

**Hoda Vasi
Chowdhury & Co**

To
The Chairman
The Peninsula Chittagong Limited
Bulbul Center, 486/B,
O.R. Nizam Road, CDA Avenue
Chattogram - 4000

**Auditor's Report
&
Audited Financial Statements
of
THE PENINSULA CHITTAGONG LIMITED
For the year ended 30 June 2022**

Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

to the Shareholders of

THE PENINSULA CHITTAGONG LIMITED

Opinion

We have audited the accompanying financial statements of **THE PENINSULA CHITTAGONG LIMITED** (the Company), which comprise the Statement of Financial Position as at 30 June 2022, 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, together with the notes numbering 01 to 48 annexed thereto.

In our opinion and to the best of our information and according to explanations given to us, the accompanying Financial Statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2022 and of its financial performance and cash flows for the period from 1 July 2021 to 30 June 2022 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

Basis of opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Our responsibilities under those standards are further described in "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) that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following:

Workers' Profit Participation Fund

As per section 234 of Labor Act 2006 the eligible company is supposed to transfer 5% of Net Profit Before Tax to Workers' Profit Participation Fund at the ratio of 80:10:10, percent to Workers' Profit Participation Fund (WPPF) 80%, Workers' Welfare Fund (WWF) 10%, and Workers' Welfare Foundation 10%. So far the company management transfer 100% of contribution to the Trustees of the WPPF. As per amendment dated 22 July 2013 the company is supposed to deposit 10% of the contribution directly to the account no 11100130771 of Workers' Welfare Foundation maintained with Sonali Bank, Ramna Corporate Branch, Dhaka. The amount stand at Tk. 5,345,131 as on 30.06.2022 which should have been deposited to the designated bank account.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

SL. No.	Key Audit Matters	How our audit addressed the key audit matter
1	<p>Revenue</p> <p>Revenue of TK. 311,780,065 is recognized in the Statement of Profit or Loss and Other Comprehensive Income of The Peninsula Chittagong Limited for the year ended 30 June 2022. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicator of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As described in the accounting policy 3.14 to the financial statements, the company recognizes revenue upon rendering services to the customers/clients as per IFRS 15 – Revenue from Contract with Customers.</p>	<p>In light of the fact that the high degree of complexity we assessed the Company’s processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this area, our audit approach included testing of the controls and the substantive audit procedure, including:-</p> <ul style="list-style-type: none"> ➤ We evaluated the Company’s accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of IFRS 15 – Revenue from Contracts with Customers. ➤ We identified and tested controls related to revenue recognition and our audit procedure focused on assessing the invoicing and measurement systems up to entries in the general ledger. Examining customers’ invoices and receipts of payment on a sample basis. ➤ We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers’ receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers. ➤ Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct recording periods.
2	<p>Inventories</p> <p>Inventories represent about 11.22% of the total revenue of the Company; inventories are thus a material item to the financial statements. Please refer to note 09 to the financial statements.</p>	<p>We verified the appropriateness of management control applied in calculating the value of the inventory provision by:</p> <ul style="list-style-type: none"> ➤ Tested the operating effectiveness of key controls over inventories; including observing the process of management’s year-end inventory count.

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SL. No.	Key Audit Matters	How our audit addressed the key audit matter
	<p>As described in the accounting policy note 3.06 to the financial statements, inventories are valued at the lower of the cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the Company at the reporting date and complexities involved in the accounting and presentation thereof, inventories has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> ➤ Verified a sample of inventory items to ensure that costs have been appropriately recorded. ➤ Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. ➤ Assessed whether appropriate provision have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories. ➤ Performed cut-off tests to determine that the purchase and sales of the inventories have been considered in the correct accounting period. ➤ Reviewed the historical accuracy of inventory provision and the level of write downs.
3	<p>Property Plant and Equipment</p> <ul style="list-style-type: none"> ➤ The company has a large number of Property, Plant and Equipment items. In view of availability of latest machinery due to improve technology, the obsolescence& impairment may be noticed in existing machineries. ➤ Management has concluded that there is no impairment in respect of all assets. This conclusion required significant management judgment. Hence we considered this to be key audit matter. 	<p>Our audit procedure in this area included, among others;</p> <ul style="list-style-type: none"> ➤ Assessing the consistency of methodologies use for depreciating the assets; ➤ Checking on a sample basis, the accuracy and relevance of the accounting of PPE by management; and ➤ For selected samples, performing physical observation to assess management's determination on whether the equipment is obsolete, and testing the assumptions used in estimating recoverable amount, such as estimated useful life and replacement cost. ➤ Examining management's periodic review of Property, Plant and Equipment for determination of impairment and obsolescence.

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SL. No.	Key Audit Matters	How our audit addressed the key audit matter
4	<p>Measurement of Deferred Tax</p> <p>The Company recognizes deferred taxes relating to property, plant and equipment, investment in associates and employee benefits (Gratuity), which are very complex in nature.</p> <p>As such accounting for deferred taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision. Hence, we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others.</p> <ul style="list-style-type: none"> ➤ Assessing the design, implementation and operating effectiveness of key controls in respect of the company and the process of recognition of deferred taxes. ➤ Using our own tax specialists to evaluate the tax bases and company tax strategy. ➤ Assessing the accuracy and completeness of deferred tax, and ➤ Evaluating the adequacy of the financial statements disclosures, including disclosures of assumptions, judgments and sensitivities. We involved tax specialists to assess key assumptions, control recognition and measurement of deferred tax liabilities (Assets).
5	<p>Short Term Investments</p> <p>Investment in Tradable Securities included in short term investment amounting to Taka 146,034,658; Investment in tradable securities are thus a material item to the financial statements. Please refer to note 13.02 to the financial statements.</p> <p>As described in the accounting policy note 3.07 to the financial statements, financial assets are recognized at fair value through profit or loss.</p> <p>Due to the value and volume of short-term investment being held by the Company at the reporting date and complexities involved in the accounting and presentation thereof, short term investments have been considered as a key audit matter.</p>	<p>Our audit procedures in this area included, among others.</p> <ul style="list-style-type: none"> ➤ Assessing that the company has good title to all investments. ➤ Performing test of details to ensure cost/valuation of traded securities <ul style="list-style-type: none"> - Cost - Number of shares, have been correctly accounted for - Verify market value of traded securities. ➤ Performing test of details to ensure disposal of traded securities <ul style="list-style-type: none"> - Sales proceeds have been correctly accounted for. - Profit/Loss on disposal has been correctly computed' - Transaction have been properly authorized. ➤ Assessing the disclosures within the financial statements.

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Reporting on Other Information

Other information consists of the information included in the Company's 30 June 2022 year ended Annual Report other than the financial statements and our auditor's report thereon. We obtained the Director's Report, Management Discussion and Analysis, Financial information, and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

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.

Based on the work we have performed, we conclude that we have nothing to report in this respect.

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 of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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.

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

- (a) 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.
- (b) 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 Company's internal control.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) 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.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

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We communicate with 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.

We determine those matters, from the matters communicated with those charged with governance 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 auditors' 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, we also report the following:

- i) 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;
- ii) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books and;
- iii) 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.
- iv) the expenditure incurred was for the purposes of the company's business. *Shulan*

Chattogram, 18 OCT 2022

For and on behalf of

**Hoda Vasi Chowdhury & Co
Chartered Accountants**



**Showkat Hossain, FCA
Senior Partner**

Enrollment No: 0137

DVC: 2210180137ASA97371

THE PENINSULA CHITTAGONG LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022


	Note(s)	30-Jun-2022 Taka	30-Jun-2021 Taka
ASSETS			
NON-CURRENT ASSETS			
		3,341,364,663	3,270,090,472
Property, Plant and Equipment	4.00	2,495,604,750	2,516,329,861
Right of Use Assets	5.00	97,038,246	75,878,598
Capital Work in Progress	6.00	742,274,168	671,112,034
Intangible Assets	7.00	322,499	644,979
Investments	8.00	6,125,000	6,125,000
CURRENT ASSETS			
		943,901,012	887,781,761
Inventories	9.00	34,988,229	32,330,145
Accounts Receivable	10.00	42,893,752	35,335,180
Interest Receivable	11.00	4,797,241	5,607,146
Advances, Deposits and Prepayments	12.00	220,304,412	205,517,752
Short Term Investments	13.00	148,019,458	55,715,068
Cash and Cash Equivalents	14.00	492,897,920	553,276,470
TOTAL ASSETS		4,285,265,675	4,157,872,233
SHAREHOLDERS' EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY			
		3,497,269,634	3,592,806,152
Share Capital	15.00	1,186,668,000	1,186,668,000
Retained Earnings	16.00	31,229,508	126,766,026
Share Premium		1,050,958,284	1,050,958,284
Revaluation Surplus	17.00	1,228,413,842	1,228,413,842
NON CURRENT LIABILITIES			
		169,258,886	138,112,390
Deferred Tax Liabilities	18.00	66,528,496	47,584,315
Lease Liabilities - Non Current Portion	24.00	102,730,390	80,528,075
CURRENT LIABILITIES			
		618,737,155	436,953,691
Accounts Payable	19.00	48,925,452	52,558,902
Short Term Borrowings	20.00	552,044,620	358,640,598
Provision for Income Tax	21.00	4,833,105	7,258,256
Unclaimed Dividend	22.00	2,251,000	8,224,689
Provision for WPPF and Welfare Fund	23.00	2,161,478	3,317,074
Lease Liabilities - Current Portion	24.00	8,521,500	6,954,172
TOTAL LIABILITIES		787,996,041	565,066,081
TOTAL EQUITY AND LIABILITIES		4,285,265,675	4,157,872,233
Contingent Liabilities and Commitments	40.00	-	-
Net Asset Value (NAV) Per Share	34.00	29.47	30.28

The annexed notes from 01 to 48 are an integral part of these financial statements

These financial statements should be read in conjunction with annexed notes

and were approved by the Board of Directors on 17.10.22

and were signed on its behalf by:


Company Secretary


Managing Director


Director


Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 18 OCT 2022

For and on behalf of

Hoda Vasi Chowdhury & Co
Chartered Accountants


Showkat Hossain, FCA

Senior Partner

Enrollment No : 0137

DVC : 2210180137AS497371

THE PENINSULA CHITTAGONG LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022

