



এম এম রহমান এন্ড কোং
M M Rahman & Co.
Chartered Accountants



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**Auditors' Report and
Audited Financial Statements**
Of

IDLC Growth Fund

For the year ended June 30, 2023



INDEPENDENT AUDITOR'S REPORT

To the unitholders of IDLC Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **IDLC Growth Fund** (the Fund), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) give a true and fair view of the state of the fund's affairs as at June 30, 2023 and of the results of its operations and cash flows for the year then ended and comply with the Securities and Exchanges Rules 2020 and other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibility for the audit of the financial statements

The objectives of our audit 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 scepticism throughout the audit. We also:

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

Report on other legal and regulatory requirements

In accordance with the Securities and Exchange Rules 2020, the Securities and Exchange Commission (Mutual Fund) Act, 2001 we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the fund so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and

Name of Firm: **M M Rahman & Co.,**
Chartered Accountants

Signature of the auditor: 

Name of the Auditor: **Mohammed Forkan Uddin FCA** DVC : 2308090886AS794024
Managing Partner Date, Dhaka : 09-08-2023

Enrolment No. 886



IDLC Growth Fund
Statement of Financial Position
As at June 30, 2023

Particulars	Notes	June 30, 2023	June 30, 2022
		BDT	BDT
ASSETS			
Non Current Asset			
Preliminary and issue expenses	5	1,843,815	2,851,290
		1,843,815	2,851,290
Current Asset			
Investment in securities at market price	6	377,977,776	268,871,450
Account Receivables	7	13,050,082	1,206,766
Advances, deposits and prepayments	8	685,349	643,550
Cash and Cash Equivalents	9	228,469,540	147,147,952
		620,182,747	417,869,718
Total Assets		622,026,563	420,721,008
OWNERS' EQUITY			
Capital Fund	10	536,808,890	337,527,790
Unit Premium / (Discount)	11	36,904,229	11,679,427
Investors' Available Balance		10,788	8,426
Retained Earnings	12	44,419,995	68,709,809
Total Equity		618,143,902	417,925,452
LIABILITIES			
Non Current Liabilities			
		-	-
Current Liabilities			
Account Payables	13	3,882,641	2,795,546
Unclaimed Dividend	14	20	10
		3,882,661	2,795,556
Total Liabilities		3,882,661	2,795,556
Total Equity and Liabilities		622,026,563	420,721,008
Net Asset Value (NAV) Per Unit			
At cost price	15	11.68	12.45
At market price	16	11.52	12.38

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


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm: M M Rahman & Co.
Chartered Accountants

Signature of the Auditor : 
Name of the Auditor : Mohammed Forkan Uddin FCA
Managing Partner
Enrolment No. 886

DVC : 2308090886AS794024
Date, Dhaka : 09-08-2023



IDLC Growth Fund

Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2023

Particulars	Notes	Amount in BDT	
		July 01, 2022 - June 30, 2023	July 01, 2021 - June 30, 2022
INCOME			
Capital Gain	17	21,234,166	53,001,715
Dividend Income	18	9,194,106	8,258,131
Interest Income	19	11,967,970	2,418,528
Accrued TDS Reversed for Listed Bond		-	58,377
Income against Load		2,182	-
Total Income		42,398,424	63,736,750
EXPENDITURE			
Management fee		8,929,497	7,185,628
Amortization of preliminary and issue expenses	5	1,007,474	1,007,474
Brokerage commission		1,765,404	2,312,666
Trustee fee		870,679	653,847
Publication and other expenses	20	326,951	353,218
BSEC annual fee		504,741	374,062
Tax deducted at source		981,982	78,650
Custodian fee		193,177	195,326
Bank charges and excise duty		343,905	117,532
Sales agent commission		1,229,229	598,555
CDBL - settlement and demat charges		164,407	210,075
Audit Fee		34,500	34,500
Total Expenditure		16,351,947	13,121,533
Profit before provision		26,046,477	50,615,218
(Provision) / write back of provision for Diminution in	21	(6,457,678)	(2,435,585)
Profit for the year		19,588,800	48,179,632
Fair value reserve	12	-	-
Total comprehensive income		19,588,800	48,179,632
Earnings per unit	22	0.36	1.43

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

Trustee
Bangladesh General Insurance Co. Ltd.

Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm: M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor: Mohammed Forkan Uddin FCA
Managing Partner
Enrolment No. 886

DVC : 2308090886AS794024
Date, Dhaka : 09-08-2023



IDLC Growth Fund
Statement of Changes in Equity
For the year ended June 30, 2023

Particulars	Capital fund	Unit premium/ (discount)	Investors' balance	Fair value reserve	Retained earnings	Total equity
Opening Balance	337,527,790	11,679,427	8,426	-	68,709,809	417,925,452
Unit Subscribed / (Redeemed) During the year, Net	199,281,100	25,224,802	-	-	-	224,505,902
Investors' Balance	-	-	2,362	-	-	2,362
Net Income During the year	-	-	-	-	19,588,800	19,588,800
Dividend Paid During the year	-	-	-	-	(43,878,614)	(43,878,614)
As at June 30, 2023	536,808,890	36,904,229	10,788	-	44,419,995	618,143,902

