

MABS & J Partners

Chartered Accountants

Member firm of Nexia International, UK

Auditor's Report & Audited Financial Statements

OF

GBB POWER LTD.

Momtaz Plaza, (5th Floor), House # 7,
Road # 4, Dhanmondi R/A, Dhaka.

FOR THE YEAR ENDED 30 JUNE 2018



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF
GBB POWER LIMITED**

We have audited the accompanying financial statements of **GBB POWER LIMITED**, which comprise the Statement of Financial Position as at 30 June 2018, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year ended 30 June 2018 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **GBB POWER LIMITED** as at 30 June 2018 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs).

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- 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 those books;
- The Company's 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
- The expenditure incurred was for the purpose of the Company's business.

Dated: Dhaka,
28 OCT 2018



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MABS & J Partners
Chartered Accountants

GBB POWER LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

PARTICULARS	NOTES	Amount in Taka	
		30 June 2018	30 June 2017
ASSETS :			
Non-current Assets		1,209,505,860	1,282,370,267
Property, Plant and Equipments	17.00	1,205,809,600	1,277,922,225
Leasehold Land Development	18.00	3,696,260	4,448,042
Current Assets		1,163,575,595	922,874,344
Inventories	19.00	236,610,705	84,070,945
Accounts Receivable	20.00	97,892,440	136,005,698
Sundry Debtors	21.00	500,000	500,000
Advance, Deposit & Prepayments	22.00	243,722,306	199,139,292
Cash and Cash Equivalents	23.00	584,850,144	503,158,409
Total Assets		2,373,081,455	2,205,244,611
EQUITY & LIABILITIES:			
Shareholders' Equity		1,989,264,579	2,041,538,831
Share Capital	24.00	1,018,035,480	969,557,600
Share Premium	25.00	866,550,000	866,550,000
Retained Earnings		104,679,099	205,431,231
Current Liabilities		383,816,876	163,705,780
Accounts Payable	26.00	136,433,423	67,084,115
Sundry Creditors	27.00	2,162,024	417,325
Accrued Expenses	28.00	11,788,992	5,242,405
Workers Profit Participation and Welfare Fund	29.00	16,784,468	14,802,326
Unclaimed Dividend	30.00	4,104,653	3,168,866
Short Term Bank Loan	31.00	179,355,283	49,275,360
Provision for Income Tax	36.00	33,188,033	23,715,383
Total Equity and Liabilities		2,373,081,455	2,205,244,611
Net Asset Value (NAV) Per Share (Adjusted)		19.54	20.05

The accounting policies and other notes from 01 to 43 form an integral part of the Financial Statements. The Financial Statements were authorised for issue by the Board of Directors on 28 October 2018 and signed on its behalf by :


Managing Director


Director


Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS:

This is the Statement of Financial Position referred to in our report of even date.

Dated: Dhaka,
28 OCT 2018


MABS & J Partners
Chartered Accountants

GBB POWER LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

PARTICULARS	NOTES	Amount in Taka	
		1 Jul 2017 to 30 June 2018	1 Jul 2016 to 30 June 2017
Turnover	32.00	549,925,019	526,879,384
Cost of Energy Sold	33.00	411,017,489	356,650,959
Gross Profit		138,907,530	170,228,425
Administrative, Financial & Other Expenses	34.00	66,345,021	66,082,590
Net Profit Before Other Income & W.P.P.F		72,562,509	104,145,835
Other Income	35.00	37,890,601	18,793,810
Realized Loss on Marketable Securities		-	(819,716)
Net Profit Before Charging WPP & Welfare fund		110,453,110	122,119,929
Contribution to WPP & Welfare Fund	29.00	5,259,672	5,815,235
Net Profit Before Income Tax		105,193,438	116,304,694
Income Tax Expense	36.00	9,472,650	4,677,515
Net Profit After Tax		95,720,788	111,627,179
Earnings Per Share (EPS) - Adjusted	37.00	0.94	1.10

The accounting policies and other notes from 01 to 43 form an integral part of the Financial Statements. The Financial Statements were authorised for issue by the Board of Directors on 28 October 2018 and signed on its behalf by :


Managing Director


Director


Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS :

This is the Statement of Profit or Loss and other Comprehensive Income referred to in our report of even date.

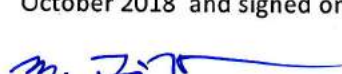
Dated: Dhaka,
28 OCT 2018


MABS & J Partners
Chartered Accountants

GBB POWER LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

PARTICULARS	Amount in Taka	
	1 Jul 2017 to 30 June 2018	1 Jul 2016 to 30 June 2017
Cash Flows from Operating Activities		
Collections from Turnover and others Income	625,928,878	506,140,006
Payment for Cost and Expenses	(577,318,093)	(326,223,777)
Financial Expenses	(10,555,103)	(5,770,083)
Income Tax Deducted at Source	(38,974,528)	(31,011,142)
	(918,846)	143,135,004
Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipments	210,751	(12,696,526)
Investment in Marketable Securities	-	9,923,651
	210,751	(2,772,875)
Cash Flows from Financing Activities		
Cash Credit and Other short term loan	130,079,923	13,024,974
Dividend /Fraction Share Dividend paid	(47,680,093)	(72,694,996)
	82,399,830	(59,670,022)
Increase/(Decrease) in Cash and Cash Equivalent	81,691,735	80,692,106
Opening Cash and Cash Equivalents	503,158,409	422,466,303
Closing Cash and Cash Equivalents	584,850,144	503,158,409
Net Operating Cash Flow Per Share (Adjusted)	(0.01)	1.41

The accounting policies and other notes from 01 to 43 form an integral part of the Financial Statements. The Financial Statements were authorised for issue by the Board of Directors on 28 October 2018 and signed on its behalf by :


Managing Director


Director


Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS:

This is the Statement of Cash Flows referred to in our report of even date.

