

VIPB SEBL FIRST UNIT FUND
Independent Auditor's report
And Financial statements
For the financial year ended
30th June 2023



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF TRUSTEE
VIPB SEBL 1ST UNIT FUND**

Opinion

We have audited the financial statements of VIPB SEBL 1st Unit Fund, which comprise the Statement of Financial Position as at 30 June 2023, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and Notes to the Financial Statements.

In our opinion, the accompanying financial statements present fairly in all material respects of the Statement of Financial Position of VIPB SEBL 1st Unit Fund as at 30 June 2023, and of its financial performance and its cash flows for the year then ended is in accordance with International Financial Reporting Standards (IFRSs) and the provisions of Trust Act 1882 (Act II of 1882) and Bangladesh Securities and Exchange Commission (Mutual Funds) Rules 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Matters of Emphasis

- In line with Section 2 (Fifth Schedule) of Securities and Exchange Commission (Mutual Fund) Rules 2001, Chapter 3 Sub Section 3.6 of the prospectus, the fund shall not invest more than 10% (ten percent) in any one particular company of its total assets. However, the investments made by the Fund in Square pharmaceuticals limited, Renata limited, and Marico Bangladesh limited amounts to BDT 105,331,139, BDT 105,656,479, and BDT 111,991,954 representing 10.16%, 10.19% and 10.80% respectively of the total assets. This therefore is in contravention with the stipulations under the aforesaid sections.
- The clause 3.5 of Prospectus and clause 3.2 of Trust Deed stipulates that, "the fund shall invest at least 30% (thirty percent) of total assets of the fund in government securities or government backed securities in order for prudentially managing risk and liquidity of the fund". As such, the Unit Fund is in breach of this aforesaid clause as it has made 12.48% investment in government securities.

**Other Information**

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Key Audit Matters:

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Risk	Our response to the risk
Valuation of Investments: The Fund's investment portfolio Presented in the Statement of Financial Position at market value in Listed securities is BDT 725,299,957 represents 69.91% of the total assets amounting BDT 1,037,366,061 and investment in FDR is BDT 145,405,196 represents 14.06% of the total assets as at 30 June 2023. Unrealized Loss in Securities is BDT 13,463,214. This is considered to be the key driver of the Fund's capital and revenue Performance. The market value of financial instruments that are traded in an active market is determined based on quoted market prices. Due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy	<ul style="list-style-type: none">• Testing the key controls over identification, Measurement and management of valuation risk as well as evaluating the methodologies and input parameters used by the Fund in determining fair values.• Obtained year-end share holding positions from the fund and through directional testing assessed the completeness of the report;• Obtained the CDBL report (DPA6) and share portfolio and cross checked against each other to confirm status of financial instruments;• Assessing the adequacy of the disclosures in the financial statements against relevant accounting standards, the security and exchange Rules 1987, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.

A member of



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and allocation of resources in planning and completing our audit. See annexed report of date	
Note no. 17 to the financial statements	
Net Gain on sale of marketable securities:	
Net Gain on Sale of marketable securities is BDT Tk. 1,799,197 which is 4.62% of the total income BDT. 38,938,785 for the year ended 30 June 2023.	<p>We have tested-</p> <ul style="list-style-type: none"> Ledgers which is Electronic generated from brokerage house of respected dates of securities sales and buy Buy and Sales rate checked with DSE website of respected dates.
Note no. 18.00 to the financial statements	
Dividend Income:	
Dividend income is BDT. 18,069,475 represents 46.40% of the total income of Tk. 38,938,785 for the year ended 30 June 2023.	<p>We have tested the design and operating effectiveness of controls around the due and receivable recording process</p> <ul style="list-style-type: none"> Comparing observable inputs against independent sources and externally available market data. Re-performing the calculations used to check Accuracy and correctness of information. <p>Assessing the adequacy revenue recognition, measurement and disclosures made in relation to the income in the financial statements</p>
Expenditure of the financial statements	
Management fee:	
Management fee of Tk. 14,474,228 represents 66.10% of the total expense of Tk. 21,894,961 for the year ended 30 June 2023.	<ul style="list-style-type: none"> Management fee is calculated as per the Asset Management Company @ 1.00% to 2.5% per annum of the weekly average NAV. Tested some sample basis voucher with ledger balance. <p>Assessing the adequacy expense recognition, measurement and disclosures made in relation to the expense in the financial statements</p>

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 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 or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the (consolidated) financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Bangladesh Securities & Exchange Commission (Mutual Fund) Bidhimala, 2001, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) 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;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- d) the investment was made as per Rule 56 of Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 2001;
- e) the expenditure incurred and payments made were for the purpose of the Fund Business, and
- f) the information and explanation required by us have been received and fund satisfactory.

