

■ 2019-20

ICL MUTUAL FUNDS

ANNUAL
REPORT



IMPRESS CAPITAL LIMITED

unlocking opportunities

**ICL MUTUAL FUNDS
ANNUAL REPORT
2019-20**

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IMPRESS CAPITAL LIMITED

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বিঃ দ্রঃ বর্তমান ও সম্ভাব্য ইউনিট মালিক/বিনিয়োগকারীগণ লিখিত আবেদনের ভিত্তিতে বার্ষিক প্রতিবেদন সংগ্রহ করিতে পারিবেন।

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KNOW YOUR ASSET MANAGER

I. INCEPTION OF ICL

Impress Capital Limited (ICL), the wealth management arm of Impress Group, was incorporated as a private limited company on June 11, 2014, under the Company's Act, 1994, with a vision to be the most respected and trusted wealth management institution in Bangladesh, and to contribute positively to its stakeholders' lives, continuously by operating in a sustainable and ethical manner.

ICL's principle activities are primary investment management, secondary investment management and providing advisory services. Apart from these, the company has its own equity investments. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued an asset management license in favor of ICL effective from February 02, 2015 and registration certificate to act as the Fund Manager to Alternative Investment Funds in August 3, 2017. The company is presently operating with an authorized capital of BDT 500 million and paid-up capital of BDT 100 million.

ICL contributes to your life through providing a set of diversified asset management solutions passionately. ICL always aims to be by your side with the professional investment management solutions that will accomplish your, your families' and, your societies' needs- now and in future. In this backdrop, ICL launched ICL Balanced Fund, first of its kind in Bangladesh, an open-ended style based mutual fund in August 2016. ICL launched its 2nd open-end mutual fund namely BCB ICL Growth Fund, to offer a suitable investment option for individuals with above average risk-taking ability.

ICL always intends to offer complete investment solution to the investors in Bangladesh, mainly the diligent individuals having lack of options to invest beyond traditional banking and investment solutions. With that in mind, ICL continuously improvises to bring new investment solutions for individuals across every sphere of life. As a result, in July 2019, understanding the imperatives of social aspects of Apparel Sector, ICL launched its 3rd open-end mutual fund namely Esquire ICL Apparel Fund, with an objective to catalyse inclusive funding mechanism by mopping in resources from lower-income segment and scale up positive impact for the people of Apparel Sector. ICL is also in process to launch first-ever Impact Fund- Build Bangladesh Social Entrepreneur Fund, an amount of US\$ 10 million.

ICL is striving to bring innovative financing in partnership with investors from home and abroad. The launch of a \$100 million Build Bangladesh UNDP SDG Impact Fund by the Hon'ble Prime Minister at United Nations sideline meeting in September 2017, agreement with UNDP

to be the impact partner, investment from Hong Kong based JC Management Company for Social Impact Investment and, strategic partnership with China Machinery Engineering Corporation (CMEC), a leading Chinese state-owned construction and engineering company are examples. Build Bangladesh is a member of Global Impact Investing Network (GIIN), Global Steering Group (GSG) and acts as Secretariat of National Advisory Board of Impact Investment headed by Secretary, ERD, Ministry of Finance.

ICL achieved an entity rating of A- for Long Term (Investment Grade with Adequate Safety) and ST-3 for short term (Good Grade) with stable outlook for three consecutive years since October 2017, rated by Credit Rating Information and Services Limited (CRISL).

II. PRODUCTS AND SERVICES OF ICL

Primary Investment Management

Impact Fund:

Build Bangladesh Social Entrepreneurs Fund: ICL signed a memorandum of understanding (MOU) with JC Management Company on August 09, 2019 with intention to launch a USD 10 million Build Bangladesh Social Entrepreneurs Fund. The Bangladesh Securities & Exchange Commission (BSEC) has approved the fund on its 659th meeting dated September 03, 2019. United Nations Development Programme (UNDP) will act as the Impact Advisor of the fund. The fund will be invested in equity and equity linked securities of mainly non-listed companies of Bangladesh.

Build Bangladesh Impact Fund: ICL signed a memorandum of understanding (MOU) with United Nations Development Program (UNDP) on August 09, 2017 with intention to launch a USD 100 million Impact Fund, subject to the approval of the regulator(s). The fund is expected to be raised from the global investors and will be invested in equity and equity linked securities of mainly non-listed companies of Bangladesh.

Secondary Investment Management

Mutual Funds:

ICL Balanced Fund: A 'Balanced Style' open-end mutual fund with objective to generate capital appreciation as well as regular income by investing in the capital market and money market instruments.

BCB ICL Growth Fund: A 'Growth Style' open-end mutual fund with objective to identify and invest in listed undervalued companies with high and sustainable growth potential over long-term, to increase the value of Investors' wealth.

Esquire ICL Apparel Fund: A 'Growth Style' open-end mutual fund with objective to catalyze new funding mechanism to scale up positive impact for the people of apparel sector and invest in listed undervalued companies with high and sustainable growth potential over long-term, to increase the value of Investors' wealth.

ICL INCTL Shariah Fund: A ‘Shariah-based’ open-end mutual fund with objective to provide economically viable financial Shariah based solution and invest in listed undervalued companies with high and sustainable growth potential over long-term by respecting Shariah laws, to increase the value of Investors’ wealth.

Institutional Investment:

ICL Value: A ‘Customized’ secondary investment management product for institutions with objective to invest mainly in listed capital market equity instruments for long term, based on its objectives and rigorous investment research.

ICL Meraj: A ‘Customized Islamic Shariah Compliant’ secondary investment management product for institutions with objective to invest mainly in Shariah complied investments.

Investment Pathways

The investment can be started easily. One can invest in ICL mutual funds in two ways:

Flexible Investment Plan (FIP): Investor can invest any amount available with the individual at any time.

Systematic Investment Plan (SIP): SIP allows an investor to invest a certain pre-determined amount at a regular interval (monthly, quarterly, semi-annually, annually, etc.). SIP investors will enjoy 1% discount on Net Asset Value (NAV).

Advisory Lead

ICL offers a broader umbrella of Financial Advisory Services namely Structured Finance, Capital Restructuring, Valuation and Appraisal for Private Companies.

MANAGEMENT DISCUSSION AND ANALYSIS

I. FUND HIGHLIGHTS

Mutual Fund Category:	Open-end Mutual Fund	
Life and Size of the Funds:	Perpetual and Unlimited size	
Sponsor:	ICL Balanced Fund	Impress Capital Limited
	BCB ICL Growth Fund	Bangladesh Commerce Bank Limited (BCB)
	Esquire ICL Apparel Fund	Esquire Knit Composite Limited (EKCL)
Trustee:	ICL Balanced Fund	Bangladesh General Insurance Company Limited (BGIC)
	BCB ICL Growth Fund	Investment Corporation of Bangladesh (ICB)
	Esquire ICL Apparel Fund	Investment Corporation of Bangladesh (ICB)
Custodian:	BRAC Bank Limited	
Asset Under Management (AUM):	ICL Balanced Fund	BDT 237,849,028 (As on June 30, 2020)
	BCB ICL Growth Fund	BDT 215,856,521 (As on June 30, 2020)
	Esquire ICL Apparel Fund	BDT 108,764,661 (As on June 30, 2020)
Face Value:	BDT 10/Unit	
Net Asset Value (NAV) per Unit:	ICL Balanced Fund	BDT 7.78/Unit (As on June 30, 2020) at market value
	BCB ICL Growth Fund	BDT 7.33/Unit (As on June 30, 2020) at market value
	Esquire ICL Apparel Fund	BDT 8.53/Unit (As on June 30, 2020) at market value
Minimum Investment Amount:	100 Units for Individuals of ICL Balanced Fund and BCB ICL Growth Fund	
	50 Units for Individuals of Esquire ICL Apparel Fund	
	10,000 Units for Institutions of ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund	

Transparency:	NAV is calculated on a weekly basis and published on ICL's website
Target Group:	Individuals- both resident and non-resident
	Institutions- both local and foreign Mutual funds and collective investment schemes
Dividend:	Minimum 70% (seventy percent) of realized income of the fund is distributed as dividend in Bangladeshi Taka each accounting year
Dividend Distribution:	The dividend is distributed within 45 (forty-five) days from the date of declarations
Transferability:	The Units of the Fund are transferable by way of inheritance/gift and/or as per law of the land
Encashment:	The Unit Holders can surrender and encash their units to the Asset Manager and through selling agents appointed by the Asset Manager
Reports and Accounts:	Every Unit Holder is entitled to receive annual report along with the yearly and half-yearly statements of accounts as and when published

বিঃ দ্রঃ ইউনিটের দাম ও পরিশোধিতব্য মূল্য এবং উহা হইতে লব্ধ আয়ের বিনিয়োগের বাজার মূল্যের উঠানামার সহিত ঝুঁকি-বৃদ্ধি ঘটিবে।

II. INVESTMENT POLICY THE FUNDS

- Style:** ICL Balanced Fund is a balanced style-based fund whereas BCB ICL Growth Fund and Esquire ICL Apparel Fund are growth style-based funds.
- Investment Objective:** The investment objective of ICL Balanced Fund is to generate moderate double-digit risk-adjusted expected total return per annum over-stated investment horizon. As for BCB ICL Growth Fund and Esquire ICL Apparel Fund, the objective is to generate higher double-digit risk-adjusted expected total return after stated investment horizon.
- Risk Objective:** ICL Balanced Fund is tailored towards investors with “Moderate” willingness and capability to take risk, whereas BCB ICL Growth Fund and Esquire ICL Apparel Fund are tailored towards investors with “High” willingness and capability to take risk.
- Funds’ Investment Horizon:** 3 years to 10 years.
- Suitability:** ICL Balanced Fund is suitable for the investors who want long term capital appreciation along with regular income from the Fund in form of dividend. On the other hand, BCB ICL Growth Fund and Esquire ICL Apparel Fund are suitable for the investors

who want above average growth of their investment and look for higher risk-adjusted return over fixed income return.

f. Asset Allocation:

- 75% - 90% in Equities
- 10% - 15% in Fixed Income Securities, Cash and Cash Equivalent

g. Legal Framework and Restrictions

Following are the legal restrictions both the funds need to abide by:

- The Funds invest only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and/or the Bangladesh Bank and/or the Insurance Development & Regulatory Authority (IDRA) of Bangladesh or any other competent authority in these regards.
- All money collected under the Funds are invested only in encashable/transferable instruments, securities either in money market or capital market, or privately placed pre-IPO equity shares, preference shares, debentures, or securitized debts.
- The Funds purchase or transfer all their assets in the name of the Funds.
- Only the Asset Management Company makes the investment decisions and places orders for securities purchased or sold for the Funds' portfolio.
- Time to time updated investment restrictions notified by BSEC is enforced in ICL Balanced Fund's investment decisions.
- The Funds do not invest in, or lend to, any other scheme under the same Asset Management Company.
- The Funds do not acquire any asset out of the Trust property, which involves the assumption of any liability that is unlimited or shall result in encumbrance of the Trust property in any way.
- The Funds or the Asset Management Company on behalf of the Fund do/ does not give or guarantee term loans for any purpose or take up any activity in contravention of the বিধিমালা.
- BCB ICL Growth Fund and Esquire ICL Apparel Fund can transfer investment from one scheme to another if the transfer of listed securities is made in current market price through spot market, the investment objective of the scheme (which receives the securities) matches the transferred securities.
- The Funds buy and sell securities on the basis of deliveries and in all cases of purchases, take delivery of securities and in all cases of sale, deliver the securities on the respective settlement dates as per the customs and practices of the stock exchanges and in no case put themselves in a position whereby they have to make short sale or carry forward transactions.
- The Funds do not take any loan for investment purpose.

