

Rupali Life Insurance First Mutual Fund

Statement of Financial Position (Balance Sheet) as at 31 March 2024

		Un-audited 31 March 2024 <u>Taka</u>	Audited 30 June 2023 <u>Taka</u>
	<u>Notes</u>		
ASSETS			
Investment in securities at market price	4	191,867,077	277,409,734
Advance, deposits and prepayments	5	400,000	400,000
Accrued interest	6	54,334	49,513
Other assets	7	279,908	125,552
Cash dividend receivables	8	992,205	659,864
Investment in FDR	9	-	10,000,000
Cash and cash equivalents	10	16,659,209	7,357,278
Total assets		210,252,733	296,001,941
LIABILITIES			
Accounts payable	11	417,031	595,071
Other liabilities	12	438,705	124,239
Total liabilities		855,736	719,310
Net assets		209,396,997	295,282,631
EQUITY			
Capital fund	13	250,428,360	291,448,290
Unit premium reserve		3,168,965	1,535,715
Retained earnings	14	(44,200,328)	2,298,626
Total equity		209,396,997	295,282,631
Net Asset Value (NAV) per unit:	15		
at cost		11.34	11.20
at market price		8.36	10.13

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


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


Moin Al Kashem
 Managing Director & CEO
 Prime Finance Asset
 Management Company Ltd

Dhaka, 29 April 2024

Rupali Life Insurance First Mutual Fund

Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2024

		Un-audited 31 March 2024 <u>Taka</u>	Un-audited 31 March 2023 <u>Taka</u>
INCOME			
Capital gain on sale of shares		2,548,876	5,317,602
Dividend income		5,801,470	7,060,733
Interest income	16	419,232	992,595
Other income		-	694,095
Total income		8,769,578	14,065,025
EXPENSES			
Management fees	17	4,058,183	4,606,063
Advertisement expenses		171,005	212,980
Custodian fees	18	90,626	108,250
Trustee fees	19	192,515	233,666
CDBL charges		250,356	37,812
IPO and other charge		1,800	8,000
Bank charges		43,625	34,821
Total expenses		4,808,110	5,241,592
Profit before provision		3,961,468	8,823,433
(Provision)/Write back of provision for unrealized loss on investment	4.3	(48,420,284)	(9,200,668)
Net profit/(loss) for the period		(44,458,816)	(377,235)
Other Comprehensive income:		-	-
Comprehensive income/(loss) for the period		(44,458,816)	(377,235)
 Earning per Unit		(1.78)	(0.01)

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Statement of Changes in Equity for the period ended 31 March 2024

	<u>Capital Fund Taka</u>	<u>Unit Premium Reserve Taka</u>	<u>Retained earnings Taka</u>	<u>Total Taka</u>
2024				
Balance as at 30 June 2023	291,448,290	1,535,715	2,298,626	295,282,631
0 Unit surrender	(41,019,930)	-	-	(41,019,930)
Addition during the period		1,633,250		1,633,250
Dividend paid during the period	-	-	(2,040,138)	(2,040,138)
Net profit/(loss) for the period	-	-	(44,458,816)	(44,458,816)
Balance as at 31 March 2024	250,428,360	3,168,965	(44,200,328)	209,396,997
2023				
Balance as at 30 June 2022	331,079,350	-	17,195,422	348,274,772
Unit surrender	(39,631,060)	-	-	(39,631,060)
0 Addition during the period	-	1,535,715	-	1,535,715
Dividend paid during the year	-	-	(16,553,968)	(16,553,968)
Net profit for the year	-	-	1,657,171	1,657,171
Balance as at 30 June 2023	291,448,290	1,535,715	2,298,626	295,282,631

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Rupali Life Insurance First Mutual Fund