Place: Dhaka,
Dated: 30 July, 2023

Md. Iqbal Hossain, FCA
Senior Partner
Enrolment No.: 596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants
DVC: 2308080596AS235819



VIPB SEBL 1ST UNIT FUND
STATEMENT OF FINANCIAL POSITION
As on June 30, 2023

Particulars	Notes	June 30, 2023	June 30, 2022
		Taka	Taka
ASSETS			
Investments - at market price	3	854,844,533	833,876,827
Accounts receivables	4	4,216,191	20,702,253
Advance, deposit and prepayments	5	2,070,260	2,538,381
Fixed deposits receipts (FDR)	6	145,405,196	190,000,000
Cash and cash equivalents	7	21,969,280	90,321,404
Preliminary and issue expenses	8	8,860,601	10,520,826
Total Assets		1,037,366,061	1,147,959,691

EQUITY AND LIABILITIES

Shareholders' Equity

Unit capital	9	1,019,748,770	1,106,338,010
Unit premium reserve	10	1,317,998	-
Unrealized gain on investments		-	2,007,530
Retained earnings		7,484,359	37,093,890
Total		1,028,551,128	1,145,439,430

Current Liabilities

Accounts payable	12	16,372	385,050
Liability for expenses	13	8,223,601	1,431,240
Unclaimed dividend	14	574,961	703,972
Total		8,814,933	2,520,261

Total Equity and Liabilities

1,037,366,061	1,147,959,691
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Net asset value (NAV)

1,028,551,128	1,145,439,430
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Net asset value (NAV) per unit:

At cost	15	10.22	10.34
At market price	16	10.09	10.35

These financial statements should be read in conjunction with annexed notes

Investment Corporation of Bangladesh
(Trustee)

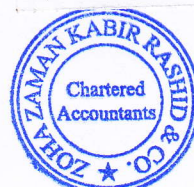
VIPB Asset Management
(Asset Manager)

See annexed report of date

Dhaka,
Date: 30 July, 2023

Md. Iqbal Hossain FCA
Senior Partner
Enrolment No.: 596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

DVC: 2308080596AS235819





VIPB SEBL 1ST UNIT FUND
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
From July 01, 2022 to June 30, 2023

Particulars	Note	July 01, 2022 to June 30, 2023	May 17, 2021 to June 30, 2022
		Taka	Taka
INCOME			
Net gain on sale of marketable securities	17	1,799,196	25,232,872
Dividend income	18	21,247,625	36,932,708
Interest income	19	19,070,114	14,214,407
Total		42,116,935	76,379,986
EXPENSES			
Management fees	20	14,474,228	11,462,913
Amortization of preliminary and issue expenses		1,660,225	1,100,752
BSEC annual fees		1,316,172	952,583
CDBL annual fees		126,203	165,356
CDBL settlement and demat charges		18,507	366,321
Trustee fees		1,154,266	993,989
Custodian fees		956,175	958,902
IPO application fees		14,000	34,000
Brokerage commission		211,317	930,352
Audit fees		40,000	40,000
Newspaper publication expenses		4,300	13,500
Bank charges and excise duty		1,729,784	1,284,330
Other operating expenses		189,785	536,222
Tax deducted at source from dividend income		3,178,150	-
Total		25,073,111	18,839,220
Net profit before provision		17,043,824	57,540,767
Provision for unrealized loss	3	(13,463,214)	-
Net profit for the year		3,580,610	57,540,767
Earnings per unit	21	0.04	0.52
Unrealized gain increase/(decrease)		-	2,007,530
Net profit including unrealized gain		3,580,610	59,548,297

These financial statements should be read in conjunction with annexed notes

Investment Corporation of Bangladesh
(Trustee)

See annexed report of date

VIPB Asset Management
(Asset Manager)

Mr. Iqbal Hossain FCA
Senior Partner
Enrolment No.: 596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dhaka,
Date: 30 July, 2023



VIPB SEBL 1ST UNIT FUND
STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2023