Dated: Dhaka,
28 OCT 2018


MABS & J Partners
Chartered Accountants

GBB POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

(Amount in Taka)

PARTICULARS	ORDINARY SHARE CAPITAL	SHARE PREMIUM	SHARE MONEY DEPOSITS	RETAINED EARNINGS	TOTAL
1st July 2017	969,557,600	866,550,000	80,000	205,431,231	2,041,618,832
Cash Dividend	-	-	-	(48,477,880)	(48,477,880)
Adjustment regarding HHV gas bill (Note No. 40.00)	-	-	-	(99,517,160)	-
Stock Dividend	48,477,880	-	-	(48,477,880)	-
Net Profit during the Year	-	-	-	95,720,788	95,720,788
30 June 2018	1,018,035,480	866,550,000	80,000	104,679,099	1,989,344,579

FOR THE YEAR ENDED 30 JUNE 2017

(Amount in Taka)

PARTICULARS	ORDINARY SHARE CAPITAL	SHARE PREMIUM	SHARE MONEY DEPOSITS	RETAINED EARNINGS	TOTAL
1st July 2016	969,557,600	866,550,000	80,000	142,281,932	1,978,469,533
Interim Cash Dividend	-	-	-	(48,477,880)	(48,477,880)
Net Profit during the Year	-	-	-	111,627,179	111,627,179
30 June 2017	969,557,600	866,550,000	80,000	205,431,231	2,041,618,832

The accounting policies and other notes from 01 to 43 form an integral part of the Financial Statements. The Financial Statements were authorised for issue by the Board of Directors on 28 October 2018 and signed on its behalf by :


Managing Director


Director


Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS:

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka,
28 OCT 2018

GBB POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 30 JUNE 2018

A. Compliance with the requirements of notification of the Securities and Exchange Commission dated 04.06.2008 under reference # SEC/CMMRPC/2008-181/53/Adm/03/28.

1. Notes to the financial statements marked from C-1 to C-16 outlining the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.
2. The accounting policies on all material areas have been stated clearly in the notes marked from C-1 to C-16.
3. The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

SL. No.	Applicable Accounting Standards	Note reference
01.	IAS/BAS - 1	4.00
02.	IAS/BAS - 2	6.00
03.	IAS/BAS - 7	7.00 & 8.00
04.	IAS/BAS - 10	42.00
05.	IAS/BAS - 12	9.00
06.	IAS/BAS - 16	5.00
07.	IAS/BAS - 18	10.00
08.	IAS/BAS - 19	14.00
09.	IAS/BAS - 21	11.00
10.	IAS/BAS - 24	16.02
11.	IAS/BAS - 33	12.00
12.	IAS/BAS - 36	13.00
13.	IAS/BAS - 37	41.00

4. The financial statements are in compliance with the Bangladesh Financial Reporting Standards (BFRSs) which are adopted from the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

AND

5. The Standards and reporting framework used in the financial statements do not differ from IFRSs (BFRSs).

B. Legal status and nature of the company – Disclosure under IAS 1 as adopted by The Institute of Chartered Accountants of Bangladesh as BAS 1 “Presentation of Financial Statements”

Domicile, Legal Form and Country of Incorporation

The Company was incorporated on 17th October 2006 as a private company limited by shares and by a resolution passed on 26 February 2008. It was converted into a public company limited by shares. The company implemented the Joint Venture Agreement executed between GBB Limited and Caladonian Power Limited and has done all that was necessary as per notification of award of “Supply Installation and Putting in Commercial Operation of 20MW +/- 10% Trailer/ Skid Mounted Power Plant at Bogra on rental basis for a tenure of 15 year Project” issued by Bangladesh Power Development Board vide Memo No. 108-BPDB (CS.)/(Contract)/Bogra Rental /06 dated 03.08.2006 and 15.08.2006 respectively.

The company has installed and utilized the following capacity

Licensed Capacity by BERC (Net)	Saleable Rental Capacity by PPA (Net)	Installed Capacity	Commissioned Capacity
22.80 MW	20 (+/-) 10% MW	23.26 MW (100%)	19.38 MW (Up to 16/07/09) and 23.26 MW after 17/07/09

Capacity Rented	Total Electricity Generated 11KV (Gross)	Total Electricity Sold 33 KV (Net)
21.772 MW (Effective From 30/09/2018)	177,642 MWH (100%)	169,812 MWH (95.69%)
21.720 MW (20/08/2017 to 29/09/2018)		

Address of Registered Office and Principal Place of Business

The principal place of business is in the registered office at GBB Power Complex, BPDB Compound, Puran Bogra, Bogra-5800 and Corporate office at Momtaz Plaza (5th Floor), House # 07, Road # 04, Dhanmondi R/A, Dhaka-1205.

Principal Activities and Nature of Operations

Supply Installation and putting in commercial operation of 20MW +/- 10% Trailer/ Skid Mounted Power Plant.

