845
Premium refunded on surrender	(1,21,67,872)	(1,66,60,994)
Dividend paid	(2,54,28,346)	(1,90,82,260)
Net cash inflow/(outflow) from financing activities	**(2,83,16,432)**	**(4,54,05,209)**
Net cash flow increase/(decrease)	**19,33,606**	**11,80,979**
Cash equivalent at beginning of the year	1,52,42,546	1,40,61,567
Cash equivalent at end of the year	**1,71,76,152**	**1,52,42,546**
Net Operating Cash Flow Per Unit (NOCFPU)	**3.76**	**4.26**

General Information:

Sponsor	ICB Capital Management Ltd.
Trustee	Investment Corporation of Bangladesh
Custodian	Investment Corporation of Bangladesh
Auditor	Khan Wahab Shafique Rahman & Co.
Banker	IFIC Bank Ltd. Principal Br. Dhaka.

Other Financial Information:	**June 30, 2018**	**June 30, 2017**
Dividend (cash)	12.50	13.50

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 PENSION HOLDERS UNIT FUND
Notes on the financial statements
for the year ended June 30, 2018

1 Legal status and nature of business

The ICB AMCL Pension Holders' Unit Fund was established under a Trust Deed executed between the ICB Capital Management Ltd. (ICML) as 'Sponsor' and the Investment Corporation of Bangladesh (ICB) as "Trustee". The Trust Deed was executed on July 15, 2004. The Fund was registered with the Bangladesh Securities and Exchange Commission (BSEC) on September 15, 2004 under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001. The prospectus was approved by the BSEC on September 18, 2004 in accordance with the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001. The operation of the Fund commenced on October 19, 2004.

The ICB Asset Management Company Ltd. (ICB AMCL) is the Manager of the Fund. ICB AMCL was created as part of the restructuring program 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 December 05, 2000 with an authorized capital of Tk. 100.00 crore and a paid up capital of Tk. 2.00 lac which was subsequently increased to Tk. 39.37 crore. Registration of the Company with the SEC has been completed on October 14, 2001. The Company became operational on July 01, 2002 as per Government Gazette Notification.

The ICB AMCL Pension Holders' Unit Fund is a open-end Mutual Fund. The objectives of the Fund are to provide regular income and capital appreciation in long run to the investors by investing the Fund both in capital market and money market instruments. Units are offered for public subscriptions on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

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. 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 the listed securities are valued at average closing quoted market price on the stock exchanges on the date of valuation i.e., 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 amortised 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 70% 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 16,89,30,433 (see note 8)

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 Taxation

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

2.5 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 5.00 only). Units redeemed are recorded at the redemption price. The

2.6 Premium on sale of units

This indicates the difference between sale and repurchase price, which at present is Taka 5.00 per unit.

2.7 Preliminary and issue expenses

Preliminary and issue expenses represent expenditure incurred prior to the commencement of operations and establishment of the Fund. These costs are being amortized over a period of seven years commencing from the accounting year 2004-2005.

2.8 Dividend policy

As per Rule 66, of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 2001, the Fund shall distribute by way of dividend to the holders of the units after the closing of the annual accounts an amount which shall not be less than 70% of annual profit during the year, net of provisions.

2.9 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 the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (wgDP¨qvj dvÛ) wewagvjv 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

2.10 Trusteeship fee

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

2.1 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.

2.12 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.

2.1 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**		
	Equity shares (Note 3.1)	50,55,80,879	50,80,98,542
	Preference shares	73,00,000	79,00,000
		51,28,80,879	**51,59,98,542**

3.1 Sector wise break up of investments in shares are as follows:

Sector/category	No of shares	Total cost price (Tk)	Total market price (Tk)	Difference excess/short
Bank	18,37,500	4,41,76,542	3,15,01,625	(1,26,74,917)
Investment	30,94,788	2,94,05,435	2,32,23,710	(61,81,725)
Engineering	3,99,097	3,02,52,593	2,04,57,609	(97,94,985)
Food and allied products	3,00,632	82,50,678	69,60,112	(12,90,566)
Fuel and power	7,95,300	5,53,21,812	4,42,39,695	(1,10,82,117)
Textiles	14,30,624	3,41,43,602	2,72,09,640	(69,33,962)
Pharmaceuticals	2,37,195	1,87,55,615	1,50,63,271	(36,92,344)
Service and real estate	85,738	71,56,596	23,23,500	(48,33,096)
Cement	1,64,300	1,53,95,361	1,07,15,730	(46,79,631)
Ceramic Industry	3,40,956	2,35,50,079	1,30,34,147	(1,05,15,932)
Insurance	20,58,573	9,35,22,701	5,47,14,965	(3,88,07,737)
Travel and Leisure	2,11,829	43,72,722	20,24,292	(23,48,430)
Finance and leasing	34,30,777	9,17,67,778	5,08,98,311	(4,08,69,467)
Corporate bond	5,000	48,03,309	47,76,250	(27,059)
Miscellaneous	5,58,393	4,47,06,055	1,56,52,897	(2,90,53,158)
	1,49,50,702	**50,55,80,879**	**32,27,95,752**	**(18,27,85,126)**