Cash Flow Statement for the period ended 31 March 2024

	Un-audited 31 March 2024 <u>Taka</u>	Audited 30 June 2023 <u>Taka</u>
A. Cash flows from operating activities:		
Capital gain	2,548,876	6,546,511
Interest received	414,412	1,084,674
Dividend received	5,469,128	8,726,569
Cash paid for operating expenses	(4,782,414)	(9,466,447)
Financial expenses	(43,625)	(71,554)
Net cash flows from operating activities	3,606,376	6,819,753
B. Cash flows from investing activities		
Cash received from/ (paid for) investment in capital market	37,122,373	7,628,934
Net cash used for investing activities	47,122,373	7,628,934
C. Cash flows from financing activities:		
Capital fund - Sale/(Repurchase)	(41,019,930)	(39,631,060)
Cash received/(paid) on account of transaction of unit	1,633,250	1,535,715
Dividend paid to the Unitholders	(2,040,138)	(16,553,718)
Net cash used in financing activities	(41,426,818)	(54,649,063)
D. Net increase in cash and cash equivalents (A+B+C)	9,301,931	(40,200,376)
E. Opening cash and cash equivalents	7,357,278	47,557,654
F. Closing cash and cash equivalents (D+E):	16,659,209	7,357,278
 Net operating cash flow per unit	 0.14	 0.23

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Dhaka, 29 April 2024

Rupali Life Insurance First Mutual Fund

Notes to the Financial Statements as at and for the period ended 31 March 2024

1. The Fund

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

2. Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

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

2.3 Functional currency and presentation currency

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

2.4 Use of estimates and judgments

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

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

Reporting period

The financial period of the company covers one year from 1 July to 30 June. These financial statements are prepared for the period from 1 July 2023 to 31 March 2024.

3. Significant accounting policies

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

3.1 Investment policy

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

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

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

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

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

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

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

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

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

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

3.2 Valuation policy

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

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

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

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

3.2.4 Net Asset Value (NAV) calculation

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

Total NAV = VA - LT

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

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

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

3.3 Cash and cash equivalents

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

3.4 Provisions

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

3.5 Income tax

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

3.6 Revenue recognition

3.6.1 Capital gain

Capital gain is recognized on being realized.

3.6.2 Dividend income

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

3.6.3 Interest income

Interest income is recognized as it accrues.

3.7 Cash flow statement

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

4. Investment in securities at market price

	31 March 2024 Taka	30 June 2023 Taka
A. Investment in Securities at cost price (Annexure - 1)	236,741,854	264,902,957
Less: Unrealised loss on investment investment in Securities (Note 4.1)	<u>(72,365,659)</u>	<u>(29,482,822)</u>
	<u>164,376,195</u>	<u>235,420,134</u>
B. Investment in Mutual Fund (Annexure - 2)	34,690,328	43,651,598
Less: Unrealised loss on investment in Mutual Fund (Note 4.2)	<u>(7,199,446)</u>	<u>(1,661,999)</u>
	<u>27,490,882</u>	<u>41,989,599</u>
Closing balance (A+B)	<u><u>191,867,077</u></u>	<u><u>277,409,733</u></u>

4.1 Unrealised loss on investment investment in Securities

Opening balance	(29,482,822)	(23,809,602)
Add:(Addition)/Write back during the period	<u>(42,882,836)</u>	<u>(5,673,221)</u>
Closing balance	<u><u>(72,365,659)</u></u>	<u><u>(29,482,822)</u></u>

4.2 Unrealised loss on investment in Mutual Fund

Opening balance	(1,661,999)	(864,374)
Add:(Addition)/Write back during the period	<u>(5,537,448)</u>	<u>(797,625)</u>
Closing balance	<u><u>(7,199,446)</u></u>	<u><u>(1,661,999)</u></u>

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

(Provision)/Write back of provision for:		
Unrealised loss on investment investment in Securities	(42,882,836)	(5,673,221)
Unrealised loss on investment in Mutual Fund	<u>(5,537,448)</u>	<u>(797,625)</u>
(Provision)/Write back of provision for unrealized loss on investment	<u><u>(48,420,284)</u></u>	<u><u>(6,470,846)</u></u>