Number of Employees

On the payroll of the Company, there were 32 officers, 61 staff and workers /technicians apart from many casual / contract technicians /workers.

i)	89	Staff / Officers / Employees drew yearly salary & allowances of Tk. 48,000 or more	Taka 33,317,962
ii)	4	Staff / Officers / Technicians and many other casual workers drew yearly salary / wages & allowances less than Tk. 48,000	122,760
	<u>93</u>		<u>33,440,722</u>

C. Significant Accounting Policies-Disclosures

1.00 Compliance with International Accounting Standards (IASs)

The financial Statements have been prepared in compliance with requirements of IASs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

2.00 Compliance with local Laws

The financial statements have been prepared in compliance with requirements of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other relevant local laws and rules, including compliance with Income Tax Ordinance 1984, Income Tax Rules 1984, VAT Act 1991 and VAT Rules 1991.

3.00 Measurement Bases used in preparing the Financial Statements.

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base as provided in "the frame-work for the preparation and presentation of financial statements" Issued by the International Accounting Standards Committee (IASC).

4.00 Components of the Financial Statements

According to the International Accounting Standard (IAS) 1 as adopted by ICAB as BAS 1 "Presentation of Financial Statements", the complete set of Financial Statements includes the following components:

- (i) Statement of Financial Position as at 30 June 2018;
- (ii) Statement of profit or loss and other comprehensive income for the year ended 30 June 2018;
- (iii) Statement of Changes in Equity for the year ended 30 June 2018;
- (iv) Statement of Cash Flows for the year ended 30 June 2018; and
- (v) Accounting policies and explanatory notes.

5.00 Specific accounting policies selected and applied for significant transactions and events.

Recognition of Property, Plant & Equipment and Depreciation.

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 as adopted by ICAB as BAS 16 "Property, Plant and Equipment". Cost represents cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction periods. Depreciation has been charged on additional fixed assets from the date of ready for use. Depreciation on all other fixed assets is computed using the diminishing balance method in amounts sufficient to write off depreciable assets over their estimated useful economic lives. Expenditure of maintenance and repairs are expensed; major replacements, renewals and betterments are capitalized.

The depreciation rates applicable to the principal categories are:

Building and Premises	5%
Plant and Machinery	5%
Tools & Equipment	5%
Furniture & Fixtures	20%
Fabrication Work	5%
Shuttering Materials	20%
Office Equipment	20%
Office Car	20%

The rent on leasehold land is being recognized as revenue expenses year to year, leasehold land development has been shown under separate head. Please see **Note 18.00** hereinafter.

6.00 Inventories

Inventories comprise mainly of Lubricants, spare parts, consumable etc. They are stated at the lower of cost and net realizable value on consistent basis in accordance with IAS 2 as adopted by ICAB as BAS 2 "Inventories". Net realizable value is based on estimated selling price less any further costs expected to be incurred for completion and disposal.

7.00 Cash and Cash Equivalents

According to IAS 7 as adopted by ICAB as BAS 7 "Statement of Cash Flows", cash comprises cash in hand and demand deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. IAS 1 as adopted by ICAB as BAS 1 "Presentation of Financial Statements" also provides that cash and cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as cash and cash equivalents.

8.00 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 as adopted by ICAB as BAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS 7 which provides that "enterprises are encouraged to report cash flow from operating activities using the direct method"

9.00 Taxation

Transactions relating to Income Tax have been disclosed in conventional manner. There appears no deferred tax liability arising out of taxable temporary differences as per BAS-12 for that the tax deducted at source by customer of Tk. 38,974,528 is the final liability u/s. 52 N of I.T Ordinance 1984 if the company is to pay tax which is dependent upon award of the Court as has been stated in Note-38.00.

10.00 Revenue Recognition

Revenue arising from the sale of power at end of the each month is recognized when deliveries are made to National Grid of Bangladesh Power Development Board (BPDB) compliance with all the conditions for revenue recognition as provided in IAS 18 as adopted by ICAB as BAS 18 "Revenue Recognition" The contractual agreement with BPDB provides as under as per clause 13.3(a)(i):

"Invoice shall be on a monthly basis. Invoice shall be prepared by the company and submitted to BPDB no sooner than 7 (seven) days after the end of the month for which such invoice is applicable and shall show the due date of payment of the invoice to be 45(forty five) days after date of issuance of the relevant invoice. Such invoices shall present all information including schedule 9, 10 & 11 and calculation, any other information required by BPDB to confirm the consistency of the invoice with the provision of the section 13.3. BPDB shall pay to the company by A/C payee cheque or Pay Order or through Bank Transfer all amount due under this agreement, less any amount that are subject to dispute."

11.00 Foreign currency translation

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IAS 21 as adopted by ICAB as BAS 21 "The Effects of Changes in Foreign Currency Rates".

12.00 Earning Per Share (EPS)

The company calculates Earnings per Share (EPS) in accordance with IAS 33 as adopted by ICAB as BAS 33 "Earnings per Share" which has been shown on the face of Comprehensive Income Statement and the computation of EPS is stated in Note -37.00.

Basic Earnings

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest to extra ordinary items, the net profit for the period has been considered as fully attributable to the ordinary shareholders.

Basic Earnings per Share

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

Diluted Earnings per Share

No diluted EPS is required to be calculated for the period as there was no scope for dilution during the period under review.

13.00 Impairment of Assets

As all assets of the company shown in the financial statements that are within the scope of BAS-36 are in physical existence and valued not more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to "Impairment of Assets" as per BAS-36 have not been considered necessary.