- The Funds do not involve in option trading or short selling or carry forward transactions. The Funds do not buy their own Units.

h. Taxation

As per SRO No. 333-Act/Income Tax/2011 dated November 10, 2011 which was published in power of section 44(4b), the Income Tax Ordinance, 1984 states that the Funds are exempted from tax on capital gains and dividend income. There is no double taxation, tax is paid only at the unit holder's level, once. However, as per Section 53F (2) of the Income Tax Ordinance, 1984, 5% TDS shall be deducted on any interest or share of profit earned from any saving deposits or fixed deposits or any term deposit maintained with any scheduled bank.

Please see Appendix for the tax rates applicable to different category of Investors.

i. Asset Allocation Restrictions

- Not less than 60% of the total assets of each of the Funds is invested in capital market instruments, out of which at least 50% is always invested in listed securities.
- Not more than 25% of the total asset of each of the Funds is invested in fixed income securities (FIS).
- Not more than 15% of the total asset of each of the Funds is invested in pre-IPOs at one time.
- Not more than 10% of their individual total assets in any single company.
- Not more than 15% of any company's paid up capital.
- Not more than 20% of their individual total assets in shares, debentures or other securities of a single company or group.
- Not more than 25% of the total assets of the schemes of the Funds shall be invested in Fixed Income Securities (FIS)

III. DUTIES AND RESPONSIBILITIES OF THE FUNDS' TRUSTEES

As per সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (সিউচিআল ফান্ড) বিধিমালা, 2001, a mutual fund is formed as a Trust under Trust Act, 1882 and the Trust Deed is registered under Registration Act, 1908. ICL Balanced Fund's Trust Deed has been registered on March 29, 2016 and the Trustee of the Fund is Bangladesh General Insurance Company Limited. BCB ICL Growth Fund's and Esquire ICL Apparel Fund's Trust Deed have been registered on November 9, 2017 and April 8, 2019 respectively and Trustee of both the Funds is Investment Corporation of Bangladesh. The entire conduct of the Funds is governed by সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (সিউচিআল ফান্ড) বিধিমালা, 2001. The Trustees actively observe and monitor the Funds on a regular basis, to ensure that

your Funds are operated by being fully compliant with সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, 2001.

Following are the duties and responsibilities the trustees need to abide by:

- The Trustee shall be the guardian of the Fund, held in Trust for the benefit of the unit holders, in accordance with the বিধিমালা and this instrument of Trust.
- The Trustee shall always act in the best interest of the unit holders.
- The Trustee shall take all reasonable care to ensure that the Scheme of the Fund floated and managed by the Asset Management Company are in accordance with the Trust Deed and the বিধিমালা.
- The Trustee shall receive a quarterly report from the Asset Management Company and submit a half-yearly report to the Commission on the activities of the Scheme of the Fund.
- The Trustee shall provide or cause to provide information to the unit holders of the Scheme of the Fund and the Commission by the Asset Management Company as per বিধিমালা or as may be specified by the Commission.
- The Trustee shall cause to make such disclosures by the Asset Management Company to the investors as are essential in order to keep them informed about any information, which may have any bearing on their investments.
- The Trustee shall have a right to call books of accounts, records, documents, and such other information considered necessary from the Asset Management Company as is relevant in the management of the affairs concerning the operation of the open-end mutual fund.
- The Trustee shall forthwith take such remedial steps as are necessary to rectify the situation where they have reasons to believe that the conduct of business of the Scheme of the Fund is not in conformity with the বিধিমালা and keep the Commission informed of the same with full particulars.
- The Trustee shall have the power to initiate the process of annulment of the appointment of the Asset Management Company under specific events of breach of trust and investment management terms only, with the approval of the Commission and in accordance with the provisions of the বিধিমালা.
- The Trustee shall furnish to the Commission particulars of the interest that they may have in any other company, institution or financial intermediary or anybody corporate by virtue of their positions as director, partner, managers or which they may be associated with in other capacities.
- The Trustee, in carrying out their responsibilities as Trustee of the Fund, shall maintain arm's length relationship with other companies, institutions of financial intermediaries or anybody corporate with which they may be associated.

- The Trustee shall not participate in any decision-making process for investments of the Fund and its Scheme.
- The Trustee shall cause to appoint an auditor for the Scheme of the Fund who shall be different from the auditors of the Asset Management Company and the Trustee shall regularly monitor the performance and activities of the auditors.
- The Trustee shall be responsible to ensure that calculation and entry of any income due to be paid to the Scheme of the Fund and also any income received for the holders of the units and the reports of accounts of the Scheme are in accordance with the Trust Deed and the বিধিমালা.
- The Trustee shall call for a meeting of the unit holders of the Scheme of the Mutual Fund whenever required to do so by the Commission in the interest of the unit holders of the particular Scheme of the Fund or on a requisition of three fourth of the unit holders of the Fund or when the Trustee decides to wind up or pre-maturely redeem, the units or modify, in the best interest of the unit holders of that Scheme.
- The Trustee shall be responsible for the acts of commissions and omissions by its employees or the persons whose services have been obtained by it and the Trustee shall not be absolved of any civil liability to the Mutual Fund for their willful acts of commission and omissions while holding such position or office
- The Trustee, shall constitute Committee with a minimum of two members, which shall be responsible for discharging the obligations of the Trustee and the first such Committee shall be constituted with the following members:

1	Deputy Managing Director	Member
2	General Manager, Accounts & Finance	Member
3	General Manager, Admin	Member
4	Deputy General Manager, Trustee Division	Member
5	Assistant General Manager, Trustee Department	Member Secretary

- In order to protect the interest of the unit holders, the trustee committee from time to time shall call meeting in the office of the Trustee or in the office of the Asset Manager. The committee shall call at least one meeting in every three months. The committee may advise the Asset Manager to produce necessary papers, documents in the meeting.
- Any subsequent proposed change in the composition of the Committee constituted by the Trustee shall be communicated to the Commission and the Asset Management Company and such change shall take effect only on approval from the Commission.
- The Trustee shall be paid an annual Trusteeship fee of @ 0.15% of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis, during the life of the Fund or as may be agreed upon between the parties.

- The Trustee shall not be removed without prior approval of the Commission and shall not retire until such time a new Trustee takes over under due process as laid down in the বিধিমালা.
- The Trustee shall hold all capital assets of the Scheme of the Fund in trust on behalf of the unit holders.
- The unit holders shall preserve only the beneficial interest in the trust properties on pro rata basis of their ownership of the Scheme.

FUND EXPENSES ANALYSIS

I. ANNUAL EXPENSES STATUS:

As per the সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১, পঞ্চম তফসিল, বিধি ৫৬ দ্রষ্টব্যঃ (১০) annual expenses of the Funds shall not exceed 4% of the average monthly net asset value for the accounting year.

ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund incurred annual expenses of BDT 7,446,772, BDT 7,405,896 and BDT 3,305,647 which are around 3.13%, 3.43% and 3.04% of the average AUM of the funds respectively for the period.

II. MANAGEMENT FEE STRUCTURE:

Asset Under Management	Income Sharing
Not more than 5 crores	Not more than 2.5% of the average weekly net wealth during accounting
More than first 5 crores till 25 crores	Not more than 2% of the average weekly net wealth during accounting
More than second 25 crores till 50 crores	Not more than 1.5% of the average weekly net wealth during accounting
More than 50 crores and till infinity	Not more than 1% of the average weekly net wealth during accounting

III. PRELIMINARY EXPENSES AND AMORTIZATION:

ICL Balanced Fund is amortizing its preliminary expenses of BDT 2,110,637 over a period of 7 years and during the year under consideration, the Fund has charged BDT 305,572 accordingly. BCB ICL Growth Fund is amortizing its preliminary expenses of BDT 4,468,054 over a period of 7 years and during the year under consideration, the Fund has charged BDT 640,043 accordingly. As for Esquire ICL Apparel Fund, the Fund is amortizing its preliminary expenses of BDT 3,310,420 over a period of 7 years and has charged BDT 399,074 accordingly during the year under consideration.

IV. TRUSTEE FEE

According to the trust deed, ICL Balanced Fund pays an annual Trusteeship fee of Taka 200,000 (two hundred thousand) only or @ 0.10% of the Net Asset Value (NAV) of the fund to the Trustee, whichever is higher on semi-annual in advance basis, during the life of the Fund applicable from the effective date (the date of registration of the Trust Deeds). The Trustee Fee for the year 2019-2020 of ICL Balanced Fund is BDT 272,248. As for BCB ICL Growth Fund, the Fund pays an annual Trusteeship fee of @0.15% of the NAV of the Fund on semi-annual advance basis, from the date of operation of the Fund. The Trustee Fee for the year 2019-2020 of BCB ICL Growth Fund is BDT 380,701. On the other hand, Esquire ICL Apparel Fund pays an annual Trusteeship fee of @0.15% of the NAV of the Fund on semi-annual advance basis, from the date of operation of the Fund. The Trustee Fee for the year 2019-2020 of Esquire ICL Apparel Fund is BDT 147,008.

V. CUSTODIAN CHARGES

ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund pay the Custodian @0.05%, @0.06% and @0.06% safe keeping fees of balance securities held by each of the Funds calculated based on average market value per month. Besides this, the Funds bear all other expenses, which are:

- Transaction fees of BDT 200 per transaction.
- Local duties and fees like stamp duty on transactions, stamp duty on transfer deed; and
- Levies, brokerage, registrar's fees, local council/counsel/representation, external auditors at the client's requests, depository fees, etc. However, a fee cap of 0.07% per annum on securities held by the Fund, calculated on the average market value per month would be applicable, if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for custodian service will be realized semiannually.