For the year ended June 30, 2022

Particulars	Capital fund	Unit premium/ (discount)	Investors' balance	Fair value reserve	Retained earnings	Total equity
Opening Balance	259,590,390	(8,392,151)	2,755	32,985,432	59,468,735	343,655,162
Unit Subscribed / (Redeemed) During the year, Net	77,937,400	20,071,577	-	-	-	98,008,977
Fair Value Reserve	-	-	-	(32,985,432)	-	(32,985,432)
Investors' Balance	-	-	5,671	-	-	5,671
Net Income During the year	-	-	-	-	48,179,632	48,179,632
Dividend Paid During the year	-	-	-	-	(38,938,559)	(38,938,559)
As at June 30, 2022	337,527,790	11,679,427	8,426	-	68,709,809	417,925,452

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

Trustee

Bangladesh General Insurance Co. Ltd.

Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor

Name of the Auditor: **Mohammed Forkan Uddin FCA**
Managing Partner

Enrolment No. **886**

DVC : 2308090886AS794024
Date, Dhaka : 09-08-2023



IDLC Growth Fund

Statement of Cash Flows

For the year ended June 30, 2023

Particulars	Notes	Amount in BDT	
		July 01, 2022 - June 30, 2023	July 01, 2021 - June 30, 2022
A. Cash Flows From / (Used in) Operating Activities			
Capital Gain / (Loss) Realized in Cash		21,234,166	53,001,715
Interest income realized in cash		11,177,838	3,533,063
Dividend income - received in cash		7,895,981	8,713,131
Income against Load		2,182	-
Advance, Deposits & Prepayments		(1,417,220)	(1,072,363)
Payment made for Expenses		(11,603,645)	(8,367,409)
Net Cash Flows From / (Used in) Operating Activities		27,289,302	55,808,136
B. Cash From / (Used in) Investing Activities			
Investment in Marketable Securities		(536,604,650)	(619,413,102)
Investment in IPO Shares		(3,828,740)	(20,404,270)
Proceeds from sale of marketable securities		413,348,924	621,188,951
		(127,084,467)	(18,628,421)
C. Cash From / (Used in) Financing Activities			
Unit Capital, Net		199,281,100	77,937,400
Unit Premium / (Discount), Net		25,224,802	20,071,577
Payable to Investors		487,092	(1,191,300)
Investor's Balance		2,362	5,671
Dividend Paid for the year		(43,878,603)	(38,938,549)
Net Cash Flows From / (Used in) Financing Activities		181,116,753	57,884,800
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		81,321,588	95,064,516
E. Opening Cash and Cash Equivalents		147,147,952	52,083,436
F. Closing Cash and Cash Equivalents (D+E)		228,469,540	147,147,952
Net Operating Cash flow Per Unit	23	0.51	1.65

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


Trustee
Bangladesh General Insurance Co. Ltd.


Asset Manager
IDLC Asset Management Ltd.

As per our annexed report of same date.

Name of Firm: M M Rahman & Co.
Chartered Accountants

Signature of the Auditor: 

Name of the Auditor: Mohammed Forkan Uddin FCA
Managing Partner

Enrolment No. 886

DVC : 2308090886AS794024
Date, Dhaka : 09-08-2023



IDLC Growth Fund

Notes to the Financial Statements

As at and for the year ended June 30, 2023

1 Introduction of the Fund and its activities

1.01 Legal status and key partners of the Fund

IDLC Growth Fund (here-in-after referred to as "the Fund"), a Trust property, was established on September 11, 2017 under the Trust Act, 1882 and registered under the Registration Act, 1908 and subsequently on October 29, 2017 registered as a Mutual Fund from the Bangladesh Securities and Exchange Commission with an initial target of paid-up capital of BDT 500 million divided into 50 million units of BDT 10 each under the Securities and Exchange Commission (Mutual Fund) Rules, 2001 as an open end Mutual Fund vide registration no. BSEC/MUTUAL FUND/2017/85.

After initial public subscription, the size of the fund was BDT 28.09 crore.

Key partners of the Fund are as follows:

Sponsor	: IDLC Finance Ltd.
Registered Address	: Bay's Galleria (1 st Floor), 57 Gulshan Avenue, Dhaka - 1212.
Trustee	: Bangladesh General Insurance Company Ltd.
Registered Address	: 42, Dilkusha C/A, Motijheel, Dhaka - 1000.
Custodian	: BRAC Bank Ltd.
Registered Address	: Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon, Dhaka - 1208.
Asset Manager	: IDLC Asset Management Ltd.
Registered Address	: Symphony (Level - 04), Plot - SE (F): 9, Road - 142, Gulshan Avenue, Bir Uttam Mir Shawkat Sarak, Dhaka - 1212.

1.02 Principal activities and nature of operation

IDLC Growth Fund is an open end Mutual Fund which is a professionally managed portfolio of equity stocks and fixed income instruments. Investors buy units of the Fund by paying an amount equivalent to the purchase price and the Asset Manager makes investments on their behalf. An unit represents a portion of the fund's holdings.

The target group of investors comprises both Institutions and Individuals. Units of the Fund can be subscribed/ redeemed through IDLC Asset Management Ltd. and authorized selling agents appointed by the Asset Manager from time to time and any other procedure as prescribed by the Asset Manager. Surrender of units is allowed only through IDLC Asset Management Ltd. or the selling agents from which the units are originally purchased.