14.00 Employee Benefit Obligations

The Company has implemented following employees benefit plan:

- a) Annual leave with wage
- b) Gratuity: this scheme is recognised by NBR.
- c) Provident Fund: this scheme is recognised by NBR.
- d) Festival bonus.
- e) Workers profit participation and welfare fund at 5% of net profit. It has been initiated from 2008

15.00 Trade Creditors and Other Current Liabilities

Liabilities are recognised for amount to be paid in the future for goods and services received, whether or not billed by the supplier.

16.00 Additional Information**16.01 Responsibility for preparation and presentation of Financial Statements**

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

16.02 Transactions with Related Parties / Associated Undertakings

The company carried transactions with related parties in the arms' length basis and there is no transaction during the period with related parties.

16.03 Risk and uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plan, tax reserves and contingencies.

16.04 Reporting Currency and level of precision

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest integer.

16.05 Comparative Information

Comparative information have been disclosed in respect of the year 30 June 2017 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding the current period's financial statements.

16.06 Turnover

Turnover comprises energy sales of the company, excluding VAT, supplementary duty, etc.

16.07 Commission

No commission has been paid during the year under review.

16.08 Brokerage or Discount

The company did not pay any brokerage or discount during the period under review.

16.09 Payment to Directors

During the period the company has paid to its Directors as follows:

SL	Name	Designation	Period	Remuneration (BDT)	Festival Bonus(BDT)	Total (BDT)
1	Mr. M. Taifur Hossain	Managing Director	July--June	3,600,000	360,000	3,960,000
2	Mrs. Shamim Ara Islam	Chairman	July—June	2,400,000	240,000	2,640,000
3	Mrs. Morziana Hasan	Director (Procurement)	July - June	2,700,000	270,000	2,970,000
Total				8,700,000	870,000	9,570,000

The Directors were not paid for any other facilities from the company.

16.10 Miscellaneous Expenses

Miscellaneous expenses do not include any item exceeding 1% of total revenue.

16.11 Leases

Lease rentals against assets acquisition have been expensed as they incurred.

16.12 Acknowledgement of Claims

There was no claim against the company acknowledged as debt as on 01 July 2017 to 30 June 2018.

16.13 Going Concern

There is no significant doubt upon the company's ability to continue as a going concern.

16.14 Reporting Period

Financial statements of the company cover one financial period from 01 July 2017 to 30 June 2018.

16.15 Rearrange of Figure

Comparative figures have been rearranged, if necessary.

16.16 Loans, Advances and Deposits

This is considered good and collectible and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.



MABS & J Partners

Chartered Accountants

Amount in Taka	
30 June 2018	30 June 2017

17.00 PROPERTY, PLANT AND EQUIPMENTS : TK. 1,205,809,600

The figures have been arrived at as under:

Cost as per last account	1,878,053,899	1,865,357,373
Add : Additions/Adjustments during the year	(210,751)	12,696,526
	1,877,843,148	1,878,053,899
Less : Accumulated Depreciation	672,033,548	600,131,674
Written down value	1,205,809,600	1,277,922,225

Details have been shown in Annexure-'01'

18.00 LEASEHOLD LAND DEVELOPMENT : TK. 3,696,260

The figures have been arrived at as under:

Balance as per last account	4,448,042	5,199,824
Less: Amortization during the year	751,782	751,782
	3,696,260	4,448,042

19.00 INVENTORIES: TK. 236,610,705

The break up of the above amount is as under :

Stock of Spare Parts for General	17,877,444	28,690,545
Stock of Spare Parts for E-70	215,357,356	48,558,880
Stock of Lubricants	3,375,905	6,821,520
	236,610,705	84,070,945

20.00 ACCOUNTS RECEIVABLE: TK. 97,892,440

	30 June 2018		30 June 2017	
	Below six months	Over six months	Below six months	Over six months
Bangladesh Power Development Board	97,892,440	-	136,005,698	-
	97,892,440	-	136,005,698	-

21.00 SUNDRY DEBTORS: TK. 500,000

The break up of the above amount is as under :

	30 June 2018		30 June 2017	
	Below six months	Over six months	Below six months	Over six months
Central Depository Bangladesh Limited	-	500,000	-	500,000
	-	500,000	-	500,000

22.00 ADVANCE, DEPOSIT & PREPAYMENTS: TK. 243,722,306

The break up of the above amount is as under :

	30 June 2018		30 June 2017	
	Below six months	Over six months	Below six months	Over six months
Other Advances (Note-22.01)	1,381,575	4,659,260	1,668,974	3,290,553
Bank Guarantee Margin (Bank Asia Ltd)	-	4,048,421	-	4,048,421
L/C Margin (Note-22.02)	4,527,178	-	-	-
Tax Deducted at Source on Other Income	2,221,855	6,130,310	-	4,659,934
Advance Income Tax Deducted at Source	12,915,506	207,838,201	13,297,739	172,173,671
	21,046,114	222,676,192	14,966,713	184,172,579

22.01 OTHER ADVANCES: TK. 6,040,835

The break up of the above amount is as under :

	30 June 2018		30 June 2017	
	Below six months	Over six months	Below six months	Over six months
Advance Rent (Office Rent)	842,400	302,050	171,409	-
Advance Rent (Office Car Parking)	-	20,880	104,400	-
Advance to Staff (Against Office Work)	81,175	-	67,888	-
Advance to Staff (Against Salary)	328,000	199,500	479,000	-
Advance to Haribhasa Enterprise (SPP)	130,000	1,598,000	-	1,598,000
Prepaid Insurance Premium	-	2,538,830	846,277	1,692,553
	1,381,575	4,659,260	1,668,974	3,290,553