	Note(s)	30-Jun-2022	30-Jun-2021
		Taka	Taka
Revenue	25	311,780,065	254,200,403
Cost of Sales	26	(223,770,973)	(153,858,982)
Gross Profit		88,009,092	100,341,421
Administrative Expenses	27	(53,034,302)	(41,457,010)
Selling and Distribution Expenses	28	(1,247,854)	(907,715)
		(54,282,156)	(42,364,725)
Operating Profit		33,726,936	57,976,696
Finance Costs	29	(49,555,873)	(39,243,757)
Finance Income	30	30,060,447	39,000,571
Non-Operating Profit / (Loss)	31	28,998,040	8,607,973
Profit before Tax and WPPF and Welfare Fund		43,229,550	66,341,484
Contribution to WPPF and Welfare Fund	23	(2,161,478)	(3,317,074)
Profit before Tax		41,068,072	63,024,410
Income Tax Expenses:			
Current Tax			
Current Year	21	(7,500,797)	(7,925,948)
Tax Refund	12.01	8,507,188	-
Deferred Tax	18	(18,944,181)	(6,351,976)
		(17,937,790)	(14,277,924)
Net Profit after Tax for the year		23,130,282	48,746,486
Other Comprehensive Income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		23,130,282	48,746,486
Earnings Per Share (Basic)	33	0.19	0.41

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The annexed notes from 01 to 48 are an integral part of these financial statements.
These financial statements should be read in conjunction with annexed notes
and were approved by the Board of Directors on 17.10.22
and were signed on its behalf by:


Company Secretary


Managing Director


Director


Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 18 OCT 2022

For and on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants


Showkat Hossain, FCA
Senior Partner

Enrollment No : 0137
DVC : 2210180137AS497371

THE PENINSULA CHITTAGONG LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2020	1,186,668,000	1,050,958,284	1,228,413,842	196,686,340	3,662,726,466
Cash dividend for the year ended 30 June 2020	-	-	-	(118,666,800)	(118,666,800)
Net Profit for the year ended 30 June 2021	-	-	-	48,746,486	48,746,486
	-	-	-	(69,920,314)	(69,920,314)
Balance as at 30 June 2021	1,186,668,000	1,050,958,284	1,228,413,842	126,766,026	3,592,806,152
Balance as on 01 July 2021	1,186,668,000	1,050,958,284	1,228,413,842	126,766,026	3,592,806,152
Cash dividend for the year ended 30 June 2021	-	-	-	(118,666,800)	(118,666,800)
Net Profit for the year ended 30 June 2022	-	-	-	23,130,282	23,130,282
	-	-	-	(95,536,518)	(95,536,518)
Balance as at 30 June 2022	1,186,668,000	1,050,958,284	1,228,413,842	31,229,508	3,497,269,634

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The annexed notes from 01 to 48 are an integral part of these financial statements.
 These financial statements should be read in conjunction with annexed notes
 and were approved by the Board of Directors on **17.10.22**
 and were signed on its behalf by:


 Company Secretary


 Managing Director


 Director


 Chairman

Signed in terms of our separate report of even date annexed

Chattogram, **18 OCT 2022**

For and on behalf of
 Hoda Vasi Chowdhury & Co
 Chartered Accountants



Showkat Hossain, FCA
 Senior Partner
 Enrollment No : 0137
 DVC : 2210180137AS497371

THE PENINSULA CHITTAGONG LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022

	Note(s)	30-Jun-2022 Taka	30-Jun-2021 Taka
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers against Revenue	46.01	304,319,997	261,297,211
Receipts from Other Sources	46.02	7,386,307	643,242
Payment made to Suppliers	46.03	(203,246,411)	(121,736,009)
Payment made for Administrative, Selling and Distribution Expenses	46.04	(53,951,262)	(26,025,293)
Cash generated by Operations	32.00	54,508,631	114,179,151
Receipts/ (payments) from Interest - Net	46.05	(8,874,929)	5,964,971
Income Tax paid	46.06	(9,500,797)	(9,925,948)
		(18,375,726)	(3,960,977)
Net Cash Inflow / (Outflow) from Operating Activities (A)		36,132,905	110,218,174
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant and Equipment	47.01	(84,087,532)	(127,060,644)
Proceeds from Sale of Property, Plant and Equipment	47.02	470,000	800,000
(Increase) / Decrease in Investments	47.03	(70,933,990)	(162,573)
Dividend Received (Net of Tax)	47.04	255,130	885,106
Net Cash Inflow / (Outflow) from Investing Activities (B)		(154,296,392)	(125,538,111)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts / (Repayments) of Short Term Borrowings	48.01	193,404,022	86,050,699
Right of Use Assets (Lease Payment)	48.02	(10,979,625)	(6,555,000)
Dividend paid	48.03	(124,640,489)	(117,740,023)
Net Cash Inflow / (Outflow) from Financing Activities (C)		57,783,908	(38,244,324)
Net Increase / (Decrease) of Cash and Cash Equivalents for the year before considering gain / loss on foreign currency fluctuation (A+B+C)		(60,379,579)	(53,564,261)
Cash and Cash Equivalents at the beginning of the year		553,276,470	606,836,795
Adjustment for foreign currency fluctuation gain / (loss) during the year		1,029	3,936
Cash and Cash Equivalents at the end of the year	14.00	492,897,920	553,276,470
Net Operating Cash Flow Per Share	35.00	0.30	0.93

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The annexed notes from 01 to 48 are an integral part of these financial statements.
These financial statements should be read in conjunction with annexed notes
and were approved by the Board of Directors on **17.10.22**
and were signed on its behalf by:


Company Secretary


Managing Director


Director


Chairman

Chattogram, **18 OCT 2022**

For and on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants



Showkat Hossain, FCA
Senior Partner

Enrollment No : 0137

DVC : **2210180137AS497371**

THE PENINSULA CHITTAGONG LIMITED
Notes to the Financial Statements
As at and for the year ended at 30 June 2022

1.00 THE REPORTING ENTITY

1.01 Legal form of Enterprise

The company was formed on 25 July 2002 under The Companies Act 1994 vide registration no. C-46488 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on 7 June 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM). The company converted from Private Limited Company to Public Limited Company on 30 November 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM) and obtained approval of Registrar of Joint Stock Companies & Firms accordingly. The company offloaded 55,000,000 shares after getting approval from Bangladesh Securities and Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014.

1.02 Registered Office of the Company

The registered office of the company is located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chattogram 4100, Bangladesh.

1.03 Nature of the Business

The principal activities of the company includes carrying of business of modern hotel, restaurants, etc. In this context the company has established a hotel named "The Peninsula Chittagong Limited" which offers a range of hotel facilities including fitness centre, a luxurious oasis within the hotel with gymnasium, swimming pool, sauna, steam bath and massage treatments etc. The company started its commercial operation on 17 February 2006.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of financial position as at 30 June 2022.
- b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2022.
- c) A statement of changes in equity for the year ended 30 June 2022.
- d) A statement of cash flows for the year ended 30 June 2022.
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- i) The Income Tax Ordinance, 1984
- ii) The Income Tax Rules, 1984
- iii) The Value Added Tax Act, 2012
- iv) The Value Added Tax Rules, 2016
- v) The Securities and Exchange Rules, 1987
- vi) The Securities and Exchange Ordinance, 1969
- vii) The Customs Act, 1969
- viii) Bangladesh Labour Law, 2006 (as amended in 2013)

2.04 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on

2.05 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for land and land development of property, plant and equipment and Investment in quoted shares which are measured at fair value.

2.06 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT) which is the company's functional currency. All the financial information presented in Bangladesh Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.07 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method as per requirement of Securities and Exchange Rules 1987. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per BSEC Notification No BSEC/CMRRED/2006-158/208/Admin /81 dated 20 June 2018.



2.08 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per managements' assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.09 Applicable Accounting Standards

The following IASs and IFRSs are applicable for preparation and reporting of the Financial Statements for the year under review:

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rate
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contract with Customers
IFRS-16	Leases

2.10 New Accounting standards issued but not yet adopted

The Company has consistently applied the accounting policies as set out in note 3 to all periods presented in this financial statements. The various amendments to standards, including any consequential amendments to other standards, with the date of initial application of 01 January 2020 have been considered. However, these amendments have no material impact on the financial statements of the company.

A number of standards and amendments to standards are effective for annual periods beginning after 01 January 2020 and earlier application is permitted. However, the company has not early applied the following new standards in preparing this financial statements.

a) IFRS 17 Insurance Contracts

The company has not yet assessed any potential impact of aforesaid new standards on its financial statements

2.11 Use of Estimates and Judgments

The estimates and underlying assumptions are based on past 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.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note: 4	Property, Plant and Equipment
Note: 7	Intangible Assets
Note: 9	Inventories
Note: 10	Accounts Receivable
Note: 18	Deferred Tax Liabilities
Note: 21	Provision for Income Tax

2.12 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged / reclassified wherever considered necessary to conform to current periods presentation.

2.13 Reporting Period

The financial statements of the company covers one year from 01 July to 30 June and is followed consistently.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:



3.01	Consistency
3.02	Property, Plant and Equipment (PPE)
3.03	Intangible Asset
3.04	Capital Work-in-Progress
3.05	Lease
3.06	Inventories
3.07	Financial Instruments
3.08	Impairment
3.09	Transactions with Related Parties
3.10	Share Capital
3.11	Employee Benefit Schemes
3.12	Income Tax Expenses
3.13	Provisions and Contingencies
3.14	Revenue Recognition
3.15	Non-Operating Income
3.16	Finance Income and Expenses
3.17	Borrowing Costs
3.18	Foreign Currency Transactions
3.19	Earnings Per Share (EPS)
3.20	Measurement of Fair Values
3.21	Events After the Reporting Period

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the period ended on 30 June 2022 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on 30 June 2021.

3.02 Property, Plant and Equipment (PPE)

Items of property, plant and equipment are stated at cost and re-valued amount less accumulated depreciation and accumulated impairment losses, if any.

3.02.01 Recognition and Measurement

The cost of an item of property, plant and equipment comprises its purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates) and any cost directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognised under other income/expenses in the statement of profit or loss and other comprehensive income.

3.02.02 Subsequent Costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income.

3.02.03 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited useful life. In respect of all other property, plant and equipment, depreciation is recognised in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of property, plant and equipment. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

<u>CATEGORY OF ASSETS</u>	<u>RATE OF DEPRECIATION</u>
Hotel Building	2%
Plant and Machineries	5%
Equipment and Appliance	5% - 10%
• Office Equipment	10%
• Electrical Equipment	10%
• Air Conditioner	5%
• Kitchen Equipment	5%
• House Keeping Equipment	10%
• Bar Equipment	10%
• Security Equipment	10%
• Linen	10%
• SPA	5%
• Wooden Floor	5%
• Tumbler Drier	5%
Motor Vehicles	10%
Furniture & Fixtures	5%
Office Decoration	5%



Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is credited or charged to statement of profit or loss and other comprehensive income.

3.02.04 Revaluation of Property, Plant and Equipment

Since inception, the company revalued its non-current assets for the 1st time in the year 2010-2011 by Syful Shamsul Alam & Co, Chartered Accountants. Reserve was created by the sum of revaluation surplus as per the provision of IAS-16.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant & equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. During the year the management of the company did not notice any significant changes in the fair value of the revalued land.

