

VIPB SEBL 1st Unit Fund
Independent Auditors' Report
And Financial Statements
For the Financial Year Ended
30th June 2022



**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 2022, 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 2022, 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

IFRS 9 (Financial Assets) states that, "all equity investments in scope of IFRS 9 are to be measured at fair value in the statement of financial position, with value changes recognized in profit or loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'. We draw attention to note no. 18 whereby, the investments made in marketable instruments which are measured at its fair value of BDT 833,876,827 in the Statement of Financial Position with fair value gain of BDT 2,007,530 arising on revaluation being recognized directly under Shareholder's Equity. The profit used in the computation of earnings per unit by the fund is exclusive of this fair value gain as the gain is not realized yet.

The clause 3.2.2 (*Investment Policy*) also 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 no investments 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.

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: July 26, 2022



Md. Iqbal Hossain, FCA

Senior Partner

Enrolment No.: 0596

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

DVC: 2208140596AS734064

A member of



Independent legal & accounting firms

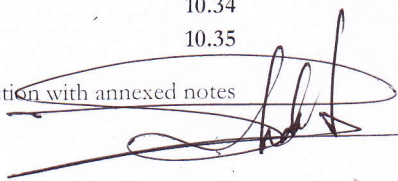


VIPB SEBL 1ST UNIT FUND
STATEMENT OF FINANCIAL POSITION
As on June 30, 2022

Particulars	Notes	June 30, 2022
		Taka
ASSETS		
Investments - at market price	1	833,876,827
Accounts receivables	2	20,702,253
Advance, deposit and prepayments	3	2,538,381
Fixed deposits receipts (FDR)	4	190,000,000
Cash and cash equivalents	5	90,321,404
Preliminary and issue expenses	6	10,520,826
Total Assets		1,147,959,691
EQUITY AND LIABILITIES		
<u>Shareholders' Equity</u>		
Unit capital	7	1,106,338,010
Unit premium reserve	8	-
Unrealized gain on investments		2,007,530
Retained earnings		37,093,890
Total		1,145,439,430
<u>Current Liabilities</u>		
Accounts payable	10	1,089,022
Liability for expenses	11	1,431,240
Total		2,520,262
Total Equity and Liabilities		1,147,959,692
Net asset value (NAV)		1,145,439,430
Net asset value (NAV) per unit:		
At cost	12	10.34
At market price	13	10.35

These financial statements should be read in conjunction with annexed notes

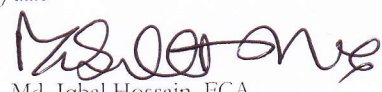

Investment Corporation of Bangladesh
(Trustee)


VIPB Asset Management
(Asset Manager)

AUDITORS' REPORT TO THE TRUSTEE

See annexed report of date

Dated: July 26, 2022
Place: Dhaka


Md. Iqbal Hossain, FCA
Senior Partner
Enrolment No.: 0596
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants





VIPB SEBL 1ST UNIT FUND

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

From May 17 to June 30, 2022

Particulars	Note	May 17, 2021 to June 30, 2022
		Taka
INCOME		
Net gain on sale of marketable securities	14	25,232,872
Dividend income	15	36,932,708
Interest income	16	14,214,407
Total		76,379,986
EXPENSES		
Management fees		11,462,913
Amortization of preliminary and issue expenses		1,100,752
BSEC annual fees		952,583
CDBL annual fees		165,356
CDBL settlement and demat charges		366,321
Trustee fees		993,989
Custodian fees		958,902
IPO application fees		34,000
Brokerage commission		930,352
Audit fees		40,000
Newspaper publication exp		13,500
Bank charges and excise duty		1,284,330
Other operating expenses		536,222
Total		18,839,220
Net profit for the period		57,540,767
Earnings per unit	17	0.52
Other Comprehensive Income		
Unrealized gain	18	2,007,530
Net profit including unrealized gain		59,548,297

These financial statements should be read in conjunction with annexed notes

Investment Corporation of Bangladesh
(Trustee)

VIPB Asset Management
(Asset Manager)

AUDITORS' REPORT TO THE TRUSTEE

See annexed report of date

Md. Iqbal Hossain, FCA

Senior Partner

Enrolment No.: 0596

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

Dated: July 26, 2022

Place: Dhaka





VIPB SEBL 1ST UNIT FUND
STATEMENT OF CHANGES IN EQUITY
For the period ended June 30, 2022