Particulars	Amount in BDT				
	Unit capital	Unit premium reserve	Unrealized gain / (loss)	Retained earnings	Total equity
Opening balance as on July 01, 2022	1,106,338,010	-	2,007,530	37,093,890	1,145,439,430
Units issued during the year	391,110	1,325,049	-	-	1,716,159
Redemption during the year (Note 11)	(86,980,350)	(7,051)	-	-	(86,987,401)
Dividend paid for the year 2022	-	-	-	(33,190,140)	(33,190,140)
Unrealized gain/(loss) during the year	-	-	(2,007,530)	-	(2,007,530)
Net profit during the period	-	-	-	3,580,610	3,580,610
Balance as on June 30, 2023	1,019,748,770	1,317,998	-	7,484,359	1,028,551,128

For the year ended June 30, 2022

Particulars	Unit capital	Unit premium reserve	Unrealized gain / (loss)	Retained earnings	Total equity
Opening balance	1,428,906,080	-	-	-	1,428,906,080
Units issued during the year	20,057,530	1,111,743	-	-	21,169,273
Redemption during the year (Note 11)	(342,625,600)	(1,111,743)	-	(20,446,876)	(364,184,219)
Unrealized gain/(loss) during the year	-	-	2,007,530	-	2,007,530
Net profit during the year	-	-	-	57,540,766	57,540,766
Balance as on June 30, 2022	1,106,338,010	-	2,007,530	37,093,890	1,145,439,430

Investment Corporation of Bangladesh
(Trustee)

VIPB Asset Management
(Asset Manager)

See annexed report of date

Dhaka,
Date: 30 July, 2023

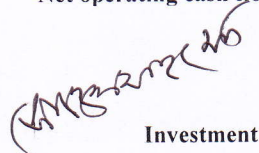


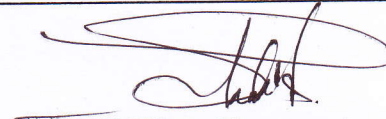
Md. Iqbal Hossain FCA
Senior Partner
Enrolment No.: 596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants



VIPB SEBL 1ST UNIT FUND
STATEMENT OF CASH FLOWS
For the year ended June 30, 2023


Particulars	Amount in BDT	
	June 30, 2023	June 30, 2022
A. Cash flows from operating activities		
Interest income from bank deposits	2,793,883	5,170,319
Interest income from BGTB	2,768,507	-
Gain on sale of investments	8,210,499	33,832,381
Dividend income	21,595,248	43,256,664
Management fees	(7,295,373)	(11,573,340)
Advance, deposit and prepayments	(1,081,098)	(2,531,592)
Bank charge and excise duties	(604,215)	(509,762)
CDBL settlement & demat charges	(18,507)	(347,790)
Brokerage commission	(211,317)	(930,352)
Custodian fee	(1,233,826)	(606,001)
Trustee fee	(1,158,266)	(993,989)
Preliminary and issue expense	-	(11,431,249)
Other operating expenses	(3,639,214)	(17,138,786)
Net cash from operating activities	20,126,322	36,196,504
B. Cash flows from investing activities		
Net investment in shares and securities	101,694,823	305,947,733
Net investment in BGTB	(129,544,576)	-
Investment in FDR	54,874,747	42,329,832
Net cash from investing activities	27,024,994	348,277,565
C. Cash flows from financing activities		
Proceeds from issuance of units	357,408	21,169,273
Payment for redemption of units	(82,550,965)	(346,958,088)
Dividend payment	(33,309,884)	(5,252,136)
Net cash from financing activities	(115,503,441)	(331,040,951)
Net cash flows for the period	(68,352,124)	53,433,118
Cash and cash equivalents at the beginning of the period	90,321,404	36,888,286
Cash and cash equivalents at the end of the period	21,969,280	90,321,404
Net operating cash flows per unit	0.20	0.33

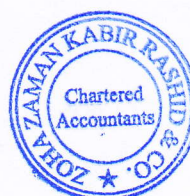

Investment Corporation of Bangladesh
(Trustee)


VIPB Asset Management
(Asset Manager)

See annexed report of date

Dhaka,
Date: 30 July, 2023


Md. Iqbal Hossain FCA
Senior Partner
Enrolment No.: 596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants



VIPB SEBL 1st Unit Fund
Notes to the financial statements
As at and for the year ended June 30, 2023