2 Objectives

The objective of the IDLC Growth Fund is to generate long-term capital appreciation from a portfolio of predominantly equity and equity related instruments.

3 Basis of preparation

3.01 Statement of compliance

These financial statements have been prepared in conformity with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Securities and Exchange Rules, 1987, Securities and Exchange Commission (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

3.02 Basis of measurement

These financial statements have been prepared on a going concern basis under historical cost convention in accordance with generally accepted accounting principles.

3.03 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka, which is also the Fund's functional currency.

3.04 Reporting year of the Fund

The financial year of the Fund cover 1 year from July 01, 2022 to June 30, 2023.

3.05 Components of financial statements

- (i) Statement of Financial Position
- (ii) Statement of Profit or Loss and Other Comprehensive Income
- (iii) Statement of Changes in Equity
- (iv) Statement of Cash Flows
- (v) Notes to the Financial Statements

4 Significant accounting policies

4.01 Investment policy

The Fund shall invest subject to Securities and Exchange Commission (Mutual Fund) Rules, 2001 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 and Regulatory Authority (IDRA) of Bangladesh or any other competent authority in this regards.

The Fund shall not invest:

- (i) less than 60% (sixty percent) of the total assets in capital market instruments out of which at least 50% (fifty percent) shall be invested in listed securities;
- (ii) more than 25% (twenty five percent) of the total assets in shares, debentures or other securities in any one industry;
- (iii) more than 20% (twenty percent) of the total assets in shares, debentures or other securities of a single company or group;
- (iv) more than 15% (fifteen percent) of the total asset in Pre-IPOs at one time;
- (v) more than 15% (fifteen percent) of any company's total paid up capital;
- (vi) more than 10% (ten percent) of the total asset in any one particular company.

4.02 Valuation policy

As per Rule 58 of Securities and Exchange Commission (Mutual Fund) Rules, 2001, the fund shall fix the valuation method for the Scheme subject to the prior approval of the Commission. The investment valuation policy of the Fund will be as follows:

Listed Securities

- (i) Listed securities (other than mutual Fund) has valued at "Fair Value Through Profit or Loss" as per Securities and Exchange Commission (Mutual Fund) Rules, 2001 and related unrealized loss and right back of unrealized loss has been charged in the Statement of Profit or Loss and unrealized gain has been recognized in other comprehensive income through in the Statement of changes in equity. Mutual Fund securities are valued as per SRO No. SEC/CMRRCD/2009-193/172 dated June 30, 2015.
- (ii) Market value is determined by taking the closing quoted market price of the securities only on the Dhaka Stock Exchange on the date of valuation i.e. on June 30, 2023.

4.03 Net asset value (NAV) calculation

The Fund intends to determine its NAV per unit on the last business day of each week by dividing the value of the net asset of the Fund (the value of total assets less total liabilities as per Rule 60 of the *Bangladesh Securities and Exchange Commission (Mutual Fund), Rules, 2001*) by the total number of outstanding units. The Fund will use the following formula to derive the 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.

4.04 Revenue recognition

Capital Gains / Losses

Capital gains / losses are recognized on being realized based on Average Costing method.

Dividend Income

Dividend income is recognized on being declared by the investee company based on the record date as the cut off date.

Interest Income

Interest income comprises of interest income on fund kept at the bank accounts, FDR with Banks & NBFIs, Investments made in listed / non-listed Corporate Bonds, Zero Coupon Bonds, etc. and accounted for in the financial statements under accrual basis accounting system.

4.05 Preliminary and issue expenses

Preliminary and issue expenses represent expenditures incurred prior to the commencement of operations and establishment of the Fund. As per Rule 65 (3) of Securities & Exchange Commission (Mutual Fund) Rules, 2001, the expenses are being written off over a year of 7 (seven) years in a straight line method.

4.06 Management fee

As per Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Asset Management Company shall be entitled to charge the Fund a management fee for Investment Management at the following rate:

- (i) @ 2.5% per annum of weekly average Net Asset Value (NAV) of the Fund up to BDT 50,000,000 (five crore);
- (ii) @ 2.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 50,000,000 (five crore) but up to BDT 250,000,000 (twenty five crore);
- (iii) @ 1.5% per annum for additional amount of the weekly average NAV of the Fund over BDT 250,000,000 (twenty five crore) but up to BDT 500,000,000 (fifty crore);
- (iv) @ 1.0% per annum for additional amount of the weekly average NAV of the Fund over BDT 500,000,000 (fifty crore).

The management fee is calculated on every day of the week based on the NAV of the Fund and paid at the end of each quarter.

4.07 Trustee fee

The Trustee is paid an annual Trusteeship fee of @ 0.15% p.a. of the Net Asset Value (NAV) of the Fund or BDT 400,000 (four lac only), whichever is higher, on semi-annual in advance basis during the life of the Fund.

4.08 Custodian Fee

The Fee for Custodian Services is 0.05% p.a. of balance securities held by the fund, calculated on average market value per month. Besides this, the fund bears all other expenses viz.