Amount in Taka	
30 June 2018	30 June 2017

22.02 L/C Margin: 4,527,178

The break up of the above amount is as under :

L/C Margin & Document Value	4,438,821	-
L/C Commission	19,534	-
L/C Bank Charges	27,336	-
L/C Insurance Premium	41,487	-
	4,527,178	

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Amount in Taka	
30 June 2018	30 June 2017

23.00 CASH AND CASH EQUIVALENTS: TK. 584,850,144

The break up of the above amount is as under :

Cash in Hand at Head Office	22,001	74,656
Cash in Hand at Branch Office	611,768	407,935
Cash at Banks (Note-23.01)	36,864,214	62,160,311
Fixed deposit at Bank (Note-23.02)	547,352,161	440,515,507
	584,850,144	503,158,409

23.01 CASH AT BANKS : TK. 36,864,214

The break up of the above amount is as under :

AB Bank Ltd.-4006-757891-000	2,409	373,682
Bank Asia Ltd. A/C 00733003080	44,820	45,295
Bank Asia Ltd. A/C 00733003201 ESCROW	-	1
Bank Asia Ltd. A/C 02136000314 Fractional Stock & Cash Divident	4,255,858	-
Bank Asia Ltd. A/C 02136000275	31,979,545	38,912,119
BRAC Bank Ltd-1501201917699001	166,143	164,856
Dutch Bangla Bank Ltd. A/C 110.120.2301	-	177,254
Eastern Bank Ltd. HPAC-1061360160874	-	67,424
Prime Bank Limited A/c-14611020018121	120,282	120,227
Shahjalal Islami Bank Ltd. A/C:400312400000022	292,657	9,062,119
Shahjalal Islami Bank Ltd. A/C:400313100001649 Divident A/C	-	3,234,981
Sharp Securities Ltd. 28999 BO A/C # 1203180052163888	2,502	10,002,352
	36,864,214	62,160,311

23.02 FIXED DEPOSIT AT BANK: TK. 547,352,161

The break up of the above amount is as under :

Bank Asia Ltd. ,Dhanmondi Branch	25,000,000	70,040,645
Arab Bangladesh Bank Ltd. (ABBL)	68,982,981	90,517,684
IDLC Finance Ltd.	453,369,180	251,073,542
Shahjalal Islami Bank Ltd.	-	13,129,935
NCC Bank Ltd., Dhanmondi Branch	-	15,753,701
	547,352,161	440,515,507



24.00 SHARE CAPITAL: TK. 1,018,035,480

The breakup of the above amount is as under:

96,955,760 Ordinary Shares of Taka 10 each

Addition During the year:

5% Stock Divident 4,847,788 Shares of Taka 10 each

Amount in Taka	
30 June 2018	30 June 2017
969,557,600	969,557,600
48,477,880	-
1,018,035,480	969,557,600

24.01 The percentage of shareholding by different categories of shareholders is as follows:

No. of Holders	Holdings			
8,773	Less	then	500	shares
4,931	501	to	5000	shares
1,034	5,001	to	10000	shares
679	10,001	to	20000	shares
231	20,001	to	30000	shares
101	30,001	to	40000	shares
55	40,001	to	50000	shares
77	50,001	to	100000	shares
68	100,001	to	1000000	shares
10	1,000,001	to	Over	shares
15,959				

24.02 Composition of the Ordinary Shareholders:

Sl. No.	Particulars	30 June 2018			30 June 2017		
		No. of Shares	Value of shares	%	No. of Shares	Value of shares	%
1	M. Taifur Hossain (Managing Director)	10,164,000	101,640,000	9.98%	9,680,000	96,800,000	9.98%
2	Mrs. Shamim Ara Islam (Chairman)	6,781,013	67,810,130	6.66%	6,458,108	64,581,080	6.66%
3	Mrs. Morziana Hasan(Director)	6,661,886	66,618,860	6.54%	4,405,454		4.54%
4	Mrs. Rintia Nazim (Director)	4,489,364	44,893,640	4.41%	4,275,585		4.41%
5	Mrs. Rafsana Rafique (Director)	4,489,364	44,893,640	4.41%	4,275,585	42,755,850	4.41%
6	Mrs. Rezina Akbar	-	-	0.00%	1,939,200	19,392,000	2.00%
7	Institutions	15,682,216	156,822,160	15.40%	11,666,571	116,665,710	12.03%
8	Others(Individual)	53,535,705	535,357,050	52.59%	54,255,257	542,552,570	55.96%
	Total	101,803,548	1,018,035,480	100%	96,955,760	969,557,600	100%

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Amount in Taka	
30 June 2018	30 June 2017

25.00 Share Premium: TK. 866,550,000

The break up of the above amount is as under :

share premium

866,550,000	866,550,000
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26.00 ACCOUNTS PAYABLE: TK. 136,433,423

The break up of the above amount is as under :

Fuchs Lubricants Bangladesh Ltd.

391,629

391,629

Pashchimanchal Gas Co. Ltd.

135,841,794

66,692,486

Veritas Initiative Holding Ltd.

200,000

-

136,433,423**67,084,115****27.00 SUNDRY CREDITORS: TK. 2,162,024**

The break up of the above amount is as under :

Ayub Tradelink

800,000

-

Agility Limited

692,375

-

Share Money Deposit

80,000

80,000

Tax Deducted at Source from salary ,suppliers, office rent etc.