Figure in Taka

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 9)	(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	-	-	-	57,540,767	57,540,767
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)

AUDITORS' REPORT TO THE TRUSTEE
See annexed report of date

Dated: July 26, 2022
Place: Dhaka




Md. Iqbal Hossain, FCA
Senior Partner
Enrolment No.: 0596
Zohar Zaman Kabir Rashid & Co.
Chartered Accountants



VIPB SEBL 1ST UNIT FUND
STATEMENT OF CASH FLOWS
For the period ended June 30, 2022

Particulars	June 30, 2022
	Taka
A. Cash flows from operating activities	
Interest income - bank deposit	5,170,319
Gain on sale of investments	33,832,381
Dividend income	43,256,664
Management fees	(11,573,340)
Advance, deposit and prepayments	(2,531,592)
Bank charge and excise duties	(509,762)
CDBL settlement & demat charges	(347,790)
Brokerage commission	(930,352)
Custodian fee	(606,001)
Trustee fee	(993,989)
Preliminary & issue expense	(11,431,249)
Other operating expenses	(17,138,786)
Net cash from operating activities	36,196,504
B. Cash flows from investing activities	
Net investment in shares and securities	305,947,733
Net Investment in FDR	42,329,832
Net cash from investing activities	348,277,565
C. Cash flows from financing activities	
Proceeds from issuance of units	21,169,273
Payment made for redemption of units	(346,958,088)
Dividend payment	(5,252,136)
Net cash from financing activities	(331,040,951)
Net cash flows for the period	53,433,118
Cash and cash equivalents at the beginning of the period	36,888,286
Cash and cash equivalents at the end of the period	90,321,404
Net operating cash flows per unit	0.33

Investment Corporation of Bangladesh
(Trustee)

VIPB Asset Management
(Asset Manager)

AUDITORS' REPORT TO THE TRUSTEE

See annexed report of date

Dated: July 26, 2022

Place: Dhaka

Md. Iqbal Hossain, FCA

Senior Partner

Enrolment No.: 0596

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants





VIPB SEBL 1ST UNIT FUND
Portfolio as on June 30, 2022

1.00. Marketable investment-at market value

Figure in Taka

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	Unrealized gain/loss
BRAC Bank Limited	Bank	2,383,184	47.90	114,164,389	9.96%	41.50	98,902,136	11.54%	(15,262,253)
The City Bank Limited		190,586	23.56	4,489,364	0.39%	23.00	4,383,478		(105,886)
Eastern Bank Limited		444,473	30.67	13,630,510	1.19%	33.00	14,667,609		1,037,099
APSCIL Non-Convertible and Fully Redeemable Bond	Corporate Bond	2,317	5,281.77	12,237,864	1.07%	5,570.00	12,905,690	1.07%	667,826
Square Pharmaceuticals Limited	Pharmaceuticals & Chemicals	532,055	214.70	114,232,209	9.97%	216.70	115,296,319	18.28%	1,064,110
BD Paints Limited (IPO)		25,550	10.00	255,500	0.02%	33.90	866,145		610,645
Renata Limited		81,078	1,172.09	95,030,960	8.29%	1,345.60	109,098,557		14,067,597
Marico Bangladesh Limited	Consumer Care	53,249	2,146.60	114,304,303	9.97%	2,421.00	128,915,829	9.97%	14,611,526
IDLC Finance Limited	NBFI	180,081	59.33	10,684,848	0.93%	48.00	8,643,888	0.93%	(2,040,960)
Linde Bangladesh Limited	Fuel & Power	32,424	1,325.04	42,963,033	3.75%	1,445.00	46,852,680	3.75%	3,889,647
Bata Shoe Company (Bangladesh) Limited	Tannery	37,109	732.40	27,178,581	2.37%	936.20	34,741,446	2.37%	7,562,865
Grameenphone Limited	Telecommunication	332,464	343.40	114,168,138	9.96%	294.10	97,777,662	9.96%	(16,390,475)
Singer Bangladesh Limited	Engineering	385,648	178.94	69,008,060	6.02%	162.70	62,744,930	6.02%	(6,263,130)
Berger Paints Bangladesh Limited	Miscellaneous	56,326	1,765.59	99,448,420	8.68%	1,734.90	97,719,977	8.68%	(1,728,442)
Meghma Insurance Company Limited (IPO)	Insurance	7,312	10.00	73,120	0.01%	49.30	360,482	0.01%	287,362
Total				831,869,297	72.59%		833,876,827	72.59%	2,007,530

Total Assets at Cost Value = 1,145,952,162

Note: The Fund has invested 72.59% of the total assets in the capital market instruments, the rest is held as bank deposits.