- (i) transaction fee of BDT 200 per transaction;
- (ii) local duties and fees like stamp duty on transactions, stamp duty on transfer deed; and
- (iii) levies, brokerage, registrar's fees' local counsel / representation, external auditors at the client's request, depository fees, etc.

However, a fee cap of 0.09% p.a. on balance securities held by the fund, calculated on the average market value per month is applicable if the total expenses (including custodian fees, transaction fees and other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian Services is realized semi-annually at the end of the year.

4.09 Commission Payable to Selling Agent(s)

The Fund pays commission to the authorized selling agent(s) appointed by the Asset Manager at the rate of 0.45% - 1.00% on the total sale amount of unit sales, accruable on collection basis and payable at the end of the quarter. The Selling Agent Commission is applicable for sales of unit; not on surrender of units. If individuals are appointed as selling agents by the Asset Manager, the commission payable to them will vary and fixed as per Securities and Exchange Commission (Mutual Fund) Rules, 2001. The selling agent commission may change in future with prior approval from the Trustee.

4.10 Taxation

The income of the Fund is exempted from Income Tax as per Income Tax Act 2023, 6th Schedule Part 1 (10)(ka); hence no provision for tax is required.

4.11 BSEC Registration Fees and Annual Fees

The Fund has paid BDT 1,000,000 (ten lac) only to the Bangladesh Securities and Exchange Commission (BSEC) as Registration Fee as per Rule 10 of Securities & Exchange Commission (Mutual Fund) Rules, 2001. In addition to that, the Fund pays 0.10% of the Net Asset Value (NAV) of the fund or BDT 100,000 (one Lac), whichever is higher, as annual fee as per Rule 11 of Securities & Exchange Commission (Mutual Fund) Rules, 2001.

4.12 Dividend policy

- (i) The Fund distributes minimum 50%, or as may be determined by the Securities & Exchange Commission (Mutual Fund) Rules, 2001 from time to time, of the annual net profit of the Fund as dividend at the end of each accounting year after making provision for bad and doubtful investments;
- (ii) The Fund may create a dividend equalization reserve by suitable appropriation from the income of the Scheme to ensure consistency in dividend disbursement for each year;
- (iii) Before declaration of dividend, the Asset Management Company shall make a provision in consultation with the Auditor if market value of investments goes below the acquisition cost and the method of calculation of this provision will be incorporated in the notes of accounts;
- (iv) Surpluses arising simply from the valuation of investments shall not be available for dividend;
- (v) The Asset Management Company will dispatch the Dividend warrants, at the expense of the Fund, within 45 days from the declaration of such dividend and submit a statement within next 7 (seven) days to the Commission, Trustee and the Custodian;

- (vi) Before registration for transfer of ownership, a transferee shall not possess the right to any dividend declared;
- (vii) There will be a Cumulative Investment Plan (CIP) scheme in this Unit Fund. Under this scheme a unit holder instead of receiving dividend can reinvest such dividend income accrued for purchasing Unit at a rate determined by IDLC Asset Management Ltd. The unit holders can change their dividend preference in future as per their need.

4.13 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 reporting year according to IAS 37.

4.14 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits when it has a short maturity of three months or less from the date of acquisition.

4.15 Unit premium / discount

The general investors buy or sale units of the Fund at the purchase price or surrender price, NAV / unit, published weekly in daily newspaper and Asset Manager's website. If the purchase price is greater than the face value, i.e. BDT 10 per unit, the investors are buying the units at premium and the Fund creates unit premium from selling the units more than the face value. Similarly when investors redeem or sale their units at surrender rate which is more than the face value, they realize a portion of unit premium and Fund's performance as well.

4.16 Departure from IFRS and IAS

a. The Fund has written off Preliminary and issue expenses over a year of 07 (seven) years on a straight-line method according to Rule 65(3) Ka of Securities & Exchange Commission (Mutual Fund) Rules, 2001 which contradicts with Paragraph 69(a) of IAS 38 "Intangible Assets", as it states that "no intangible or other asset is recognized when expenditure on start-up activities (i.e. Start-up costs) is incurred to provide future economic benefits".

4.17 Statement of cash flows

Cash flows from operating activities have been presented under direct method according to IAS 7 "Statement of Cash Flows".

4.18 Earnings 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.

4.19 General

- (i) Figures appearing in these financial statements have been rounded off to nearest Taka.
- (ii) Comparative figures and account titles in the financial statements have been rearranged / reclassified where necessary to conform with current year's presentation.

4.20 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. IDLC Growth Fund applied following IASs and IFRSs:

Name of the IAS / IFRS	IAS/IFRS No.	Status
Presentation of Financial Statements	IAS 1	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	N/A
Events after the Reporting year	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	N/A
Employee Benefits	IAS 19	N/A
Borrowing Costs	IAS 23	N/A
Related Party Disclosures	IAS 24	Applied
Financial Instruments: Presentation	IAS 32	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	N/A
Investment Property	IAS 40	N/A
Agriculture	IAS 41	N/A
Financial Instruments	IFRS 9	Applied

4.21 Application of Compliance Standards by Bangladesh Securities & Exchange Commission (BSEC)

IDLC Growth Fund has maintained the following compliance standards mentioned in Securities & Exchange Commission (Mutual Fund) Rules, 2001.