589,649

337,325

2,162,024**417,325**

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28.00 ACCRUED EXPENSES: TK. 11,788,992

The break up of the above amount is as under :

	Amount in Taka	
	30 June 2018	30 June 2017
Remuneration & Salary	3,247,391	3,005,450
Employees Fringe Benefits (Note-28.01)	3,841,794	1,821,438
Office Rent	74,450	65,516
Liabilities for Various Expenses	4,250,356	-
Audit Fees	375,000	350,000
	11,788,992	5,242,405

28.01 EMPLOYEES FRINGE BENEFITS: TK. 3,841,794

The break up of the above amount is as under :

Opening Balance	1,821,438	2,671,363
Payable During the year	5,275,092	3,528,320
Total	7,096,530	6,199,683
Disburse during the year	1,261,862	1,738,199
	5,834,668	4,461,484
Transfer to Gratuity A/C During the Period	1,992,874	2,640,046
	3,841,794	1,821,438

29.00 WORKERS PROFIT PARTICIPATION AND WELFARE FUND: TK. 16,784,468

The break up of the above amount is as under :

Opening Balance	14,802,326	13,642,003
Addition During the Year	5,259,672	5,815,235
Total	20,061,998	19,457,238
Less: Disburse During the Year		
Participation Fund	3,101,459	4,534,912
Welfare Fund	176,071	120,000
	16,784,468	14,802,326

30.00 UNCLAIM DIVIDEND: TK. 4,104,653

The break up of the above amount is as under :

Opening Balance	3,168,866	27,385,983
Addition During the Year:		
Cash Divident	48,477,880	48,477,881
Fractional Share	138,000	-
Total	51,784,746	75,863,863
Disburse during the year		
Less: Paid During the Period (Cash Divident)	(47,680,093)	(72,694,997)
Less: Paid During the Period (Fractional Share)	-	-
	4,104,653	3,168,866

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Amount in Taka	
30 June 2018	30 June 2017

31.00 SHORT TERM BANK LOAN : TK. 179,355,283

The breakup of the above amount is as under:

Short Term Loan Bank Asia Ltd. (STL) - 02135001298	-	7,577,858
Short Term Loan Bank Asia Ltd. (STL) - 02135001355	-	17,721,404
Short Term Loan Bank Asia Ltd. (STL) - 02135001371	-	17,340,739
Short Term Loan Bank Asia Ltd. (STL)-02135001400	170,671,950	-
LTR Bank Asia Ltd.-02131000716	784,391	-
LTR Bank Asia Ltd.- 02131000718	3,409,005	-
Shahjalal Islami Bank Ltd. A/C:400312400000022	-	6,645,225
Bank Asia Ltd, OD A/C 02133001382	4,489,936	(9,867)
	179,355,283	49,275,360

32.00 TURNOVER: TK. 549,925,019

The breakup of the above amount is as under:

Revenue from BPDB	549,925,019	526,879,384
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*This turnover is from sale of energy to Bangladesh Power Development Board, through PGCB National Grid.

33.00 COST OF ENERGY SOLD: TK. 411,017,489

The breakup of the above amount is as under:

Gas Consumed	159,039,803	150,581,659
Direct Expenses (Note-33.01)	251,977,686	206,069,300
	411,017,489	356,650,959

33.01 DIRECT EXPENSES: TK. 251,977,686

The breakup of the above amount is as under:

Lubricants Consumed (Note-33.01.1)	23,163,115	17,898,000
Salary & Allowances	22,190,434	18,908,395
Operating Expenses-Bogra Plant	1,459,046	2,854,689
Spare Parts (Note-33.01.2)	44,725,427	26,721,969
Spare Parts for E-70 (Note-33.01.3)	45,679,626	40,920,504
Energy Meter Expenses	401,942	-
Havoline	604,800	504,000
Depreciation Expenses	71,182,855	70,345,249
Amortization of leasehold land development cost	744,264	744,264
Plant All Risk Insurance Premium	3,385,106	3,385,106
Testing Expenses	343,058	154,800
Cleaner Elements	5,490,100	6,900,750
Alternator Repair Expenses	4,747,200	3,735,000
Turbo Charger Repaier	16,105,511	1,675,000
Transformer Repair	318,464	14,200
Thurmocuple	475,150	-
Control Pannel Repair	5,466,546	1,849,834
Repair & Maintenance	5,495,042	9,457,540
	251,977,686	206,069,300

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Amount in Taka	
30 June 2018	30 June 2017

33.01.01 LUBRICANTS CONSUMED: Tk. 23,163,115

The breakup of the above amount is as under:

Opening Stock	6,821,520	11,587,020
Add: Purchases	19,717,500	13,132,500
	26,539,020	24,719,520
Less: Closing Stock	3,375,905	6,821,520
	<u>23,163,115</u>	<u>17,898,000</u>

33.01.02 SPARE PARTS : Tk. 44,725,427

The breakup of the above amount is as under:

Opening Stock	28,690,545	34,175,240
Add: Purchase	33,912,326	21,237,274
	62,602,871	55,412,514
Less: Closing Stock	17,877,444	28,690,545
	<u>44,725,427</u>	<u>26,721,969</u>

33.01.03 SPARE PARTS E-70 : Tk. 45,679,626

The breakup of the above amount is as under:

Opening Stock	48,558,880	36,456,515
Add: Purchase	212,478,102	53,022,869
	261,036,982	89,479,384
Less: Closing Stock	215,357,356	48,558,880
	<u>45,679,626</u>	<u>40,920,504</u>