1.00 Legal status and nature of the Fund

1.01 Background of the Fund and its objectives

VIPB SEBL 1st Unit Fund (the “Fund”) was created upon conversion of Southeast Bank 1st Mutual Fund (SEBL1STMF), a closed-end Mutual Fund. SEBL1STMF was a closed-end Mutual Fund managed by VIPB Asset Management Company Limited, launched in 2010-11 and listed with the stock exchanges on May 16, 2011. SEBL1STMF has been de-listed from the bourses on May 15, 2021 upon completion of its tenure on May 16, 2021 as per Securities and Exchange Commission (Mutual Fund) Rules, 2001. Upon getting approval from BSEC on April 26, 2021, the Trustee held a unitholders’ meeting on May 25, 2021 on an online platform where 78.85% unitholders gave their valuable consent and 99.23% of the unitholders present in the meeting passed a resolution in favor of the conversion of the Fund into an open-ended Fund.

VIPB SEBL 1st Unit Fund was established as a Trust under the Trust Act 1882 and registered with Sub-Registrars Office under the Registration Act 1908, on October 10, 2021. The Fund received Registration Certificate from the Bangladesh Securities and Exchange Commission (BSEC) on October 19, 2021 under the Securities and Exchange Commission (Mutual Fund) Rules 2001. BSEC approved the Fund and provided consent on November 24, 2021. The initial size of the Fund was initially proposed Tk. 1,500,000,000 (Taka fifteen hundred million only) divided into 150,000,000 units of Tk. 10 each. However, as existing unitholders’ contribution met the minimum requirements, no initial public offer was made. Subsequently, the unit capital of the Fund at its inception was at Tk. 1,428,906,080 (Taka fourteen hundred twenty-eight million nine hundred six thousand and eighty only) divided into 142,890,608 units of Tk. 10 each. As per clause 21 of BSEC Directive No. SEC/CMRRCD/2009-193/175/Admin/62 dated July 08, 2015, the starting date of the new open-end fund (VIPB SEBL 1st Unit Fund) shall be the next day (May 17, 2021) after the maturity date (May 16, 2021) of the earlier closed-end fund (SEBL1STMF).

Southeast Bank Limited (SEBL) is the Sponsor of the Fund. Investment Corporation of Bangladesh (ICB) is the Trustee and the Custodian of the Fund. VIPB Asset Management Company Limited (VIPB AMCL) is managing the operations of the Fund as the Asset Management Company.

1.02 Objectives

The primary objective of the Fund is to achieve capital appreciation as well as earn dividend and interest income through investment in the capital market of Bangladesh. It mostly shall focus on generating cash earning and at the same time preservation of capital. The Fund shall strive to accumulate reserves over its life in order to reinvest and be able to distribute a lump sum at redemption.

2.00 Summary of significant accounting policies and basis of preparation of the financial statements

2.01 Preparation of the financial statements

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are ‘market-to-market’ and in conformity with the International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and also in compliance with requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other laws and regulations applicable in Bangladesh.

2.02 Statement of cash flows

IAS-1, "Presentation of financial statements requires that a cash flow statement be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with basis to assess the ability of the enterprise to generate cash and cash equivalents and needs of the enterprise to utilize those cash flows. Statement of cash flows has been prepared under the direct method for the year as per IAS 7 Statements of Cash Flows". In accordance with Mutual Fund Rules 2001, proceeds from investments has been shown under investing activities. However, the amount of resultant gain on sale of investment has been shown in operating activities.

2.03 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

2.04 Functional and presentation currency

These financial statements are presented in Taka, which is Fund's functional currency. Except as indicated figures have been rounded to the nearest Taka.

2.05 Reporting period

This Financial Statement is presented for the period from 01 July 2022 to 30 June 2023.

2.06 Date of authorization

This Financial Statement were authorized for issue by the Board of Trustee of the Fund on **July 30, 2023** for the financial year ended on June 30, 2023.

2.07 Investment policy

a) The Fund shall only invest in securities and investment approved by the BSEC, the Bangladesh Bank and/or the Insurance development and regulatory authority (IDRA) or any other competent authority in this regard.

b) The Fund shall invest only in transferable securities whether in money market or equity market or privately placed debentures or securitized debts.

c) Capital appreciation will be the primary consideration and dividend and interest income will be the secondary consideration for the investments as at fair value through other comprehensive income.

d) Dividend and interest income will be the primary consideration and capital appreciation will be the secondary consideration for the investments as at fair value through profit or loss.

e) The Fund shall categorize the investments either as "fair value through profit or loss" or as "fair value through other comprehensive income" as they deem prudent, as per provisions of IFRS 9.

f) Stock Dividend (Bonus shares) are added with existing shares with no value resulted decrease in per unit cost price of the existing shares.