3.03 Intangible Asset

3.03.01 Recognition and Measurement

Intangible assets that are acquired by the company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: "Intangible Assets" are met. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Subsequent Costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in statement of profit or loss and other comprehensive income as incurred.

3.03.03 Amortization

The intangible assets of the company are ERP (Tally) and Hotel Management software which are amortized every month following straight line method for 10 (ten) years. The amortisation cost is charged in statement of profit or loss and other comprehensive income.

Amortisation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

3.04 Capital Work-in-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.05 Right of Use Assets

During the year 2020 the Company has applied IFRS 16 using the modified retrospective approach and therefore ceased continuation of reporting under IAS 17.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be



payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before 1 January 2019

All the lease transactions have been classified based on the extent to which risks and rewards incidental to ownership of the assets lie with the lessor or lessee. According to this classification, all the Company's lease transactions have been identified as operating lease as per IAS 17: Leases based on the substance of the transactions, not merely on the legal form.

3.06 Inventories

Nature of inventories

Inventories comprise of food & beverage, house keeping materials, printing & stationary, hard drinks, stores & spares etc.

Valuation of the inventories

Inventories are measured at lower of cost and net realizable value (NRV). The cost of inventories include expenditure incurred in acquiring these inventories, and other costs incurred in bringing them to their existing location and condition in accordance with IAS 2

<u>Category</u>	<u>Cost</u>	<u>Valuation</u>
Food	Weighted average	Lower of cost & NRV
Beverage	Weighted average	Lower of cost & NRV
House Keeping Materials	Weighted average	Lower of cost & NRV
Printing & Stationary	Weighted average	Lower of cost & NRV
Store & Spares	Weighted average	Lower of cost & NRV

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

3.07 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.07.01 Financial Assets

The Company initially recognises, loans receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held to maturity, loans and receivables and available-for-sale financial assets.

At fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the company's documented risk management or investment strategy. Attributable transactions costs are recognised in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognised in profit or loss. Investment in equity securities and debt securities are classified under at fair value through profit or loss.

Held to maturity

These assets are initially recognised at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, accounts receivables and deposits.

(a) Accounts Receivable

Account receivable are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognised.

There is no fixed company policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.

(b) Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.



(c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognised in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.07.02 Financial Liabilities

The company initially recognises all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and accounts payable.

(a) Accounts payable

The company recognises a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.08 Impairment

3.08.01 Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Financial assets not classified as at fair value through profit or loss, including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor
- restructuring of an amount due to the company on terms that the company would not consider otherwise
- indications that a debtor or issuer will enter bankruptcy
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security, or
- observable data indicating that there is a measurable decrease in expected cash flows from a group of financial assets

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

3.08.02 Financial Assets Measured at amortized Cost

The company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Collective assessment is carried out by grouping together assets with similar risks characteristics.

In assessing collective impairment, the company uses historical information on the timing of recoveries and the amount of loss incurred, and makes any adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the company considers that there is no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

3.08.03 Available for Sale Financial Assets

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through other comprehensive income.



3.08.04 Non Financial Assets

The carrying amounts of the company's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the property, plant and equipment's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss, other comprehensive income and equity as applicable.

3.09 Transactions with Related Parties

The objective of IAS 24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

3.10 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Employee Benefit Schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.11.01 Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Provident Fund for all permanent employees at which both the company and employees contribute @ 7% of basic salary. The Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in IAS-19.

Obligation for contribution to defined contribution plan is recognised as provident fund (PF) contribution expenses in profit or loss in the year during which services are rendered by employees. Advance against PF is recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.11.02 Defined Benefit Plan

Workers' Profit Participation and Welfare Funds

The company also recognises a provision for Workers' Profit Participation and Welfare Funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labour Law 2006.

3.12 Income Tax Expenses

Income tax expenses comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.12.01 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.12.02 Deferred Tax

Deferred tax is recognised in compliance with IAS 12: Income taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax on revaluation surplus of land and land development has not been recognised in the financial statements on the ground that income tax payable at source on capital gain during registration of sale of land are generally borne by the buyer. Hence, possibility of having any income tax implications on land is very remote.

3.13 Provisions and Contingencies

A provision is recognised in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognised.



3.14 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, foods, beverages and allied services relating to hotel operations. Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue recognised is net of indirect taxes, returns and discounts.

Revenue from rendering services shall be recognized in compliance with the requirements of IFRS 15 "Revenue from Contract with Customers".

3.15 Non-Operating Income

Non operating income includes gain / (loss) on sale of non-current assets and miscellaneous receipts. Non operating income is recognised as revenue income as and when realised.

3.16 Finance Income and Expenses

3.16.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR) and Short Term Deposits (STD) account has recognised when received or accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.16.02 Finance Expenses

Interest expenses except expenses related to acquisition/construction of assets, incurred during the year are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

Interest income/expenses on amount due to/due from inter companies, if any, has been recognised periodically.

3.17 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs". Borrowing cost incurred against loan for BMRE project has been capitalised under effective interest rate method.

3.18 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

3.19 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

This represents profit for the year attributable to ordinary shareholders. As there is no preference dividend, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered fully attributable to the ordinary shareholders.

3.19.01 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.19.02 Diluted Earnings Per Share:

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

3.20 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Property, Plant and Equipment

The fair value of land and land development of property, plant and equipment has been determined based on Net realizable Value Method/ Market Value Method depending on the nature and corresponding circumstances.

Equity and Debt Securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorised under 'Level 1' of the fair value hierarchy.

3.21 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.22 Finance Cost

Finance Cost mainly increased due to increase of short term borrowings.



30-Jun-2022
Taka

30-Jun-2021
Taka

4.00 PROPERTY, PLANT AND EQUIPMENT

Details of Property, Plant & Equipment and Depreciation as on 30 June 2022 are shown in notes 4.01 & 4.02.

A. Cost with revaluation

Opening Balance	3,103,701,688	3,034,040,014
Add: Addition during the year	12,925,398	71,860,186
	<u>3,116,627,086</u>	<u>3,105,900,200</u>
Add: Increase due to Revaluation	-	-
	<u>-</u>	<u>-</u>
Less: Deletion during the year	(720,000)	(2,198,512)
Less: Revaluation Adjusted during the year	-	-
	<u>-</u>	<u>-</u>
Closing Balance	<u>3,115,907,086</u>	<u>3,103,701,688</u>

B. Accumulated Depreciation

Opening Balance	587,371,827	556,233,712
Add: Depreciation for the year	33,004,426	33,079,841
	<u>620,376,253</u>	<u>589,313,553</u>
Less : Adjustments during the year		
Less : Adjustment for disposals during the year	(73,917)	(1,941,726)
	<u>(73,917)</u>	<u>(1,941,726)</u>
Closing Balance	<u>620,302,336</u>	<u>587,371,827</u>
	<u>620,302,336</u>	<u>587,371,827</u>
Written Down Value (WDV) [A-B]	<u>2,495,604,750</u>	<u>2,516,329,861</u>



4.01 Property, Plant and Equipment - at Revalued Model

Particulars	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
At revalued amount								
Balance as on 01 July 2020	1,527,517,698	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	3,034,040,014
Additions During the Year	170,000	19,655,953	816,310	51,148,448	-	14,750	54,725	71,860,186
Disposals / Adjustments During the Year	-	-	-	-	(2,198,512)	-	-	(2,198,512)
Balance as at 30 June 2021	1,527,687,698	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	3,103,701,688
Balance as on 01 July 2021	1,527,687,698	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	3,103,701,688
Additions During the Year	-	1,219,378	465,696	10,991,956	-	31,180	217,188	12,925,398
Disposals / Adjustments During the Year	-	-	-	-	(720,000)	-	-	(720,000)
Balance as at 30 June 2022	1,527,687,698	827,854,816	88,134,471	467,990,131	37,531,133	97,200,273	69,508,564	3,115,907,086
Accumulated depreciation								
Balance as on 01 July 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Depreciation Rate								
Charged for the year	-	2%	5%	5%-10%	10%	5%	5%	-
Adjustment for Disposals During the Year	-	12,571,842	1,976,920	11,965,224	2,155,392	2,805,897	1,604,566	33,079,841
Balance as at 30 June 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Balance as on 01 July 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Depreciation Rate								
Charged for the Year	-	2%	5%	5%-10%	10%	5%	5%	-
Adjustment for Disposals During the Year	-	12,455,450	1,909,439	12,592,913	1,872,693	2,669,769	1,504,162	33,004,426
Balance as at 30 June 2022	-	211,006,908	50,600,011	253,473,440	19,902,375	45,219,416	40,100,186	620,302,336
Carrying amount								
Balance as at 30 June 2021	1,527,687,698	628,083,980	38,978,203	216,117,648	20,147,534	54,619,446	30,695,352	2,516,329,861
Balance as at 30 June 2022	1,527,687,698	616,847,908	37,534,460	214,516,691	17,628,758	51,980,857	29,408,378	2,495,604,750



Note(s)	30-Jun-2022	30-Jun-2021
	Taka	Taka
26.01	26,816,096	26,877,371
27.00	6,188,330	6,202,470
	33,004,426	33,079,841

Depreciation allocated to:

Cost of sales
Administrative expenses

4.02 Property, Plant and Equipment - at Cost Model

Particulars	Amount in Taka							Total
	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
At cost								
Balance as on 01 July 2020	299,103,856	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	1,805,626,172
Additions during the year	170,000	19,655,953	816,310	51,148,448	-	14,750	54,725	71,860,186
Disposals / Adjustments during the year	-	-	-	-	(2,198,512)	-	-	(2,198,512)
Balance as at 30 June 2021	299,273,856	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	1,875,287,846
Balance as on 01 July 2021	299,273,856	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	1,875,287,846
Additions during the year	-	1,219,378	465,696	10,991,956	-	31,180	217,188	12,925,398
Disposals / Adjustments during the year	-	-	-	-	(720,000)	-	-	(720,000)
Balance as at 30 June 2022	299,273,856	827,854,816	88,134,471	467,990,131	37,531,133	97,200,273	69,508,564	1,887,493,244
Accumulated depreciation								
Balance as on 01 July 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Depreciation Rate		2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,571,842	1,976,920	11,965,224	2,155,392	2,805,897	1,604,566	33,079,841
Adjustment for Disposals During the Year	-	-	-	-	(1,941,726)	-	-	(1,941,726)
Balance as at 30 June 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Balance as on 01 July 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Depreciation Rate		2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,455,450	1,909,439	12,592,913	1,872,693	2,669,769	1,504,162	33,004,426
Adjustment for Disposals During the Year	-	-	-	-	(73,917)	-	-	(73,917)
Balance as at 30 June 2022	-	211,006,908	50,600,011	253,473,440	19,902,375	45,219,416	40,100,186	620,302,336
Carrying amount								
Balance as at 30 June 2021	299,273,856	628,083,980	38,978,203	216,117,648	20,147,534	54,619,446	30,695,352	1,287,916,019
Balance as at 30 June 2022	299,273,856	616,847,908	37,534,460	214,516,691	17,628,758	51,980,857	29,408,378	1,267,190,908



