



IMPRESS CAPITAL LIMITED

unlocking opportunities

2020-21

ICL MUTUAL FUNDS

ANNUAL

REPORT



**ICL MUTUAL FUNDS
ANNUAL REPORT
2020-21**

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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.

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. MACROECONOMIC OUTLOOK:

The macroeconomic situation of the country, on both external and internal front, has fared pretty well amid the pandemic. The probability of any impending economic crisis is very low. However, lower private sector credit growth is a matter of concern. Exchange rate has been stable and it is expected to remain such because of strong remittance inflow and satisfactory export volume. Money market is expected to remain liquid. If the demand for loan doesn't pick up any time soon, interest rate may continue remaining downward. The economic recovery slowed down due to the second wave of Covid19. However, various sectors have managed to surpass their pre-pandemic state.

On the fiscal front, the budget for FY 2021-22 stands at 17.5% of the GDP with a 6.3% growth from the last budget. The target to achieve 7.2% GDP growth may sound a bit optimistic, but not impossible considering the potential economic recovery on the card. Media houses termed the current budget as a 'business friendly' one. Reduction in corporate tax rates, AIT and customs duty, provision of tax holidays for various sectors, VAT exemptions at manufacturing stages etc. do validate that claim.

On the monetary policy front, Bangladesh Bank has gone for continuation of expansionary measures. Strong recovery in export and high growth in remittance have provided BB required breathing space. However, slow recovery in the business sector and resultant lower credit demand have become causes of concern. Huge liquidity has been piling up in the banking sector due to lower credit demand and massive dollar purchase by BB. This high liquidity situation may push the price levels up as global supply chain disruption and rising commodity prices may add to it. It will be challenging for BB to simultaneously support the economy and keep inflation in check. However, the regulator has clearly stated in the Monetary Policy Statement that they will proactively mop up liquidity if they sense any bubble in asset markets.

II. CAPITAL MARKET OUTLOOK:

The capital market of the country has been performing very well since the end of first lockdown last year. With the appointment of the new leadership in BSEC, investors got their confidence back and market performance reflected the same. Daily turnover in Dhaka Stock Exchange (DSE) has been close to Tk. 30 billion recently. Even during the pandemic, a good number of companies showed robust performance. A good number of companies got listed in the market through IPO since then.

DSE broad index, DSEX recorded 21.3% return in 2020 and this year it has already generated 27.2% return (up to August 31, 2021). Expansionary monetary stance usually appears to be a

boon for the capital market. Due to sinking deposit rate, savers have been flocking into the capital market. However, Bangladesh Bank has emphasized on the point in the monetary policy statement that they may intervene in the market with open market operation anytime to mop up the excess liquidity.

To sum up, how efficiently and effectively the Govt. can run the vaccination campaign would reveal how economy would grow in the coming years. However, the economic potential of Bangladesh will certainly demand the upliftment of the capital market to grow further. At least three mega infrastructures including the dream project, Padma Bridge, will be operational in 2022. These infrastructures will fetch massive improvement to the economy. With a willing and committed leadership in BSEC such as the current one and strong economic potential, a well-structured capital market contributing strongly to the growth of the economy will be finally possible.

III. 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 358,927,905 (As on June 30, 2021)
	BCB ICL Growth Fund	BDT 338,616,130 (As on June 30, 2021)
	Esquire ICL Apparel Fund	BDT 234,737,736 (As on June 30, 2021)

Face Value:	BDT 10.00/Unit	
Net Asset Value (NAV) per Unit:	ICL Balanced Fund	BDT 12.51/Unit (As on June 30, 2021) at market value
	BCB ICL Growth Fund	BDT 11.81/Unit (As on June 30, 2021) at market value
	Esquire ICL Apparel Fund	BDT 13.51/Unit (As on June 30, 2021) 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) for ICL Balanced Fund and minimum 50% (fifty percent) for BCB ICL Growth Fund and Esquire ICL Apparel Fund, 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 হ্রাস-বৃদ্ধি ঘটিবে।

IV. INVESTMENT POLICY THE FUNDS

- a. **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.
- b. **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.
- c. **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.
- d. **Funds’ Investment Horizon:** 3 years to 10 years.
- e. **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. **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.

g. 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.

h. 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)

V. DUTIES AND RESPONSIBILITIES OF THE FUNDS' TRUSTEES

As per সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (মিউচুয়াল 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 (মিউচুয়াল 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 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 (সিউসিআল ফান্ড) বিধিমালা, ২০০১, পঞ্চম তফসিল, বিধি ৫৬ দ্রষ্টব্য: (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 7,724,225, BDT 7,861,766 and BDT 5,322,334 which are around 2.15%, 2.32% and 2.27% 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 640,042 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 474,212 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 2020-2021 of ICL Balanced Fund is BDT 307,640. 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 2020-2021 of BCB ICL Growth Fund is BDT 430,679. 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 2020-2021 of Esquire ICL Apparel Fund is BDT 267,538.

V. CUSTODIAN CHARGES

ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund pay the Custodian @0.05%, @0.06% and @0.07% 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 for ICL Balanced Fund and BCB ICL Growth Fund and 0.08% per annum for Esquire ICL Apparel Fund, 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 170,200, BDT 215,552, and BDT 110,727 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 34,944, BDT 31,280, and BDT 18,938 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 236,915, BDT 214,891, and BDT 108,163 for the year under consideration.

VIII. AUDIT FEE

Khan Wahab Shafique Rahman & Co. was the statutory auditor of ICL Balanced Fund, BCB ICL Growth Fund and Esquire ICL Apparel Fund for the period and was paid an audit fee of BDT 23,000 including VAT (Value Added Tax) for each of the Fund.

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 financial statements of **ICL Balanced Fund**. ("the fund"), which comprise the statement of financial position as at 30 June, 2021, and statements 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 of the statement of financial position of **ICL Balanced Fund**. ("the fund"), as at 30 June 2021, and of 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 the Securities and Exchange Commission (Mutual Fund) Rules 2001 and other applicable Rules 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) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and 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

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules 2001 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's or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Fund's 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 Companies Act 1994 and the Securities and Exchange Rules 1987, the Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations, 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 statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

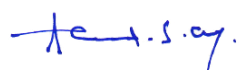
Dhaka;
Dated: July 18, 2021



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107251885AS134986

ICL Balanced Fund
Statement of Financial Position
As at 30 June 2021

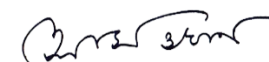
Particulars	Notes	Amount in BDT	
		30 Jun 2021	30 Jun 2020
Assets			
Investment-at market price	05	322,391,994	184,392,023
Receivables	06	44,875	1,729,786
Advances, deposits, and prepayments	07	565,030	369,029
Cash and cash equivalents	08	38,868,853	53,337,975
Preliminary and issue expenses	09	541,165	846,737
Total Assets		362,411,916	240,675,550
Less: Liabilities			
Accrued expenses and others	10	3,484,011	2,826,522
Net Assets		358,927,905	237,849,028
Unitholder's Equity			
Unit capital	11	286,884,060	305,851,590
Unit transaction reserve	12	8,830,621	6,910,166
Unrealized gain/loss (Annexure-A)		15,181,473	-
Retained earnings	13	48,031,751	(74,912,728)
Total Equity		358,927,905	237,849,028
Net Asset Value (NAV) per unit:			
At cost price	14	11.98	10.96
At market price	15	12.51	7.78



Trustee
Bangladesh General Insurance Company Limited

These financial statements should be read in conjunction with annexed notes

Subject to our separate report of even date.