Compliance Standards	Reference	Status
Minimum of 60% of total fund assets invested in capital market instruments, of which at least 50% shall be invested in listed securities	Rule 55	Complied
The Fund hasn't allowed any advances or loans for any purpose	5 th Schedule (1) and Rule 56	Complied
No more than 10% of total fund assets shall be invested in any one particular company	5 th Schedule (2) and Rule 56	Complied
No more than 15% of any company's total paid up capital is held by the fund	5 th Schedule (3) and Rule 56	Complied
No more than 20% of total fund assets are invested in shares, debentures or other securities of a single company or group	5 th Schedule (4) and Rule 56	Complied
No more than 25% of total fund assets are invested in shares, debentures or other securities in any one industry	5 th Schedule (5) and Rule 56	Complied
Any transfers made by the Fund from one scheme to another if - → Are made at current market price of the listed securities through spot market; and → The investment objective of the scheme (which receives the securities) matches with the transferred securities	5 th Schedule (6) and Rule 56	Complied
The Fund has not invested in or lent to another Scheme under management of IDLC Asset Management Ltd.	5 th Schedule (7) and Rule 56	Complied
The Fund has not taken any loan for investment purpose	5 th Schedule (8) and Rule 56	Complied
Total Expenditure except preliminary expense shall not greater than 4% of weekly average Net Asset Value at market price	5 th Schedule (10) and Rule 56	Complied
The Fund Shall ensure investment in the listed debt securities at least 3% (three percent) of portfolio value of the fund	Directive No. BSEC/CMRRCD/2009-193/19, dated May 23, 2021	Complied [4.52 % of Portfolio]



		June 30, 2023	June 30, 2022
		BDT	BDT
5.00 Preliminary and issue expenses			
Opening balance	5.01	2,851,290	3,858,764
Less: Amortized during the year		(1,007,474)	(1,007,474)
		1,843,815	2,851,290
5.01 Opening balance			
Formation fee		2,809,350	2,809,350
Management fee		2,904,629	2,904,629
Application and registration fees paid to BSEC		1,010,000	1,010,000
CDBL fees		90,640	90,640
Trust deed registration fees		100,000	100,000
Printing and publication		458,522	458,522
Bank charges and other expenses		296,942	296,942
		7,670,083	7,670,083
Less: Interest income from Escrow Account		(617,765)	(617,765)
		7,052,318	7,052,318
Less: Amortized balance		(4,201,029)	(3,193,555)
		2,851,290	3,858,764
6.00 Investment in securities at market price			
Investment in listed securities at cost price	6.01	386,871,039	256,307,035
Investment in Initial Public Offering (IPO)	6.02	-	15,000,000
		386,871,039	271,307,035
Add/ (Less): Unrealized gain / (loss)		(8,893,263)	(2,435,585)
		377,977,776	268,871,450
6.01 Investment in listed securities at cost price			
Bank		45,218,059	48,286,605
Cement		51,554,551	-
Corporate Bond		15,454,107	15,454,107
Financial Institution		-	13,385,980
Food & Allied		77,446,147	19,861,557
Insurance		-	73,120
Pharmaceuticals & Chemicals		146,837,693	87,069,299
Services & Real Estate		90,310	-
Telecommunication		50,270,171	72,176,368
		386,871,039	256,307,035
<i>Details are mentioned in Annexure A.</i>			
6.02 Investment in Initial Public Offering (IPO)*			
Achia Sea Foods Ltd.		-	15,000,000
		-	15,000,000
<i>*This is application money for IPO investment under Mutual Fund quota.</i>			
7.00 Account Receivables			
Interest receivables	7.01	901,507	111,375
Receivables on sale of securities		10,850,451	1,095,391
Dividend receivables	7.02	1,298,125	-
		13,050,082	1,206,766
7.01 Interest receivables			
Term Deposit		901,507	111,375
		901,507	111,375
7.02 Dividend receivables			
Grameenphone Ltd.		1,298,125	-
		1,298,125	-



8.00 Advances, deposits and prepayments

Annual fee - BSEC
Trustee fee

June 30, 2023	June 30, 2022
BDT	BDT
601,836	391,173
83,513	252,377
685,349	643,550

9.00 Cash and Cash Equivalents

Bank Deposits 9.01
Term Deposits 9.02

61,721,241	79,647,952
166,748,299	67,500,000
228,469,540	147,147,952

9.01 Bank Deposits

Bank	Account No.	Type
BRAC Bank Ltd.	1551-2038-2622-8001	CA
	1501-2038-2622-8006	CA
	1501-2038-2622-8005	CA
Standard Chartered Bank	02130870901	CD
ONE Bank Ltd.	0013000002123	SND
The City Bank Ltd.	1123362736001	CETA
	1123362736002	CETA

193,282	9,854,778
49,922,421	25,184,700
1,291,534	1,461,526
112	420,220
22,836	24,917
10,075,425	18,147,642
215,632	24,554,168
61,721,241	79,647,952