	30-Jun-2022 Taka	30-Jun-2021 Taka
5.00 Right of use assets		
A. Cost		
Opening Balance	90,502,051	90,502,051
Add: Addition during the year - Note 5.01	24,937,647	-
	<u>115,439,698</u>	<u>90,502,051</u>
Less: Deletion during the year	-	-
Closing Balance	<u>115,439,698</u>	<u>90,502,051</u>
B. Accumulated Depreciation		
Opening Balance	14,623,453	11,124,917
Prior year Adjustment	-	-
Adjusted Opening Balance	<u>14,623,453</u>	<u>11,124,917</u>
Add: Depreciation for the year	3,777,999	3,498,536
	<u>18,401,452</u>	<u>14,623,453</u>
Less : Adjustments during the year	-	-
Closing Balance	<u>18,401,452</u>	<u>14,623,453</u>
Written Down Value (WDV) [A-B]	<u>97,038,246</u>	<u>75,878,598</u>

5.01 The Make-up

Right of use assets	Land			Total
	Lease from (BWDB)	Lease from (CPA) - 01 acre	Lease from (CPA) - 0.30 acre	
Cost	2,099,800	88,402,251	-	90,502,051
Additions	-	-	24,937,647	24,937,647
Disposals/transfers	-	-	-	-
Balance at 30 June 2022	<u>2,099,800</u>	<u>88,402,251</u>	<u>24,937,647</u>	<u>115,439,698</u>
Balance at 30 June 2021	<u>2,099,800</u>	<u>88,402,251</u>	<u>-</u>	<u>90,502,051</u>
Accumulated Depreciation / Amortization				
Balance at 01 July 2021	2,099,800	12,523,653	-	14,623,453
Depreciation / Amortization for the period	-	2,946,744	831,255	3,777,999
Adjustment for disposals / transfers	-	-	-	-
Balance at 30 June 2022	<u>2,099,800</u>	<u>15,470,397</u>	<u>831,255</u>	<u>18,401,452</u>
Carrying amounts				
Balance as on 30 June 2022	-	72,931,854	24,106,392	97,038,246
Balance as on 30 June 2021	-	75,878,598	-	75,878,598



	30-Jun-2022 Taka	30-Jun-2021 Taka
6.00 Capital Work in Progress		
Opening balance	671,112,034	615,911,576
Add: Addition during the year - note - 6.01	71,162,134	74,856,411
Less: Capitalized during the year	-	(19,655,953)
Closing balance	742,274,168	671,112,034

6.01 Details of Capital Work-in-Progress

Particulars	Opening Balance	Additions during the Year	Capitalized during the Year	Balance as on 30 June 2022	Balance as on 30 June 2021
A. Peninsula Airport Garden					
Civil Works	599,676,862	39,917,712	-	639,594,574	599,676,862
Lift and Generator	712,808	31,800	-	744,608	712,808
Machineries and Equipment	11,640,418	11,179,087	-	22,819,505	11,640,418
Interior Decoration	9,669,367	11,419,000	-	21,088,367	9,669,367
Parking	15,187,008	-	-	15,187,008	15,187,008
Sub-total	636,886,463	62,547,599	-	699,434,062	636,886,463
B. Existing Hotel Renovation					
Interior Decoration	34,225,571	8,614,535	-	42,840,106	34,225,571
Sub-total	34,225,571	8,614,535	-	42,840,106	34,225,571
Grand Total (A+B)	671,112,034	71,162,134	-	742,274,168	671,112,034

On 9th EGM dated 23 June 2022, The BOD unanimously decided to extend work completion of Peninsula Airport Garden project up to 31 December 2023.

	Note(s)	30-Jun-2022 Taka	30-Jun-2021 Taka
7.00 Intangible Assets			
Software (ERP Tally)	7.01	-	-
Hotel Management Software	7.01	322,499	644,979
		322,499	644,979

7.01 Intangible Assets schedule

	Software (ERP Tally)	Hotel Management Software	30-Jun-2022 Taka	30-Jun-2021 Taka
Cost				
Opening balance	100,000	3,471,560	3,571,560	3,571,560
Add: Addition during the year	-	-	-	-
Closing balance	100,000	3,471,560	3,571,560	3,571,560
Accumulated amortisation				
Opening balance	100,000	2,826,581	2,926,581	2,594,162
Add: Charged during the year	-	322,480	322,480	332,419
Closing balance	100,000	3,149,061	3,249,061	2,926,581
Carrying amount	-	322,499	322,499	644,979

8.00 Investments

Investments in non-tradable shares at cost-note 8.01	6,125,000	6,125,000
	6,125,000	6,125,000

8.01 Investments in non-tradable shares at cost-note 8.01

	Quantity		
Lanka Bangla Securities Limited	73,370	3,750,000	3,750,000
Energy Prima Limited	25,000	2,375,000	2,375,000
		6,125,000	6,125,000

9.00 Inventories

Food - Note 9.01	6,944,263	6,262,575
House Keeping Materials - Note 9.02	3,142,943	6,660,685
Printing and Stationeries - Note 9.03	1,923,042	1,870,662
Beverage - Note 9.04	19,809,250	14,613,040
Stores and Spares - Note 26.03	3,168,731	2,923,183
	34,988,229	32,330,145



	30-Jun-2022 Taka	30-Jun-2021 Taka
9.01 Food		
Opening balance	6,262,575	18,321,177
Add: Purchased during the year	78,637,725	43,221,521
Available for consumption	84,900,300	61,542,698
Less: Consumed during the year	(77,956,037)	(55,280,123)
Closing balance	6,944,263	6,262,575
9.02 House Keeping Materials		
Opening balance	6,660,685	6,384,910
Add: Purchased during the year	12,477,010	5,914,393
Available for consumption	19,137,695	12,299,303
Less: Consumed during the year	(15,994,752)	(5,638,618)
Closing balance	3,142,943	6,660,685
9.03 Printing and Stationeries		
Opening balance	1,870,662	1,765,236
Add: Purchased during the year	1,336,363	575,595
Available for consumption	3,207,025	2,340,831
Less: Consumed during the year	(1,283,983)	(470,169)
Closing balance	1,923,042	1,870,662
9.04 Beverage		
Opening balance	14,613,040	18,002,564
Add: Purchased during the year	10,638,288	-
Available for consumption	25,251,328	18,002,564
Less: Consumed during the year	(5,442,078)	(3,389,524)
Closing balance	19,809,250	14,613,040
10.00 Accounts receivable		
Opening Balance	35,335,180	42,366,406
Add: Addition during the year	125,786,601	96,987,547
Less: Realised during the year	(117,907,395)	(103,551,243)
Less: Bad debt expenses	(320,634)	(467,530)
Closing Balance	42,893,752	35,335,180
10.01 Ageing of accounts receivable		
Dues within 6 Months	36,610,703	28,749,481
Dues over 6 Months	6,283,049	6,585,699
	42,893,752	35,335,180
11.00 Interest receivable		
Interest Receivable on Fixed Deposits Receipts (FDR)	4,797,241	5,607,146
	4,797,241	5,607,146
12.00 Advances, Deposits and Prepayments		
Advances - Note 12.01	204,172,398	189,122,068
Deposits - Note 12.02	12,102,654	12,102,654
Prepayments - Note 12.03	4,029,360	4,293,030
	220,304,412	205,517,752
12.01 Advances		
Advance Income Tax - Note 12.01.01	98,638,619	90,556,582
Advance to Suppliers	94,835,757	95,845,992
Lankabangla Securities Limited	1,561	43,061
ICB Securities Trading Company Limited	1,908	14,381
Advance for Supplementary Duty	68,480	68,480
VAT Current Account	1,840,317	1,840,317
Advance Against Salary	2,003,796	728,324
L/C in Transit	6,781,960	24,931
	204,172,398	189,122,068
12.01.01 Advance Income Tax		
Opening Balance	90,556,582	91,126,140
Add: Tax Refund for Assessment Year 20-21	8,507,188	-
Add: Paid / Deducted during the year	9,500,797	9,925,948
Less: Adjusted During the year	(9,925,948)	(10,495,506)
Closing Balance	98,638,619	90,556,582



	30-Jun-2022 Taka	30-Jun-2021 Taka
12.02 Deposits		
Bangladesh Telecommunications Company Limited	140,000	140,000
Karnaphuli Gas Distribution Company Limited	1,445,212	1,445,212
Bangladesh Power Development Board	285,000	285,000
House Rent deposit	89,000	89,000
Rainbow CNG service station	25,000	25,000
Chittagong Port Authority	5,000,000	5,000,000
Bangladesh Water Development Board	4,986,225	4,986,225
Shah Amanat International Airport	52,217	52,217
Chittagong WASA	80,000	80,000
	12,102,654	12,102,654
12.03 Prepayments		
Prepaid Insurance	2,096,390	1,834,905
Prepaid Rent	1,932,970	2,458,125
	4,029,360	4,293,030

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

13.00 Short Term Investments		
Investment in Fixed Deposit Receipts (FDR)- Note 13.01	1,984,800	1,885,958
Investment in Tradable Securities at Fair Value - Note 13.02	146,034,658	53,829,110
	148,019,458	55,715,068

13.01 Investment in Fixed Deposit Receipts (FDR)

Name of banks	Purpose	Tenure	Rate of interest		
AB Bank Limited	Investment	12 Months	6.00%	1,984,800	1,885,958
				1,984,800	1,885,958

13.02 Investment in Tradable Securities at Fair Value

Opening Balance	53,829,110	47,525,504
Add: Purchase of tradable securities	529,710,512	7,332,097
Less: Sale of tradable securities - note - 13.02.02	(458,875,364)	(7,278,043)
Add: Gain on sales during the year - note - 13.02.02	29,750,529	1,500,175
Net purchase during the year	100,585,677	1,554,229
Add/(less): Changes in fair value of tradable securities -note 13.02.01	(8,380,129)	4,749,377
Closing Balance	146,034,658	53,829,110

13.02.01 Fair value of tradable securities

Particulars	30 June 2022				30-Jun-2021
	Quantity	Purchase/ (Sales)	Increase/ (Decrease) in Fair value	Fair value	Fair value
ACI Limited	23,762	(6,266,039)	-	-	6,266,039
FAS Finance Limited	157,500	(1,023,750)	-	-	1,023,750
SS Steel	190,000	(3,781,000)	-	-	3,781,000
Rangpur Foundry Limited	329,263	(41,816,401)	-	-	41,816,401
Unique Hotel & Resort Limited	23,200	(941,920)	-	-	941,920
Padma Life Insurance Co. Ltd	3,017,245	154,414,787	(8,380,129)	146,034,658	-
		100,585,677	(8,380,129)	146,034,658	53,829,110

13.02.02 Gain / (Loss) on Sale of Securities during the year

Particulars	30 June 2022			
	Quantity	Purchase/ Fair value	Sales	Profit/ (Loss)
ACI Limited	23,762	6,266,039	7,132,504	866,465
Fas Finance Limited	157,500	1,023,750	1,648,789	625,039
SS Steel	190,000	3,781,000	4,152,678	371,678
Rangpur Foundry Limited	329,263	41,816,401	61,002,920	19,186,519
Unique Hotel & Resort Limited	23,200	941,920	1,105,633	163,713
IFIC	303,000	4,129,042	4,687,107	558,065
BD Thai	166,000	4,634,900	4,887,206	252,306
SPCL	600,000	60,180,000	70,611,154	10,431,154
Padma Life Insurance Co. Ltd	4,674,947	236,556,681	233,633,112	(2,923,569)
PROGRESLIF	252,000	27,044,892	27,947,642	902,750
MHSL	1,379,954	42,750,210	42,066,619	(683,591)
		429,124,835	458,875,364	29,750,529

Investments in tradable securities have been classified as held for trading and changes in fair value of these tradable securities has been charged to the statement of profit or loss and other comprehensive income.