Asset Manager
Impress Capital Limited

Dated, Dhaka
July 18, 2021



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC : 2107251885AS134986

ICL Balanced Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT	
		01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
Income			
Net gain/(loss) on sale of marketable securities	16	20,928,768	1,877,368
Dividend income	17	10,701,930	7,611,093
Interest income	18	1,665,953	4,466,775
		33,296,651	13,955,237
Less: Expenses			
Amortization of preliminary expenses		305,572	305,572
Audit fees		23,000	40,250
Bank charges and others	19	136,865	171,860
BSEC annual fees		236,915	337,928
BO account maintenance fees		1,800	1,800
CDBL fees		34,944	62,048
Custodian fees		170,200	150,688
IPO subscription fees		44,000	5,000
Management fees		6,116,371	5,566,268
Printing & Publications		346,917	533,111
Trustee fees		307,640	272,248
		7,724,225	7,446,772
Net profit for the year		25,572,426	6,508,466
Provision / Write back of provision for the year	20	97,372,053	(94,149,346)
Net profit for the year		122,944,479	(87,640,880)
Unrealized gain increase or decrease for the year (Annex.-A)		15,181,473	-
Total profit including unrealized gain increase or decrease for the year		138,125,952	(87,640,880)
Number of outstanding units		28,688,406	30,585,159
Earnings per unit for the period	21	4.29	(2.87)

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These financial statements should be read in conjunction with annexed notes

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Trustee
Bangladesh General Insurance Company Limited

Subject to our separate report of even date.

Asset Manager
Impress Capital Limited

Dated, Dhaka
July 18, 2021

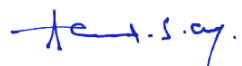
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Khan Wahab Shafique Rahman & Co., Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA, Partner
Enrolment No: 1885, DVC : 2107251885AS134986

ICL Balanced Fund
Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Unit Capital	Unit Transaction Reserve	Unrealized Gain/Loss (Annexure A)	Retained Earnings	Total Equity
Balance as at 1 July 2020	305,851,590	6,910,166	-	(74,912,728)	237,849,028
Unit subscribed during the period	67,407,380	-	-	-	67,407,380
Unit repurchased during the period	(86,374,910)	-	-	-	(86,374,910)
Net profit during the period	-	-	-	122,944,479	122,944,479
Profit on unit subscribed	-	8,734,767	-	-	8,734,767
Loss on redemption of units	-	(6,814,312)	-	-	(6,814,312)
Cash dividend paid for the year 2019-20	-	-	-	-	-
Unrealized gain/loss during the year	-	-	15,181,473	-	15,181,473
Balance as at 30 June 2021	286,884,060	8,830,621	15,181,473	48,031,751	358,927,905

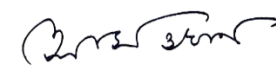
Balance as at 1 July 2019	316,974,030	6,805,582	-	18,592,172	342,371,784
Unit subscribed during the period	6,941,220	-	-	-	6941,220
Unit surrendered during the period	(18,063,660)	-	-	-	(18,063,660)
Net profit for the period	-	-	-	(87,640,880)	(87,640,880)
Profit on unit subscribed	-	(261,454)	-	-	(261,454)
Loss on redemption of units	-	366,038	-	-	366,038
Cash dividend paid for the year 2018-19	-	-	-	(5,864,020)	(5,864,020)
Unrealized gain/loss during the year	-	-	-	-	-
Balance as at 30 June 2020	305,851,590	6,910,166	-	(74,912,728)	237,849,028



Trustee
Bangladesh General Insurance Company Limited

These financial statements should be read in conjunction with annexed notes

Subject to our separate report of even date.



Asset Manager
Impress Capital Limited



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Signed By: Md. Tanjilur Rahman ACA
Partner

Enrolment No: 1885

DVC: 2107251885AS134986

Dated, Dhaka
July 18, 2021

ICL Balanced Fund
Statement of Cash Flows
For the year ended 30 June 2021

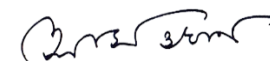
Particulars	Amount in BDT	
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
A. Cash flows from operating activities		
Net gain/(loss) on sale of marketable securities	20,928,768	1,877,369
Dividend income received	11,410,833	7,668,802
Interest income received	2,641,961	4,193,544
Payment made for expenses	(6,957,163)	(7,781,450)
Net cash flows from operating activities	28,024,398	5,958,266
B. Cash flows from investing activities		
Investment in marketable securities, net	(2,947,245)	(11,257,439)
(Investment) in/ refund from IPO	(22,499,200)	(77,340)
Net cash used in investing activities	(25,446,445)	(11,334,779)
C. Cash flows from financing activities		
Unit subscribed	76,142,147	6,679,766
Unit surrendered	(93,189,222)	(17,775,706)
Cash dividend paid	-	(5,864,020)
Net cash generated from financing activities	(17,047,075)	(16,959,960)
Net cash flows for the year	(14,469,122)	(22,336,473)
Cash and cash equivalents at the beginning of the period	53,337,975	75,674,447
Cash and cash equivalents at the end of the period	38,868,853	53,337,975
Net operating cash flows	28,024,398	5,958,266
Number of outstanding units	28,688,406	30,585,159
Net operating cash flows per unit for the period	0.98	0.19



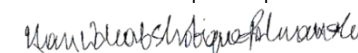
Trustee
Bangladesh General Insurance Company Limited

These financial statements should be read in conjunction with annexed notes

Subject to our separate report of even date.



Asset Manager
Impress Capital Limited



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107251885AS134986

Dated, Dhaka
July 18, 2021

ICL Balanced Fund
Notes to the Financial Statements
For the year ended 30 June 2021

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 which ever 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 IAS-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 1.20 per unit for the year ended 30 June 2021 at its meeting held on 19th July, 2021.