34.00 ADMINISTRATIVE, FINANCIAL & OTHER EXPENSES: TK. 66,345,021

The breakup of the above amount is as under:

Administrative Expenses (34.01)	33,404,870	34,807,099
Financial Expenses (34.02)	10,555,103	5,770,083
Other Expenses (34.03)	22,385,048	25,505,408
	<u>66,345,021</u>	<u>66,082,590</u>



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Amount in Taka	
30 June 2018	30 June 2017

34.01 ADMINISTRATIVE EXPENSES: TK. 33,404,870

The breakup of the above amount is as under:

Directors Remuneration	8,700,000	8,700,000
Salary & Allowances	11,250,288	13,337,533
Festival Bonus	1,647,080	2,454,420
Director's Meeting Allowances	138,000	195,000
Employees Benefits (Note-34.01.01)	5,275,092	3,528,320
Contribution for PF	407,875	252,697
Advertising	694,138	567,765
Annual General Meeting	2,343,656	2,757,057
Electric Bill	292,483	142,123
Office Maintenance	59,717	90,103
Audit fee	427,500	407,500
Wasa Bill	33,217	38,031
Car Rental Expenses	1,334,291	1,132,865
Consultancy Fee-Finance	-	191,664
Deprecation Expenses	719,019	710,558
Amortization of leasehold land development cost	7,518	7,518
Miscellaneous Expenses	74,996	293,945
	33,404,870	34,807,099

34.01.01 EMPLOYEES FRINGE BENEFITS: Tk. 5,275,092

The breakup of the above amount is as under:

Annual Leave	1,109,158	1,261,862
Gratuity	4,165,934	2,266,458
	5,275,092	3,528,320

34.02 FINANCIAL EXPENSES: TK. 10,555,103

The breakup of the above amount is as under:

Bank Charges	439,602	221,909
Bank Guarantee Commission	1,117,366	1,117,366
Interest on Bank Loan	8,998,135	4,430,807
	10,555,103	5,770,083



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Amount in Taka	
30 June 2018	30 June 2017

34.03 OTHER EXPENSES: TK. 22,385,048

The breakup of the above amount is as under:

Office Rent	1,058,232	964,443
Courier Service Expenses	686,341	759,863
Telephone & Mobile Expenses	201,341	231,577
Fuel Expenses	826,350	1,263,375
Donation & Subscription	632,707	830,000
Entertainment	4,487,082	3,273,332
Fooding Bill for Staff	202,988	538,259
Medical & Medicine Expenses	172	282,840
Newspaper Bills	4,070	4,372
Dependable Capacity Test Expenses	446,906	1,214,971
Internet Line Expenses	188,800	173,850
Insurance Premium Expenses	655,455	541,771
Professional Expenses	230,000	448,500
Listing Expenses	1,114,593	969,558
Arbitration Expenses	-	35,000
IT Maintenance Charge	50,203	-
Legal Expenses	1,072,950	1,407,100
Traveling Expenses	751,319	374,099
Printing & Stationery	5,304,714	5,814,749
Repair, Maintenance & Registration Expenses	1,070,910	1,221,759
Promotional Expenses	-	1,180,000
Data Processing Expenses	364,924	200,000
License Expenses	-	48,400
Renewal Expenses	281,453	171,601
Other Operational Expenses	705,668	662,670
Training & Welfare Expenses	16,650	413,255
Safety Material	1,601,130	1,617,129
C & F Expenses	95,000	517,000
Utility Bills/Service Charges	335,090	345,935
	22,385,048	25,505,408

35.00 OTHER INCOME: TK. 37,890,601

The breakup of the above amount is as under:

Interest on SND, MMSA and FDR Interest	37,890,601	18,361,954
Insurance Claim	-	13,100
Other Income	-	418,756
	37,890,601	18,793,810



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Amount in Taka	
30 June 2018	30 June 2017

36.00 PROVISION FOR INCOME TAX: TK. 33,188,033

The breakup of the above amount is as under:

Opening Balance	23,715,383	19,037,868
Add: During the year:		
On SND, MMSA & FDR	9,472,650	4,590,489
On Insurance Claim		3,275
On Other Income		83,751
	<u>9,472,650</u>	<u>4,677,515</u>
	33,188,033	23,715,383
Adjustment with TDS on FDR interest	6,130,310	4,659,934
	<u>27,057,723</u>	<u>19,055,449</u>

No provision for tax on income from energy sale has been made because of the reasons stated in note # 9 above.

37.00 BASIC EARNINGS PER SHARE (EPS): TK. 0.94

The Computation of EPS is given below:

(a) Earnings attributable to the Ordinary Shareholders	95,720,788	111,627,179
(b) Number of Ordinary Shares outstanding at the year ended 30 June 2018	101,803,548	101,803,548
(c) Basic EPS (Adjusted)	<u>0.94</u>	<u>1.10</u>



38.00 TAX ASSESSMENT STATUS:

Accounting Year	Assessment Year	Liabilities as per Assessment Order	Advance Income Tax Paid/Collected TK.
2007	2008-2009	Assessment Completed	Nil
2008	2009-2010	Assessment Completed	9,291,217
2009	2010-2011	Assessment Completed	10,327,545
2010	2011-2012	Assessment Completed	17,376,752
2011	2012-2013	Assessment Completed	13,272,708
2012	2013-2014	Assessment Completed	20,498,509
2013	2014-2015	Assessment Completed	19,824,004
2014	2015-2016	Assessment Completed	22,624,837
2015-2016	2016-2017	Assessment Completed	51,111,172
2016-2017	2017-2018	Return Submitted	31,011,142
2017-2018	2018-2019	Return not Submitted	38,974,528
Total			234,312,414

NBR. Now the income tax return submission and assessment under process.

