



**AHMED ZAKER & Co.**  
CHARTERED ACCOUNTANTS

**Independent Auditors' Report**  
and  
**Financial Statements**

**UFS- IBBL SHARIAH Unit Fund**

House No # 87/A, Road # 26, Gulshan-1,  
Dhaka-1212, Bangladesh

**For The Year Ended December 31, 2020**



**Auditor:**

**Ahmed Zaker & Co.**

Chartered Accountants

An Independent Member Firm of Geneva Group International (GGi)

Green City Edge (Level - 10), 89, Kakrail, Dhaka-1000, Bangladesh.

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## **Independent auditors' report to the shareholders of UFS- IBBL SHARIAH Unit Fund**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **UFS- IBBL SHARIAH UNIT FUND** which comprise the Statement of Financial Position as at December 31, 2020, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of **UFS- IBBL SHARIAH UNIT FUND** as at December 31, 2020 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS), where practicable and comply with the Securities and Exchange Commission (Mutual Fund) বিধিমালা (Rules) 2001.

#### **Basis for Opinion**

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

#### **Key Audit matters**

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

We focused on the valuation and existence of the investment in different types of securities because these investments represent the principal element of the net asset value as disclosed in the statement of financial position in the financial statements.

Key Audit Matters	How our audit addressed the key audit matters
<b>Investment in securities-at market price</b>	
Refer note no. 04, 05 and 6 the Statement of Financial Position	
<ul style="list-style-type: none"> <li>The investments of the fund comprise <b>60.90%</b> of total Assets. These investments comprise of; 1) Marketable Investments at market value; and 2) Investment in IPO. These investments are valued at fair value based on market information. Therefore, the valuation of the investments has a significant impact on the financial results of the Fund. Due to the amount of the investments in relation to the financial statements as a whole we identify the existence and valuation of investments as a key audit matter.</li> </ul>	<p><b>Our procedure includes:</b></p> <p><b>Control test:</b> testing the effectiveness of the entity's control around the recording and re-assessment of the amount of Investment in securities-at market price.</p> <p><b>Test of details:</b></p> <ul style="list-style-type: none"> <li>Determining the existence of the investments by obtaining a Statement of Central Depository of Bangladesh Limited (CDBL). The custodian of demits shares in Bangladesh.</li> <li>Determining that the used price is based on the method which is defined for the relevant investment category. We performed this procedure by comparing the used valuations of the investments with our independent valuation which is based on observable market prices. In performing these procedures we have used our valuation specialists.</li> <li>Recoverability determined by applying subsequent test of realization of income and investment.</li> </ul> <p><b>Assessing disclosure:</b> considering the adequacy of the entity's disclosure regarding Investment in securities-at market value.</p> <p><b>Our result:</b> the result of our testing is satisfactory and we considered the Investment in securities-at market price to be acceptable and recorded in correctly.</p>

### Others Information

Management is responsible for the other information in the annual report. The other information are companies all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), where practicable and the Securities and Exchange Commission (Mutual Fund) বিধিমালা (Rules) 2001 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 **UFS- IBBL SHARIAH UNIT FUND** 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 **UFS- IBBL SHARIAH UNIT FUND** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing **UFS- IBBL SHARIAH UNIT FUND** financial reporting process.


### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Report on other legal and regulatory requirements**

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by **UFS- IBBL SHARIAH UNIT FUND** so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



**Ahmed Zaker & Co.**  
Chartered Accountants

Location: Dhaka

Dated: January 27, 2021

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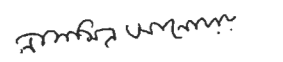


**UFS- IBBL SHARIAH Unit Fund**  
**Statement of Financial Position**  
As at 31st December, 2020

Particulars	Notes	Amount in Taka	
		December 31, 2020	December 31, 2019
<b>Assets</b>			
Marketable Investments at market value	4.00	574,112,488	429,998,418
Investment in Non Listed Securities	5.00	43,286,183	43,283,690
Investment In IPO	6.00	10,496,700	1,502,340
Investment in MTDR	7.00	200,000,000	-
Preliminary expenses	8.00	22,866,699	29,599,548
Advance Deposit and Prepayments	9.00	634,606	518,646
Receivables	10.00	5,341,180	6,064,288
Cash and cash equivalents	11.00	174,345,689	333,323,656
<b>Total Assets (A)</b>		<b>1,031,083,544</b>	<b>844,290,586</b>
<b>Liabilities</b>			
Accounts Payable	12.00	5,309,158	170,914
Accrued Expenses	12.00	30,000	20,000
<b>Total liabilities (B)</b>		<b>5,339,158</b>	<b>190,914</b>
<b>Net Assets (A-B)</b>		<b>1,025,744,386</b>	<b>844,099,672</b>
<b>Equity</b>			
Capital Fund	13.00	1,011,049,560	1,000,134,320
Units transaction reserve	14.00	(901,842)	(4,586)
Retained profit/(loss)		15,596,669	(156,030,062)
<b>Total Equity</b>		<b>1,025,744,386</b>	<b>844,099,672</b>
<b>Total liabilities &amp; Equity</b>		<b>1,031,083,544</b>	<b>844,290,586</b>
Total No of Unit Fund		101,104,956	100,013,432
<b>Net Asset Value (NAV) per unit</b>			
At cost	16.00	10.66	10.38
At market value	17.00	10.15	8.44

