

## Rupali Life Insurance First Mutual Fund

### Statement of Financial Position (Balance Sheet) as at 31 December 2023

		Un-audited 31 December 2023 <u>Taka</u>	Audited 30 June 2023 <u>Taka</u>
<b>ASSETS</b>			
Investment in securities at market price	4	243,670,995	277,409,734
Advance, deposits and prepayments	5	400,000	400,000
Accrued interest	6	6,686	49,513
Other assets	7	65,805	125,552
Cash dividend receivables	8	3,766,610	659,864
Investment in FDR	9	-	10,000,000
Cash and cash equivalents	10	18,434,286	7,357,278
<b>Total assets</b>		<b>266,344,382</b>	<b>296,001,941</b>
<b>LIABILITIES</b>			
Accounts payable	11	1,101,940	595,071
Other liabilities	12	420,491	124,239
<b>Total liabilities</b>		<b>1,522,431</b>	<b>719,310</b>
<b>Net assets</b>		<b>264,821,951</b>	<b>295,282,631</b>
<b>EQUITY</b>			
Capital fund	13	261,453,360	291,448,290
Unit premium reserve		2,135,715	1,535,715
Retained earnings	14	1,232,876	2,298,626
<b>Total equity</b>		<b>264,821,951</b>	<b>295,282,631</b>
<b>Net Asset Value (NAV) per unit:</b>	15		
at cost		11.43	11.20
at market price		10.13	10.13

*The annexed notes 1 to 19 form an integral part of these financial statements.*

  
**Md. Hasan Imam**  
 Head of Finance & Fund Management  
 Prime Finance Asset  
 Management Company Ltd.

  
**Moin Ak Kashem**  
 Managing Director & CEO  
 Prime Finance Asset  
 Management Company Ltd.

Dhaka, 10 January 2024

## Rupali Life Insurance First Mutual Fund

### Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2023

		Un-audited 31 December 2023 <u>Taka</u>	Un-audited 31 December 2022 <u>Taka</u>
<b>INCOME</b>			
Capital gain on sale of shares		1,749,043	5,041,280
Dividend income		5,009,388	928,552
Interest income	16	371,584	578,412
Other income		-	718,845
<b>Total income</b>		<b>7,130,015</b>	<b>7,267,089</b>
<b>EXPENSES</b>			
Management fees	17	2,793,092	3,115,331
Advertisement expenses		142,025	156,400
Custodian fees	18	59,747	75,631
Trustee fees	19	134,880	158,395
CDBL charges		238,620	30,780
IPO and other charge		1,800	5,000
Bank charges		7,140	3,107
Tax expenses		11,164	-
<b>Total expenses</b>		<b>3,388,468</b>	<b>3,544,644</b>
<b>Profit before provision</b>		<b>3,741,547</b>	<b>3,722,445</b>
(Provision)/Write back of provision for unrealized loss on investment	4	(2,767,159)	(11,245,486)
<b>Net profit/(loss) for the period</b>		<b>974,388</b>	<b>(7,523,041)</b>
<b>Other Comprehensive income:</b>		-	
<b>Comprehensive income/(loss) for the period</b>		<b>974,388</b>	<b>(7,523,041)</b>
 <b>Earning per Unit</b>		 <b>0.04</b>	 <b>(0.24)</b>

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## Rupali Life Insurance First Mutual Fund

### Statement of Changes in Equity for the period ended 31 December 2023

	Capital Fund <u>Taka</u>	Unit Premium Reserve <u>Taka</u>	Retained earnings <u>Taka</u>	Total <u>Taka</u>
<b>2023</b>				
<b>Balance as at 30 June 2023</b>	291,448,290	1,535,715	2,298,626	295,282,631
0 Unit surrender	(29,994,930)	-	-	(29,994,930)
Addition during the period		600,000		600,000
Dividend paid during the period	-	-	(2,040,138)	(2,040,138)
Net profit/(loss) for the period	-	-	974,388	974,388
<b>Balance as at 31 December 2023</b>	<b>261,453,360</b>	<b>2,135,715</b>	<b>1,232,876</b>	<b>264,821,951</b>
<b>2022</b>				
<b>Balance as at 30 June 2022</b>	331,079,350	-	17,195,422	348,274,772
Unit surrender	(39,631,060)	-	-	(39,631,060)
0 Addition during the period	-	1,535,715	-	1,535,715
Dividend paid during the year	-	-	(16,553,968)	(16,553,968)
Net profit for the year	-	-	1,657,171	1,657,171
<b>Balance as at 30 June 2023</b>	<b>291,448,290</b>	<b>1,535,715</b>	<b>2,298,626</b>	<b>295,282,631</b>