During the year under consideration total Custodian Fees incurred for ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund were BDT 150,688, BDT 172,239, and BDT 72,792 respectively.

VI. CDBL (CENTRAL DEPOSITORY BANGLADESH LIMITED) CHARGES

During the year under consideration, total CDBL charges for ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund were BDT 62,048, BDT 6,873, and BDT 10,118 respectively.

VII. BSEC ANNUAL FEE

The Funds pay @0.10% of the Fund value or BDT 50,000 (Taka Fifty Thousand), whichever is higher, to Bangladesh Securities and Exchange Commission per annum. Accordingly, for the year under consideration the BSEC annual fees for ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund were BDT 337,928, BDT 311,631, and BDT 108,163 for the year under consideration.

VIII. AUDIT FEE

Zoha Zaman Kabir Rashid & Co. was the statutory auditor of ICL Balanced Fund for the period and was paid an audit fee of BDT 40,250 including VAT (Value Added Tax). As for BCB ICL Growth Fund and Esquire ICL Apparel Fund, Mahfel Huq & Co. was the statutory auditor and was paid an audit fee of BDT 23,000 including VAT (Value Added Tax) for each of the Funds' audit during the year under consideration.

AUDITORS REPORT AND AUDITED FINANCIAL STATEMENTS OF ICL BALANCED FUND

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF ICL BALANCED FUND
Report on the Audit of the Financial Statements**

OPINION:

We have audited the accompanying financial statements of ICL Balanced Fund, which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the fund as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules 1987, Security Exchange Commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards 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 the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS:

Risk	Our response to the risk
<p>Valuation of Investments:</p> <p>The Fund's investment portfolio which is carried at market value makes up 77% of the total assets as at 30 June 2020. This is considered to be the key driver of the Fund's capital and revenue performance.</p>	<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;

<p>The market value of financial instruments that are traded in an active market is determined based on quoted market prices.</p> <p>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 and allocation of resources in planning and completing our audit.</p> <p>(Refer to Note no. 5.00 of the financial statements)</p>	<ul style="list-style-type: none"> • Obtained the CDBL report and share portfolio and cross checked against each other to confirm status of financial instruments; • Assessing the adequacy of 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.
<p>Dividend Income:</p> <p>Dividend income constitutes the majority portion (55%) of the income generated from the fund.</p> <p>(Refer to Note no. 17.00 of the financial statements)</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. • Assessing the adequacy revenue recognition, measurement and disclosures made in relation to the income in the financial statements.

OTHER INFORMATION:

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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. However, we have nothing to report regarding other information.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS AND INTERNAL CONTROLS:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations 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 judgement and maintain professional scepticism 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.
- * 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 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 communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

In accordance with the Bangladesh Securities & Exchange Commission (Mutual Fund) Rules, 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; and

e) the expenditures incurred, and payments were made for the purpose of the Fund.



Dated, Dhaka.

July 28, 2020

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

ICL Balanced Fund
Statement of Financial Position
As at 30 June 2020

Particulars	Notes	Amount in BDT	
		30 June 2020	30 Jun 2019
Assets			
Investment-at market price	05	184,392,023	267,283,930
Receivables	06	1,729,786	1,514,264
Advances, deposits, and prepayments	07	369,029	339,788
Cash and cash equivalents	08	53,337,975	75,674,447
Preliminary and issue expenses	09	846,737	1,152,158
Total Assets		240,675,550	345,964,587
Less: Liabilities			
Accrued expenses and others	10	2,826,522	3,592,941
Net Assets		237,849,028	342,371,646
Unitholder's Equity			
Unit capital	11	305,851,590	316,974,030
Unit transaction reserve	12	6,910,166	6,805,582
Retained earnings	13	(74,912,728)	18,592,172
Total Equity		237,849,028	342,371,784
Net Asset Value (NAV) per unit:			
At cost price	14	10.96	10.90
At market price	15	7.78	10.80

These financial statements should be read in conjunction with annexed notes



Trustee
Bangladesh General Insurance Company Limited

Dated, Dhaka
July 20, 2020



Asset Manager
Impress Capital Limited



Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

ICL Balanced Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2020

Particulars	Notes	Amount in BDT	
		01 Jul 2019 to 30 Jun 2020	01 Jul 2018 to 30 Jun 2019
Income			
Net gain/(loss) on sale of marketable securities	16	1,877,368.89	11,566,345
Dividend income	17	7,611,093.77	4,613,644
Interest income	18	4,466,775	4,989,371
		13,955,237	21,169,360
Less: Expenses			
Amortization of preliminary expenses		305,572	304,737
Audit fees		40,250	63,250
Bank charges and others	19	171,860	290,144
BSEC annual fees		337,928	365,211
BO account maintenance fees		1,800	1,800
CDBL fees		62,048	151,044
Custodian fees		150,688	234,803
IPO subscription fees		5,000	45,000
Management fees		5,566,268	6,523,003
Printing & Publications		533,111	1,282,280
Trustee fees		272,248	334,867
		7,446,772	9,596,139
Income before provision for the period		6,508,466	11,573,222
(Provision) / Write back of provision against fall in value of securities	20	(94,149,346)	(3,222,707)
Add: Other comprehensive income		-	-
Distributable profit/(loss) for the period		(87,640,880)	8,350,514
Net income for the period		(87,640,880)	8,350,514
Number of outstanding units		30,585,159	31,697,403
Earnings per unit for the period	21	(2.87)	0.26

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Trustee

Bangladesh General Insurance Company Limited

Dated, Dhaka
July 20, 2020

These financial statements should be read in conjunction with annexed notes

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Asset Manager

Impress Capital Limited
Handwritten signature
Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

ICL Balanced Fund
Statement of Changes in Equity
For the year ended 30 June 2020

Amount in BDT

Particulars	Unit Capital	Unit Transaction Reserve	Investment Diminution Reserve	Retained Earnings	Total Equity
Balance as at 1 July 2019	316,974,030	6,805,582	-	18,592,172	342,371,784
Unit subscribed during the period	6,941,220	-	-	-	6,941,220
Unit repurchased during the period	(18,063,660)	-	-	-	(18,063,660)
Net profit during the period	-	-	-	(87,640,880)	(87,640,880)
Profit on unit subscribed	-	(261,454)	-	-	(261,454)
Loss on redemption of units	-	366,038	-	-	366,038
Cash dividend paid for the year 2018-19	-	-	-	(5,864,020)	(5,864,020)
Investment diminution reserve during the period	-	-	-	-	-
Balance as at 30 June 2020	305,851,590	6,910,166	-	(74,912,728)	237,849,028

Balance as at 1 July 2018	310,070,000	6,903,946	12,767,637	35,047,258	364,788,841
Unit subscribed during the period	43,225,730	-	-	-	43,225,730
Unit surrendered during the period	(36,321,700)	-	-	-	(36,321,700)
Net profit for the period	-	-	-	8,350,514	8,350,514
Profit on unit subscribed	-	4,274,196	-	-	4,274,196
Loss on redemption of units	-	(4,372,560)	-	-	(4,372,560)
Cash dividend paid for the year 2017-18	-	-	-	(24,805,600)	(24,805,600)
Investment diminution reserve during the period	-	-	(12,767,637)	-	(12,767,637)
Balance as at 30 June 2019	316,974,030	6,805,582	-	18,592,172	342,371,784



Trustee
Bangladesh General Insurance Company Limited

These financial statements should be read in conjunction with annexed notes



Asset Manager
Impress Capital Limited



Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dated, Dhaka
July 20, 2020

ICL Balanced Fund
Statement of Cash Flows
For the year ended 30 June 2020

Particulars	Amount in BDT	
	30 Jun 2020	30 Jun 2019
A. Cash flows from operating activities		
Net gain/(loss) on sale of marketable securities	1,877,369	11,566,345
Dividend income received	7,668,802	8,551,071
Interest income received	4,193,544	4,621,894
Payment made for expenses	(7,781,450)	(9,703,878)
Net cash flows from operating activities	5,958,266	15,035,433
B. Cash flows from investing activities		
Investment in marketable securities, net	(11,257,439)	53,267,433
(Investment) in/ refund from IPO	(77,340)	2,277,340
Net cash used in investing activities	(11,334,779)	55,544,773
C. Cash flows from financing activities		
Unit subscribed	6,679,766	47,499,926
Unit surrendered	(17,775,706)	(42,004,039)
Cash dividend paid	(5,864,020)	(24,805,600)
Net cash generated from financing activities	(16,959,960)	(19,309,713)
Net cash flows for the year	(22,336,473)	51,270,493
Cash and cash equivalents at the beginning of the period	75,674,447	24,403,954
Cash and cash equivalents at the end of the period	53,337,975	75,674,447
Net operating cash flows	5,958,266	15,035,433
Number of outstanding units	30,585,159	31,697,403
Net operating cash flows per unit for the period	0.19	0.47

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Trustee
Bangladesh General Insurance Company Limited

These financial statements should be read in conjunction with annexed notes

[Signature]

Asset Manager
Impress Capital Limited

[Signature]
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dated, Dhaka
July 20, 2020

ICL Balanced Fund
Notes to the Financial Statements
For the year ended 30 June 2020

1 Introduction

ICL Balanced Fund ("the Fund") is an open-end mutual fund sponsored by Impress Capital Limited. The Fund got its approval from Bangladesh Securities & Exchange Commission on May 05, 2016 vide registration number BSEC/Mutual Fund/2016/65 under Securities and Exchange Commission (Mutual Fund) Rules, 2001. The current address of the fund is Evergreen Plaza (1st floor), 260/B, Tejgaon I/A, Dhaka-1208.

Bangladesh General Insurance Company Limited (BGIC) is the trustee and BRAC Bank Limited is the custodian of the fund. Impress Capital Limited is the Asset Manager.

2 Closure of accounting year of the Fund

The Fund has been consistently closing its books of accounts as at 30 June every year.

3 Objective

The objective of the Fund is to generate regular income as well as capital appreciation by investing in capital market and money market instruments at appropriate percentages as determined by the Asset Manager.

4 Significant accounting policies

4.1 Basis of accounting

These financial statements have been prepared under the historical cost convention in accordance with the Bangladesh Financial Reporting Standards (BFRSs), Securities and Exchange Rules, 1987 and Securities and Exchange Commission (Mutual Fund) Rules, 2001.