VIPB SEBL 1st Unit Fund
Notes to the financial statements
As at and for the year ended June 30, 2022

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 January 2021 to 31 December 2021.

2.06 Date of authorization

This Financial Statement were authorized for issue by the Board of Trustee of the Fund on 2022 for the financial year ended on June 30, 2022.

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, 2022. However, for those IPO shares the trading of which not yet started are shown at cost price.

2.09 Dividend policy

- a) After the close of annual accounts, the Trustee, as appears, shall declare dividend for the Fund.
- b) 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.
- c) No dividend may be declared or paid other than from earnings of the Fund available for distribution.
- d) Surplus arising simply from the valuation of investments may not be available for dividend.
- e) 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 SEBLISTMF, 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 12 and 13.

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 17.

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 **3% cash dividend** for the period ended June 30, 2022, in a meeting held on July 26, 2022.





VIPB SEBL 1ST UNIT FUND

Notes to the financial statements

As on June 30, 2022

Notes No.:	PARTICULARS	June 30, 2022 Taka
2.00	Accounts receivables	
	Dividend receivable	
	The City Bank Limited	422,874
	Marico Bangladesh Limited	3,461,185
	IDLC Finance Limited	-
	Sub Total	3,884,059
	Other receivable	
	Interest on FDR	1,818,194
	Interest on SND	-
	Collateral for bidding of Achia Sea Foods Limited	15,000,000
	Sub Total	16,818,194
	Total	20,702,253
3.00	Advance, deposit & prepayments	
	Security deposit	
	Central Depository Bangladesh Ltd. (CDBL) Deposit	500,000
	Sub Total	500,000
	Advance & Prepayment	
	Annual CDBL fees	97,480
	Annual Trustee fees	624,728
	Annual BSEC fees	1,316,172
	Sub Total	2,038,381
	Total	2,538,381
4.00	Fixed deposit receipts (FDR)	
	Southeast Bank Limited (FDR no. 1412)	50,000,000
	Southeast Bank Limited (FDR no. 1413)	50,000,000
	Southeast Bank Limited (FDR no. 1415)	30,000,000
	Southeast Bank Limited (FDR no. 1416)	30,000,000
	Southeast Bank Limited (FDR no. 1417)	30,000,000
	Total	190,000,000
5.00	Cash and cash equivalents	
	Cash at banks	
	Southeast Bank Limited-81	53,709
	Southeast Bank Limited-80	80,604,957
	Southeast Bank Limited (SEBL1STMF DIV 2018-19)	525,088
	Southeast Bank Limited (SEBL1STMF DIV 2019-20)	187,677
	Sub Total	81,371,431
	Cash in brokerage accounts	
	BLI Securities Ltd	8,949,972.85
	Sub Total	8,949,973
	Total	90,321,404





VIPB SEBL 1ST UNIT FUND

Notes to the Financial Statements

As on June 30, 2022

Notes No.:	PARTICULARS	June 30, 2022
		Taka
6.00	Preliminary and issue expenses	
	Preliminary and issue expenses	11,621,579
	Less: Amortization made during the period	(1,100,752)
	Total	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.	
7.00	Unit capital	
	Opening balance	1,428,906,080
	Add: New subscription	20,057,530
	Less: Units redeemed	(342,625,600)
	Total	1,106,338,010
8.00	Unit premium reserve	
	Opening balance	-
	Add: Unit premium raised during the period	1,111,743
	Less: Premium reimbursed for redemption of units	(1,111,743)
	Total	-
9.00	Redemption value adjustment with Retained Earnings	
	Total redemption value for the year	364,184,219
	Less: Unit capital refunded	(342,625,600)
	Less: Unit premium refunded	(1,111,743)
	Redemption value refunded from Retained Earnings*	20,446,876

* 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.