14.00 Cash and cash equivalents

Cash in hand	474,612	571,769
Cash at banks - Note 14.01	31,681,180	51,962,574
Fixed Deposit Receipts - Note 14.02	460,742,128	500,742,127
	492,897,920	553,276,470



			30-Jun-2022	30-Jun-2021
			Taka	Taka
14.01	Cash at banks			
	Name of the Banks	Branches	Account Type	
	AB Bank Limited 4110-753162-000	CDA Avenue	CD	1,117,127
	AB Bank Limited 4110-761221-430	CDA Avenue	SND	234,909
	AB Bank Limited 4110-776797-000	CDA Avenue	CD	40
	AB Bank Limited 4110-776797-430	CDA Avenue	SND	1,394,502
	AB Bank Limited 4110-753033-000	CDA Avenue	CD	259,408
	Bank Al-Falah Limited 03700249	Agrabad	MPA	-
	Brac Bank Limited	Kazir Dhewri	Credit Card	16,188
	Brac Bank Limited 02019912560-01	Kazir Dhewri	CD	189,522
	Dutch Bangla Bank Limited 102.110.33675	Agrabad	CD	61,218
	Eastern Bank Limited	Agrabad	Credit Card	82,432
	Eastern Bank Limited 0013050813341	Agrabad	FCY	-
	Eastern Bank Limited 0013060813352	Agrabad	FCY	-
	Eastern Bank Limited 0013070813363	Agrabad	FCY	-
	Eastern Bank Limited 0011360813331	Agrabad	HPA	(836,119)
	Eastern Bank Limited 0051350196584	O.R Nizam Road	STD	10,487,531
	Mutual Trust Bank Limited 0009-0320001771	CDA Avenue	SND	-
	Prime Bank Limited 13411030000449	O.R Nizam Road	CD	3,652
	The City Bank Limited 1101238038001	O.R Nizam Road	CD	406,492
	The City Bank Limited	O.R Nizam Road	Credit Card	137,397
	The Premier Bank Limited 012311100008242	O.R Nizam Road	CD	99,986
	The Premier Bank Limited 012313100000647	O.R Nizam Road	CD	11,693,983
	United Commercial Bank Limited 002313200000490	Jubilee Road	SND	1,348,498
	United Commercial Bank Limited		Credit Card	942,838
	United Commercial Bank Limited 06513010000053	Kamal Bazar	SND	4,041,576
				31,681,180
				51,962,574

All bank balance are reconciled with bank statements and negative balance shown in the bank book represent book overdraft.

14.02 Fixed Deposits Receipts (FDR)

Name of banks	Purpose	Tenure	Rate of interest		
The Premier Bank Limited	Investment	3 months	6.00%	460,742,127	500,742,127
				460,742,127	500,742,127

Fixed Deposits of Taka 22 Crore at the Premier Bank Limited, O. R Nizam Road Branch has been kept as lien against overdraft facility provided by the same bank.

14.03 IPO Fund

FDR with Premier Bank Limited	460,000,000	500,000,000
Eastern Bank Limited	(836,119)	27,300,920

15.00 Share capital

Authorised capital:		
300,000,000 Ordinary Shares of Tk. 10 each	3,000,000,000	3,000,000,000
	3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up capital:		
250,000 Ordinary Shares of Tk. 10 each as at 25 July 2002	2,500,000	2,500,000
9,000,000 Ordinary Shares of Tk. 10 each as at 20 June 2010	90,000,000	90,000,000
23,125,000 Ordinary Shares of Tk. 10 each as at 10 October 2011	231,250,000	231,250,000
12,950,000 Ordinary Shares of Tk. 10 each as at 31 December 2011	129,500,000	129,500,000
12,691,000 Ordinary Shares of Tk. 10 each as at 31 January 2013	126,910,000	126,910,000
55,000,000 Ordinary Shares of Tk. 10 each as at 30 April 2014	550,000,000	550,000,000
5,650,800 Ordinary Shares of Tk. 10 each as at 08 December 2015	56,508,000	56,508,000
118,666,800 Ordinary Shares of Tk 10 each	1,186,668,000	1,186,668,000



15.01 Classification of shares by holding	30-Jun-2022		30-Jun-2021	
	Taka		Taka	
Class by number of shares	No. of Holders	No. of Shares	Holding (%)	
Less than 500	10,569	1,916,612	1.62%	
From 500 to 5,000	2,603	4,824,232	4.06%	
From 5,001 to 10,000	425	3,247,511	2.74%	
From 10,001 to 20,000	282	4,191,440	3.53%	
From 20,001 to 30,000	127	3,265,036	2.75%	
From 30,001 to 40,000	55	1,945,971	1.64%	
From 40,001 to 50,000	41	1,923,759	1.62%	
From 50,001 to 100,000	63	4,670,360	3.94%	
From 100,001 to 1,000,000	51	13,600,402	11.46%	
From 1,000,001 to above	19	79,081,477	66.64%	
	14,235	118,666,800	100%	

15.02 Shareholding position	30-Jun-2022		30-Jun-2021	
	Percentage of Holding	Number of Shares	Percentage of Holding	Number of Shares
Mr. Mustafa Tahseen Arshad	12.32%	14,620,032	12.32%	14,620,032
Mrs. Bilkis Arshad	7.70%	9,137,520	7.70%	9,137,520
Engineer Mosharrif Hossain	7.44%	8,833,016	7.30%	8,660,016
Mrs. Ayesha Sultana	5.05%	5,990,344	4.95%	5,873,344
Mr. Mustafa Tahir Arshad	4.62%	5,482,512	0.00%	-
Mr. Mahboob Ur Rahman	3.10%	3,675,840	3.10%	3,675,840
Mrs. Mirka Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Aminur Rahman	2.57%	3,045,840	2.57%	3,045,840
Investment Corporation of Bangladesh	4.46%	5,296,384	5.43%	6,449,447
General Shareholders	50.17%	59,539,472	54.06%	64,158,921
	100%	118,666,800	100%	118,666,800

16.00 Retained Earnings	30-Jun-2022		30-Jun-2021	
	Taka		Taka	
Opening balance		126,766,026		196,686,340
Add: Net profit after tax for the year		23,130,282		48,746,486
Less: Dividend paid		(118,666,800)		(118,666,800)
		31,229,508		126,766,026

17.00 Revaluation Surplus	30-Jun-2022	30-Jun-2021
	Taka	Taka
	1,228,413,842	1,228,413,842

17.01 Revaluation of company's assets were carried out by, an independent valuer, Syful Shamsul Alam & Co., Chartered Accountants, following Estimated Net Realisable Value Method of Valuation based on the nature of the assets as on 30 April 2011 and submitted their report on 23 June 2011. Revaluation surplus has been credited to Revaluation Surplus Account and treated as per IAS and IFRS and other applicable laws, regulations and guidelines.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

18.00 Deferred Tax Liabilities
Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for investment in tradable securities.

Opening Balance	47,584,315	41,232,339
Add: Provision made during the year	18,944,181	6,351,976
Closing balance	66,528,496	47,584,315



18.01 Reconciliation of Deferred Tax Liabilities / (Assets)

As at 30 June 2022					
Carrying Amount	Tax Base	Tax Rate	Taxable / (Deductible) Temporary Difference	Deferred Tax Liabilities / (Assets)	
Taka	Taka	Percentage	Taka	Taka	
Freehold Assets					
Property, Plant and Equipment (Excluding Land)	967,917,052	736,627,319	22.50%	231,289,733	52,040,190
Intangible Assets	322,499	10,388	22.50%	312,111	70,225
Investment in Tradable Securities	146,034,658	53,829,110	15.00%	92,205,548	13,830,832
Leasehold Assets					
Depreciation & Interest on RoUA	13,589,620	-	22.50%	13,589,620	3,057,665
Actual Payment	-	10,979,625	22.50%	(10,979,625)	(2,470,416)
Total Deferred Tax Liabilities					66,528,496

As at 30 June 2021					
Carrying Amount	Tax Base	Tax Rate	Taxable / (Deductible) Temporary Difference	Deferred Tax Liabilities / (Assets)	
Taka	Taka	Percentage	Taka	Taka	
Freehold Assets					
Property, plant and Intangible assets	988,642,163	786,555,690	22.50%	202,086,473	45,469,456
Investment in tradable securities	644,979	20,777	22.50%	624,202	140,445
	53,829,110	47,525,504	15.00%	6,303,606	945,541
Leasehold Assets					
Right of Use Assets	11,127,770	6,555,000	22.50%	4,572,770	1,028,873
Total Deferred Tax Liabilities					47,584,315

	30-Jun-2022 Taka	30-Jun-2021 Taka
19.00 Accounts Payable		
Opening Balance	52,558,902	61,616,994
Add: Addition During the Year	325,975,516	290,439,578
Less: Paid During the Year	(329,608,966)	(299,497,670)
Closing Balance	48,925,452	52,558,902
20.00 Short Term Borrowings		
Cash Credit (Hypo) and Overdraft- Note 20.01	552,044,620	358,640,598
	552,044,620	358,640,598
20.01 Borrowings against CC (Hypo) and overdraft		

Name of the Banks	Branches	Types		
IFIC Bank Limited	Agrabad	OD	76,615,906	238,581
The Premier Bank Limited - 1253	O.R Nizam Road	OD	144,177,100	-
The Premier Bank Limited - 002	O.R Nizam Road	OD	-	91,057,657
The Premier Bank Limited - 159	O.R Nizam Road	OD	258,042,252	267,344,360
Dhaka Bank Securities Limited		Margin Loan	15,415	-
BRAC EPL Securities Limited		Margin Loan	73,193,947	-
			552,044,620	358,640,598