2.08 Valuation of investment

The listed securities are valued at the closing quoted market price on the Dhaka Stock Exchange on the date of valuation on June 30, 2023. However, for those IPO shares the trading of which not yet started are shown at cost price.

2.09 Dividend policy

- After the close of annual accounts, the Trustee, as appears, shall declare dividend for the Fund.
- It shall distribute at least 70% of the Annual Income derived from realized gains of the Fund, as dividend, at the end of first accounting year.
- No dividend may be declared or paid other than from earnings of the Fund available for distribution.
- Surplus arising simply from the valuation of investments may not be available for dividend.
- In compliance with the convention of 'Conservatism', also known as the doctrine of 'Prudence' of accounting, any money to be refunded to the unitholders over and above their unit capital at the time of redemption of their units, to be reimbursed from the 'unit premium' account. In case the 'unit premium' account is exhausted, the remaining balance (if any) must be settled from the 'retained earnings' of the fund. The 'unit premium' account can never be kept in the 'negative' as long as there is a 'positive balance' in the 'retained earnings' of the fund at the end of the accounting year/period. Because, 'retained earnings' is the accumulated profit earned by the fund till the end of the accounting year/profit, which is the only 'buffer' the fund holds over and above its issued unit capital and unit premium at any point of time. Hence, distributable dividend for the accounting year/period shall be the available/distributable closing balance in the 'retained earnings' at the end of the accounting year/period, even if profit earned during the accounting year/period is higher.

2.10 Management fees

The Fund shall pay a management fee to the Asset Management Company @ 2.50% per annum of the weekly average NAV up to Tk. 5.00 crore, @ 2.00% per annum for additional amount of the weekly average NAV up to Tk. 25.00 crore over Tk. 5.00 crore, @ 1.50% per annum for additional amount of the weekly average NAV up to Tk. 50.00 crore over 25.00 crore, and @ 1.00% per annum for additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable half yearly.

2.11 Trustee fees

The Trustee is entitled to an annual Trusteeship fee of @ 0.10% of the Net Asset Value (NAV) of the Fund only payable semi-annually during the life of the Fund.

2.12 Custodian fees

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

2.13 CDBL (Central Depository of Bangladesh Limited) fees

Tk. 500,000/- advance to CDBL was the amount that was paid at the inception of SEBL1STMF, the earlier closed-end fund. As the earlier fund has been converted into a new open-ended fund



named as VIPB SEBL 1st Unit Fund, therefore, the Tk. 500,000/- was carried forward to the new fund as advance which is a refundable security deposit during the whole life of the Fund. Annual fee for the Fund payable in advance, based on face value of total fund size is payable as follow:

-Up to Tk. 20 crore	Tk 20,000/-
-Above Tk 20 crore	Tk 40,000/-

2.14 Fund registration and annual fees

BSEC has kindly exempted the registration fees for the fund under special consideration vide letter no BSEC/MF & SPV/MF-255/2021/1388 dated October 04, 2021. The Fund will have to pay @0.10% of the year end NAV of the Fund only per annum.

2.15 Revenue recognition

- a) Dividend income is recognized on the ex-dividend date/record date.
- b) Capital gains are recognized on being realized.
- c) Bonus shares have been recognized at zero cost.
- d) Interest on Fixed Deposit and Short Term Deposit is recognized as income on accrual basis.

2.16 Taxation

The income of the Fund is exempted from income tax under the SRO No. 333-Ain / IT / 2011 dated November 10, 2011; under section 44(4) clause (b) of income tax ordinance, 1984; hence no provision for tax has been made during the year in the books of statement of profit or loss and other comprehensive income.

2.17 Preliminary and issue expenses

As per Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001 Preliminary and Issue Expenses are being written off over a period of 7 (seven) years.

2.18 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.

2.19 Earning per unit

The mutual fund calculates Earning 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 the computation of NAV per unit is stated in Note 18.

2.20 General

Figures appearing in these financial statements have been rounded off to nearest Taka.

2.21 Proposed dividend:

The Board of Trustee of VIPB SEBL 1st Unit Fund has recommended **No dividend** for the period ended on June 30, 2023, in a meeting held on **July 30, 2023**.