9.02 Term Deposits

Bank	Account No.	Term	Rate
IDLC Finance Limited	10552236735016	3 Months	7.75%
	10552236735014	3 Months	7.75%
	10552236735017	3 Months	7.75%
	10552236735038	3 Months	7.75%
	10552236735039	3 Months	7.75%
	10552236735040	3 Months	7.75%
	10552236735041	3 Months	7.75%
	10552236735029	3 Months	7.75%
	10552236735028	3 Months	7.75%
	10552236735023	3 Months	7.75%
	10552236735037	3 Months	7.75%
	10552236735030	3 Months	7.75%
	10552236735031	3 Months	7.75%
	10552236735032	3 Months	7.75%
	10552236735033	3 Months	7.75%
	10552236735034	3 Months	7.75%
	10552236735035	3 Months	7.75%
10552236735036	3 Months	7.75%	
10552236735020	3 Months	7.75%	
10552236735021	3 Months	7.75%	
10552236735022	3 Months	7.75%	
Export Import (Exim) Bank of Bangladesh Ltd.	0121001221969	3 Months	6.60%
	0121001221985	3 Months	6.60%
	0121001221044	3 Months	6.60%
	0121001221028	3 Months	6.60%

9,483,577	-
9,483,577	-
10,010,612	-
6,000,000	-
6,000,000	-
6,000,000	-
6,000,000	-
6,000,000	-
9,331,868	-
9,331,868	-
6,220,226	-
7,135,625	-
8,664,688	-
8,664,688	-
8,664,688	-
8,664,688	-
8,664,688	-
8,664,688	-
8,664,688	-
6,329,134	-
6,329,134	-
8,439,864	-
-	45,000,000
-	7,500,000
-	7,500,000
-	7,500,000
166,748,299	67,500,000

10.00 Capital Fund

Opening Balance
Add: Units Subscribed During the year
Less: Units Redeemed During the year

337,527,790	259,590,390
248,709,590	110,670,150
(49,428,490)	(32,732,750)
536,808,890	337,527,790

June 30, 2023
BDT

June 30, 2022
BDT

10.01 Capital Allotment, Net

Allotment year	Investor Category	No. of Units	Face Value		
2018 - 19	Sponsor	10,000,000	10	100,000,000	100,000,000
2018 - 19	General	20,316,366	10	203,163,660	203,163,660
2019 - 20	General	3,187,351	10	31,873,510	31,873,510
2020 - 21	General	(7,544,678)	10	(75,446,780)	(75,446,780)
2021 - 22	General	7,793,740	10	77,937,400	77,937,400
2022 - 23	General	19,928,110	10	199,281,100	-
		53,680,889		536,808,890	337,527,790

All the transactions are held through Banking Channel.

11.00 Unit Premium / (Discount)

Opening Balance	11,679,427	(8,392,151)
Add: Units Subscribed / (Redeemed) During the year, Net	25,224,802	20,071,577
	36,904,229	11,679,427

12.00 Retained Earnings

Opening Balance	68,709,809	59,468,735
Less: Dividend Paid During the year	(43,878,613)	(38,938,559)
	24,831,196	20,530,177
Add: Net Income During the year	19,588,800	48,179,632
	44,419,995	68,709,809

13.00 Account Payables

Management Fees	2,457,260	1,852,420
Custodian Fees	171,267	202,295
Sales Agent Commission	331,979	258,966
Publication and Other Expenses	35,880	83,396
Audit Fees	34,500	34,500
Payable to the Investors	850,446	363,354
CDBL Fees	1,309	616
	3,882,641	2,795,546

14.00 Unclaimed Dividend

Up to 1 year	10	10
Over 01 year within 3 year	10	-
	20	10

15.00 Net Asset Value (NAV) Per Unit at Cost

Total Asset Value at Market Price	622,026,563	420,721,008
Less: Unrealized Gain / (Loss)	(8,893,263)	(2,435,585)
Total Asset Value at Cost Price	630,919,826	423,156,593
Less: Account Payables	3,882,641	2,795,546
Unclaimed Dividend	20	10
NAV at Cost Price	627,037,165	420,361,037
Number of Units	53,680,889	33,752,779
	11.68	12.45

16.00 Net Asset Value (NAV) Per Unit at Market Price

NAV at Cost Price	627,037,165	420,361,037
Add: Unrealized Gain / (Loss)	(8,893,263)	(2,435,585)
NAV at Market Price	618,143,902	417,925,451
Number of Units	53,680,889	33,752,779
	11.52	12.38