4.14 General

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

		Amount in BDT	
		30 June 2021	30 June 2020
05 Investment-at market price			
Investment in listed securities (Annexure-A)		299,892,794	184,392,023
Investment in IPO (5.01)		22,499,200	-
		322,391,994	184,392,023
5.01 Investment in IPO			
Baraka Patenga Power Limited		22,499,200	-
		22,499,200	-
06 Receivables			
Interest receivables (FDR)	6.01	-	976,008
Dividend receivables	6.02	44,875	753,778
		44,875	1,729,786
6.01 Interest receivables (FDR)			
Delta Brac Housing Finance Corporation Limited		-	641,250
IPDC Finance Limited		-	334,758
		-	976,008
6.02 Dividend receivables			
Active Fine Chemicals Limited		-	198,840
Bata Shoe Company Bangladesh Limited		44,875	-
BRAC Bank Limited		-	279,938
Eastern Bank Limited		-	275,000
		44,875	753,778
7 Advances, deposits & prepayments			
BSEC annual fees		354,311	236,915
Trustee fees half yearly		154,719	132,114
CDBL annual fees		56,000	-
		565,030	369,029
8 Cash and cash equivalents			
Cash at banks	8.01	38,868,853	12,280,743
Fixed Deposit Receipt (FDR)	8.02	-	41,057,231
		38,868,853	53,337,975

8.01 Cash at banks

SND accounts with:

Midland Bank Limited (A/C No. 00111060000064)	3,961,409	7,010,174
Prime Bank Limited (A/C No. 20721060003555)	34,706,347	4,830,165
Standard Chartered Bank (A/C No. 02130884001)	201,096	440,404
	38,868,853	12,280,743

8.02 Fixed Deposit Receipt (FDR) with :

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

9 Preliminary and issue expenses

Opening balance as on 01 July 2020	846,737	1,152,158
Amortization during the period	(305,572)	(305,572)
Closing balance as on 30 June 2021	541,165	846,737

Amount in BDT	
30 June 2021	30 June 2020

10 Accrued expenses and others

Audit fees	23,000	40,250
Custodian fees	73,645	78,189
Management fees	3,205,588	2,567,293
Trustee fees	163,843	122,727
Payable to investors	1,068	1,196
Payable for newspaper advertisement	16,867	16,867
	3,484,011	2,826,522

11 Unit capital

Beginning of the year (30,585,159 units of Tk. 10 each)	305,851,590	316,974,030
Units subscribed during the year (6,740,738 units of Tk.10 each)	67,407,380	6,941,220
Units re-purchased during the year (8,637,491 units of Tk.10 each)	(86,374,910)	(18,063,660)
Total number of units at the end of the year (28,688,406 units Tk. 10 each)	286,884,060	305,851,590

12 Unit transaction reserve

Opening balance	6,910,166	6,805,582
New subscription (6,740,738 units)	8,734,767	(261,454)
Less: Premium reserve paid for re-purchase (8,637,491 units)	(6,814,312)	366,038
	8,830,621	6,910,166

13 Retained earnings

Opening balance	(74,912,728)	18,592,172
Add: Total profit during the period	122,944,479	(87,640,880)
Less: Dividend paid	-	(5,864,020)
Closing balance	48,031,751	(74,912,728)

14 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price	358,927,905	237,849,028
Less: Unrealized gain/loss (Annexure A)	15,186,873	(97,372,053)
Total Net Asset Value (NAV) at cost	343,741,031	335,221,081
Number of units	28,688,406	30,585,159
NAV per unit at cost price	11.98	10.96

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

Total Net Asset Value (NAV) at market price	358,927,905	237,849,028
Number of units	28,688,406	30,585,159
NAV per unit at market price	12.51	7.78

Amount in BDT	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020

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

Active Fine Chemicals Limited	(17,394,823)	-
ADN Telecom Limited	-	655,146
Associated Oxygen Limited	494,312	-
Baraka Power Limited	5,594,104	-
Beximco Pharmaceuticals Limited	7,909,194	-
Coppertech Industries Limited	93,080	466,257
Crystal Insurance Company Limited	774,053	
Desh General Insurance Company Limited	280,724	
Dominage Steel Building System Limited	1,236,344	-
Eastern Bank Limited	343,951	-
eGeneration Limited	424,515	
Esquire Knit Composite Limited	(505,082)	(531,452)
Genex Infosys Limited	-	339,034
Heidelberg Cement Bangladesh Limited	1,618,695	
Index Agro Industries Limited	-682,923	
Linde Bangladesh Limited	154,255	-
Mir Akhter Hossain Limited	212,267	-
Newline Clothing Limited	-	126,349
NLI First Mutual Fund	4,704,122	-
Renata Limited	266,521	-
Robi Axiata Limited	13,755,925	-
Runner Automobiles Limited	-	(136,740)
S. S. Steel Limited	-	151,859
Sea Pearl Beach Resort & Spa Limited	195,202	470,175
SILCO Pharmaceuticals Limited	134,442	203,825
Square Pharmaceuticals Limited	113,643	-
Summit Power Limited	796,412	132,915
Taufika Foods and Agro Industries Limited	409,834	-
	20,928,768	1,877,369

17 Dividend income

Active Fine Chemicals Limited	-	198,840
Baraka Power Limited	-	1,200,000
Bata Shoe Company Bangladesh Limited	44,875	224,375
Beximco Pharmaceuticals Limited	-	401,112
BRAC Bank Limited	635,274	279,961
British American Tobacco Bangladesh Company Limited	1,414,500	730,000
Coppertech Industries Limited	-	8,339
Eastern Bank Limited		275,000
Esquire Knit Composite Limited	-	48,134
Grameenphone Ltd	2,212,100	1,045,720
Linde Bangladesh Limited	436,200	
Newline Clothing Limited	-	5,856
NLI First Mutual Fund	112,223	-
Renata Limited	184,341	-
Runner Auto Mobiles Limited	-	12,955
Sea Pearl Beach Resort & Spa Limited	552	22
SILCO pharmaceuticals Limited	-	3,820
Singer Bangladesh Limited	307,902	-
Square Pharmaceuticals Ltd.	699,574	471,961
Southeast Bank 1st Mutual Fund	195,000	-
Summit Power Limited	1,026,000	2,705,000
The City Bank Limited	3,543,389	-
	10,811,930	7,611,094
Less: Dividend income from EBL*	(110,000)	
	10,701,930	

*EBL has changed the dividend rate to 15% from 25%, at their AGM held on August 05, 2020

18 Interest income

Fixed Deposit Receipts (FDR)	1,107,670	3,675,626
Short Notice Deposit (SND) A/C	558,284	791,149
	1,665,953	4,466,775

19 Bank charges and others

Bank charges	13,203	5,308
Excise duty-FDR & Bank	48,501	72,500

Tax at source-FDR & Bank	75,162	94,052
	136,865	171,860
20 Provision/Unrealized gain or write back of provision against fall in value of		
Unrealized gain/(loss)-closing balance of the year	15,181,473	(97,372,053)
Unrealized gain/(loss)-opening balance of the year	(97,372,053)	(3,222,707)
Changes during the year	112,553,526	(94,149,346)
21 Earnings per unit for the year		
Net profit for the year (A)	122,944,479	(87,640,880)
Number of units (B)	28,688,406	30,585,159
Earnings per unit (A÷B)	4.29	(2.87)