The Break up

Name of the Bank	Purpose	Sanction Amount	Interest Rate	Securities
IFIC Bank Limited Agrabad Branch	Working Capital	75,000,000	9.00%	Legal Mortgage of BDT 50.00 Million on 24.75 decimal land or 15.00 katha along with 200 sft tin shed house situated at Mouza-North Pahartali, Khulshi, Chattogram
The Premier Bank Limited O.R Nizam Road Branch	Working Capital	297,000,000	9.00%	Legal mortgage of 20.50 decimal land along with 15 storied building situated at PS Panchlaish, Mouza-Nasirabad, Chattogram
The Premier Bank Limited O.R Nizam Road Branch	Emergency Fund Requirement	198,000,000	8.00%	Lien on FDR of Taka 220,000,000 maintaing with Premier Bank Limited

21.00 Provision for Income Tax		
Opening Balance	7,258,256	9,827,814
Provided During the Year		
Against Current Year - note 21.01	7,500,797	7,925,948
	7,500,797	7,925,948
	14,759,053	17,753,762
Less: Paid / Adjusted during the year	9,925,948	10,495,506
Closing balance	4,833,105	7,258,256



21.01 Computation of Income & Tax Liability thereon

	30-Jun-2022 Taka	30-Jun-2021 Taka
Net profit before Income Tax as per Audited Financial Statements	41,068,072	63,024,410
Less: Items for separate consideration		
Dividend Income (Gross)	(318,912)	(1,106,382)
Other Income	(507,191)	(708,825)
Insurance Claim	(6,977,620)	-
Unrealized Profit / (Loss) on Tradable Shares	8,380,129	(4,749,377)
Gain / (Loss) on Sale of Tradable Securities - Note 13.02	(29,750,529)	(1,500,175)
Gain / (Loss) on Sale of Property, Plant and Equipment	176,083	(543,214)
Finance Income	(30,060,447)	(39,000,571)
	(59,058,487)	(47,608,544)
	(17,990,415)	15,415,865
Add: Accounting depreciation for separate consideration	33,004,426	33,079,841
Amortization cost	4,100,479	3,830,955
Interest expenses on lease liabilities	9,811,621	7,629,234
	46,916,526	44,540,030
	28,926,111	59,955,895
Add: Other Inadmissible Allowances		
Entertainment expenses added back for separate consideration	660,139	120,745
Provision for WPPF and WF	2,161,478	3,317,074
	2,821,617	3,437,819
	31,747,728	63,393,714
Less: Allowable expenses		
Tax depreciation u/s 29 (1) (viii) of the ITO, 1984	62,026,733	66,615,673
Lease payment	10,979,625	6,555,000
WPPF and WF paid	3,317,074	1,893,675
	76,323,432	75,064,348
Business Income before separate consideration of Entertainment Expenses	(44,575,704)	(11,670,634)
Less: Entertainment Allowance as per Sec. 30(f)(i) & Rule 65 of ITO & ITR 1984 (Since there is no business income entertainment allowance will not be allowed)		
Business Income for the current year	(44,575,704)	(11,670,634)
Revenue gain on sale of Non-current Assets	(176,083)	543,214
Dividend Income (Gross)	318,912	1,106,382
On gain sale of listed securities (assumed, Cost > Sales)	8,709,427	1,500,175
Finance income	30,060,447	39,000,571
Other Income	507,191	708,825
	39,419,894	42,859,167
	(5,155,809)	31,188,534
Taxable income		
Tax Payable on Taxable Income:	Rate	Taxable Income
On gain sale of listed securities	10%	8,709,427
On Dividend Income (Gross)	20%	318,912
On Business & Other Income	22.5%	(14,184,149)
Tax payable as per calculation		
	(2,256,709)	6,802,239
Calculation of minimum tax:		
a) Tax payable as per calculation	(2,256,709)	6,802,239
b) As per section 82C (2) (b)		
On Local Sales U/S 52	3,191,964	4,765,851
On Interest Income on FDR U/S 53F	2,993,231	2,771,604
On Interest Income on STD U/S 53F	74,884	32,493
On Import Stage U/S 53	674,936	-
On Dividend U/s 54	63,782	198,176
On Registration or Renewal of Vehicle Fitness Documents U/S 68B	502,000	356,000
	7,500,797	8,124,124
c) As per section 82C (4) (a)		
Gross sales	311,780,065	254,200,403
Dividend Income (Gross)	318,912	1,106,382
Gain / (Loss) on Sale of Tradable Securities - Note 13.02	29,750,529	1,500,175
Gain / (Loss) on Sale of Property, Plant and Equipment	(176,083)	543,214
Finance income	30,060,447	39,000,571
Other income (Sale of wastage)	507,191	708,825
Insurance claim	6,977,620	-
Proceeds from sale of non-current assets	470,000	800,000
	379,688,681	297,859,571
Tax liability @ 0.60 on gross receipts	2,278,132	1,787,157
Therefore, tax liability, the higher of above three	7,500,797	8,124,124



	30-Jun-2022 Taka	30-Jun-2021 Taka
22.00 Unclaimed Dividend		
Opening Balance	8,224,689	7,297,912
Add: IPO Refund	6,595,672	-
Add: Provision made During the Year	118,666,800	118,666,800
Less: Deposit to Capital Market Stabilization Fund	(13,056,416)	-
Less: Paid During the Year	(118,179,745)	(117,740,023)
	<u>2,251,000</u>	<u>8,224,689</u>

Year	Balance as on 01 July 2021	Provision / Addition	Payment	Capital Market Stabilization Fund	Balance as on 30 June 2022	Balance as on 30 June 2021
IPO Refund	-	6,595,672	-	6,595,672	-	-
2013-2014	2,806,730	-	-	2,806,730	-	2,806,730
2014-2015	1,842,462	-	-	1,842,462	-	1,842,462
2015-2016	732,249	-	-	732,249	-	732,249
2016-2017	448,309	-	-	448,309	-	448,309
2017-2018	639,846	-	8,852	630,994	-	639,846
2018-2019	769,373	-	11,880	-	757,493	769,373
2019-2020	985,720	-	23,730	-	961,990	985,721
2020-2021	-	118,666,800	118,135,283	-	531,517	-
	<u>8,224,689</u>	<u>125,262,472</u>	<u>118,179,745</u>	<u>13,056,416</u>	<u>2,251,000</u>	<u>8,224,690</u>

23.00 Provision for WPPF and Welfare Fund		
Opening Balance	3,317,074	1,893,675
Add: Provision made for the year	2,161,478	3,317,074
	<u>5,478,552</u>	<u>5,210,749</u>
Less: Paid during the year	3,317,074	1,893,675
Closing Balance	<u>2,161,478</u>	<u>3,317,074</u>

24.00 Lease Liabilities		
Opening Balance	87,482,247	86,408,013
Add: Addition during the year (Principal)	24,937,647	-
Add: Addition during the year (Interest)	9,811,621	7,629,234
	<u>122,231,515</u>	<u>94,037,247</u>
Less: Paid / Adjusted during the year	10,979,625	6,555,000
Closing Balance	<u>111,251,890</u>	<u>87,482,247</u>

24.01 Current /Non Current Classification		
Non-Current Portion	102,730,390	80,528,075
Current Portion	8,521,500	6,954,172
	<u>111,251,890</u>	<u>87,482,247</u>

25.00 Revenue		
Rooms	130,936,586	108,590,477
Food & Beverages	176,906,216	140,063,934
Minor Operating Departments	3,668,680	4,429,363
Space Rent	268,583	1,116,629
	<u>311,780,065</u>	<u>254,200,403</u>

26.00 Cost of sales		
Cost of sales -note 26.01	223,770,973	153,858,982
	<u>223,770,973</u>	<u>153,858,982</u>

26.01 Cost of sales		
Cost of Materials	83,398,115	58,669,647
Complementary Guest Service	511,397	162,739
Depreciation - Note 4	26,816,096	26,877,371
Function and Amenities	247,991	369,953
House Keeping Expenses	15,994,752	5,638,618
Packet and Packing materials	762,901	804,561
Purchased Services	377,748	322,160
Repairs and Maintenance	8,093,461	4,660,789
Salary, Wages, Bonus and Benefits	63,220,527	36,038,609
Staff Uniform	1,901,743	117,398
Utility and Fuel Expenses	22,446,242	20,197,117
	<u>223,770,973</u>	<u>153,858,982</u>



26.02 Cost of Sales

Particulars	Notes(s)	30 June 2022					30 June 2021
		Room	Food & Beverage	Minor Operating Department	Rental	Total	
		Taka	Taka	Taka	Taka	Taka	
Cost of Materials		-	81,313,162	2,084,953	-	83,398,115	58,669,647
Complementary Guest Service		357,977	153,420	-	-	511,397	162,759
Depreciation - Note 4		19,596,378	5,363,219	1,856,499	-	26,816,096	26,877,371
Function and Amenities		-	247,991	-	-	247,991	369,953
House Keeping Expenses		11,073,290	3,998,688	922,774	-	15,994,752	5,638,618
Packet and Packing materials		762,901	-	-	-	762,901	804,561
Purchased Services		377,748	-	-	-	377,748	322,160
Repairs and Maintenance	26.04	4,980,591	1,245,148	311,287	1,556,435	8,093,461	4,660,789
Salary, Wages, Bonus and Benefits		34,771,290	26,552,621	1,896,616	-	63,220,527	36,038,609
Staff Uniform		1,026,942	684,627	190,174	-	1,901,743	117,398
Utility and Fuel Expenses		16,385,757	2,244,624	3,815,861	-	22,446,242	20,197,117
Total		89,332,874	121,803,500	11,078,164	1,556,435	223,770,973	153,858,982

26.03 Repairs and Maintenance

Particulars	30 June 2022				30 June 2021
	Opening Inventory of Stores & Spares	Purchase	Closing inventory of Stores & Spares	Expenses	
	Taka	Taka	Taka	Taka	
Building	481,524	936,479	681,524	736,479	754,303
Machineries	1,434,878	2,719,590	1,634,878	2,519,590	929,717
General	1,006,781	2,397,445	852,329	2,551,897	1,402,494
Kitchen equipment	-	371,152	-	371,152	157,163
Vehicles	-	838,074	-	838,074	725,425
Lifts	-	682,778	-	682,778	225,247
Computers	-	564,234	-	564,234	726,394
Electrical goods	-	533,036	-	533,036	145,332
Total	2,923,183	9,042,788	3,168,731	8,797,240	5,066,075

26.04 Allocation of Repair and Maintenance Expense

	30-Jun-2022	30-Jun-2021
	Taka	Taka
Cost of sales - note 26.02	8,093,461	4,660,789
Administrative expenses - note 27	703,779	405,286
	8,797,240	5,066,075