39.00 SOME INFORMATION WITH REGARD TO INCOME AND EXPENDITURE IN FOREIGN CURRENCY ETC.:

	30 June 2018	30 June 2017
(a) Value of Imports on C & F basis		
(i) Raw Materials	Nil	Nil
(ii) Packing Materials	Nil	Nil
	USD	USD
(iii) Components and Spare Parts	24,43,120.12 & Euro 4,155	3,31,174.57 & Euro 2,61,840
(iv) Capital Goods	SGD 5,500	USD 2,600
(b) Expenditure in Foreign Currency for Royalty, Technical Fee, Professional Advisory fee, Interest and Others.	Nil	Nil
(c) Value of Consumed Raw Materials, Packing Materials, Stores & Spares consumed with percentage:		

	Amount		Amount		Amount	
	Raw Materials	%	Packing Materials	%	Stores & Spares	%
Imported	Nil		Nil		45,679,626	17
Local	Nil		Nil		44,725,427	100

	30 June 2018	30 June 2017
(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the number of non-resident shareholders,	Nil	Nil
(e) Earnings in foreign exchange classified under the following heads namely :-		
(i) Export of goods calculated on F.O.B basis;	Nil	Nil
(ii) Royalty, know-how, professional and consultation fees ;	Nil	Nil
(iii) Interest and dividend ;	Nil	Nil
(iv) Other income, indicating the nature thereof.	Nil	Nil

40.00 ADJUSTMENT REGARDING HHV GAS BILL :

The Arbitral Tribunal of Bangladesh Energy Regulatory Commission has disposed of the Litigation about charges on Higher Heating Value (HHV) bills between GBB POWER LIMITED (GBBPL) & Pashchimanchal Gas Company (PGCL) on January 10, 2018 Vide order no. 1(1)/2015.

The Award of this Litigation states that the claim by PGCL on HHV bills and Interest on late payment of HHV bills Tk. 147,052,080 should be paid by GBBPL in 20 equal installments amounting Tk. 7,352,603 for each installment.

An amount of Tk. 47,534,909 has been charged in the earlier period financial statements. The remaining Tk. 99,517,160 has been charged with the retained earnings as adjustment regarding HHV gas bill in the statement of changes in equity.

41.00 CONTINGENT LIABILITY (BAS-37): TK. 234,312,414

	30-Jun-18	30-Jun-17
Demand Against Gas Bill (Note: 40.00)	-	169,013,607
* Income Tax	234,312,414	195,337,886
	<u>234,312,414</u>	<u>364,351,493</u>

*The company was awarded Independent Power Producer (IPP) license on 10/01/2013 by the Bangladesh Energy Regulatory Commission (BERC) as per direction by the Honorable Supreme Court and as per issued license the company is supposed to enjoy tax holiday for 15 (fifteen) years from its date of commercial production dated 17.06.2008 in light of SRO No. 114-AIN/ 1999 dated 26.05.1999 of NBR.

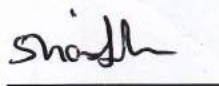
The Taxes Appellate Tribunal, Division Bench-2, Dhaka has, in its order dated 30/11/2015, already directed the Deputy Commissioner of Taxes to allow the said exemption and consider the above amount as income of the company.

42.00 There was no claim against the Company which is to be acknowledged as debt as on 30-06-2018.

43.00 Subsequent Event:

- The board of Directors recommended no Dividend to all shareholders subject to the approval of the shareholders in the Annual General Meeting.
- There is no other significant event that has occurred between the Balance Sheet Date and the date when the financial statements were authorized for issue by the board of directors.


Managing Director


Director


Company Secretary

GBB POWER LIMITED
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS
AS AT 30 June 2018

(Annexure-01)

Particulars	Cost			Rate	Depreciation			Written down value as on 30 June 2018
	Balance as at 01 July 2017	Additions/ Adjustments during the Year	Total as on 30 June 2018		Balance as at 01 July 2017	During the Year	Total as on 30 June 2018	
Building & Premises	129,455,776	-	129,455,776	5%	42,317,010	4,356,938	46,673,949	82,781,827
Plant & Machinery	1,395,139,308	(1,453,295)	1,393,686,013	5%	437,640,006	47,874,965	485,514,971	908,171,042
Tools & Equipment	284,533,183	-	284,533,183	5%	93,223,697	9,565,474	102,789,171	181,744,012
Furniture & Fixtures	3,787,343	-	3,787,343	20%	2,679,020	221,665	2,900,685	886,658
Office Equipment	3,860,048	267,700	4,127,748	20%	2,480,661	295,396	2,776,057	1,351,691
Office Car	26,105,945	974,844	27,080,789	20%	9,269,768	8,419,013	17,688,781	9,392,008
Fabrication Work	33,516,873	-	33,516,873	5%	11,105,311	1,120,578	12,225,889	21,290,984
Shuttering Materials	1,655,423	-	1,655,423	20%	1,416,200	47,845	1,464,045	191,378
Total	1,878,053,899	(210,751)	1,877,843,148		600,131,674	71,901,874	672,033,548	1,205,809,600

Allocation of Depreciation :		Amount in TK.
Charged to Production		71,182,855
Charged to Administration		719,019
Total		71,901,874