ICL Balanced Fund
Investment in Marketable Securities
As at 30 June 2021

Amount in BDT

SI 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	667,005	48.75	32,517,286	49.5	33,016,748	499,462	9.36%
		CITYBANK	1,144,783	27.74	31,756,328	26.4	30,222,271	(1,534,057)	9.15%
2	Engineering	MIRAKHTER	72,000	61	4,392,000	82.1	5,911,200	1,519,200	1.26%
		SINGERBD	102,634	170.27	17,475,798	179.7	18,443,330	967,531	5.03%
3	Food & Allied	BATBC	73,350	413.88	30,358,409	539.1	39,542,985	9,184,576	8.74%
4	Fuel & Power	LINDEBD	10,905	1249.99	13,631,124	1324.7	14,445,854	814,729	3.93%
		SUMITPOWER	420,000	40.41	16,970,511	44.1	18,522,000	1,551,489	4.89%
5	Insurance	SONALILIFE	20,000	10	200,000	11	220,000	20,000	0.06%
6	Miscellaneous	INDEXAGRO	25,000	100	2,500,000	108.6	2,715,000	215,000	0.72%
7	Mutual Funds	NLI1STMF	377,893	12.78	4,828,417	15.1	5,706,184	877,768	1.39%
		SEBL1STMF	2,784,240	11.09	30,867,732	14.32	39,870,317	9,002,585	8.89%
8	Pharmaceuticals & Chemicals	RENATA	17,591	1070.49	18,830,921	1319.7	23,214,843	4,383,922	5.42%
		SQURPHARMA	131,254	214.53	28,158,549	215.5	28,285,237	126,688	8.11%
9	Tannery Industries	BATASHOE	17,950	1139.92	20,461,571	650.2	11,671,090	(8,790,481)	5.89%
10	Telecommunication	GP	80,440	394.86	31,762,676	349.4	28,105,736	(3,656,940)	9.15%
As at 30 June 2021					<u>284,711,321</u>		<u>299,892,794</u>	<u>15,181,473</u>	<u>81.99%</u>

**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 30 June, 2021, and statements 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 of the statement of financial position of **BCB ICL Growth Fund**. ("the fund"), as at 30 June 2021, and of 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 the Securities and Exchange Commission (Mutual Fund) Rules 2001 and other applicable Rules 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) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and 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

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

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 and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules 2001 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's or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the Fund's internal control.
- 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Fund's 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 Companies Act 1994 and the Securities and Exchange Rules 1987, the Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations, 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 statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Dhaka;
Dated: July 18, 2021



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885AS358847

BCB ICL Growth Fund
Statement of Financial Position
As at 30 June 2021

Particulars	Notes
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Assets	
Investments at market price	03
Preliminary and issue expenses	04
Receivables	05
Cash and cash equivalents	06
Advance, deposits, and prepayments	07

Total assets

Less: Liabilities

Accrued expenses and others	08
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Net assets

Owner's equity

Unit capital	09
Unit transaction reserve	10
Unrealized gain/loss (Annexure-A)	
Retained earnings	11

Net Asset Value (NAV) per unit:

At cost price	12
At market price	13

Amount in BDT	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
304,958,318	177,887,561
2,397,535	3,037,577
46,996	1,637,298
34,106,863	35,625,554
609,595	446,946
342,119,308	218,634,936
3,503,178	2,778,415
338,616,130	215,856,521
286,724,400	294,636,920
6,340,711	5,742,246
8,036,025	-
37,514,994	(84,522,644)
338,616,130	215,856,521
11.53	10.56
11.81	7.33

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

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885AS358847

BCB ICL Growth Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 30 June 2021

Particulars	Notes	Amount in BDT	
		01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
Income			
Net gain/(loss) on sale of marketable securities	14	23,620,761	2,263,571
Dividend income	15	9,920,284	7,740,041
Interest income	16	1,174,826	3,122,523
		34,715,871	13,126,135
Less: Expenses			
Amortization of preliminary expenses		640,042	640,042
Audit fees		23,000	23,000
Bank charges and others	17	114,812	117,912
BO a/c maintenance fees		1,800	1,800
BSEC annual fees		214,891	311,631
CDBL charges		31,280	6,873
Custodian expenses		215,552	172,239
Management fees		5,798,792	5,250,386
Printing and publication expenses		346,917	496,311
IPO application fees		44,000	5,000
Trustee fees		430,679	380,701
		7,861,766	7,405,896
Net realized profit		26,854,105	5,720,239
Provision/Write back of provision for the year	18	95,183,533	(92,242,827)
Net profit for the year		122,037,638	(86,522,587)
Unrealized gain increase or decrease during the year (Annex.-A)		8,036,025	-
Total profit including unrealized gain increase or decrease during the year		130,073,663	(86,522,587)
Number of outstanding units		28,672,440	29,463,692
Earnings per unit for the period	19	4.26	(2.94)

These financial statements should be read in conjunction with annexed notes



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Investment Corporation of
Bangladesh


Member, Trustee
Investment Corporation of
Bangladesh


Asset Manager
Impress Capital Limited

Signed as per annexed report of even date

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885A5358847

BCB ICL Growth Fund
Statement of Changes in Equity
For the year ended on 30 June 2021

Amount in BDT

Particulars	Unit capital	Unit transaction reserve	Unrealized gain/loss during the year	Retained earnings	Total equity
Balance as at 01 July 2020	294,636,920	5,742,246	-	(84,522,644)	215,856,522
Unit subscribed during the year	44,971,080	-	-	-	44,971,080
Unit surrendered during the year	(52,883,600)	-	-	-	(52,883,600)
Net profit for the year	-	-	-	122,037,638	122,037,638
Unit transaction reserve	-	598,466	-	-	598,466
Unrealized gain/loss during the year	-	-	8,036,025	-	8,036,025
Balance as at 30 June 2021	286,724,400	6,340,711	8,036,025	37,514,994	338,616,130

Balance as at 01 July 2019	306,648,240	3,051,675	-	1,999,943	311,699,858
Unit subscribed during the year	1,758,680	(204,831)	-	-	1,553,849
Unit surrendered during the year	(13,770,000)	2,895,401	-	-	(10,874,599)
Net profit for the year	-	-	-	(86,522,587)	(86,522,587)
Unrealized gain/loss during the year	-	-	-	-	-
Balance as at 30 June 2020	294,636,920	5,742,245		(84,522,644)	215,856,521

These financial statements should be read in conjunction with annexed notes


Chairman, Trustee
Investment Corporation of
Bangladesh


Member, Trustee
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Asset Manager
Impress Capital Limited

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Dhaka, 18 July 2021



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BCB ICL Growth Fund
Statement of Cash Flows
For the year ended on 30 June 2021