4	**Cash at bank**		
	IFIC Bank Ltd, Motijheel Branch STD account	1,42,79,996	1,25,64,802
	" " " Agrabad Branch STD account	2,31,330	2,21,617
	" " " Rajshahi Branch STD account	2,80,482	1,09,241
	" " " Khulna Branch STD account	17,492	1,00,681
	" " " Barisal Branch STD account	8,150	22,722
	" " " Bogra Branch STD account	78,022	10,209
	" " " Naya Paltan Branch STD account	19	19
	Standard Bank Ltd, Sylhet Branch STD account	9,336	10,252
	IFIC Bank Ltd, Federation Branch (D/A account-05-06, 1st Half)	14,739	15,802
	IFIC Bank Ltd, Federation Branch (D/A account-04-05, 2nd Half)	28,970	28,851
	IFIC Bank Ltd, Federation Branch (D/A account-05-06, 2nd Half)	2,837	3,832
	IFIC Bank Ltd, Federation Branch (D/A account-06-07, 1st Half)	21,700	21,891
	IFIC Bank Ltd, Federation Branch (D/A account-06-07, 2nd Half)	42,233	41,548
	IFIC Bank Ltd, Federation Branch (D/A account-07-08, 1st Half)	17,654	18,017
	IFIC Bank Ltd, Federation Branch (D/A account-07-08, 2nd Half)	50,461	49,426
	IFIC Bank Ltd, Federation Branch (D/A account-08-09, 1st Half)	44,465	43,686
	IFIC Bank Ltd, Federation Branch (D/A account-08-09, 2nd Half)	61,180	59,688
	IFIC Bank Ltd, Federation Branch (D/A account-09-10, 1st Half)	80,226	77,923
	IFIC Bank Ltd, Federation Branch (D/A account-09-10, 2nd Half)	6,745	7,573
	Shahjalal Islami Bank Ltd, Motijheel Br. (D/A account-10-11, 2nd Half)	2,752	4,782
	Shahjalal Islami Bank Ltd, Motijheel Br. (D/A account-11-12, 1st Half)	59,781	59,283
	Shahjalal Islami Bank Ltd, Motijheel Br. (D/A account-11-12, 2nd Half)	20,037	20,772
	Shahjalal Islami Bank Ltd, Motijheel Br. (D/A account-12-13, 2nd Half)	5,80,429	5,66,271
	IFIC Bank Ltd, Federation Branch (D/A account-13-14, 1st Half)	1,48,940	1,45,840
	IFIC Bank Ltd, Motijheel Br. (D/A account-13-14, 2nd Half)	2,39,849	2,97,094
	IFIC Bank Ltd, Motijheel Br. (D/A account-14-15, 1st Half)	2,23,324	2,81,741
	IFIC Bank Ltd, Motijheel Br. (D/A account-14-15, 2nd Half)	85,020	1,15,902
	IFIC Bank Ltd, Motijheel Br. (D/A account-15-16, 1st Half)	17,867	72,632
	IFIC Bank Ltd, Motijheel Br. (D/A account-15-16, 2nd Half)	1,17,248	1,62,777
	IFIC Bank Ltd, Motijheel Br. (D/A account-16-17, 1st Half)	87,811	1,07,672
	IFIC Bank Ltd, Motijheel Br. (D/A account-16-17, 2nd Half)	1,68,741	-
	IFIC Bank Ltd, Motijheel Br. (D/A account-17-18, 1st Half)	1,48,316	-
	Total	**1,71,76,152**	**1,52,42,546**

		June 30,2018	June 30,2017
		Amount in Taka	
5	**Other current assets**		
	Dividend receivable	20,86,089	11,86,953
	Interest on listed bond	4,33,000	-
	Share application money	22,00,000	80,00,000
		47,19,089	**91,86,953**
6	**Unit capital**		
	Balance as on 1 July	17,42,75,400	18,95,79,200
	Add: unit sold during the year	1,20,42,400	79,00,100
		18,63,17,800	**19,74,79,300**
	Less: unit surrender by holder	1,33,44,100	2,32,03,900
	Balance as on 30 June	**17,29,73,700**	**17,42,75,400**

The unit capital represents 17,29,737 numbers of units of Tk 100 each in circulation with premium.