17.00 Capital Gain

AB Bank Ltd.	-
BRAC Bank Ltd.	(29,841)
The City Bank Ltd.	-
Dutch-Bangla Bank Ltd.	(1,754,910)
First Security Islami Bank Ltd.	-
Global Islami Bank Limited	(1,503,068)
IFIC Bank Ltd.	-
Mercantile Bank Ltd.	-
National Credit and Commerce Bank Ltd.	-
South Bangla Agriculture & Commerce Bank Ltd.	-
Union Bank Ltd.	-
LafargeHolcim Bangladesh Ltd.	(452,021)
APSCL Non-Convertible and Fully Redeemable Coupon Bearing Bond	-
Bangladesh Shipping Corporation	305,346
GPH Ispat Ltd.	-
Mostafa Metal Industries Ltd.	-
Singer Bangladesh Ltd.	-
Yeakin Polymer Limited	(4,880,942)
LankaBangla Finance Ltd.	-
National Housing Fin. and Inv. Ltd.	(148,685)
British American Tobacco bangladesh Company Ltd.	-
BD Thai Food & Beverage Limited	-
Olympic Industries Ltd.	1,661,976
Baraka Patenga Power Ltd.	-
Power Grid Company of Bangladesh Ltd.	-
SAIF Powertec Ltd.	1,606,503
Shahjibazar Power Co. Ltd.	1,475,692
Genex Infosys Ltd.	1,811,828
Chartered Life Insurance Company Limited	388,833
Delta Life Insurance Company Ltd.	-
Islami Commercial Insurance Company Limited	292,833
Meghna Insurance Company Ltd.	332,779
Sena Kalyan Insurance Company Ltd.	-
Sonali Life Insurance Company Ltd.	-
Trust Islami Life Insurance Limited	427,794
Union Insurance Company Ltd.	-
Bangladesh Export Import Company Ltd.	1,289,219
Achia Sea Food Ltd.	1,071,318
Master feed Agrotec Ltd.	-
Oryza Agro Industries Ltd	-
ACI Ltd.	-
ACME Pesticides Ltd.	-
Al-Madina Pharmaceuticals Limited	130,669
BD Paints Ltd.	762,662
Beacon Pharmaceuticals Ltd.	1,560,320
Beximco Pharmaceuticals Ltd.	534
Marico Bangladesh Ltd.	-
Navana Pharmaceuticals Ltd.	7,941,102
Orion Pharmaceuticals Ltd	4,638,003
Star Adhesives Ltd.	-
Square Pharmaceuticals Ltd.	(1,888,163)
Bangladesh Submarine Cable Company Ltd.	6,194,386
Grameenphone Ltd.	-
Malek Spinning Mills Ltd.	-
Matin Spinning Mills Ltd.	-
Paramount Textile Ltd.	-

Amount in BDT	
July 01, 2022 - June 30, 2023	July 01, 2021 - June 30, 2022

-	(640,000)
(29,841)	2,076,183
-	(205,286)
(1,754,910)	(528,613)
-	4,448
(1,503,068)	-
-	(404,447)
-	66,376
-	(279,288)
-	1,077,283
-	740,315
(452,021)	8,846,693
-	63,027
305,346	-
-	(464,956)
-	48,528
-	88,327
(4,880,942)	-
-	(51,201)
(148,685)	-
-	7,295,309
-	191,256
1,661,976	-
-	9,814,050
-	(3,583,855)
1,606,503	361,199
1,475,692	-
1,811,828	-
388,833	-
-	(868,549)
292,833	-
332,779	-
-	997,779
-	1,174,261
427,794	-
-	493,733
1,289,219	(413,805)
1,071,318	-
-	66,661
-	59,937
-	1,060,431
-	760,397
130,669	-
762,662	-
1,560,320	2,413,866
534	13,591,839
-	803,427
7,941,102	-
4,638,003	-
-	601,528
(1,888,163)	841,259
6,194,386	6,827,835
-	911,903
-	(277,100)
-	193,020
-	(752,054)
21,234,166	53,001,715



		Amount in BDT	
		July 01, 2022 - June 30, 2023	July 01, 2021 - June 30, 2022
18.00	Dividend Income		
	BRAC Bank Ltd.	814,192	634,726
	Dutch-Bangla Bank Ltd.	-	178,500
	LafargeHolcim Bangladesh Ltd.	1,338,300	-
	APSCL Non-Convertible and Fully Redeemable Coupon Bearing Bond	1,630,650	660,025
	National Housing Fin. and Inv. Ltd.	-	369,000
	British American Tobacco Bangladesh Company Ltd.	1,648,280	1,483,078
	ACI Ltd.	-	663,000
	Beximco Pharmaceuticals Ltd.	1,040,984	769,335
	Marico Bangladesh Ltd.	-	448,160
	Bangladesh Submarine Cable Company Ltd.	-	779,183
	Grameenphone Ltd.	2,721,700	2,273,125
		9,194,106	8,258,131
19.00	Interest Income		
	Term Deposit	9,296,106	111,375
	Corporate Bond	-	36,279
	Bank Deposits	2,671,864	2,270,874
		11,967,970	2,418,528
20.00	Publication and other expenses		
	Renewal and Registration Fees	20,000	20,000
	Printing and Publication Expenses	284,951	295,418
	BO Account Maintenance Fees	-	1,800
	Other Operational Expense	-	10,000
	IPO Subscription Fees	22,000	26,000
		326,951	353,218
21.00	(Provision) / Write Back of Provision for Diminution in Value of Investments		
	Opening Balance	(2,435,585)	-
	(Add) / Less: (Addition) / deduction during the year	(6,457,678)	(2,435,585)
		(8,893,263)	(2,435,585)
22.00	Earnings Per Unit		
	Net Income for the year	19,588,800	48,179,632
	Number of Units	53,680,889	33,752,779
		0.36	1.43
23.00	Net Operating Cash Flow Per Unit		
	Net Operating Cash Flow for the year	27,289,302	55,808,136
	Number of Units	53,680,889	33,752,779
		0.51	1.65
24.00	Reconciliation of Net Profit with Cash Flow from Operating Activities		
	Net Profit Before Provision	26,046,477	50,615,218
	Amortization of preliminary and issue expenses	1,007,474	1,007,474
	Operating Cash Flow Before Changes in Working Capital	27,053,951	51,622,692