Particulars	Amount in BDT	
	01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
A. Cash flows from operating activities		
Net gain/(loss) on sale of marketable securities	23,620,761	2,263,571
Dividend income received	10,533,085	7,534,886
Interest income received	2,152,326	2,579,811
Payment made for expenses	(6,659,610)	(7,409,307)
Net cash flows from operating activities	29,646,563	4,968,961
B. Cash flows from investing activities		
Investment in marketable securities	(1,351,999)	(7,068,250)
(Investment) in/ refund from IPO	(22,499,200)	-
Net cash used in investing activities	(23,851,199)	(7,145,590)
C. Cash flows from financing activities		
Issuance of new units	44,971,080	1,758,680
Surrender of units	(52,883,600)	(13,733,627)
Unit transaction reserve	598,466	2,690,571
Net cash generated from financing activities	(7,314,054)	(9,284,376)
Net cash flows for the period	(1,518,690)	(11,461,005)
Cash and cash equivalents at the beginning of the period	35,625,554	47,086,558
Cash and cash equivalents at the end of the period	34,106,863	35,625,554
Net operating cash flows	29,646,563	4,968,961
Number of outstanding units	28,672,440	29,463,692
Net operating cash flows per unit for the period	1.03	0.17

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

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885A5358847

BCB ICL Growth Fund
Notes to the Financial Statements
As at and for the year ended 30 June 2021

1.00 The fund and the legal status

BCB ICL Growth Fund (the Fund), an open end mutual fund sponsored by Bangladesh Commerce Bank Limited was established on November 9, 2017 under the Trust Act, 1882 and registered under the Registration Act, 1908 and subsequently on December 4, 2017 obtained registration from the Bangladesh Securities and Exchange Commission as a mutual fund under the Bangladesh 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.

2.00 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) 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 on going 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 2020 to 30 June 2021.

2.05 Investment

All purchases and sales of securities that require delivery within the time-frame 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 2021.
- 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.

2.09 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.

2.10 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) and

@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) 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 BDT 0.80 per unit cash dividend for the year ended on 30 June 2021 in its meeting held on July 18, 2021.

		Amount in BDT	
		30 June 2021	30 June 2020
3 Investments at market price			
Investment in marketable securities (Annexure-A)		282,459,118	177,887,561
IPO Investment (3.01)		22,499,200	-
		304,958,318	177,887,561
3.01 IPO Investment			
Baraka Patenga Power Limited		22,499,200	-
		22,499,200	-
4 Preliminary and issue expenses			
Opening balance as on 01 July 2020		3,037,577	3677619.3
Amortization during the period		(640,042)	(640,043)
Closing balance as on 30 June 2021		2,397,535	3,037,577
5 Receivables			
Interest receivables on FDR	5.01	-	977,500
Dividend receivables	5.02	46,998	659,799
		46,996	1,637,299
5.01 Interest receivables on FDR			
Delta Brac Housing Finance Corporation Limited		-	427,500
IPDC Finance Limited		-	-
United Finance Limited		-	550,000
		-	977,500
5.02 Dividend receivables			
Active Fine Chemicals Limited		-	202,760
		46,998	-
BRAC Bank Limited		-	304,344
		-	-
Eastern Bank Limited		-	152,695
		46,998	659,799

6 Cash and cash equivalents

Cash at Bank	6.01	34,106,863	10,625,554
Fixed Deposit Receipt (FDR)	6.02	-	25,000,000
		34,106,863	35,625,554

6.01 Cash at banks

STD accounts with:

BRAC Bank Limited (1551203879009001)	25,725,514	4,801,368
Southeast Bank Limited (00135000000003)	7,997,797	5,613,639
Standard Chartered Bank (02-1308839-01)	383,553	210,546
	34,106,863	10,625,554

Amount in BDT	
30 June 2021	30 June 2020

6.02 Fixed Deposit Receipt (FDR)

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

7 Advance, deposits and prepayments

BSEC annual fees	334,975	214,891
Advance trustee fees	228,620	186,055
CDBL annual fees	46,000	46,000
	609,595	446,946

8 Accrued expenses and others

Audit fees	23,000	23,000
Custodian fees	142,722	148,637
Management fees	3,086,188	2,382,579
Payable to investor	578	37,848
Printing & publications	16,867	16,867
Trustee fees	233,824	169,484
	3,503,178	2,778,415

9 Unit capital

Beginning of the year	294,636,920	306,648,240
Units subscribed during the year	44,971,080	1,758,680
Units re-purchased during the year	(52,883,600)	(13,770,000)
Number of units at the end of the year	286,724,400	294,636,920

10 Unit transaction reserve

Opening balance	5,742,246	3,051,675
New subscription	3,782,681	(204,831)
Less: Premium reserve paid for re-purchase	(3,184,215)	2,895,401
	6,340,711	5,742,246

11 Retained earnings

Opening balance as on July 01, 2020	(84,522,644)	1,999,943
Distributable profit during the period	122,037,638	(86,522,587)
	37,514,994	(84,522,644)

12 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price	338,616,130	215,856,521
Less: Unrealized gain/loss (Annexure A)	8,036,025	(95,183,533)
Total Net Asset Value (NAV) at cost	330,580,105	311,040,054
Number of units	28,672,440	29,463,692
NAV per unit at cost price	11.53	10.56

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

Total Net Asset Value (NAV) at market price	338,616,130	215,856,521
Number of units	28,672,440	29,463,692
NAV per unit at market price	11.81	7.33

Amount in BDT	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020

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

Active Fine Chemicals Limited	(15,998,306)	651,117
ADN Telecom Limited	-	-
APSCL Bond	(132)	-
Associated Oxygen Limited	494,312	-
Baraka Power Limited	5,899,913	-
Beximco Pharmaceuticals Limited	9,082,376	-
Coppertech Industries Limited	93,080	466,376
Crystal Insurance Company Limited	778,028	-
Desh General Insurance Company Limited	280,924	-
Dominage Steel Building System Limited	1,236,344	-
Eastern Bank Limited	156,951	-
Esquire Knit Composite Limited	(507,600)	(531,379)
eGeneration Limited	424,016	-
Genex Infosys Limited	-	339,034
Heidelberg Cement Bangladesh Limited	1,953,990	-
Index Agro Industries Limited	(699,247)	-
Mir Akhter Hossain Limited	211,519	-
NLI1ST Mutual Fund	4,789,591	-
Newline Clothing Limited	-	126,522
Robi Axiata Limited	13,755,925	-
Runner Automobiles Limited	-	(139,708)
S. S. Steel Limited	-	152,691
Sea Pearl Beach Resort & Spa Limited	195,202	479,492
SILCO pharmaceuticals Limited	126,931	203,170
Summit Power Limited	935,852	516,256
Taufika Foods and Agro Industries Limited	411,092	-
	23,620,761	2,263,571

15 Dividend income

Active Fine Chemicals Limited	-	202,760
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Barakapower Limited	-	1,168,000
Bata Shoe Company Banglaesh Limited	46,998	234,988
British American Tobacco Bangladesh Company	1,279,740	784,480
Beximco Pharmaceuticals Limited	-	426,225
BRAC Bank Limited	506,721	304,344
The City Bank Limited	3,047,597	8
Coppertech Industries Limited	-	8,339
Eastern Bank Limited	-	152,695
Esquire Knit Composite Limited	-	48,134
Grameenphone Ltd	2,056,065	971,958
Linde Bangladesh Limited	518,560	
Newline Clothing Limited	-	5,855
NLI First Mutual Fund	80,443	-
Renata Limited	143,479	-
Runner Automobiles Limited		12,955
Sea Pearl Beach Resort & Spa Limited	552	22
SILCO pharmaceuticals Limited	-	3,820
Singer Bangladesh Limited	312,174.00	-
Square Pharmaceuticals Limited	554,611	401,897
Southeast Bank 1st Mutual Fund	141,000	-
Summit Power Limited	1,293,424	3,013,562
	9,981,362	7,740,041
Less: Dividend income from EBL*	(61,078)	-
	9,920,284	7,740,041