	30-Jun-2022	30-Jun-2021
	Taka	Taka
27.00 Administrative expenses		
Salaries and allowances	23,382,934	13,329,349
Directors' remuneration - note 27.01	117,500	115,000
Annual general meeting expenses	552,631	688,950
Association and membership fees	76,400	27,400
Audit fee	300,000	300,000
Conveyance expenses	200,493	155,155
Depreciation - note 4	6,188,330	6,202,470
Amortisation - note-5.01 and 7.01	4,100,479	3,830,955
Provision for Bad debt - note 10	320,634	467,530
Lease expense (CPA)	-	855,000
Entertainment expenses	660,139	120,745
Fees and renewals	932,308	1,197,999
Insurance expenses	2,409,204	2,230,908
Legal fees and other professional charges	613,010	1,522,674
Office expenses	279,851	111,617
Printing and stationery	1,283,983	470,170
Rating fee	70,000	200,000
Regulatory fees	1,286,668	1,280,668
Rent, rate and taxes	1,107,819	1,038,327
Repair and maintenance	703,779	405,286
Staff uniform	211,305	13,044
Telephone and communication	1,045,153	923,148
Tours and travel expenses	1,580,121	921,336
Utility and fuel expenses	5,611,561	5,049,279
	53,034,302	41,457,010

27.01 Directors' Remuneration

Details of Directors' remuneration paid during the period are as follows:
(As per Schedule XI, Part II, Para 4 of Company Act 1994)

Directors' Name	Relationship	Remuneration	Board Meeting Fee	Gross Remuneration
		Taka	Taka	Taka
Mr. Mahboob Ur Rahman	Chairman	-	15,000	15,000
Mr. Mustafa Tahseen Arshad	Managing Director	-	15,000	15,000
Mrs. Ayesha Sultana	Executive Director	-	15,000	15,000
Mr. Mustafa Tahir Arshad	Director	-	12,500	12,500
Mrs. Bilkis Arshad	Director	-	15,000	15,000
Dr. Sheikh Md. Shafiqul Azam	Independent Director	-	15,000	15,000
Dr. Sultan Ahmed	Independent Director	-	15,000	15,000
Mr. Md. Abul Hossain	Director	-	15,000	15,000
		-	117,500	117,500

	30-Jun-2022	30-Jun-2021
	Taka	Taka
28.00 Selling and Distribution expense		
Advertisement	1,247,854	907,715
	1,247,854	907,715
29.00 Finance Costs		
Interest on overdraft	36,504,583	29,014,778
Foreign currency exchange (gain)/loss - note 29.01	(1,029)	(3,935)
Bank charges	3,240,698	2,603,680
Interest on Lease Liability - note - 24.00	9,811,621	7,629,234
	49,555,873	39,243,757
29.01 Foreign Currency Exchange (gain)/ loss		
Unrealized foreign currency translation (gain)/ loss	(1,029)	(3,935)
	(1,029)	(3,935)
30.00 Finance Income		
Interest on fixed deposit receipts	29,298,243	38,220,237
Interest on bank deposits	762,204	780,334
	30,060,447	39,000,571



	30-Jun-2022 Taka	30-Jun-2021 Taka
31.00 Non-operating income / (loss)		
Dividend income on tradable securities	318,912	1,106,382
Sale of wastage	408,687	643,242
Gain / (Loss) on Sale of Tradable Securities - Note 13.02	29,750,529	1,500,175
Gain / (Loss) on Sale of Property, Plant and Equipment	(176,083)	543,214
Insurance Claim	6,977,620	-
Unrealized Profit / (Loss) on Tradable Shares	(8,380,129)	4,749,377
Income from Forfeiture Account of PF	98,504	65,583
	<u>28,998,040</u>	<u>8,607,973</u>
32.00 Reconciliation of Net profit wth cash flow from operating activities		
(Notification No BSEC/CMRRED/2006-158/208/Admin /81 dated 20 June 2018)		
Reference Note-5(e)		
Profit before income tax	41,068,072	63,024,411
Depreciation charged	33,004,426	33,079,841
Amortization charged	4,100,479	3,830,955
Income from Forfeiture Account of PF	(98,504)	(65,583)
Gain (loss) on sale of tradable securities	(29,750,529)	(1,500,175)
Gain on sale of property, plant and equipment	176,083	(543,214)
Changes in fair value of tradable securities	8,380,129	(4,749,377)
Dividend income	(318,912)	(1,106,382)
Finance Cost	49,555,873	39,243,757
Interest Income on bank deposits	(762,204)	(780,334)
Interest Income on Fixed Deposits Receipts (FDR)	(29,298,243)	(38,220,237)
(Increase) / Decrease in Inventory	(2,658,084)	14,303,693
(Increase) / Decrease in Accounts Receivable	(7,460,068)	7,096,808
(Increase) / Decrease in Advances, Deposits and Pre-payments	(6,640,841)	8,199,682
Increase / (Decrease) in Accounts Payables	(3,633,450)	(9,058,092)
Increase / (Decrease) in Provision of WPPF and WF	(1,155,596)	1,423,399
	<u>54,508,631</u>	<u>114,179,150</u>
33.00 Earnings per share		
33.01 Basic earnings per share (EPS)		
Profit attributable to the ordinary shareholders	23,130,282	48,746,486
Weighted average number of shares outstanding during the year	118,666,800	118,666,800
Basic earnings per share (EPS)	<u>0.19</u>	<u>0.41</u>
33.02 Reason for significant deviation in Earning Per Share (EPS):		
Revenue has been increasing significantly by 22.65% from the last year due to improvement in covid situation. The administrative expenditure, cost of goods sold and selling expenditure also gone up by 27.93%, 45.45% and 37.47% respectively. Subsequent to the improvement of Covid situation all product price was increased worldwide. But the hotel authority could not increase the selling price of food, accomodation and services, as a result, net profit was decreased by 52.55%. Which has caused the significant deviation in EPS.		
34.00 Net asset value per share (NAV)		
Total Assets	4,285,265,675	4,157,872,233
Less: Liabilities	(787,996,041)	(565,066,081)
Net asset value (NAV)	<u>3,497,269,634</u>	<u>3,592,806,152</u>
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net Asset Value (NAV) per share	<u>29.47</u>	<u>30.28</u>
35.00 Net Operating Cash Flow Per Share (NOCFPS)		
Net operating cash flows (from statement of cash flows)	36,132,905	110,218,174
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net Operating Cash Flow Per Share (NOCFPS)	<u>0.30</u>	<u>0.93</u>
35.01 NOCPS decreased by 67.22% from previous year due to increase in cash payment to suppliers by 66.69% and increase in payment for administrative, selling & Distribution expenses by 107.30%, while receipts from customer(s) during the year was increased by 16.47% compare to previous year.		
36.00 Employees Information		
(As per schedule XI, Part II note 5, para 3 of Company Act 1994)		
The number of employees with an agreement annual remuneration not more less than Tk.3,000 monthly & Tk 36,000 yearly	277	216
	<u>277</u>	<u>216</u>

As on 30 June 2022, total 221 (191 during 2021) number of employees were in the permanent payroll of the company.



37.00 Aggregate amount of remuneration paid to all Directors & Employees

(As per Schedule-01, part II, Para 4(i) of the Securities and Exchanges Commission Rules, 1987)

Particulars	Payment Type	30-Jun-2022 Taka	30-Jun-2021 Taka
Chairman & All Directos	Board Meeting Fees	117,500	115,000
	Remuneration	-	-
Officers & Others	Salary & Benefits	86,603,461	49,367,958
Total		86,720,961	49,482,958

38.00 Service rendering capacity and current utilization

(As per Schedule XI, para 7 of Company Act 1994)

Description	01 July 2021 to 30 June 2022			01 July 2020 to 30 June 2021		
	Capacity (Room per year)	Utilization during the year	Utilization (%)	Capacity (Room per year)	Utilization during the year	Utilization (%)
Guest Room	52,560	30,760	58.52%	52,560	26,885	51.15%

39.00 Attendance status of Directors in Board Meetings

During the year ended 30 June 2022, Independent Director Dr. Md. Fashiul Alam retired from The Peninsula Chittagong Limited upon the completion of his six year period with the company, while Mr. Mustafa Tahir Arshad and Dr. Sultan Ahmed were appointed as one of the new Directors and Independent Directors respectively. During the period, 06 (Six) board meetings were held. The attendance status of all meetings are as follows:

Name of the Director	Position	Meetings Held	Attendance
Mr. Mahboob Ur Rahman	Chairman	06	06
Mr. Mustafa Tahseen Arshad	Managing Director	06	06
Mr. Mustafa Tahir Arshad	Director	06	05
Mrs. Ayesha Sultana	Director	06	06
Mrs. Bilkis Arshad	Director	06	06
Mr. Md. Abul Hossain	Director	06	06
Dr. Sheikh Md. Shafiul Azam	Independent Director	06	06
Dr. Sultan Ahmed	Independent Director	06	06

40.00 Contingent Liabilities and Commitments**40.01 Contingencies**

An Appellee (no. VAT-177/2019) was filed before the Customs, Excise and VAT Appellate Tribunal against the Demand No. 102/2019 dated 15 May 2019 for Tk. 2,992,725.00.

40.02 Capital expenditure commitment

The company has no capital expenditure commitment at the reporting date.

40.03 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

41.00 Segment reporting

As there is a single business and geographic segment within which the company operates no segment reporting is felt necessary.

41.01 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2022 other than trade credit available in the ordinary course of business.

42.00 Events after reporting period

The Board of Directors at the meeting held on 17 October 2022 has recommended 2.5% dividend for the year ended 30 June 2022.