Changes in Working Capital:

Amount in BDT		
July 01, 2022 - June 30, 2023	July 01, 2021 - June 30, 2022	
(Increase)/ Decrease of Investment	(115,564,003)	(26,758,093)
(Increase)/ Decrease of Advances, Deposits and Prepayments	(41,800)	(44,454)
(Increase)/ Decrease of Account Receivables	(11,843,316)	11,976,087
Increase/ (Decrease) of Account Payables	1,087,095	(807,815)
Increase/ (Decrease) of Unclaimed Dividend	10	10
	<u>(126,362,014)</u>	<u>(15,634,266)</u>
Less: Non-operating items		
Increase/ (Decrease) of Payables to Investors	487,092	(1,191,300)
Increase/ (Decrease) of Unclaimed Dividend	10	10
	<u>487,102</u>	<u>(1,191,290)</u>
Less: items classified as investing activities		
Net Change in Investing Activities	<u>(127,084,467)</u>	<u>(18,628,421)</u>
Net operating cash flows	<u>27,289,302</u>	<u>55,808,136</u>

The prior-year figure has been rearranged wherever considered necessary to ensure comparability with the current period to comply with the requirement of BSEC Guideline.

25.00 Events After the Reporting year

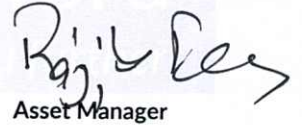
The Board of Trustees of The Fund in its meeting held on July 18, 2023 has approved Cash Dividend 7% for the year ended June 30, 2023.

26.00 Date of Authorisation

These Financial Statements are authorised for issue by The Board of Trustees in its meeting held on July 18, 2023.


Trustee

Bangladesh General Insurance Co. Ltd.


Asset Manager

IDLC Asset Management Ltd.

IDLC Growth Fund
 Details of Investment in Securities
 As at June 30, 2023

A. Investment in Listed Securities

Sl.	Sector	Scriptcode	Name of The Company	Nos. of Securities	Avg. Cost	Total Cost Price	Market Value	Total Market Price	% of Total Assets	Unrealized Gain/ (Loss)
01	Bank	BRACBANK	BRAC Bank Ltd.	1,167,008	38.75	45,218,059	35.80	41,778,886	6.72%	(3,439,173)
02	Cement	LHBL	LafargeHolcim Bangladesh Ltd.	735,000	70.14	51,554,551	69.50	51,082,500	6.72%	(3,439,173)
03	Corporate Bond	APSCLBOND	APSC L Non-Convertible and Fully Redeemable Coupon Bearing Bond	3,106	4,975.57	15,454,107	5,500.00	17,083,000	2.75%	1,628,893
04	Food & Allied	BATBC	British American Tobacco Bangladesh Company Ltd.	82,414	504.66	41,591,456	518.70	42,748,142	6.87%	1,156,686
05		OLYMPIC	Olympic Industries Ltd.	249,000	143.99	35,854,691	153.60	38,246,400	6.15%	2,391,709
06	Pharmaceuticals & Chemicals	BXPBARMA	Beximco Pharmaceuticals Ltd.	401,727	156.29	62,785,374	146.20	58,732,487	9.44%	(4,052,886)
07		IBNSINA	The IBN SINA Pharmaceutical Industry Ltd.	35,176	285.61	10,046,642	286.60	10,081,442	1.62%	34,800
08		MARICO	Marico Bangladesh Ltd.	24,245	2,400.10	58,190,478	2,421.50	58,709,268	9.44%	518,790
09		SQURPHARMA	Square Pharmaceuticals Ltd.	78,500	201.47	15,815,200	209.80	16,469,300	2.65%	654,100
10	Tannery Industries	MKFOOTWEAR	MK Footwear PLC	9,031	10.00	90,310	11.00	99,341	0.02%	9,031
11	Telecommunication	GP	Grameenphone Ltd.	149,850	335.47	50,270,171	286.60	42,947,010	6.90%	(7,323,161)
	Sub-Total					386,871,039		42,947,010	6.90%	(7,323,161)
	B. Investment in Initial Public Offering (IPO)							377,977,776	60.77%	(8,893,263)
	N/A		N/A						0.00%	
	Grand Total					386,871,039		377,977,776	60.77%	(8,893,263)



Annexure B

IDLC Growth Fund

Disclosure under Rule 69 of Securities and Exchange Commission (Mutual Fund) Rules, 2001.

Particular		June 30, 2023	June 30, 2022	June 30, 2021
(a)	Net Asset Value per unit at Cost Price	11.68	12.45	11.97
(b)	Net Asset Value per unit at Market Price	11.52	12.38	13.24
(c)	Per unit income other than investment	0.223	0.073	0.174
(d)	Per unit income from Capital gain / (loss) & Dividend Income	0.567	1.815	2.901
(e)	Per Unit Expense	0.30	0.39	0.46
(f)	Per unit provision for diminution value of Investment	(0.12)	(0.07)	-
(g)	Per unit net income / (loss)	0.365	1.427	3.601
(h)	Highest Purchase / Surrender Price per unit during the year	11.58	13.92	14.01
(i)	Lowest Purchase / Surrender Price per unit during the year	10.81	11.91	8.96