4.2 Investment policy

i) The Fund shall invest subject to the and only in those securities, deposits and investments approved by the Bangladesh Securities and Exchange Commission and / or the Bangladesh Bank and / or the Insurance Development & Regulatory Authority (IDRA) of Bangladesh or any other competent authority in these regards.

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

iii) Not more than 25% of the total asset of the Scheme of the Fund shall be invested in Fixed Income Securities (FIS).

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

- v) All money collected under the Fund shall be invested only in encashable/transferable instruments, securities whether in money market or capital market or privately placed pre-IPO equity, preference shares, debentures, or securitized debts.
- vi) The Fund shall get the securities purchased or transferred in the name of the Fund.
- vii) Only the Asset Management Company will make the investment decisions and place orders for securities to be purchased or sold for the Scheme's portfolio.
- viii) Time to time updated investment restrictions notified by BSEC shall be enforced in the Fund's investment decisions.

4.3 Valuation policy

- i) Listed securities (other than mutual Fund) are valued on a conservative basis at lower of cost or market value deviating from BAS-39' Financial Instruments: Recognition and Measurement'. Mutual Fund (close end) securities are valued at lower of 85% of Net Asset Value (NAV), cost price and market price whereas mutual fund (open end) securities are valued at lower of cost price and surrender value / repurchase price as per SRO No. SEC/CMRRCD/2009-193/172 dated 30 June 2015.
- ii) Pursuant to Rule 58(2) of Securities and Exchange Commission (Mutual Fund) Act, 2001, the Fund valued non-listed securities on a consistent basis duly authenticated by Trustee of the Fund.
- iii) Market value is determined by taking the closing price of the securities in Dhaka Stock Exchange (DSE) at the statement of financial position date.

4.4 Revenue recognition

- i) Gains / losses arising on sale of investment are included in the Statement of Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place. Capital gains/losses are recognized or being realized based on weighted average cost basis.
- ii) Dividends are recognized immediately after the record date as it is due.
- iii) Interest income is recognized on accrual basis.

4.5 Preliminary and issue expenses

Preliminary and issue expenses are being written off over a period of seven years on a straight-line method.

4.6 Management fees

The management fee of the Fund is to be paid to the asset management company per annum on weekly average net asset value (NAV) accrued and payable semi-annually. As per the

Prospectus and the provisions of the Securities & Exchange Commission (Mutual Fund) Rules, 2001, the fee is calculated using the following slabs:

<u>NAV (Taka)</u>	<u>Percentage</u>
On weekly average NAV up to Taka 50 million	2.5
On next 200 million of weekly average NAV	2
On next 250 million of weekly average NAV	1.5
On rest of weekly average NAV	1

4.7 Trustee fees

The Trustee is entitled to an annual Trusteeship fee of Taka 200,000 (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 applicable from the effective date (the date of registration of this Trust Deed).

4.8 Custodian fees

The Fund shall pay to the Custodian a safe keeping fee @0.05% per annum on the balance securities held by the Fund calculated on the basis of average market value per month. Besides this, the fund will bear all other expenses like (a) transaction fee of BDT 200 per transaction, (b) local duties and fees like stamp duty on transactions, stamp duty on transfer deed, (c) Levies, brokerage, registrars fees, local council/ counsel/ representation, external auditor's at the client's requests, depository fees etc. However, a fee cap of 0.07% per annum on securities held by the fund, calculated on the average market value per month would be applicable, if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for custodian service will be realized semi-annually.

4.9 Fund registration and annual fees

As per the section 11 of Securities and Exchange Commission (Mutual Fund) Rules, 2001, every year the Fund is required to pay an Annual Fee to BSEC which is equal to 0.10% of the Fund or Taka 50,000 whichever is higher.

4.10 Taxation

The income of the Fund is fully exempted from Income Tax as per SRO No. 333-Act/Income Tax/2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required.

4.11 Dividend policy

Pursuant to Rule 66 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001 or any amendments of the Rules by Bangladesh Securities and Exchange Commission time to time, the Fund shall distribute by way of dividend to the holders of the units after the closing of the accounts an amount which shall be minimum 70% of the annual net profit as decided in the trustee meeting.

4.12 Earning per unit

Earnings per unit has been calculated in accordance with BAS-33 "Earnings per Share" and shown on the face of the Statement of profit or loss and other comprehensive income.

4.13 Events after the reporting period

The Board of Trustees of the Fund has declared and approved dividend at the rate of 0.00 per unit for the year ended 30 June 2019 at its meeting held on 28th July, 2020.

4.14 General

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

		Amount in BDT	
		30 Jun 2020	30 Jun 2019
05	Investment-at market price		
	Investment in listed securities	184,392,023	267,283,930
		184,392,023	267,283,930
06	Receivables		
	Interest receivables (FDR) 6.01	976,008	702,778
	Dividend receivables 6.02	753,778	811,486
		1,729,786	1,514,264
6.01	Interest receivables (FDR)		
	Delta Brac Housing Finance Corporation Limited	641,250	-
	IPDC Finance Limited	334,758	702,778
		976,008	702,778
6.02	Dividend receivables		
	Active Fine Chemicals Limited	198,840	-
	Bata Shoe Company (Bangladesh) Limited	-	188,475
	BRAC Bank Limited	279,938	-
	City Bank Limited	-	623,011
	Eastern Bank Limited	275,000	-
		753,778	811,486
07	Advances, deposits & prepayments		
	BSEC annual fees	236,915	337,928
	Trustee fees half yearly	132,114	1,860
		369,029	339,788
08	Cash and cash equivalents		
	Cash at banks 8.01	12,280,743	35,674,447
	Fixed Deposit Receipt (FDR) 8.02	41,057,231	40,000,000
		53,337,975	75,674,447
8.01	Cash at banks		
	SND accounts with:		
	Midland Bank Limited (A/C No. 00111060000064)	7,010,174	25,304,170
	Prime Bank Limited (A/C No. 20721060003555)	4,830,165	10,101,315
	Standard Chartered Bank (A/C No. 02130884001)	440,404	268,962
		12,280,743	35,674,447

8.02 Fixed Deposit Receipt (FDR) with:

Delta Brac Housing Finance Corporation Limited	15,000,000	-
IPDC Finance Limited	26,057,231	40,000,000
	41,057,231	40,000,000

09 Preliminary and issue expenses

Opening balance as on 01 July 2019	1,152,158	1,456,895
Amortization during the period	(305,572)	(304,737)
Closing balance as on 30 June 2020	846,737	1,152,158

10 Accrued expenses and others

Audit fees	40,250	63,250
Custodian fees	78,189	125,400
Management fees	2,567,293	3,224,686
Trustee fees	122,727	-
Payable to investors	1,196	79,266
Payable for newspaper advertisement	16,867	23,000
Payable for IPO	-	77,340
	2,826,522	3,592,941

11 Unit capital

Beginning of the year	316,974,030	310,070,000
Units subscribed during the period	6,941,220	43,225,730
Units re-purchased during the period	(18,063,660)	(36,321,700)
	305,851,590	316,974,030

12 Unit transaction reserve

Opening balance	6,805,582	6,903,946
New subscription	(261,454)	4,274,196
Less: Premium reserve paid for re-purchase	366,038	(4,372,560)
	6,910,166	6,805,582

13 Retained earnings

Opening balance	18,592,172	35,047,259
Add: Net profit during the period	(87,640,880)	8,350,514
Less: Dividend paid (31,697,403 units @ 1.85%)*	(5,864,020)	(24,805,600)
Closing balance	(74,912,728)	18,592,172

*Trustee committee has approved cash dividend of BDT 0.0185 per unit for the year ended June 30, 2019. Record Date: June 30, 2019.

14 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price	237,849,028	342,371,646
Less: Unrealized gain/loss	(97,366,652)	(3,222,707)
Total Net Asset Value (NAV) at cost	335,215,681	345,594,353
Number of units	30,585,159	31,697,403
NAV per unit at cost price	10.96	10.90

15 Net Asset Value (NAV) per unit at market price

Total Net Asset Value (NAV) at market price	237,849,028	342,371,646
Number of units	30,585,159	31,697,403
NAV per unit at market price	7.78	10.80

	1 Jul 2019 to 30 Jun 2020	1 Jul 2018 to 30 Jun 2019
16 Net gain/(loss) on sale of marketable securities		
Sector-wise break-up of gain on sale of investments are as under:		
Bank	-	(7,188,944)
Cement	-	3,198,427
Corporate Bond	-	(1,539,921)
Engineering	481,377	379,353
Financial Institution	-	(995,816)
Food & Allied	-	1,298,912
Fuel & Power	132,915	(870,775)
IT	339,034	824,905
Miscellaneous	-	1,717,533
Mutual Fund	-	(10,000)
Paper & Printing	-	8,156,728
Pharmaceuticals & Chemicals	203,825	7,489,534
Service & Real Estate	-	(2,362,459)
Tannery Industries	-	(12,065)
Textile	(405,103)	(5,113,597)
Telecommunication	655,146	6,594,529
Travel & Leisure	470,175	-
	1,877,369	11,566,345
17 Dividend income		
Bank	554,961	823,023
Cement	-	273,750
Engineering	21,295	-
Textile	53,989	309,895
Tannery Industries	224,375	619,275
Paper & Printing	-	100,600
Pharmaceuticals & Chemicals	1,075,733	378,000
Fuel & Power	3,905,000	6,605
Food & Allied	730,000	-
Telecommunication	1,045,720	2,100,000
Travel & Leisure	22	-
Miscellaneous	-	2,496
	7,611,094	4,613,644

18 Interest income		
Fixed Deposit Receipts (FDR)	3,675,626	2,586,528
Short Notice Deposit (SND) A/C	791,149	2,402,843
	4,466,775	4,989,371
19 Bank charges and others		
Bank charges	5,308	21,695
Excise duty-FDR & Bank	72,500	87,000
Tax at source-FDR & Bank	94,052	181,449
	171,860	290,144
20 (Provision) / write back of provision against fall in value of securities		
Unrealized loss as at June 30, 2020	(97,372,053)	(3,222,707)
Unrealized loss as at June 30, 2019	(3,222,707)	-
Provision for the period	(94,149,346)	(3,222,707)
21 Earnings per unit for the period		
Net profit for the period (A)	(87,640,880)	8,350,514
Number of units (B)	30,585,159	31,697,403
Earnings per unit (A÷B)	(2.87)	0.26

Dated, Dhaka.