43 RELATED PARTY TRANSACTIONS

In accordance with IAS-24 : Related Party Disclosures, key management personnel of the company are those persons having the authority and responsibility for planning, directing and controlling the activities of the company, directly or

	30 June 2022 Taka	30 June 2021 Taka
a) Key Management Personnel Compensation		
Short term employee benefits	117,500	115,000
Post employment benefits	-	-
Other benefits	-	-
Termination Benefit	-	-
Share-based Payment	-	-
	117,500	115,000

During the year ended 30 June 2022 , the company carried out a number of transactions with related party in the normal course of business on 'Arms Length Basis'. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures:

The Make Up

Short Term Employee Benefits	-	-
Remuneration	-	-
Board meeting Fees	117,500	115,000
	117,500	115,000

b) Transaction with Related Companies

Name of Company	Relation	Nature of Transaction	30 June 2022 Taka	30 June 2021 Taka
Sayeman Beach Resort Limited	Common Directorship	Revenue	5,347,955	4,777,976
GasMin Limited	Common Directorship	Expense	(502,086)	(473,600)
			4,845,869	4,304,376





44.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Note ref.	Carrying amount						Total
	Fair value through profit or loss	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities		
	Taka	Taka	Taka	Taka	Taka	Taka	
30 June 2022							
Financial assets measured at fair value							
13.02	146,034,658	-	-	-	-	-	146,034,658
Financial assets not measured at fair value							
8.01	-	-	-	6,125,000	-	-	6,125,000
10 & 11	-	-	47,690,993	-	-	-	47,690,993
12.02	-	-	12,102,654	-	-	-	12,102,654
13.01 & 14.02	-	-	-	462,726,928	-	-	462,726,928
14.01	-	-	31,681,180	-	-	-	31,681,180
	-	-	91,474,827	468,851,928	-	-	560,326,755
Financial liabilities not measured at fair value							
19	-	-	-	-	48,925,452	-	48,925,452
20	-	-	-	-	552,044,620	-	552,044,620
22	-	-	-	-	2,251,000	-	2,251,000
23	-	-	-	-	2,161,478	-	2,161,478
	-	-	-	-	605,382,550	-	605,382,550
30 June 2021							
Financial assets measured at fair value							
13.02	53,829,110	-	-	-	-	-	53,829,110
Financial assets not measured at fair value							
8.01	-	-	-	6,125,000	-	-	6,125,000
10 & 11	-	-	40,942,326	-	-	-	40,942,326
12.02	-	-	12,102,654	-	-	-	12,102,654
13.01 & 14.02	-	-	-	502,628,085	-	-	502,628,085
14.01	-	-	51,962,574	-	-	-	51,962,574
	-	-	105,007,554	508,753,085	-	-	613,760,639
Financial liabilities not measured at fair value							
19	-	-	-	-	52,558,902	-	52,558,902
20	-	-	-	-	358,640,598	-	358,640,598
22	-	-	-	-	8,224,689	-	8,224,689
23	-	-	-	-	3,317,074	-	3,317,074
	-	-	-	-	422,741,263	-	422,741,263

45.00 Financial instruments- Financial risk management

International Financial Reporting Standard, IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

45.01 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables and investments.

45.01.01 Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

		30-Jun-2022 Taka	30-Jun-2021 Taka
Investments in FDRs	13.01 & 14.02	462,726,928	502,628,085
Advances and deposits	12.01 & 12.02	216,275,052	201,224,722
Accounts and other receivables	10 & 11	47,690,993	40,942,326
Cash at banks	14.01	31,681,180	51,962,574
		<u>758,374,153</u>	<u>796,757,707</u>

(i) Accounts receivable

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate.

Ageing of accounts receivable

The ageing of gross value at the reporting date that was not impaired was as follows:

	30-Jun-2022 Taka	30-Jun-2021 Taka
Dues within 6 Months	36,610,703	28,749,481
Dues over 6 Months	6,283,049	6,585,699
	<u>42,893,752</u>	<u>35,335,180</u>

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Cash at Bank

The company held cash at banks of Tk. 31,681,180 at 30 June 2022 (30 June 2021: Tk. 51,962,574), which represents its maximum credit exposure on these assets. The balance with banks are maintained in both the local branch of International banks and domestic scheduled banks.

45.01.02 Impairment losses

Impairment loss at the reporting date

30-Jun-2022 Taka	30-Jun-2021 Taka
-	-
<u>-</u>	<u>-</u>



45.01.03 Credit exposure by credit rating

As at 30 June 2022			
	Credit rating	Amount	(%)
Accounts Receivable	NR	42,893,752	14.29%
Other Receivables	NR	4,797,241	1.60%
Advances, Deposits and Prepayments	NR	220,304,412	73.40%
Cash and Cash Equivalents			
Cash in Hand		474,612	0.16%
Cash at Banks		31,681,180	10.56%
AB Bank Limited	AA3	3,005,986	9.49%
Bank Al Falah Limited	AA	-	0.00%
BRAC Bank Limited	Ba3	205,710	0.65%
Dutch Bangla Bank Limited	AAA	61,218	0.19%
Eastern Bank Limited	AA+	9,733,844	30.72%
Mutual Trust Bank Limited	AA	-	0.00%
Prime Bank Limited	AA	3,652	0.01%
The City Bank Limited	AA1	543,890	1.72%
The Premier Bank Limited	A+	11,793,969	37.23%
United Commercial Bank Limited	AA	6,332,911	19.99%

All bank balances are reconciled with bank statements.

45.02 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
			Taka	Taka	Taka	Taka
As at 30 June 2022						
Accounts Payable	48,925,452	N/A	48,925,452	-	-	48,925,452
Short Term Borrowings	552,044,620	9.00%	552,044,620	-	-	552,044,620
Unclaimed dividend	2,251,000	N/A	2,251,000	-	-	2,251,000
	603,221,072		603,221,072	-	-	603,221,072

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
			Taka	Taka	Taka	Taka
As at 30 June 2021						
Accounts Payable	52,558,902	N/A	52,558,902	-	-	52,558,902
Short Term Borrowings	358,640,598	9.00%	358,640,598	-	-	358,640,598
Unclaimed dividend	8,224,689	N/A	8,224,689	-	-	8,224,689
	419,424,189		419,424,189	-	-	419,424,189

45.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk exposure and its management

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.



(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

	30-Jun-2022	30-Jun-2021
	Taka	Taka
Fixed- rate instruments		
Financial assets	462,726,928	502,628,085
Financial liabilities	(552,044,620)	(358,640,598)
	<u>(89,317,692)</u>	<u>143,987,487</u>
Variable- rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	<u>-</u>	<u>-</u>

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.



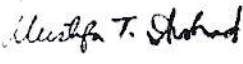
Related Notes for Statement of Cash Flows

	Note(s)	30-Jun-2022 Taka	30-Jun-2021 Taka
46.00 Cash flows from operating activities			
46.01 Receipts from Customers against Revenue			
Revenue	25.00	311,780,065	254,200,403
(Increase) / Decrease - Trade Receivables (Gross)	10.00	(7,460,068)	7,096,808
		304,319,997	261,297,211
46.02 Cash received from other source			
Sale of wastage	31.00	408,687	643,242
Insurance Claim	31.00	6,977,620	-
Income from Forfeiture Account of PF	31.00	-	-
		7,386,307	643,242
46.03 Payment made to Suppliers			
Cost of sales	26.00	(223,770,973)	(153,858,981)
(Increase) / Decrease in Inventory	9.00	(2,658,084)	14,303,693
Increase / (Decrease) in Trade payables	19.00	(3,633,450)	(9,058,092)
Depreciation - Cost of sales	26.01	26,816,096	26,877,371
Payment made to Suppliers		(203,246,411)	(121,736,009)
46.04 Payment made for Administrative, Selling and Distribution Expenses			
Selling and Distribution Costs	28.00	(1,247,854)	(907,715)
Administrative costs	27.00	(53,034,302)	(41,457,010)
Depreciation - Administrative expenses	27.00	6,188,330	6,202,470
Amortization	27.00	4,100,479	3,830,955
WPP and WF paid during the year	23.00	(3,317,074)	(1,893,675)
Adjustment for TDS on dividend income		63,782	221,276
		(47,246,639)	(34,003,699)
(Increase) / Decrease in Advances, Deposits & Prepayments			
Advances, Deposits & Prepayment	12.00	(14,786,660)	8,547,964
Advance Income tax	12.01	8,082,037	(569,558)
		(6,704,623)	7,978,406
		(53,951,262)	(26,025,293)
46.05 Interest paid (Net)			
Interest received on FDR			
Interest on Fixed Deposits Received (FDR)	30.00	29,298,243	38,220,237
(Increase) / Decrease in Interest receivable	11.00	809,905	(1,417,142)
		30,108,148	36,803,095
Interest Expenses			
Interest Expense (Interest paid during the year)	29.00	(49,556,902)	(39,247,692)
Interest Expense on Lease	29.00	9,811,621	7,629,234
Interest on bank deposits	30.00	762,204	780,334
		(38,983,077)	(30,838,124)
		(8,874,929)	5,964,971
46.06 Income Tax Paid			
Increase / (Decrease) in Provision for tax	21.00	(2,425,151)	(2,569,558)
Provided During the Period	21.00	(7,500,797)	(7,925,948)
Tax Refund	21.00	8,507,188	-
(Increase) / Decrease in Advance for Tax	12.01	(8,082,037)	569,558
		(9,500,797)	(9,925,948)
Net cash (used in)/generated by operating activities		36,132,905	110,218,174



	Note(s)	30-Jun-2022 Taka	30-Jun-2021 Taka
47.00 Cash flows from Investing Activities			
47.01 Acquisition of non-current assets			
Addition of Property, plant and equipment during the year	4.02	(12,925,398)	(71,860,186)
Capital work-in-progress capitalized	6.01	-	19,655,953
Capital work-in-progress	6.01	(71,162,134)	(74,856,411)
Right Of Use Assets	5.01	-	-
		(84,087,532)	(127,060,644)
47.02 Proceeds from Sale of Property, Plant and Equipment			
Disposal During the Year	4.02	720,000	2,198,512
Adjustment for Depreciation	4.02	(73,917)	(1,941,726)
Gain / (Loss) on Sale of Non-Current Assets	31.00	(176,083)	543,214
		470,000	800,000
47.03 (Increase) / Decrease in investments			
Gain on Sale of Tradable Securities	31.00	29,750,529	1,500,175
(Increase) / Decrease in Investments in Tradable Securities	13.00	(92,205,548)	(6,303,606)
Changes in Fair Value of Tradable Securities	13.02	(8,380,129)	4,749,377
		(70,835,148)	(54,054)
Investment in FDR (Short Term)	13.00	(98,842)	(108,519)
		(70,933,990)	(162,573)
47.04 Dividend Received (Net of Tax)			
Dividend Income	31.00	318,912	1,106,382
Less: Tax Deducted at Source		(63,782)	(221,276)
		255,130	885,106
Net cash (used in)/generated by investing activities		(154,296,392)	(125,538,111)
48.00 Cash flows from Financing Activities			
48.01 (Repayment) / Receipt of Short Term Borrowings	20.00	193,404,022	86,050,699
		193,404,022	86,050,699
48.02 (Repayment) / Receipt of Lease Finance	24.00	(10,979,625)	(6,555,000)
		(10,979,625)	(6,555,000)
48.03 Dividend Paid During the Year			
Cash Dividend Declared & Disbursed		(118,666,800)	(118,666,800)
Increase / (Decrease) in Unclaimed Dividend	22.00	(5,973,689)	926,777
		(124,640,489)	(117,740,023)
Net Cash provided by / (used in) Financing Activities		57,783,908	(38,244,324)
Net Increase / (Decrease) in Cash and Cash Equivalents		(60,379,579)	(53,564,261)
Opening Cash and Cash Equivalents	14.00	553,276,470	606,836,795
Effect of Foreign Exchange Rate Changes		1,029	3,936
Closing Cash and Cash Equivalents		492,897,920	553,276,470


Company Secretary


Managing Director


Director


Chairman