VIPB SEBL 1ST UNIT FUND

Portfolio as on June 30, 2023

03.00. Marketable investment-at market value

Name of the securities	Sector	Number of shares	Average cost/unit	Acquisition cost	% of Total Asset at Cost	Market rate	Market value	Sectoral exposure as % of Total Asset at Cost	Amount in BDT Unrealized gain/loss
BRAC Bank Limited	Bank	2,540,422	44.56	113,206,306	10.77%	35.80	90,947,108	10.77%	(22,259,199)
APSL Non-Convertible and Fully Redeemable Bond	Corporate Bond	2,745	5,300.21	14,549,064	1.38%	5,500.00	15,097,500	1.38%	548,436
Square Pharmaceuticals Limited	Pharmaceuticals & Chemicals	502,055	214.70	107,791,209	10.26%	209.80	105,331,139	19.30%	(2,460,070)
Renata Limited	Consumer Care	86,753	1,095.42	95,030,960	9.04%	1,217.90	105,656,479		10,625,519
Marico Bangladesh Limited	Fuel & Power	46,249	2,146.60	99,278,103	9.45%	2,421.50	111,991,954	9.45%	12,713,850
Linde Bangladesh Limited	Tannery	30,900	1,332.23	41,165,948	3.92%	1,397.70	43,188,930	3.92%	2,022,982
Bata Shoe Company (Bangladesh) Limited		33,037	732.40	24,196,254	2.30%	1,016.80	33,592,022	2.31%	9,395,768
M K Footwear (IPO shares)	Telecommunication	9,031	10.00	90,310	0.01%	11.00	99,341		9,031
Grameenphone Limited	Engineering	312,164	343.40	107,197,118	10.20%	286.60	89,466,202	10.20%	(17,730,915)
Singer Bangladesh Limited	Miscellaneous	284,643	178.94	50,934,171	4.85%	151.90	43,237,272	4.85%	(7,696,899)
Berger Paints Bangladesh Limited		48,326	1,765.59	85,323,729	8.12%	1,793.90	86,692,011	8.12%	1,368,283
Subtotal				738,763,171	70.30%		725,299,957	70.30%	(13,463,214)

Instrument Name	Sector	Face Value	Issue date	Purchase cost	% of Total Asset at Cost	Yield	Market value	Sectoral exposure as % of Total Asset at Cost	Unrealized gain/loss
BGTB 364-day T-Bill	Money market	80,000,000	20-Feb-23	74,449,760	7.08%	7.4755%	74,449,760	7.08%	-
BGTB 91-day T-Bill		56,000,000	8-May-23	55,094,816	5.24%	6.5899%	55,094,816	5.24%	-
Subtotal				129,544,576	12.33%		129,544,576	12.33%	-
Total				868,307,747	82.63%		854,844,533	82.63%	(13,463,214)

Total Assets at Cost Value = 1,050,829,275

Note: The Fund has invested 70.30% & 12.33% of the total assets at cost value in the capital market & money market instruments respectively. The rest is held as bank deposits.





VIPB SEBL 1ST UNIT FUND
Notes to the financial statements
For the year ended June 30, 2023

Particulars	Amount in BDT	
	June 30, 2023	June 30, 2022
4.00 Accounts receivables		
Dividend receivable		
The City Bank Limited	-	422,874
Marico Bangladesh Limited	-	3,461,185
Singer Bangladesh Limited	294,855	-
Sub Total	294,855	3,884,059
Other receivable		
Interest on FDR	1,482,622	1,818,194
Interest on government bonds	2,438,714	-
Collateral for bidding	-	15,000,000
Sub Total	3,921,335	16,818,194
Total	4,216,191	20,702,253
5.00 Advance, deposit & prepayments		
Security deposit		
Deposit with Central Depository Bangladesh Ltd. (CDBL)	500,000	500,000
Sub Total	500,000	500,000
Advance & Prepayment		
Annual CDBL fees	17,277	97,480
Annual Trustee fees	517,886	624,728
Annual BSEC fees	1,035,098	1,316,172
Sub Total	1,570,260	2,038,381
Total	2,070,260	2,538,381
6.00 Fixed deposit receipts (FDR)		
Southeast Bank Ltd (FDR no.1412)	-	50,000,000
Southeast Bank Ltd (FDR no.1413)	53,060,017	50,000,000
Southeast Bank Ltd (FDR no.1415)	-	30,000,000
Southeast Bank Ltd (FDR no.1416)	-	30,000,000
Southeast Bank Ltd (FDR no.1417)	31,855,805	30,000,000
Southeast Bank Ltd (FDR no.1592)	30,489,375	-
Southeast Bank Ltd (FDR no.1623)	30,000,000	-
Total	145,405,196	190,000,000
7.00 Cash and cash equivalents		
Cash at banks		
Southeast Bank Limited, Donia Branch (AC # 13100000081)	58,372	53,709
Southeast Bank Limited, Donia Branch (AC # 13100000080)	21,279,367	80,604,957
Southeast Bank Limited, Corp Branch (AC # 13100000849)	-	525,088
Southeast Bank Limited, Corp Branch (AC # 13100000857)	115,055	187,677
Southeast Bank Limited, Corp Branch (AC # 13100000871)	437,758	-
Brac Bank Limited, Gulshan Branch (AC # 2052761910001)	77,510	-
Sub Total	21,968,063	81,371,431
Cash in brokerage accounts		
BRAC EPL Stock Brokerage Ltd	725	-
BLI Securities Ltd	492	8,949,973
	1,217	8,949,973
Total	21,969,280	90,321,404