July 28, 2020



Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

ICL Balanced Fund
Investment in Marketable Securities
As at 30 June 2020
Amount in BDT

Sl No.	Sector	Name of the Scrip	Number of Shares	Weighted Average Price	Total Cost Value	Market Price	Total Market Value	Unrealized Gain/ (Loss)	Exposure in terms of total asset at cost
1	Bank	BRACBANK	401,243	59.03	23,685,565	31.90	12,799,652	(10,885,914)	7.01%
		CITYBANK	1,090,270	29.13	31,756,328	16.70	18,207,509	(13,548,819)	9.39%
		EBL	110,000	34.00	3,739,887	30.90	3,399,000	(340,887)	1.11%
2	Engineering	COPPERTECH	5,955	9.52	56,715	20.70	123,269	66,553	0.02%
3	Food & Allied	BATBC	18,250	1295.64	23,645,515	907.60	16,563,700	(7,081,815)	6.99%
4	Fuel & Power	BARKAPOWER	1,200,000	27.38	32,852,175	19.80	23,760,000	(9,092,175)	9.72%
		SUMITPOWER	520,000	39.69	20,638,774	35.10	18,252,000	(2,386,774)	6.11%
5	Mutual Funds	NLI1STMF	80,000	11.15	891,602	9.60	768,000	(123,602)	0.26%
		SEBL1STMF	650,000	10.52	6,837,285	9.30	6,045,000	(792,285)	2.02%
6	Pharmaceuticals & Chemicals	ACTIVEFINE	994,200	32.74	32,546,106	12.30	12,228,660	(20,317,446)	9.63%
		BXPHERMA	267,408	88.97	23,791,539	69.20	18,504,634	(5,286,905)	7.04%
		SILCOPHL	9,495	9.09	86,321	22.40	212,688	126,367	0.03%
		SQURPHARMA	120,214	228.89	27,515,485	172.50	20,736,915	(6,778,570)	8.14%
7	Tannery Industries	BATASHOE	17,950	1139.92	20,461,571	693.20	12,442,940	(8,018,631)	6.05%
8	Telecommunication	GP	80,440	394.86	31,762,676	238.80	19,209,072	(12,553,604)	9.40%
9	Textile	ESQUIRENIT	32,089	45.00	1,444,005	21.90	702,749	(741,256)	0.43%
10	Travel & Leisure	SEAPEARL	5,515	9.52	52,526	79.10	436,237	383,710	0.02%

As at 30 June 2020
281,764,076
184,392,023
(97,372,053)
83.35%

**AUDITORS REPORT AND AUDITED FINANCIAL STATEMENTS OF
BCB ICL GROWTH FUND**

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF BCB ICL GROWTH FUND
Report on the Audit of the Financial Statements**

OPINION:

We have audited the financial statements of BCB ICL Growth Fund ("the Fund"), which comprise the statement of financial position as at June 30 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

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 auditors' responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHERS INFORMATION:

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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. However, we have nothing to report regarding other information.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS:

The Asset Manager of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 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 and error.

In preparing the financial statements, the Fund's ability to continue as a going concern should be assessed, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting till the tenure of the Fund unless there is any intention to liquidate the Fund or 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 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 communicate with those charged with governance 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. However, we have not come across any significant audit findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

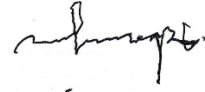
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Fund so far as it appeared from our examination of these books; and

- c) the Fund's statements 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 and returns.



Mahfel Huq & Co.

Chartered Accountants

Dhaka, July 20, 2020

BCB ICL Growth Fund
Statement of Financial Position
As at 30 June 2020

Particulars	Notes	Amount in BDT	
		30 Jun 2020	30 Jun 2019
Assets			
Investments at market price	03	177,887,561	263,062,138
Preliminary and issue expenses	04	3,037,577	3,677,619
Receivables	05	1,637,298	889,433
Cash and cash equivalents	06	35,625,554	47,086,558
Advance, deposits, and prepayments	07	446,946	311,631
Total assets		218,634,936	315,027,379
Less: Liabilities			
Accrued expenses and others	08	2,778,415	3,327,521
Net assets		215,856,521	311,699,858
Owner's equity			
Unit capital	09	294,636,920	306,648,240
Unit transaction reserve	10	5,742,246	3,051,675
Retained earnings	11	(84,522,644)	1,999,943
Investment diminution reserve	12	-	-
		215,856,521	311,699,858
Net Asset Value (NAV) per unit:			
At cost price	12	10.56	10.26
At market price	13	7.33	10.16

These financial statements should be read in conjunction with annexed notes


Chairman, Trustee
Investment Corporation of
Bangladesh


Member, Trustee
Investment Corporation of
Bangladesh


Asset Manager
Impress Capital Limited

Signed as per annexed report of even date



Mahfel Huq & Co.

Chartered Accountants

Dhaka, 20 July 2020

BCB ICL Growth Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 30 June 2020

Particulars	Notes	Amount in BDT	
		01 Jul 2019 to 30 Jun 2020	05 Apr 2018 to 30 Jun 2019
Income			
Net gain/(loss) on sale of marketable securities	14	2,263,571	(849,716)
Dividend income	15	7,740,041	4,621,796
Interest income	16	3,122,523	11,995,890
		13,126,135	15,767,970
Less: Expenses			
Audit fees		23,000	23,000
Amortization of preliminary expenses		640,043	790,435
Agent commission		-	5,750
Bank charges and others	17	117,912	716,911
BSEC annual fees		311,631	508,621
BO a/c maintenance fees		1,800	-
CDBL charges		6,873	173,942
Custodian expenses		172,239	302,421
DSE EII registration fees		-	25,000
Management fees		5,250,386	7,180,951
Miscellaneous expense		-	116,536
Printing and publication expenses		496,311	403,413
IPO application fees		5,000	48,000
Trustee fees		380,701	532,341
		7,405,896	10,827,321
Income before provision for the period		5,720,239	4,940,649
(Provision)/Write back of Provision for diminution in value of investments	18	(92,242,827)	(2,940,706)
Net income for the period		(86,522,587)	1,999,943
Number of outstanding units		29,463,692	30,664,824
Earnings per unit for the period	19	(2.94)	0.07

These financial statements should be read in conjunction with annexed notes


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Bangladesh


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Asset Manager
Impress Capital Limited

Signed as per annexed report of even date



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 20 July 2020

BCB ICL Growth Fund
Statement of Changes in Equity
For the year ended on 30 June 2020

Amount in BDT

Particulars	Unit capital	Unit transaction reserve	Retained earnings	Total equity
Balance as at 01 July 2019	306,648,240	3,051,675	1,999,943	311,699,858
Unit subscribed	1,758,680	-	-	1,758,680
Unit surrendered	(13,770,000)	-	-	(13,770,000)
Net profit for the period	-	-	(86,522,587)	(86,522,587)
Unit transaction reserve	-	2,690,571	-	2,690,571
Balance as at 30 June 2020	294,636,920	5,742,246	(84,522,644)	215,856,521

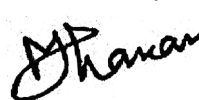
Balance as at 05 April 2018	-	-	-	-
Unit subscribed	356,799,320	-	-	356,799,320
Unit surrendered	(50,151,080)	-	-	(50,151,080)
Net profit for the period	-	-	1,999,943	1,999,943
Unit transaction reserve	-	3,051,675	-	3,051,675
Cash dividend paid	-	-	-	-
Balance as at 30 June 2019	306,648,240	3,051,675	1,999,943	311,699,858

These financial statements should be read in conjunction with annexed notes



Chairman, Trustee

Investment Corporation of Bangladesh



Member, Trustee

Investment Corporation of Bangladesh



Asset Manager

Impress Capital Limited

Signed as per annexed report of even date



Mahfel Huq & Co.

Chartered Accountants

Dhaka, 20 July 2020

BCB ICL Growth Fund
Statement of Cash Flows
For the year ended on 30 June 2020


Particulars	Amount in BDT	
	01 Jul 2019 to 30 Jun 2020	05 Apr 2018 to 30 Jun 2019
A. Cash flows from operating activities		
Net gain/(loss) on sale of marketable securities	2,263,571	(849,716)
Dividend income received	7,534,886	4,167,151
Interest income received	2,579,811	11,561,102
Payment made for expenses	(7,409,307)	(6,792,705)
Net cash flows from operating activities	4,968,961	8,085,832
B. Cash flows from investing activities		
Investment in marketable securities	(7,068,250)	(266,231,135)
(Investment) in/ refund from IPO	(77,340)	-
Preliminary and issue expenses	-	(4,468,054)
Net cash used in investing activities	(7,145,590)	(270,699,189)
C. Cash flows from financing activities		
Sponsor's contribution	-	100,000,000
IPO subscription	-	150,000,000
Issuance of new units	1,758,680	356,799,320
Surrender of units	(13,733,627)	(50,151,080)
Unit transaction reserve	2,690,571	3,051,675
Net cash generated from financing activities	(9,284,376)	309,699,915
Net cash flows for the period	(11,461,005)	47,086,558
Cash and cash equivalents at the beginning of the period	47,086,558	-
Cash and cash equivalents at the end of the period	35,625,554	47,086,558
Net operating cash flows	4,968,961	8,085,832
Number of outstanding units	29,463,692	30,664,824
Net operating cash flows per unit for the period	0.17	0.26

These financial statements should be read in conjunction with annexed notes


Chairman, Trustee
Investment Corporation of
Bangladesh


Member Trustee
Investment Corporation of
Bangladesh

Signed as per annexed report of even date


Asset Manager
Impress Capital Limited



Mahfel Huq & Co.

Chartered Accountants

Dhaka, 20 July 2020

BCB ICL Growth Fund
Notes to the Financial Statements
As at and for the year ended 30 June 2020

1 The fund and the legal status

BCB ICL Growth Fund (the Fund), is an open-end mutual fund sponsored by Bangladesh Commerce Bank Limited. The Fund got its approval from Bangladesh Securities and Exchange Commission on 4th December 2017, vide registration number BSEC/Mutual Fund/2017/86 under Securities and Exchange Commission (Mutual Fund) Rules, 2001.

The key partners of the fund are as follows:

Sponsor	:	Bangladesh Commerce Bank limited Investment Corporation of
Trustee	:	Bangladesh
Asset manager	:	Impress Capital Limited
Custodian	:	BRAC Bank Limited

The Fund commenced its operation on 5 April 2018.

2 Significant accounting Policies

2.01 Basis of accounting

These financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), applicable to the Fund so far adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The disclosures of information are made in accordance with the requirements of Deed, Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable Rules and regulations.

2.02 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.