*EBL has changed the dividend rate to 15% from 25%, at their AGM held on August 05, 2020

16 Interest income

Fixed Deposit Receipts (FDR)	438,031	2,355,252
Short Notice Deposit (SND) A/C	736,795	767,161
Others income	-	5,473
	1,174,826	3,122,523

17 Bank charges and others

Bank charges	14,897	6,066
Excise duty-FDR & Bank	63,000	55,000
Tax at source-FDR & Bank	36,915	56,846
	114,812	117,912

18 Provision/unrealized gain or write back of provision against

Unrealized gain/loss-closing balance of the period	8,036,025	(95,183,533)
Unrealized gain/loss-opening balance of the period	(95,183,533)	(2,940,706)
Changes during the year	103,219,557	(92,242,827)

19 Earnings per unit for the year

Net profit for the period (A)	122,037,638	(86,522,587)
Number of units (B)	28,672,440	29,463,692
Earnings per unit (A÷B)	4.26	(2.94)

Annexure-A

BCB ICL Growth Fund
Investment in Marketable Securities
As at 30 June 2021

Amount in BDT

SI 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	532,041	54.13	28,797,008	49.5	26,336,030	(2,460,979)	8.62%
		CITYBANK	984,598	26.55	26,137,642	26.4	25,993,387	(144,255)	7.82%
2	Engineering	MIRAKHTER	72,000	61	4,392,000	82.1	5,911,200	1,519,200	1.31%
		SINGERBD	104,058	169.15	17,601,805	179.7	18,699,223	1,097,417	5.27%
3	Food & Allied	BATBC	67,542	424.24	28,654,073	539.1	36,411,892	7,757,819	8.58%
4	Fuel & Power	LINDEBD	12,964	1250.63	16,213,224	1324.7	17,173,411	960,187	4.85%
		SUMITPOWER	506,712	40.44	20,493,841	44.1	22,345,999	1,852,158	6.13%
5	Insurance	SONALILIFE	20,000	10	200,000	11	220,000	20,000	0.06%
6	Miscellaneous	INDEXAGRO	25,000	100	2,500,000	108.6	2,715,000	215,000	0.75%
7	Mutual Funds	NLI1STMF	142,901	12.87	1,838,636	15.1	2,157,805	319,169	0.55%
		SEBL1STMF	2,533,199	11.13	28,188,288	14.32	36,275,410	8,087,122	8.44%
8	Pharmaceuticals & Chemicals	RENATA	17,564	1066.53	18,732,549	1319.7	23,179,211	4,446,662	5.61%
		SQURPHARMA	123,871	238.01	29,482,285	215.5	26,694,201	(2,788,085)	8.82%
9	Tannery Industries	BATASHOE	18,799	981.37	18,448,733	650.2	12,223,110	(6,225,623)	5.52%
10	Telecommunication	GP	74,766	437.94	32,743,008	349.4	26,123,240	(6,619,768)	9.80%
As at 30 June 2021					274,423,093		282,459,118	8,036,025	82.14%

**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 30 June, 2021, and statements 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 of the statement of financial position of **Esquire ICL Apparel Fund**. ("the fund"), as at 30 June 2021, and of 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 the Securities and Exchange Commission (Mutual Fund) Rules 2001 and other applicable Rules 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) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and 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

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

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 and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules 1987, Securities and Exchange Commission (Mutual Fund) Rules 2001 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's or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Fund's 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 Companies Act 1994 and the Securities and Exchange Rules 1987, the Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations, 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 statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.




Dhaka;
Dated: July 18, 2021

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885AS460900

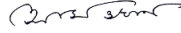
Esquire ICL Apparel Fund
Statement of Financial Position
As at 30 June 2021

Particulars	Notes	Amount in BDT	
		30 June 2021	30 Jun 2020
Assets			
Investment-at market price	3	219,346,105	67,396,851
Receivables	4	7,875	786,814
Advances, deposits, and prepayments	5	390,453	197,522
Cash and cash equivalents	6	15,084,417	38,854,431
Preliminary and issue expenses	7	2,437,134	2,911,346
Total Assets		237,265,984	110,146,964
Less: Liabilities			
Accrued expenses and others	8	2,528,248	1,382,303
Net Assets		234,737,736	108,764,661
Unitholder's Equity			
Unit capital	9	173,809,790	127,501,780
Unit transaction reserve	10	7322,369	(174,176)
Unrealized gain/loss (Annexure-A)		22,072,978	-
Retained earnings	11	31,532,598	(18,562,943)
Total Equity		234,737,736	108,764,661
Net Asset Value (NAV) per unit:			
At cost price	12	12.24	10.31
At market price	13	13.51	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


Asset Manager
Impress Capital Limited

Signed as per annexed report of even date

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885AS460900

Esquire ICL Apparel Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT	
		01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
Income			
Net gain/(loss) on sale of marketable securities	14	25,871,088	2,232,272
Dividend income	15	5,649,115	5,218,719
Interest income	16	1,189,385	
		32,709,589	7,450,991
Less: Expenses			
Audit fees		23,000	23,000
Amortization of preliminary expenses		474,212	399,074
Bank charges and others	17	109,180	259,465
BSEC annual fees		108,163	
BO account maintenance fees		1,800	1,800
CDBL fees		18,938	10,118
Custodian fees		110,727	72,792
IPO subscription fees		44,000	5,000
Management fees		3,817,859	2,171,065
Printing & Publications		346,917	216,325
Trustee fees		267,538	147,008
		5,322,334	3,305,647
Net realized profit		27,387,254	4,145,344
Provision / Write back of provision for the year	18	22,708,287	(22,708,287)
Net profit for the year		50,095,541	(18,562,943)
Unrealized gain increase or decrease for the year		22,072,979	-
Total profit including unrealized gain increase or decrease for the year		72,168,520	(18,562,943)
Number of outstanding units		17,380,979	12,750,178
Earnings per unit for the year	19	2.88	(1.46)

These financial statements should be read in conjunction with annexed notes



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Investment Corporation of
Bangladesh