7	**Reserve and surplus**		
	Unit premium reserve (Note 7.1)	15,05,97,421	15,21,83,807
	Dividend equalization reserve	29,34,919	29,34,919
	Retained earnings (Note 7.2)	2,00,85,882	2,45,47,200
		17,36,18,222	**17,96,65,926**
7.1	**Unit premium reserve**		
	Balance as on 1 July	15,21,83,807	16,32,02,956
	Add: premium on sales of unit	1,05,81,486	56,41,845
		16,27,65,293	**16,88,44,801**
	Less: unit surrender	1,21,67,872	1,66,60,994
	Balance as on 30 June	**15,05,97,421**	**15,21,83,807**
7.2	**Retained earning**		
	Balance as on 1 July	2,45,47,200	1,73,47,823
	Less: Last year 2nd half dividend paid	1,65,56,163	97,52,296
	Less: Last year adjustment	1,64,664	-
		78,26,373	**75,95,527**
	Less: Half yearly dividend paid	89,14,680	69,98,804
	Addition during the year	2,11,74,189	2,39,50,477
	Balance as on 30 June	**2,00,85,882**	**2,45,47,200**
8	**Provision for Marketable Investments**		
	Opening balance	16,79,30,433	16,53,64,723
	Add: provision for investment in Mutual Fund	-	25,65,710
	Add: provision for other investment	10,00,000	-
	Total provisions (Note 2.3)	**16,89,30,433**	**16,79,30,433**
9	**Current liabilities**		
	Management fee payable to ICB AMCL	71,28,169	62,07,157
	Custodian fee payable to ICB	3,74,465	3,59,060
	Annual fee payable to BSEC	3,225	24,206
	Commission payable to agents	17,194	6,569
	Audit fee	23,000	17,250
	Dividend payable (Note-9.1)	37,29,196	36,86,699
	Payable for purchase of share	78,46,392	81,15,717
	Other liabilities	1,32,124	1,39,624
	Total current liabilities	**1,92,53,765**	**1,85,56,282**

		Amount in Taka	
		June 30,2017	June 30,2016
9.1	**Dividend payable**		
	Dividend payable 2004-05 (1st half)	7,145	7,145
	Dividend payable 2004-05 (2nd half)	383	383
	Dividend payable 2005-06 (1st half)	481	481
	Dividend payable 2005-06 (2nd half)	335	335
	Dividend payable 2006-07 (1st half)	20,809	20,809
	Dividend payable 2006-07 (2nd half)	33,664	33,664
	Dividend payable 2007-08 (1st half)	1,855	1,855
	Dividend payable 2007-08 (2nd half)	34,085	34,085
	Dividend payable 2008-09 (1st half)	1,78,078	1,78,078
	Dividend payable 2008-09 (2nd half)	3,35,512	3,35,512
	Dividend payable 2009-10 (1st half)	1,70,604	1,70,604
	Dividend payable 2009-10 (2nd half)	42,503	42,503
	Dividend payable 2010-11 (1st half)	4,596	4,596
	Dividend payable 2010-11 (2nd half)	6,532	6,532
	Dividend payable 2011-12 (1st half)	1,94,578	1,94,623
	Dividend payable 2011-12 (2nd half)	3,61,738	3,61,910
	Dividend payable 2012-13 (1st half)	1,97,228	1,97,228
	Dividend payable 2012-13 (2nd half)	7,66,652	7,66,652
	Dividend payable 2013-14 (1st half)	1,92,814	1,93,008
	Dividend payable 2013-14 (2nd half)	1,91,158	2,58,958
	Dividend payable 2014-15 (1st half)	1,83,981	2,52,185
	Dividend payable 2014-15 (2nd half)	90,499	1,24,381
	Dividend payable 2015-16 (1st half)	1,59,821	2,14,168
	Dividend payable 2015-16 (2nd half)	1,24,554	1,73,258
	Dividend payable 2016-17 (1st half)	94,657	1,13,746
	Dividend payable 2016-17 (2nd half)	1,78,448	-
	Dividend payable 2017-18 (1st half)	1,56,486	-
		37,29,196	**36,86,699**
10	**Interest on bank deposits and bonds**		
	Interest income on Short Term deposits	5,11,021	6,38,546
	Interest income on Listed Bond	4,33,000	2,68,200
	Interest on Preference Share	1,07,467	8,61,378
		10,51,488	**17,68,124**
11	**Other operating expenses**		
	Printing and stationery	19,320	28,680
	Bank charges & Excise duty	68,143	44,328
	Publicity expenses	3,27,383	3,32,218
	CDBL charges	25,852	40,383
	Dividend Distribution Expenses	265	-
	IPO Application expenses	40,000	-
	Others	42,120	38,805
		5,23,083	**4,84,414**