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Dhaka, 10 January 2024

## Rupali Life Insurance First Mutual Fund

### Cash Flow Statement for the period ended 31 December 2023

	31 December 2023 <u>Taka</u>	30 June 2023 <u>Taka</u>
<b>A. Cash flows from operating activities:</b>		
Capital gain	1,749,043	6,546,511
Interest received	414,412	1,084,674
Dividend received	1,902,641	8,726,569
Cash paid for operating expenses	(2,518,459)	(9,466,447)
Financial expenses	(7,140)	(71,554)
<i>Net cash flows from operating activities</i>	<b>1,540,496</b>	<b>6,819,753</b>
<b>B. Cash flows from investing activities</b>		
Cash received from/ (paid for) investment in capital market	30,971,580	7,628,934
Cash received from encashment of FDR	10,000,000	-
<i>Net cash used for investing activities</i>	<b>40,971,580</b>	<b>7,628,934</b>
<b>C. Cash flows from financing activities:</b>		
Capital fund - Sale/(Repurchase)	(29,994,930)	(39,631,060)
Cash received/(paid) on account of transaction of unit	600,000	1,535,715
Dividend paid to the Unitholders	(2,040,138)	(16,553,718)
<i>Net cash used in financing activities</i>	<b>(31,435,068)</b>	<b>(54,649,063)</b>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>	<b>11,077,008</b>	<b>(40,200,376)</b>
<b>E. Opening cash and cash equivalents</b>	<b>7,357,278</b>	<b>47,557,654</b>
<b>F. Closing cash and cash equivalents (D+E):</b>	<b>18,434,286</b>	<b>7,357,278</b>
 <b>Net operating cash flow per unit</b>	<b>0.06</b>	<b>0.23</b>

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Dhaka, 10 January 2024



## **Rupali Life Insurance First Mutual Fund**

### **Notes to the Financial Statements as at and for the period ended 31 December 2023**

#### **1. The Fund**

Rupali Life Insurance First Mutual Fund is an open-ended fund registered with Sub-Registrar's Office and Bangladesh Securities and Exchange Commission. Bangladesh Securities and Exchange Commission has given its permission for formation of the Scheme on 31 March 2015. As per Trust Deed the size of the Fund is Tk. 500,000,000 (Taka five hundred million only). Actual fund size at the date of formation was Taka 326,707,200 out of which Taka 200,000,000 (Taka two hundred million) was subscribed by the Sponsor, Rupali Life Insurance Company Limited and rest of the amount was subscribed by several individuals and institutions.

#### **2. Basis of preparation**

##### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

##### **2.2 Basis of measurement**

The financial statements have been prepared on a going concern basis under historical cost convention.

##### **2.3 Functional currency and presentation currency**

These financial statements are presented in Bangladesh Taka, which is also the Fund's functional currency. All financial information presented in Taka have been rounded off to the nearest taka.

##### **2.4 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.



## **5 Reporting period**

The financial period of the company covers one year from 1 July to 30 June. These financial statements are prepared for the period from 1 July 2023 to 31 December 2023.

## **3. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### **3.1 Investment policy**

**3.1.1** The Fund shall invest subject to the Mutual Fund Rules and only in those securities, deposits and investments approved by Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or the Insurance Regulatory Authority (IRA) of Bangladesh or any other competent authority in this regard.

**3.1.2** The Schemes of the Fund shall not invest more than 10% of its total assets in any one particular company.

**3.1.3** The Schemes of the Fund shall not invest in more than 15% of any company's paid-up capital.

**3.1.4** The Schemes of the Fund shall not invest more than 20% of its Assets in shares, debentures or the other securities of a single or group.

**3.1.5** The Schemes of the Fund shall not invest more than 25% of its total assets in shares, debentures or other securities in any one industry.

**3.1.6** Not less than 60% of the total assets of the Fund shall be invested in capital market instruments out of which at least 50% will be invested in listed securities.

**3.1.7** Not more than 25% of the total asset of the Fund will be invested in Fixed Income Securities (FIS).

**3.1.8** Not more than 15% of the total asset of the Fund shall be invested in pre-IPOs at one time.

**3.1.9** The Fund shall not invest in or lend to another Scheme managed by Prime Finance Asset Management Company.

**3.1.10** The Fund shall get the securities purchased or transferred in the name of the Fund.

### **3.2 Valuation policy**

**3.2.1** For listed securities other than mutual funds held in the portfolio of the Fund, the average quoted closing market price at the Stock Exchange(s) on the date of valuation shall be taken into account for calculation of Net Asset Value (NAV) of the Fund.

**3.2.2** For securitized debts, debentures, margin or fixed deposits, held in the portfolio of the Fund, the accrued interest on such instruments on the date of valuation shall be taken into account for calculation of Net Asset Value (NAV) of the Fund.