Member, Trustee
Investment Corporation of
Bangladesh


Asset Manager
Impress Capital Limited

Signed as per annexed report of even date

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885A5460900

Esquire ICL Apparel Fund
Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Unit Capital	Unit Transaction Reserve	Unrealized Gain/Loss (Annexure A)	Retained Earnings	Total Equity
Balance as at 1 July 2020	127,501,780	(174,176)	-	(18,562,943)	108,764,661
Unit subscribed during the period	57,257,870	-	-	-	57,257,870
Unit repurchased during the period	(10,949,860)	-	-	-	(10,949,860)
Net profit during the period	-	-	-	50,095,541	50,095,541
Profit on unit subscribed	-	10,350,852	-	-	10,350,852
Loss on redemption of units	-	(2,854,307)	-	-	(2,854,307)
Unrealized gain/loss during the year	-	-	22,072,979	-	22,072,979
Balance as at 30 June 2021	173,809,790	7,322,369	22,072,979	31,532,598	234,737,736

Balance as at 1 July 2019	-	-	-	-	-
Unit subscribed during the period	130,027,060	-	-	-	130,027,060
Unit surrendered during the period	(2,525,280)	-	-	-	(2,525,280)
Net profit for 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
Unrealized gain/loss during the year	-	-	-	-	-
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



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Bangladesh


Asset Manager
Impress Capital Limited

Signed as per annexed report of even date

Dhaka, 18 July 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885AS460900

Esquire ICL Apparel Fund
Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Amount in BDT	
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
A. Cash flows from operating activities		
Net gain/(loss) on sale of marketable securities	25,871,088	-
Dividend income received	5,784,088	2,089,424
Interest income received	1,833,351	4,574,752
Payment made for expenses	(3,895,108))	(1,721,874)
Net cash flows from operating activities	29,593,419	4,942,302
B. Cash flows from investing activities		
Investment in marketable securities, net	(90,832,373)	(90,105,137)
(Investment) in/ refund from IPO	(16,335,616)	-
Preliminary & Issue expenses	-	(3,310,420)
Net cash used in investing activities	(107,167,989))	(93,415,557)
C. Cash flows from financing activities		
Sponsor's Contribution	-	100,000,000
IPO subscription	-	23,210,000
Unit subscribed during the period	67,608,722	6,514,983
Unit repurchased during the period	(13,804,167)	(2,397,297)
Net cash generated from financing activities	53,804,555	127,327,686
Net cash flows for the year	(23,770,014)	38,854,431
Cash and cash equivalents at the beginning of the period	38,854,431	-
Cash and cash equivalents at the end of the period	15,084,416	38,854,431
Net operating cash flows	29,593,419	4,942,302
Number of outstanding units	17,380,979	12,750,178
Net operating cash flows per unit for the period	1.70	0.39

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

Dhaka, 18 July 2021



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Tanjilur Rahman ACA
Partner
Enrolment No: 1885
DVC: 2107191885A5460900

Esquire ICL Apparel Fund
Notes to the Financial Statements
As at and for the year ended 30 June 2021

1 The fund and the legal status

Esquire ICL Apparel Fund (the Fund), an open end mutual fund sponsored by Esquire Knit Composite Limited was established on 08th day of April 2019 under the Trust Act, 1882 and registered under the Registration Act, 1908 and subsequently on 2nd day of May 2019 got registration from the Bangladesh Securities and Exchange Commission as a mutual fund under the Bangladesh Securities and Exchange Commission (Mutual Fund) Rules, 2001. Key partners of the fund are as follows:

Sponsor	:	Esquire ICL Apparel Fund
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.

02 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) 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 on going 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 2020 to 30 June 2021.

2.05 Investment

All purchases and sales of securities that require delivery within the time-frame 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 2021.
- 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.

2.09 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.

2.10 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) and

@ 2.00 percent per annum for additional amount of the weekly average NAV up to BDT250,000,000(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) and

@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) 2001.

2.14 Earnings Per Unit

Earnings per unit has been calculated in accordance with International Accounting Standards –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 BDT 1.00 per unit cash dividend for the year ended on 30 June 2021 in its meeting held on July 18, 2021.

		Amount in BDT	
		30 June 2021	30 June 2020
3 Investment-at market price			
Investment in listed securities (Annexure-A)		203,010,489	67,396,851
Investment in IPO (3.01)		16,335,616	-
		219,346,105	67,396,851
3.01 IPO investment			
Baraka Patenga Power Limited		16,335,616	-
		16,335,616	-
4 Receivables			
Interest receivables (FDR)	4.01	-	643,966
Dividend receivable	4.02	7,875	142,848
		7,875	786,814
4.01 Interest receivables (FDR)			
DBH Finance Corporation Limited		-	613,114
IDLC Finance Limited		-	30,852
		-	643,966
4.02 Dividend receivables			
BRAC Bank Limited		-	142,848
Bata Shoe Company Bangladesh Limited		7,875	-
		7,875	142,848
5 Advances, deposits & prepayments			
BSEC annual fees		232,108	108,163
CDBL annual fees		26,000	-
Trustee fees		132,345	89,359
		390,453	197,522
6 Cash and cash equivalents			
Cash at banks	6.01	15,084,417	9,679,936
Fixed Deposit Receipt (FDR)	6.02	-	29,174,495
		15,084,417	38,854,431

6.01 Cash at banks

SND accounts with:

Southeast Bank Limited (A/C No. 135000000005)	6,178,672	7,761,301
Southeast Bank Limited (A/C No. 135000000006)	8,667,826	1,754,816
Standard Chartered Bank (A/C No. 02130970501)	237,919	163,819
	15,084,417	9,679,936

6.02 Fixed Deposit Receipt (FDR) with:

DBH Finance Corporation Limited	-	18,494,722
IDLC Finance Limited	-	10,679,773
	-	29,174,495

Amount in BDT	
30 June 2021	30 June 2020

7 Preliminary and issue expenses

Preliminary and issue expenses (Opening Balance)	2,911,346	3,310,420
Amortization made during the period	(474,212)	(399,074)
	2,437,134	2,911,346

8 Accrued expenses and others

Audit fees	23,000	23,000
Custodian fees	43,782	30,789
Management fees	2,282,568	1,228,757
Trustee fees	161,843	82,807
Payable to investors	187	83
Printing & publications	16,867	16,867
	2,528,248	1,382,303

9 Unit capital

Sponsor's contribution	-	100,000,000
IPO subscription	-	23,210,000
Beginning of the year	127,501,780	-
Units subscribed during the period	57,257,870	6,817,060
Units repurchase during the period	(10,949,860)	(2,525,280)
Total number of units at the end of the period	173,809,790	127,501,780

10 Unit transaction reserve

Opening Balance	-174,176	-
New subscription	10,350,852	(302,159)
Less: Premium reserve paid for re-purchase	(2,854,307)	127,983
	7,322,369	(174,176)

11 Retained Earnings

Opening balance	(18,562,943)	-
Total profit during the period	50,095,541	(18,562,943)
	31,532,598	(18,562,943)

12 Net Asset Value (NAV) per unit at cost

Total Net Asset Value (NAV) at market price	234,737,736	108,764,661
Less: Unrealized gain (Annexure A)	22,072,979	(22,708,287)
Total Net Asset Value (NAV) at cost	212,664,757	131,472,948
Number of units	17,380,979	12,750,178
NAV per unit at cost price	12.24	10.31