VIPB SEBL 1ST UNIT FUND
Notes to the Financial Statements
For the year ended June 30, 2023

Particulars	Amount in BDT	
	June 30, 2023	June 30, 2022
8.00 Preliminary and issue expenses		
Preliminary and issue expenses	10,520,826	11,621,579
Less: Amortization made during the year	(1,660,225)	(1,100,752)
Total	8,860,601	10,520,826
Note: As per the rule 65.3.1 of the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, the preliminary & issue expenses are being written off over a period of 7 (seven) years.		
9.00 Unit capital		
Opening balance	1,106,338,010	1,428,906,080
Add: New subscription	391,110	20,057,530
Less: Units redeemed	(86,980,350)	(342,625,600)
Total	1,019,748,770	1,106,338,010
10.00 Unit premium reserve		
Opening balance	-	-
Add: Unit premium raised during the year	1,325,049	1,111,743
Less: Premium reimbursed for redemption of units	(7,051)	(1,111,743)
Total	1,317,998	-
11.00 Redemption value adjustment with Retained Earnings		
Total redemption value for the year	86,987,401	364,184,219
Less: Unit capital refunded	(86,980,350)	(342,625,600)
Less: Unit premium refunded	(7,051)	(1,111,743)
Redemption value refunded from Retained Earnings	0	20,446,876
12.00 Accounts payable		
Accounts payable	16,372	385,050
Total	16,372	385,050
13.00 Liability for expenses		
Management fees	7,178,855	-
Custodian fees	486,860	764,512
Audit fees	40,000	40,000
Trustee fee	517,886	624,728
Newspaper publication expenses	-	2,000
CDBL annual fees	-	-
Other operating expenses	-	-
Total	8,223,601	1,431,240
14.00 Unclaimed dividend		
SEBL1STMF Dividend Payable (2018-19)	-	505,135
SEBL1STMF Dividend Payable (2019-20)	126,013	198,837
VIPB SEBL 1st Unit Fund Dividend Payable (2021-2022)	448,948	-
Total	574,961	703,972
15.00 Net Asset Value (NAV) per unit at cost		
Net Asset Value (NAV) at market price	1,028,551,128	1,145,439,430
Add/(Less): Unrealized loss/(gain)	13,463,214	(2,007,530)
Net Asset Value (NAV) at cost price	1,042,014,342	1,143,431,900
No. of units	101,974,877	110,633,801
NAV per unit at cost	10.22	10.34
16.00 Net Asset Value per unit at market price		
Net Asset Value (NAV)	1,028,551,128	1,145,439,430
No. of units	101,974,877	110,633,801
NAV per unit at market price	10.09	10.35



VIPB SEBL 1ST UNIT FUND
Notes to the Financial Statements
For the year ended June 30, 2023