**3.2.3** For mutual funds held in the portfolio of the Fund, the average quoted closing market price at the Stock





Exchange(s) on the date of valuation and the circular no. SEC/CMRRCD/2009-193/172 dated 30 June 2015 of Bangladesh Securities and Exchange Commission shall be taken into account for the calculation of Net Asset Value (NAV) of the Fund. As per circular no. SEC/CMRRCD/2009-193/172 dated 30 June 2015 Mutual Funds need not to maintain provision when the Average Cost Price of close-end and open-end mutual fund is lower than 85% and 95% respectively of NAV at current market price.

### 3.2.4 Net Asset Value (NAV) calculation

The Fund will use the following formula to derive NAV per unit:

Total NAV = VA - LT

NAV per unit = Total NAV / No. of units outstanding

VA = Value of all securities in vault + Value of all securities placed in lien + Cash in hand and at bank + Value of all securities receivables + receivables of proceeds of sale of investments + Dividend receivables net of tax + Interest receivables net of tax + Issue expenses amortized as on date + Printing, publication and stationery expenses amortized as on date.

LT = Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as Trustee fees + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

### 3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank and Cash with BO Account.

### 3.4 Provisions

A provision is recognized if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

### 3.5 Income tax

The income of the fund is exempted from income tax under the provision of Sixth Schedule-Part A of Income Tax Ordinance 1984. For this reason no provision of tax has been made in the financial statements.

### 3.6 Revenue recognition

#### 3.6.1 Capital gain

Capital gain is recognized on being realized.

#### 3.6.2 Dividend income

Dividend income is recognized on being declared by the investee company if it is made within the balance sheet date.



### 3.6.3 Interest income

Interest income is recognized as it accrues.

### 3.7 Cash flow statement

Cash flows from operating activities have been presented under direct method.

## 4. Investment in securities at market price

	<b>31 December 2023 Taka</b>	<b>30 June 2023 Taka</b>
A. Investment in Securities at cost price (Annexure - 1)	239,810,777	264,902,957
Less: Unrealised loss on investment investment in Securities (Note 4.1)	<u>(32,415,491)</u>	<u>(29,482,822)</u>
	<u>207,395,286</u>	<u>235,420,134</u>
B. Investment in Mutual Fund (Annexure - 2)	37,772,198	43,651,598
Less: Unrealised loss on investment in Mutual Fund (Note 4.2)	<u>(1,496,490)</u>	<u>(1,661,999)</u>
	<u>36,275,708</u>	<u>41,989,599</u>
<b>Closing balance (A+B)</b>	<u><b>243,670,995</b></u>	<u><b>277,409,733</b></u>

### 4.1 Unrealised loss on investment investment in Securities

Opening balance	(29,482,822)	(23,809,602)
Add:( Addition)/Write back during the period	<u>(2,932,668)</u>	<u>(5,673,221)</u>
Closing balance	<u><b>(32,415,491)</b></u>	<u><b>(29,482,822)</b></u>

### 4.2 Unrealised loss on investment in Mutual Fund

Opening balance	(1,661,999)	(864,374)
Add:( Addition)/Write back during the period	<u>165,509</u>	<u>(797,625)</u>
Closing balance	<u><b>(1,496,490)</b></u>	<u><b>(1,661,999)</b></u>

### 4.3 (Provision)/Write back of provision for unrealized loss on investment

(Provision)/Write back of provision for:		
Unrealised loss on investment investment in Securities	(2,932,668)	(5,673,221)
Unrealised loss on investment in Mutual Fund	<u>165,509</u>	<u>(797,625)</u>
(Provision)/Write back of provision for unrealized loss on investment	<u><b>(2,767,159)</b></u>	<u><b>(6,470,846)</b></u>

## 5. Advance, deposits and prepayments

This represents the amount deposited to Central Depository Bangladesh Limited (CDBL) as Security Deposit





6. Accrued interest

	31 December 2023 <u>Taka</u>	30 June 2023 <u>Taka</u>
Interest on FDR	-	49,513
Interest on STD Account	6,686	-
	<u>6,686</u>	<u>49,513</u>

7. Other assets

Prepaid custodian fees	65,805	125,552
	<u>65,805</u>	<u>125,552</u>

8. Cash dividend receivables

Dividend receivable from:

ACI	286,648	264,440
ACTIVEFINE	8,816	8,816
BATASHOE	-	44,573
Heidelberg Cement	-	16,960
BARKAPOWER	262,218	262,218
LankaBangla	-	29,857
UPGDCL	245,430	-
TITASGAS	72,500	-
SSSTEEL	19,440	-
SQUARPHARMA	210,000	-
SKTRIMS	4,500	-
BDPAINTS	51,419	-
BEXGSUKUK	33,000	-
Beximcoltd	15,000	-
BPML	44,000	-
CONFIDCEM	32,000	-
Dominage	3,500	-
EPGL	28,654	-
Esquirenit	33,500	-
ETL	27,747	-
IFADAUTOS	100,431	-
JAMUNAOIL	573,677	-
KPCL	100,000	-
LRGLOBMFI	90,000	-
MJLBD	443,655	-
OLYMPIC	429,576	-
PADMAOIL	226,679	-
POWERGRID	100,000	-
RENATA	155,450	-
ACMELAB	82,500	-
AAMRATECH	86,270	-
BEXGSUKUK	-	33,000
	<u>3,766,610</u>	<u>659,864</u>



4. Investment in FDR

<u>Institution</u>	<u>FDR No.</u>	31 December 2023 <u>Taka</u>	30 June 2023 <u>Taka</u>
Delta Brac Housing Finance Corporation	DBHFCL: FDR: 71000192579	-	10,000,000
		<u>-</u>	<u>10,000,000</u>

10. Cash and cash equivalents

Cash at Bank:			
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151002)		114,212	415,937
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151001)		6,325,954	2,098,009
Cash at bank (BRAC Bank Ltd., A/C No. 1505101944151001)		11,188,275	688,693
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151003)		154,384	1,256,109
Cash at BO Account		651,461	2,898,530
		<u>18,434,286</u>	<u>7,357,278</u>

11. Accounts payable

Management fees payable	1,101,940	508,821
Audit fees payable	-	86,250
	<u>1,101,940</u>	<u>595,071</u>

12. Other liabilities

Tax deducted at source	397,066	49,499
Dividend payable	250	250
VAT deducted at source	23,175	74,490
	<u>420,491</u>	<u>124,239</u>

13. Capital fund

	No. of <u>Unit</u>	Face value Per Unit <u>Taka</u>	31 December 2023 <u>Taka</u>	30 June 2023 <u>Taka</u>
Subscribed by Resident Bangladeshis	6,145,336	10	61,453,360	91,448,290
Subscribed by Sponsor	20,000,000	10	200,000,000	200,000,000
	<u>26,145,336</u>		<u>261,453,360</u>	<u>291,448,290</u>

14. Retained earnings

Opening balance	2,298,626	17,195,422
Dividend paid during the period for the last period	(2,040,138)	(16,553,968)
	258,488	641,455
Net profit/(loss) for the period	974,388	1,657,171
<b>Closing balance</b>	<u>1,232,876</u>	<u>2,298,626</u>

15. Net Asset Value (NAV):

	31 December 2023 <u>Taka</u>	31 December 2022 <u>Taka</u>
<b><u>at cost</u></b>		
Value of net asset at cost	298,733,931	326,427,452
Number of units	26,145,336	29,144,829
Net Asset Value per unit	<u>11.43</u>	<u>11.20</u>
<b><u>at market value</u></b>		
Value of net asset at market price	264,821,951	295,282,631
Number of units	26,145,336	29,144,829
Net Asset Value per unit	<u>10.13</u>	<u>10.13</u>

16. Interest income

Interest on FDR	337,986	334,028
Interest income on STD Account	33,598	244,384
	<u>371,584</u>	<u>578,412</u>

17. Management fees

Management fees is payable to Prime Finance Asset Management Company Limited. As per Securities and Exchange Commission (Mutual Fund) Rules, 2001 the Fund has to pay management fee to Prime Finance Asset Management Company Limited at the rates mentioned below:

<u>Slab</u>	<u>Rate of Fees</u>
On the weekly average NAV upto Taka 5.00 crore	2.50%
On Next 20.00 Crore of the weekly avrage NAV	2.00%
On Next 25.00 Crore of the weekly avrage NAV	1.50%
On rest of the weekly avrage NAV	1.00%

18. Custodian fees

As per Trust Deed the Fund shall pay to the Custodian a safe keeping fee @ 0.05% of balance securities held by the Fund calculated on the basis of average month end value per annum and trade settlement fees of BDT 200 per trade. In any case total custodian fee shall not exceed 0.07% of the initial fund size annually. Any out of pocket expenses may be applicable to the Fund operation from time to time.

19. Trustee fees

As per Trust Deed the Trustee, Bangladesh General Insurance Company Limited, shall be paid an annual Trusteeship fee of TK. 200,000/- (Taka Two Hundred Thousand) only or @ 0.10% of the Net Asset Value (NAV) of the Fund whichever is higher on semi-annual in advance basis, during the life of the Fund or as may be agreed upon between the parties.