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

Total Net Asset Value (NAV) at market price	234,737,736	108,764,661
Number of units	17,380,979	12,750,178
NAV per unit at market price	13.51	8.53

Amount in BDT	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020

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

Associated Oxygen Limited	494,312	-
Beximco Pharmaceuticals Limited	3,905,840	-
Crystal Insurance Company Limited	778,762	-
Desh General Insurance Company Limited	254,906	-
Dominage Steel Building System Ltd.	1,236,344	-
eGeneration Limited	423,517	-
Heidelberg Cement Bangladesh Limited	1,373,295	-
Index Agro Industries Limited	(702,835)	-
Mir Akhter Hossain Limited	210,790	-
NLI First Mutual Fund	3,723,314	-
Robi Axiata Limited	13,755,925	-
Taufika Foods and Agro Industries Limited	416,917	-
	25,871,088	-

15 Dividend income

Batashoe Company Limited	7,875	39,375
Beximco Pharmaceuticals Limited	-	154,097
BRAC bank Limited	404,793	142,848
British American Tobacco Bangladesh Company	738,180	359,320
Grameenphone Limited	1,126,700	301,900
Linde Bangladesh Limited	165,280	-
NLI 1st Mutual Fund	550,405	-
Renata Limited	68,048	-
Singer Bangladesh Limited	260,307	-
Southeast Bank 1st Mutual Fund	175,993	-
Square Pharmaceuticals Limited	311,905	184,087
Summit Power Limited	626,258	1,050,645
The City Bank Limited	1,213,372	-
	5,649,115	2,232,272

16 Interest income

Fixed Deposit Receipts (FDR)	587,367	2,906,739
Short Notice Deposit (SND) A/C	602,018	2,311,980
	1,189,385	5,218,719

17 Bank charges and others

Bank charges	13,658	6,903
Tax at source-Bank & FDR	45,372	165,217
Excise duty-Bank & FDR	50,150	87,345
	109,180	259,465

18 Provision/Unrealized gain or write back of provision

Unrealized gain/loss-closing of the period	22,072,979	(22,708,287)
Unrealized gain/loss-beginning of the period	(22,708,287)	-
Changes during the year	44,781,266	(22,708,287)

19 Earnings per unit for the period

Net profit for the period (A)	50,095,541	(18,562,943)
Number of units (B)	17,380,979	12,750,178
Earnings per unit (A÷B)	2.88	(1.46)

Annexure-A

Esquire ICL Apparel Fund
Investment in Marketable Securities
As at 30 June 2021

Amount in BDT

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
Bank	BRACBANK	424,985	49.57	21,067,307	49.5	21,036,758	(30,549)	9.79%
	CITYBANK	392,004	25.66	10,059,367	26.4	10,348,906	289,539	4.67%
Engineering	MIRAKHTER	72,000	61	4,392,000	82.1	5,911,200	1,519,200	2.04%
	SINGERBD	86,769	172.45	14,963,314	179.7	15,592,389	629,075	6.95%
Food & Allied	BATBC	44,109	429.24	18,933,169	539.1	23,779,162	4,845,993	8.80%
Fuel & Power	LINDEBD	4,132	1261.01	5,210,475	1324.7	5,473,660	263,185	2.42%
	SUMITPOWER	313,129	40.61	12,717,227	44.1	13,808,989	1,091,762	5.91%
Insurance	SONALILIFE	20,000	10	200,000	11	220,000	20,000	0.09%
Miscellaneous	INDEXAGRO	25,000	100	2,500,000	108.6	2,715,000	215,000	1.16%
Mutual Funds	NLI1STMF	1,409,475	12.04	16,966,137	15.1	21,283,073	4,316,935	7.88%
	SEBL1STMF	1,747,222	10.87	18,998,724	14.32	25,020,219	6,021,495	8.83%
Pharmaceuticals & Chemicals	RENATA	13,694	1031.63	14,127,177	1319.7	18,071,972	3,944,795	6.56%
	SQURPHARMA	89,664	220.97	19,812,831	215.5	19,322,592	(490,239)	9.21%
Tannery Industries	BATASHOE	3,150	1021.68	3,218,283	650.2	2,048,130	(1,170,153)	1.50%
Telecommunication	GP	52,600	337.86	17,771,500	349.4	18,378,440	606,940	8.26%
As at 30 June 2021				<u>180,937,510</u>		<u>203,010,489</u>	<u>22,072,979</u>	<u>84.08%</u>

ANNEXURE

ICL BALANCED FUND

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

S. L.	Particular	June 30, 2021	June 30, 2020	June 30, 2019
1	Net Asset Value per unit at cost	11.98	10.96	10.90
2	Net Asset Value per unit at market	12.51	7.78	10.80
3	Per unit income other than investment	0.43	0.39	0.30
4	Per unit income from capital gain/(loss)	0.73	0.06	0.36
5	Per unit expense	0.27	0.24	0.30
6	Per unit provision for diminution in value of investment	-	3.08	0.10
7	Per unit net income/(loss)	4.29	(2.87)	0.26
8	Highest purchase/surrender price per unit during the year	12.58	10.57	11.68
9	Lowest purchase/surrender price per unit during the year	7.90	7.71	10.21
10	Price-earning ratio at the end of the year	2.92	(2.72)	41.00

BCB ICL GROWTH FUND

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

S. L.	Particular	June 30, 2021	June 30, 2020	June 30, 2019
1	Net Asset Value per unit at cost	11.53	10.56	10.26
2	Net Asset Value per unit at market	11.81	7.33	10.16
3	Per unit income other than investment	0.39	0.37	0.54
4	Per unit income from capital gain/(loss)	0.82	0.08	(0.03)
5	Per unit expense	0.27	0.25	0.35
6	Per unit provision for diminution in value of investment	-	(3.13)	(0.10)
7	Per unit net income/(loss)	4.26	(2.94)	0.07
8	Highest purchase/surrender price per unit during the year	11.87	10.08	10.83
9	Lowest purchase/surrender price per unit during the year	7.46	7.25	9.64
10	Price-earning ratio at the end of the year	2.77	(2.50)	155.78

APPENDIX

Applicable Tax Rates for Different Categories of Investors

Current Tax Status on Mutual Fund: FY- 2020/21				
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 6 th schedule, Part- B, Para- 27
Institution	Dividend Income	20%	Exempted: Up to BDT 25,000. After that, 20% Tax imposed	6 th schedule, Part- A, Para- 22(A) & Section- 54
	Capital Gain	10%	No benefit	SRO No. 196/2015, Date: June 30, 2015
	Investment Rebate	N/A		N/A
NRB	Dividend Income	30%	Exempted: Up to BDT 25,000	6 th 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 6 th schedule, Part- B, Para- 27
Provident Fund	Dividend Income	N/A	Exempted	6 th schedule, Part- A, Para- 4(1) & 6
	Capital Gain Income			
	Investment Rebate		N/A	N/A
Gratuity Fund	Dividend Income	N/A	Exempted	6 th schedule, Part- A, Para- 6
	Capital Gain Income			
	Investment Rebate		N/A	N/A



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