2.03 Basis of measurement

The Fund has adequate resources to continue in operation for the foreseeable future. For this reason, the management continue to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business. As at 31 December 2019 China had alerted the World Health Organization (WHO) of several cases of an unusual form of pneumonia in Wuhan. However, substantive information about what has now been identified as coronavirus (or COVID-19) only came to light in early 2020 and WHO announced COVID-19 outbreak as a pandemic on 11 March 2020. To prevent the spread of this disease, the Government of Bangladesh has also taken a number of measures like many other countries of the world. As a result of these measures business and economic activities are adversely affected all over the world.

2.04 Presentation of financial statements

The financial statements are prepared and presented covering the year from 01 July 2019 to 30 June 2020.

2.05 Investment

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognized at the date of trading i.e. the date on which the Fund commits to purchase or sell the investment. Bonus entitlements, if any, are not accounted for as income rather included in the portfolio to reduce the average cost after being confirmed on respective AGM date.

- a) Investment is recorded in the statement of financial position at fair value.
- b) Fair value of listed securities (other than mutual fund) is disclosed at closing quoted market prices prevailed as at 30 June 2020.
- c) Fair value of listed mutual funds is valued at intrinsic value as per BSEC directive (No. SEC/CMRRCD /2009-193/172).

2.06 Revenue recognition

- a) Gain/losses arising on sale of investment are included in the statement of Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place.
- b) Cash dividend is recognized when the Funds' right to receive payment is established.
- c) Interest income is recognized on accrual basis.

2.07 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Act / Income Tax / 2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required.

2.08 Amortization of Preliminary and Issue Expenses

Preliminary and issue expenses represent expenditure incurred prior to commencement of operations and establishment of the Fund. These costs are amortized within Seven years' tenure after adjusting interest income from escrow accounts as per deed and securities and exchange commission (Mutual Fund) 2001.

2.08 Dividend policy

Pursuant to rules 66 of securities and exchange commission (Mutual Fund) 2001 the Fund is required to distribute its profit by way of dividend either in cash or re-investment units or both to the unit holders after closing of the annual accounts an amount that shall not be less than fifty percent (50%) of annual profit earned during the year.

2.09 Management fees

As per the securities and exchange commission (Mutual Fund) 2001, the Fund shall pay a management fee to the Asset Management Company:

@ 2.50 percent per annum of the weekly average NAV up to BDT 50,000,000 (Fifty Million) and

@ 2.00 percent per annum for additional amount of the weekly average NAV up to BDT 250,000,000 (Two Hundred Fifty Million) over BDT 50,000,000 (Fifty Million)

@ 1.50 percent per annum for additional amount of the weekly average NAV up to BDT 500,000,000 (Five Hundred Million) over BDT 250,000,000 (Two Hundred Fifty Million)

@1.00 percent per annum for additional amount of the weekly average NAV over BDT 500,000,000 (Five Hundred Million), accrued and payable quarterly at the end of the period.

2.10 Trustee fees

The Trustee shall be paid an annual Trusteeship fee of @ 0.15% of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis, from the date of operation of the Fund applicable from the effective date (the date of registration of this Trust Deed).

2.11 Custodian fees

The Fund shall pay to the Custodian a safe keeping fee @0.06% per annum on the balance securities held by the Fund calculated on the basis of average market value per month. Besides this, the fund will bear all other expenses like (a) transaction fee of BDT 200 per transaction, (b) local duties and fees like stamp duty on transactions, stamp duty on transfer deed, (c) Levies , brokerage, registrars fees, local council/ counsel/ representation, external auditor's at the client's requests, depository fees etc. However, a fee cap of 0.07% per annum on securities held by the fund, calculated on the average market value per month would be applicable, if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for custodian service will be realized semi-annually.

2.12 Annual fees to BSEC

The Fund will have to pay @ 0.10% of the Fund value or BDT 50,000 (Fifty thousand), whichever is higher, as annual fee in terms of the securities and exchange commission (Mutual Fund) 2001.

2.13 Earnings Per Unit

Earnings per unit has been calculated in accordance with International Accounting Standard 33 “Earnings per Share” and shown on the face of statement of profit or loss and other comprehensive income.

2.14 General

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

2.15 Subsequent Event

The Board of Trustee has recommended 0% cash dividend for the year ended on 30 June 2020 in the trustee meeting held on 23rd July, 2020.

Amount in BDT

30-Jun-20 30-Jun-19

3 Investments at market price

Investment in marketable securities	177,887,561	263,062,138
	177,887,561	263,062,138

4 Preliminary and issue expenses

Opening balance as on 01 July 2019	3,677,619	4,468,054
Amortization during the period	-640,043	-790,435
Closing balance as on 30 June 2020	3,037,577	3,677,619

5 Receivables

Interest receivables on FDR	5.01	977,500	423,263
Dividend receivables	5.02	659,799	454,645
Interest receivables on STD	5.03	-	11,525
		1,637,298	889,433

5.01 Interest receivables on FDR

Delta Brac Housing Finance Corporation Limited	427,500	-
IPDC Finance Limited	-	423,263
United Finance Limited	550,000	-
	977,500	423,263

5.02 Dividend receivables

Active Fine Chemicals Limited	202,760	-
Bata Shoe Company (Bangladesh) Limited	-	22,029
BRAC Bank Limited	304,344	-
City Bank Limited	-	432,616
Eastern Bank Limited	152,695	-
	659,799	454,645

5.03 Interest receivables on STD

Interest receivable BRAC Bank Ltd. (1551203879009001)	-	113
Interest receivable Southeast Bank Limited (00135000000003)	-	11,412
Interest receivable Standard Chartered Bank (02130883901)	-	-
	-	11,525

6 Cash and cash equivalents

Cash at Bank	6.01	10,625,554	22,086,558
Fixed Deposit Receipt (FDR)	6.02	25,000,000	25,000,000
		35,625,554	47,086,558

6.01 Cash at banks

STD accounts with:

BRAC Bank Limited (1551203879009001)	4,801,368	6,829,674
Southeast Bank Limited (00135000000003)	5,613,639	14,768,108
Standard Chartered Bank (02-1308839-01)	210,546	488,776
	10,625,554	22,086,558

6.02 Fixed Deposit Receipt (FDR)

Delta Brac Housing Finance Corporation Limited	10,000,000	-
IPDC Finance Limited	-	25,000,000.00
United Finance Limited	15,000,000	-
	25,000,000	25,000,000

7 Advance, deposits, and prepayments

BSEC annual fees	214,891	311,631
Advance trustee fees	186,055	-
CDBL annual fees	46,000	-
	446,946	311,631

8 Accrued expenses and others

Audit fees	23,000	23,000
Custodian fees	148,637	175,800
Management fees	2,382,579	3,008,435
Payable for IPO	-	77,340
Payable to broker	-	6,000
Payable to investor	37,848	1,475
Printing & publications	16,867	23,000
TDS payable	-	1,300
Trustee fees	169,484	11,171
	2,778,415	3,327,521

9 Unit capital

Beginning of the year (30,664,824 units of Tk. 10 each)	306,648,240	250,000,000
Units subscribed during the period (175,868 units of Tk.10 each)	1,758,680	106,799,320
Units re-purchased during the period (1,377,000 units of Tk.10 each)	-13,770,000	-50,151,080
Number of units at the end of the period (29,463,692 units of Tk. 10 each)	294,636,920	306,648,240

10 Unit transaction reserve

Opening balance	3,051,675	-
New subscription (175,868 units)	-204,831	3,051,675
Less: Premium reserve paid for re-purchase (1,377,00 units)	2,895,401	-
	5,742,246	3,051,675

11 Retained earnings

Opening balance	1,999,943	-
Net profit during the period	-86,522,587	1,999,943
	-84,522,644	1,999,943

12 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price

Less: Unrealized gain/loss

Total Net Asset Value (NAV) at cost

Number of units

NAV per unit at cost price

215,856,521	311,699,859
-95,183,533	-2,940,706
311,040,054	314,640,565
29,463,692	30,664,824
10.56	10.26

13 Net Asset Value (NAV) per unit at market price

Total Net Asset Value (NAV) at market price

Number of units

NAV per unit at market price

215,856,521	311,699,859
29,463,692	30,664,824
7.33	10.16

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

Sector wise break-up of gain on sale of investments are as under:

Bank	-	-5,961,223
Cement	-	7,299,058
Engineering	479,359	2,431,351
Food & Allied	-	78,121
Fuel & Power	516,256	402,336
IT	339,034	-1,665,205
Miscellaneous	-	1,403,290
Pharmaceuticals & Chemicals	203,825	878,869
Services & Real Estate	-	26,018
Telecommunication	651,117	-
Textile	-404,857	-5,742,331
Travel & Leisure	478,837	-
	2,263,571	-849,716

15 Dividend income

Bank	457,047	2,116,014
Cement	-	309,885
Engineering	21,294	28,000
Textile	53,989	257,250
Tannery Industries	234,988	22,029
Pharmaceuticals & Chemicals	1,034,703	214,770
Food & Allied	784,480	-
Fuel & Power	4,181,560	-
Telecommunication	971,958	1,671,429
Miscellaneous	22	2,419
	7,740,041	4,621,796

16 Interest income

Fixed Deposit Receipts (FDR)	2,355,252	6,407,638
Short Notice Deposit (SND) A/C	767,161	5,588,252
Others income	5,473	-
	3,122,523	11,995,890

17 Bank charges and others

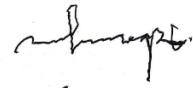
Bank charges	6,066	26,370
Excise duty-FDR & Bank	55,000	145,000
Tax at source-FDR & Bank	56,846	545,541
	117,912	716,911

18 (Provision)/Write back of Provision for diminution in value of investments

Unrealized loss as at June 30, 2020	-95,183,533	-2,940,706
Unrealized loss as at June 30, 2019	-2,940,706	-
Unrealized loss during the period	-92,242,827	-2,940,706

19 Earnings per unit for the period

Net profit for the period (A)	-86,522,587	1,999,943
Number of units (B)	29,463,692	30,664,824
Earnings per unit (A÷B)	-2.94	0.07



Mahfel Huq & Co.