Notes No.:	PARTICULARS	June 30, 2022
		Taka
10.00	Accounts payable	
	Accounts payable	385,050
	SEBL1STMF Dividend Payable (2018-19)	505,135
	SEBL1STMF Dividend Payable (2019-20)	198,837
	Total	1,089,022
11.00	Liability for expenses	
	Custodian fees	764,512
	Audit fees	40,000
	Trustee fee	624,728
	Newspaper publication expenses	2,000
	Total	1,431,240
12.00	Net Asset Value (NAV) per unit at cost	
	Net Asset Value (NAV) at market price	1,145,439,430
	Less: Unrealized gain	(2,007,530)
	Net Asset Value (NAV) at cost price	1,143,431,900
	No. of units	110,633,801
	NAV per unit at cost	10.34
13.00	Net Asset Value per unit at market price	
	Net Asset Value (NAV)	1,145,439,430
	No. of units	110,633,801
	NAV per unit at market price	10.35





VIPB SEBL 1ST UNIT FUND

Notes to the Financial Statements

Period from May 17, 2021 to June 30, 2022

Notes No.:	PARTICULARS	May 17, 2021 to June 30, 2022
		TAKA
14.00	Net gain / loss on sale of marketable securities	
	Gain on sale of marketable securities	
	Bata Shoe Company (Bangladesh) Limited	3,161,067
	Berger Paints Bangladesh Limited	173,914
	BRAC Bank Limited	250,153
	Marico Bangladesh Limited	2,656,716
	Grameenphone Limited	342,605
	The City Bank Limited	2,715,008
	Linde Bangladesh Limited	12,884,801
	Union Insurance Company Limited	504,900
	Eastern Bank Limited	2,506,565
	Star Adhesives Limited	248,573
	BD Thai Food & Beverage Limited	185,126
	Reckitt Benckiser Bangladesh Limited	831,152
	Renata Limited	6,077,151
	Square Pharmaceuticals Limited	1,294,649
	Total	33,832,381
	Loss on sale of marketable securities	
	BRAC Bank Limited	1,947,343
	Singer Bangladesh Limited	3,958,883
	Sea Pearl Beach Resort & Spa Limited	207,258
	The City Bank Limited	139,002
	Grameenphone Limited	1,183,397
	IDLIC Finance Limited	1,147,626
	Square Pharmaceuticals Limited	16,000.00
	Total	8,599,508
	Net gain on sale of marketable securities	25,232,872
15.00	Dividend income	
	Berger Paints Bangladesh Ltd	3,290,873
	Renata Limited	1,447,969
	Grameenphone Limited	9,771,763
	Reckitt Benckiser Bangladesh Limited	78,400
	BRAC Bank Limited	1,881,350
	Linde Bangladesh Limited	1,783,320
	The City Bank Limited	422,896
	Bata Shoe Company (Bangladesh) Limited	526,550
	APSCL Non-Convertible and Fully Redeemable Bond	559,725
	Sea Pearl Beach Resort & Spa Limited	552
	Square Pharmaceuticals Limited	3,990,330





VIPB SEBL 1ST UNIT FUND

Notes to the Financial Statements
Period from May 17, 2021 to June 30, 2022

Notes No.:	PARTICULARS	May 17, 2021 to June 30, 2022
		TAKA
	IDLC Finance Limited	293,015
	Marico Bangladesh Limited	8,715,965
	Singer Bangladesh Limited	3,387,402
	Eastern Bank Limited	782,599
	Total	36,932,708
16.00	Interest income	
	Fixed deposits receipts (FDR)	9,437,091
	Short Notice Deposit (SND)	4,718,092
	Other Income	59,224
	Total	14,214,407
17.00	Earnings per Unit (EPU)	
	Net profit for the period	57,540,767
	No. of units	110,633,801
	Earnings per Unit	0.52
18.00	Unrealized gain increase during the year	
	Unrealized gain on June 30, 2022	2,007,530
	Less: Unrealized gain on May 16, 2021**	-
	Unrealized gain increase	2,007,530

** The assets including securities of the earlier closed-end fund (Southeast Bank 1st Mutual Fund) was transferred to the converted new open-ended fund (VIPB SEBL 1st Unit Fund) at the market value of the audited financial statements of Southeast Bank 1st Mutual Fund as on May 16, 2021. As, the market price of the securities of the earlier fund as on May 16, 2021 were the effective cost price at the inception of the new fund, hence, the new fund had no unrealized gain/(loss) at its inception on May 17, 2021.

19.00 The net profit available for distribution as dividends to the unit holders will be exclusive of any unrealised gain simply arising on the revaluation of the investment in marketable securities.

As such, the fund shall distribute at least 70% of the annual income derived only from realised gains of the Fund as dividends, at the end of the financial year end.

No Dividend may be declared or paid from earnings of the Fund other than earnings available for distribution. In addition any surplus arising simply on the valuation of the investments may not be available for dividend distribution by any means.