5. Advance, deposits and prepayments

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

Accrued interest		31 March 2024 Taka	30 June 2023 Taka
Interest on FDR		-	49,513
Interest on STD Account		54,334	-
		<u>54,334</u>	<u>49,513</u>
7. Other assets			
Prepaid Trustee Expense		74,109	-
Prepaid custodian fees		205,799	125,552
		<u>279,908</u>	<u>125,552</u>
8. Cash dividend receivables			
Dividend receivable from:			
ACI		286,648	264,440
ACTIVEFINE		8,816	8,816
BATASHOE		-	44,573
Heidelberg Cement		-	16,960
BARKAPOWER		262,218	262,218
LankaBangla		-	29,857
SKTRIMS		9,000	-
BDPAINTS		51,419	-
EPGL		28,654	-
KPCL		100,000	-
LRGLOBMF1		90,000	-
RENATA		155,450	-
BEXGSUKUK		-	33,000
		<u>992,205</u>	<u>659,864</u>
9. Investment in FDR			
<u>Institution</u>	<u>FDR No.</u>	<u>31 March 2024 Taka</u>	<u>30 June 2023 Taka</u>
Delta Brac Housing Finance Corporation	DBHFCL: FDR: 71000192579	-	10,000,000
		<u>-</u>	<u>10,000,000</u>
10. Cash and cash equivalents			
Cash at Bank:			
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151002)		113,602	415,937
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151001)		6,871,183	2,098,009
Cash at bank (BRAC Bank Ltd., A/C No. 1505101944151001)		1,886,374	688,693
Cash at bank (BRAC Bank Ltd., A/C No. 1505201944151003)		150,924	1,256,109
Cash at BO Account (Note 10.1)		7,637,126	2,898,530
		<u>16,659,209</u>	<u>7,357,278</u>

11. Accounts payable

	31 March 2024 <u>Taka</u>	30 June 2023 <u>Taka</u>
Management fees payable	417,031	508,821
Audit fees payable	-	86,250
	<u><u>417,031</u></u>	<u><u>595,071</u></u>

12. Other liabilities

Tax deducted at source	411,500	49,499
Dividend payable	250	250
VAT deducted at source	26,955	74,490
	<u><u>438,705</u></u>	<u><u>124,239</u></u>

13. Capital fund

	No. of <u>Unit</u>	Face value Per Unit <u>Taka</u>	31 March 2024 <u>Taka</u>	30 June 2023 <u>Taka</u>
Subscribed by Resident Bangladeshis	5,042,836	10	50,428,360	91,448,290
Subscribed by Sponsor	<u>20,000,000</u>	10	<u>200,000,000</u>	<u>200,000,000</u>
	<u><u>25,042,836</u></u>		<u><u>250,428,360</u></u>	<u><u>291,448,290</u></u>

14. Retained earnings

Opening balance	2,298,626	17,195,422
Dividend paid during the period for the last year	<u>(2,040,138)</u>	<u>(16,553,968)</u>
	258,488	641,455
Net profit/(loss) for the period	<u>(44,458,816)</u>	<u>1,657,171</u>
Closing balance	<u><u>(44,200,328)</u></u>	<u><u>2,298,626</u></u>

15. Net Asset Value (NAV):**at cost**

Value of net asset at cost	283,962,102	326,427,452
Number of units	<u>25,042,836</u>	<u>29,144,829</u>
Net Asset Value per unit	<u><u>11.34</u></u>	<u><u>11.20</u></u>

at market value

Value of net asset at market price	209,396,997	295,282,631
Number of units	<u>25,042,836</u>	<u>29,144,829</u>
Net Asset Value per unit	<u><u>8.36</u></u>	<u><u>10.13</u></u>

16. Interest income

	31 March 2024 <u>Taka</u>	30 June 2023 <u>Taka</u>
Interest on FDR	337,987	698,334
Interest income on STD Account	81,245	294,261
	<u>419,232</u>	<u>992,595</u>

17. Management fees

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

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

18. Custodian fees

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

19. Trustee fees

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