Chartered Accountants

Dhaka, July 20, 2020

Annexure
BCB ICL Growth Fund
Investment in Marketable Securities
As at 30 June 2020
Amount in BDT

Sl No.	Sector	Name of the Scrip	Number of Shares	Weighted Average Price	Total Cost Value	Market Price	Total Market Value	Unrealized Gain/ (Loss)	Exposure in terms of total asset at cost
1	Bank	BRACBANK	436,226	58.97	25,724,889	31.90	13,915,609	(11,809,279)	8.20%
		CITYBANK	937,713	27.87	26,137,642	16.70	15,659,807	(10,477,835)	8.33%
		EBL	61,078	34.22	2,090,002	30.90	1,887,310	(202,692)	0.67%
2	Engineering	COPPERTECH	5,955	9.52	56,715	20.70	123,269	66,553	0.02%
3	Food & Allied	BATBC	19,612	1302.81	25,550,759	907.60	17,799,851	(7,750,908)	8.14%
4	Fuel & Power	BARKAPOW	1,168,000	27.03	31,572,049	19.80	23,126,400	(8,445,649)	10.06%
		SUMITPOWER	518,712	39.80	20,645,605	35.10	18,206,791	(2,438,814)	6.58%
5	Mutual Funds	NLI1STMF	80,000	11.15	891,602	9.60	768,000	(123,602)	0.28%
		SEBL1STMF	470,000	10.52	4,943,883	9.30	4,371,000	(572,883)	1.58%
6	Pharmaceuticals & Chemicals	ACTIVEFINE	1,013,800	31.06	31,491,651	12.30	12,469,740	(19,021,911)	10.03%
		BXPHARMA	284,150	87.90	24,976,830	69.20	19,663,180	(5,313,650)	7.96%
		SILCOPHL	9,495	9.09	86,321	22.40	212,688	126,367	0.03%
		SQURPHARMA	102,373	256.07	26,214,873	172.50	17,659,343	(8,555,530)	8.35%
7	Tannery Industries	BATASHOE	18,799	981.37	18,448,733	693.20	13,031,467	(5,417,266)	5.88%
8	Telecommunication	GP	74,766	437.94	32,743,008	238.80	17,854,121	(14,888,888)	10.43%
9	Textile	ESQUIRENIT	32,089	45.00	1,444,005	21.90	702,749	(741,256)	0.46%
10	Travel & Leisure	SEAPEARL	5,515	9.52	52,526	79.10	436,237	383,710	0.02%

As at 30 June 2020
273,071,094
177,887,561
(95,183,533)
87.02%

AUDITORS REPORT AND AUDITED FINANCIAL STATEMENTS OF ESQUIRE ICL APPAREL FUND

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF ESQUIRE ICL APPAREL FUND
Report on the Audit of the Financial Statements**

OPINION:

We have audited the financial statements of Esquire ICL Apparel Fund ("the Fund"), which comprise the statement of financial position as at June 30 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

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 auditors' responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHERS INFORMATION:

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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. However, we have nothing to report regarding other information.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS:

The Asset Manager of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 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 and error.

In preparing the financial statements, the Fund's ability to continue as a going concern should be assessed, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting till the tenure of the Fund unless there is any intention to liquidate the Fund or 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 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 communicate with those charged with governance 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. However, we have not come across any significant audit findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

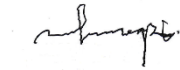
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Fund so far as it appeared from our examination of these books; and

- c) the Fund's statements 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 and returns.



Mahfel Huq & Co.

Chartered Accountants

Dhaka, July 20, 2020

Esquire ICL Apparel Fund
Statement of Financial Position
As at 30 June 2020

Particulars	Notes	Amount in Taka 30 June 2020
Assets		
Investment-at market price	3	67,396,851
Receivables	4	786,814
Advances, Deposits & Prepayments	5	197,522
Cash and cash equivalents	6	38,854,431
Preliminary and issue expenses	7	2,911,346
Total Assets		110,146,964
Less: Liabilities		
Accrued expenses and others	8	1,382,303
Net Assets		108,764,661
Unitholder's Equity		
Unit capital	9	127,501,780
Unit transaction reserve	10	(174,176)
Retained Earnings	11	(18,562,943)
Total Equity		108,764,661
Net Asset Value (NAV) per unit:		
At cost price	12	10.31
At market price	13	8.53

These financial statements should be read in conjunction with annexed notes



Chairman, Trustee

Investment Corporation of Bangladesh



Member, Trustee

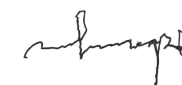
Investment Corporation of Bangladesh

Signed as per annexed report of even date



Asset Manager

Impress Capital Limited



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 20 July 2020

Esquire ICL Apparel Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 30 June 2020

Particulars	Notes	Amount in Taka 09 July 2019 to 30 June 2020
Income		
Dividend income	14	2,232,272
Interest income	15	5,218,719
Total Income		7,450,991
Less: Expenses		
Amortization of preliminary expenses		399,074
Audit fees		23,000
Bank charges and others	16	259,465
BO account maintenance fees		1,800
CDBL fees		10,118
Custodian fees		72,792
IPO application charge		5,000
Management fees		2,171,065
Printing & publications		216,325
Trustee fees		147,008
Total Expense		3,305,647
Income before provision for the year		4,145,344
(Provision) / Write back of provision for diminution in value of investments		(22,708,287)
Net income for the year		(18,562,943)
Number of outstanding units		12,750,178
Earnings per unit for the year	17	(1.46)

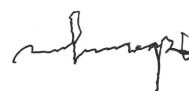
These financial statements should be read in conjunction with annexed notes


Chairman, Trustee
Investment Corporation of Bangladesh


Member, Trustee
Investment Corporation of Bangladesh

Signed as per annexed report of even date


Asset Manager
Impress Capital Limited



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 20 July 2020

Esquire ICL Apparel Fund
Statement of Changes in Equity
For the year ended on 30 June 2020

Amount in Taka

Particulars	Unit Capital	Unit Transaction Reserve	Investment Diminution Reserve	Retained Earnings	Total Equity
Balance as at 09 July 2019	-	-	-	-	-
Unit subscribed during the period	130,027,060	-	-	-	130,027,060
Unit repurchased during the period	(2,525,280)	-	-	-	(2,525,280)
Net profit during the period	-	-	-	(18,562,943)	(18,562,943)
Profit on unit subscribed	-	(302,159)	-	-	(302,159)
Loss on redemption of units	-	127,983	-	-	127,983
Balance as at 30 June 2020	127,501,780	(174,176)	-	(18,562,943)	108,764,661

These financial statements should be read in conjunction with annexed notes



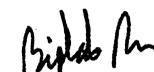
Chairman, Trustee

Investment Corporation of Bangladesh



Member, Trustee

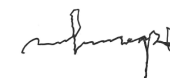
Investment Corporation of Bangladesh



Asset Manager

Impress Capital Limited

Signed as per annexed report of even date



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 20 July 2020

Esquire ICL Apparel Fund
Statement of Cash Flows
For the year ended on 30 June 2020

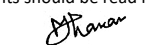
Particulars	Amount in Taka 09 July 2019 to 30 June 2020
Cash Flows from Operating Activities	
Dividend income received	2,089,424
Interest income received	4,574,752
Payment made for expenses	(1,721,874)
Net Cash Flows from Operating Activities	4,942,302
Cash Flows from Investing Activities	
Investment in marketable securities, net	(90,105,137)
(Investment) in/ refund from IPO	-
Preliminary & Issue expenses	(3,310,420)
Net Cash Used in Investing Activities	(93,415,557)
Cash Flows from Financing Activities	
Sponsor's contribution	100,000,000
IPO subscription	23,210,000
Issuance of new units	6,817,142
Repurchase of units	(2,525,280)
Unit transaction reserve	(174,176)
Net Cash Generated from Financing Activities	127,327,686
Net Cash Flows for the year	38,854,431
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	38,854,431
Net Operating Cash Flows	4,942,302
Number of Outstanding Units	12,750,178
Net Operating Cash Flows per unit for the period	0.39



Chairman, Trustee

Investment Corporation of Bangladesh

These financial statements should be read in conjunction with annexed notes



Member, Trustee

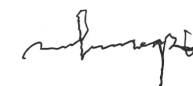
Investment Corporation of Bangladesh

Signed as per annexed report of even date



Asset Manager

Impress Capital Limited



Mahfel Huq & Co.
Chartered Accountants

Dhaka, 20 July 2020

Esquire ICL Apparel Fund
Notes to the Financial Statements
As at and for the year ended 30 June 2020

1 The fund and the legal status

Esquire ICL Apparel Fund (the Fund), an open-end mutual fund sponsored by Esquire Knit Composite Limited. The Fund got its approval from Bangladesh Securities and Exchange Commission on 2nd day of May 2019, vide registration number BSEC/Mutual Fund/2019/99 under Securities and Exchange Commission (Mutual Fund) Rules, 2001. Key partners of the fund are as follows:

Sponsor	: Esquire Knit Composite Limited
Trustee	: Investment Corporation of Bangladesh
Asset manager	: Impress Capital Limited
Custodian	: BRAC Bank Limited

The Fund commenced its investment activities on 09 July, 2019 and operation on 28 August 2019.

2 Significant Accounting Policies

2.01 Basis of Accounting

These financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), applicable to the Fund so far adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The disclosures of information are made in accordance with the requirements of Deed, Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable Rules and regulations.

2.02 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.

2.03 Basis of measurement

The Fund has adequate resources to continue in operation for the foreseeable future. For this reason, the management continue to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

As at 31 December 2019 China had alerted the World Health Organization (WHO) of several cases of an unusual form of pneumonia in Wuhan. However, substantive information about what has now been identified as coronavirus (or COVID-19) only came to light in early 2020 and WHO announced COVID-19 outbreak as a pandemic on 11 March 2020. To prevent the spread of this disease, the Government of Bangladesh has also taken a number of measures like many other countries of the world. As a result of these measures business and economic activities are adversely affected all over the world.

2.04 Presentation of financial statements

The financial statements are prepared and presented covering the year from 09 July 2019 to 30 June 2020.

2.05 Investment

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognized at the date of trading i.e. the date on which the Fund commits to purchase or sell the investment. Bonus entitlements, if any, are not accounted for as income rather included in the portfolio to reduce the average cost after being confirmed on respective AGM date.

- a) Investment is recorded in the statement of financial position at fair value.
- b) Fair value of listed securities (other than mutual fund) is disclosed at closing quoted market prices prevailed as at 30 June 2020.
- c) Fair value of listed mutual funds is valued at intrinsic value as per BSEC directive (No. SEC/CMRRCD/2009-193/172).

2.06 Revenue recognition

- a) Gain/losses arising on sale of investment are included in the statement of Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place.
- b) Cash dividend is recognized when the Funds' right to receive payment is established.
- c) Interest income is recognized on accrual basis.

2.07 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Act / Income Tax / 2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required.

2.08 Amortization of preliminary and issue expenses

Preliminary and issue expenses represent expenditure incurred prior to commencement of operations and establishment of the Fund. These costs are amortized within Seven years' tenure after adjusting interest income from escrow accounts as per deed and Securities and Exchange Commission (Mutual Fund) Rules, 2001.