Particulars	Amount in BDT	
	June 30, 2023	June 30, 2022

17.00 Net gain /(loss) on sale of marketable securities

Gain on sale of marketable securities

Bata Shoe Company (Bangladesh) Limited	799,760	3,161,067
Berger Paints Bangladesh Limited	-	173,914
BRAC Bank Limited	-	250,153
Marico Bangladesh Limited	1,643,800	2,656,716
Grameenphone Limited	-	342,605
The City Bank Limited	-	2,715,008
Linde Bangladesh Limited	328,462	12,884,801
Union Insurance Company Limited	-	504,900
BD Thai Food & Beverage Limited	-	185,126
Reckitt Benckiser (Bangladesh) Limited	-	831,152
Renata Limited	-	6,077,151
Square Pharmaceuticals Limited	3,000	1,294,649
Meghna Insurance Company Limited	336,352	-
BD Paints Ltd	817,600	-
Achia Sea Food Ltd	1,071,279	-
Eastern Bank Limited	508,929	2,506,565
Star Adhesives Limited	-	248,573
Trust Islami Life Insurance Limited	427,794	-
Al-Madina Pharmaceuticals Limited	130,669	-
Chartered Life Insurance Company Ltd	388,778	-
Islami Commercial Insurance Company Limited	279,195	-
AIMS 1st Guaranteed Mutual Fund	1,474,882	-
Total	8,210,499	33,832,381

Loss on sale of marketable securities

BRAC Bank Limited	188,083	1,947,343
Singer Bangladesh Limited	2,576,088	3,958,883
Sea Pearl Beach Resort & Spa Limited	-	207,258
IDLIC Finance Limited	1,720,808	1,147,626
Square Pharmaceuticals Limited	43,000	16,000
Grameenphone Limited	1,136,010	1,183,397
Berger Paints Bangladesh Ltd	431,785	-
The City Bank Limited	315,530	139,003
Total	6,411,303	8,599,509

Net gain/(loss) on sale of marketable securities

1,799,196	25,232,872
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VIPB SEBL 1ST UNIT FUND
Notes to the Financial Statements
For the year ended June 30, 2023

Particulars	Amount in BDT	
	June 30, 2023	June 30, 2022
18.00 Dividend income		
APSCL Non-Convertible and Fully Redeemable Bond	1,216,425	559,725
Bata Shoe Company (Bangladesh) Limited	1,298,623	526,550
Berger Paints Bangladesh Ltd	563,260	3,290,873
BRAC Bank Limited	1,772,388	1,881,350
Eastern Bank Limited	8	782,599
Grameenphone Limited	7,121,358	9,771,763
IDLC Finance Limited	-	293,015
Linde Bangladesh Limited	1,297,800	1,783,320
Marico Bangladesh Limited	1,537,470	8,715,965
Reckitt Benckiser (Bangladesh) Limited	-	78,400
Renata Limited	1,135,092	1,447,969
Sea Pearl Beach Resort & Spa Limited	-	552
Singer Bangladesh Limited	284,643	3,387,402
Square Pharmaceuticals Limited	5,020,550	3,990,330
The City Bank Limited	8	422,896
Total	21,247,625	36,932,708
19.00 Interest income		
Fixed deposits receipts (FDR)	11,069,010	9,437,091
Short Notice Deposit (SND)	2,793,883	4,718,092
BGTB T-Bills	5,207,221	59,224
Total	19,070,114	14,214,407
20.00 Management Fees		
Management fees charged for the current accounting period is for 12 months whereas the charge for the previous accounting period was for 8 months, i.e., from November 01, 2021 to June 30, 2022. As the earlier closed-end fund was up for conversion and the conversion process was still ongoing, therefore, the management fees charged in the previous accounting period was for 8 months, instead of 12 months. Although, as per clause 21 of BSEC Directive No. SEC/CMRRCD/2009-193/175/Admin/62, dated July 08, 2015, the starting date of the new open-end fund (VIPB SEBL 1st Unit Fund) shall be the immediate next day (May 17, 2021) after the maturity date (May 16, 2021) of the earlier closed-end fund (Southeast Bank 1st Mutual Fund).		
21.00 Earnings per Unit (EPU)		
Net profit/(loss) for the year	3,580,610	57,540,767
No. of units	101,974,877	110,633,801
Earnings per Unit	0.04	0.52





VIPB SEBL 1ST UNIT FUND

For the year ended 30 June, 2023

Disclosure in compliance with **Rule 6** of the **6th Schedule** under

Particulars	June 30, 2023	June 30, 2022
Net Asset Value (NAV) per unit at cost	10.22	10.34
Net Asset Value (NAV) per unit at market price	10.09	10.35
Per unit income other than capital gain/(loss)	0.40	0.46
Per unit expense	0.25	0.17
Per unit provision for unrealized loss charge	-0.13	-
Earnings per unit	0.04	0.52