2.09 Dividend policy

Pursuant to rules 66 of Securities and Exchange Commission (Mutual Fund) Rules 2001, the Fund is required to distribute its profit by way of dividend either in cash or re-investment units or both to the unit holders after closing of the annual accounts an amount that shall not be less than fifty percent (50%) of annual profit earned during the year.

2.10 Management fees

As per the securities and exchange commission (Mutual Fund) 2001, the Fund shall pay a management fee to the Asset Management Company:

@ 2.50 percent per annum of the weekly average NAV up to BDT 50,000,000 (Fifty Million)

@ 2.00 percent per annum for additional amount of the weekly average NAV up to BDT 250,000,000 (Two Hundred Fifty Million) over BDT 50,000,000 (Fifty Million) and

@ 1.50 percent per annum for additional amount of the weekly average NAV up to BDT 500,000,000 (Five Hundred Million) over BDT 250,000,000 (Two Hundred Fifty Million)

@ 1.00 percent per annum for additional amount of the weekly average NAV over BDT 500,000,000 (Five Hundred Million), accrued and payable quarterly at the end of the period.

2.11 Trustee fees

The Trustee shall be paid an annual Trusteeship fee of @ 0.15% of the Net Asset Value (NAV) of the Fund on semi-annual in advance basis, from the date of operation of the Fund applicable from the effective date (the date of registration of this Trust Deed).

2.12 Custodian fees

The Fund shall pay to the Custodian a safe keeping fee @ 0.06% per annum on the balance securities held by the Fund calculated on the basis of average market value per month. Besides this, the fund will bear all other expenses like (a) transaction fee of BDT 200 per transaction, (b) local duties and fees like stamp duty on transactions, stamp

duty on transfer deed, (c) Levies, brokerage, registrars fees, local council/ counsel/ representation, external auditor's at the client's requests, depository fees etc. However, a fee cap of 0.07% per annum on securities held by the fund, calculated on the average market value per month would be applicable, if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for custodian service will be realized semi-annually.

2.13 Annual fees to BSEC

The Fund will have to pay @ 0.10% of the Fund value or BDT 50,000 (Fifty thousand), whichever is higher, as annual fee in terms of the Securities and Exchange Commission (Mutual Fund) Rules 2001.

2.14 Earnings Per Unit

Earnings per unit has been calculated in accordance with International Accounting Standard –33 “Earnings per Share” and shown on the face of statement of profit or loss and other comprehensive income.

2.15 General

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

2.16 Subsequent Event

The Board of Trustee has recommended 0% cash dividend for the year ended on 30 June 2020 in the trustee meeting held on 23 July, 2020.

Amount in Taka		
30 June 2020		
3	Investment-at market price	
	Investment in listed securities	67,396,851
		67,396,851
4	Receivables	
	Interest receivables (FDR)	643,966
	Dividend receivable	142,848
		786,814

4.1 Interest receivables (FDR)		
DBH Finance Corporation Limited		613,114
IDLC Finance Limited		30,852
		643,966
4.2 Dividend receivable		
BRAC Bank Limited		142,848
		142,848
5 Advances, Deposits & Prepayments		
BSEC annual fees		108,163
Trustee fees		89,359
		197,522
6 Cash and cash equivalents		
Cash at banks	6.1	9,679,936
Fixed Deposit Receipt (FDR)	6.2	29,174,495
		38,854,431
6.1 Cash at banks		
SND accounts with:		
Southeast Bank Limited (A/C No. 135000000005)		7,761,301
Southeast Bank Limited (A/C No. 135000000006)		1,754,816
Standard Chartered Bank (A/C No. 02130970501)		163,819
		9,679,936
6.2 Fixed Deposit Receipt (FDR) with		
DBH Finance Corporation Limited		18,494,722
IDLC Finance Limited		10,679,773
		29,174,495
7 Preliminary and issue expenses		
Preliminary and issue expenses		3,310,420
Amortization during the period		(399,074)
		2,911,346

8 Accrued expenses and others

Audit fees	23,000
Custodian fees	30,789
Management fees	1,228,757
Tax on interest income	-
Trustee fees	82,807
Payable to investors	82
Printing and publications	16,867

1,382,303

9 Unit capital

Sponsor's Contribution (10,000,000 units of Tk. 10 each)	100,000,000
IPO subscription (2,321,000 units of Tk. 10 each)	23,210,000
Units subscribed during the period (681,706 units of Tk.10 each)	6,817,060
Units repurchase during the period (252,528 units of Tk. 10 each)	(2,525,280)

Total number of units at the end of the period (12,750,178 units of Tk. 10 each)

127,501,780

10 Unit transaction reserve

Units subscribed during the period (13,002,706 units)	(302,159)
Less: Premium reserve paid for re-purchase (252,528 units)	127,983

(174,176)

11 Retained Earnings

Opening balance	-
Net profit during the year	(18,562,943)

Total

(18,562,943)

12 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price	108,764,661
Less: Unrealized gain	(22,708,287)

Total Net Asset Value (NAV) at cost

131,472,948

Number of units

12,750,178

NAV per unit at cost price

10.31

13 Net Asset Value (NAV) per unit at market price

Total Net Asset Value (NAV) at market price

108,764,661

Number of units

12,750,178

NAV per unit at market price

8.53

14 Dividend income

Bata shoe Company Limited

39,375

Beximco Pharmaceuticals Limited

154,097

BRAC Bank Limited

142,848

British American Tobacco Bangladesh Company Limited

359,320

Grameenphone Limited

301,900

Summit Power Limited

1,050,645

Square Pharmaceuticals Limited

184,087

2,232,272

15 Interest income

Fixed Deposit Receipts (FDR)

2,906,739

Short Notice Deposit (SND) A/C

2,311,980

5,218,719

16 Bank charges and others

Bank charges

6,903

Excise duty-FDR & Bank

87,345

Tax at source-Bank

141,939

Tax at source-FDR

23,278

259,465

17 Earnings per unit for the year

Net profit for the period (A)

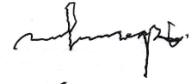
(18,562,943)

Number of units (B)

12,750,178

Earnings per unit (A÷B)

(1.46)



Mahfel Huq & Co.

Chartered Accountants

Dhaka, July 20, 2020

Annexure
Esquire ICL Apparel Fund
Investment in Marketable Securities
As at 30 June 2020
Amount in BDT

Sl. No.	Sector	Name of the Scrip	Number of Shares	Weighted Average Price	Total Cost Value	Market Price	Total Market Value	Unrealized Gain/ (Loss)	Exposure in terms of total asset at cost
1	Bank	BRACBANK	204,748	57.51	11,775,403	31.90	6,531,461	(5,243,942)	8.86%
		CITYBANK	373,338	26.94	10,059,367	16.70	6,234,745	(3,824,622)	7.57%
2	Food & Allied	BATBC	8,983	1,283.79	11,532,327	907.60	8,152,971	(3,379,356)	8.68%
3	Fuel & Power	SUMITPOWER	210,129	39.47	8,293,178	35.10	7,375,528	(917,650)	6.24%
4	Mutual Fund	NLI1STMF	497,722	10.63	5,290,287	9.60	4,778,131	(512,156)	3.98%
		SEBL1STMF	586,643	10.49	6,153,881	9.30	5,455,780	(698,101)	4.63%
5	Pharmaceuticals & Chemicals	BXPHERMA	102,731	81.41	8,363,579	69.20	7,108,985	(1,254,594)	6.30%
		RENATA	4,677	1,063.94	4,976,032	1,026.20	4,799,537	(176,495)	3.75%
		SQURPHARMA	46,897	239.17	11,216,483	172.50	8,089,733	(3,126,751)	8.44%
6	Tannery Industries	BATASHOE	3,150	1,021.68	3,218,283	693.20	2,183,580	(1,034,703)	2.42%
7	Telecommunication	GP	28,000	329.51	9,226,318	238.80	6,686,400	(2,539,918)	6.94%

As at 30 June 2020
-
90,105,138
67,396,851
(22,708,287)
67.82%

APPENDIX

Applicable Tax Rates for Different Categories of Investors

Current Tax Status on Mutual Fund: FY- 2019/20				
Category	Types of Benefit	Rate	Tax Implication	Reference (As per ITO 1984)
Individual	Dividend Income	10- 15%	Exempted: Up to BDT 25,000. After that, TIN Available: 10% Tax imposed No TIN: 15% Tax imposed	6 th schedule, Part- A, Para- 22(A) & Section- 54
	Capital Gain	Nil	Fully exempted	SRO No. 196/2015, Date: June 30, 2015
	Investment Rebate	10-15% based on income class	Actual Investment, 25% of taxable income or BDT 1.5 crore, whichever is lower	Section- 44 (2 & 3) and 6th schedule, Part- B, Para- 27
Institution	Dividend Income	20%	No benefit	6 th schedule, Part- A, Para- 22(A) & Section- 54
	Capital Gain	10%		SRO No. 196/2015, Date: June 30, 2015
	Investment Rebate	N/A		N/A
NRB	Dividend Income	30%	Exempted: Up to BDT 25,000	6th schedule, Part- A, Para- 22(A) & Section- 56(20)(b)
	Capital Gain	10%	No benefit	SRO No. 196/2015, Date: June 30, 2015 & Section- 56(17)
	Investment Rebate	10-15% based on income class	Actual Investment, 25% of taxable income or BDT 1.5 crore. whichever is lower	Sec 44 (2 & 3) and 6th schedule, Part- B, Para- 27
Provident Fund	Dividend Income	N/A	Exempted	6 th schedule, Part- A, Para- 4(1) & 6
	Capital Gain Income		N/A	N/A
	Investment Rebate			
Gratuity Fund	Dividend Income	N/A	Exempted	6th schedule, Part- A, Para- 6
	Capital Gain Income		N/A	N/A
	Investment Rebate			

ANNEXURE

ICL BALANCED FUND

Disclosure as per Rule no. 69 of Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001.

SL.	Particular	June 30, 2020	June 30, 2019	June 30, 2018
1	Net Asset Value per unit at cost	10.96	10.90	11.35
2	Net Asset Value per unit at market	7.78	10.80	11.76
3	Per unit income other than investment	0.39	0.30	0.47
4	Per unit income from capital gain/(loss)	0.06	0.36	0.78
5	Per unit expense	0.24	0.30	0.31
6	Per unit provision for diminution in value of investment	3.08	0.10	-
7	Per unit net income/(loss)	(2.87)	0.26	0.95
8	Highest purchase/surrender price per unit during the year	10.57	11.68	13.19
9	Lowest purchase/surrender price per unit during the year	7.71	10.21	11.55
10	Price-earnings ratio at the end of the year	(2.72)	41.00	12.41



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