The annexed notes 1 to 26 and annexure A to F form an integral part of these financial statements.


  
Managing Director

  
Chairman (Trustee)

Signed in terms of our separate report of even date.



Dated: 27.01.2021  
Place: Dhaka

  
Ahmed Zaker & Co.  
Chartered Accountants



**UFS- IBBL SHARIAH Unit Fund**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the period from 1st January 2020 to 31st December 2020

Particulars	Notes	Amount in Taka	
		January 01, 2020 to December 31,	January 01, 2019 to December 31, 2019
<b>Income</b>			
Profit on sale of investment	18.00	29,296,920	13,362,666
Finance income	19.00	12,970,158	4,814,475
Dividend from investment in shares	20.00	11,827,161	18,122,433
<b>Total Income</b>		<b>54,094,240</b>	<b>36,299,574</b>
<b>Expenses</b>			
Managemnet fees	21.00	12,699,569	13,288,082
Selling, distribution and promotional expenses		1,000	-
Amortization of preliminary expenses		6,732,849	6,807,710
Brokerage fees		782,829	556,979
Printing and publications		383,184	338,664
IPO Subscription Fee		42,000	12,000
Other Expenses	22.00	1,366,769	546,245
Diminution of Advance payments	23.00	711,439	1,436,528
Trustee fees		1,303,292	1,393,212
CDBL charges	24.00	49,874	67,331
Audit fee		30,000	20,000
Dividend Purification Charge		93,134	-
Custodian fees	25.00	772,883	496,129
		<b>24,968,822</b>	<b>24,962,881</b>
<b>Profit earned before provision</b>		<b>29,125,418</b>	<b>11,336,693</b>
Provision -Increase /(decrease) in unrealized profit/(Loss)	15.00	142,501,315	(92,980,045)
<b>Profit earned after provision</b>		<b>171,626,733</b>	<b>(81,643,352)</b>
<b>Marketable securities valuation surplus</b>		-	-
Net Profit after provision		<b>171,626,733</b>	<b>(81,643,352)</b>
Number of Units outstanding		101,104,956	100,013,432
<b>Distributable profit /loss</b>		<b>29,125,418</b>	<b>(81,643,352)</b>
<b>Earning per Unit during the year</b>	26.00	<b>1.70</b>	<b>(0.82)</b>

The annexed notes 1 to 26 and annexure A to F form an integral part of these financial statements.

*Sayed M. Hossain*  
Managing Director

*Amirul Islam*  
Chairman (Trustee)

Signed in terms of our separate report of even date.

Dated: 27.01.2021  
Place: Dhaka

*Ahmed Zaker*  
Ahmed Zaker & Co.  
Chartered Accountants



**UFS- IBBL SHARIAH Unit Fund**  
**Statement of Changes in Equity**  
For the Year ended 31st December, 2020

Particulars	Capital Fund	Unit Transaction reserve	Retained earnings	Investment diminution reserve	Total equity
Balance at January 01, 2020	1,000,134,320	(4,586)	(156,030,062)	-	844,099,672
Units issued during the year	10,893,250	-	-	-	10,893,250
SIP Investment	21,990	-	-	-	21,990
Earned Net profit for the year/period - purified	-	-	29,125,418	-	29,125,418
Reversal of Provision against marketable investment	-	-	142,501,315	-	142,501,315
Prior Year adjustment	-	-	(2)	-	(2)
Unit Transaction Reserve	-	(897,256)	-	-	(897,256)
<b>Balance December 31, 2020</b>	<b>1,011,049,560</b>	<b>(901,843)</b>	<b>15,596,669</b>	<b>-</b>	<b>1,025,744,386</b>

**For the Year ended 31st December, 2019**

Particulars	Capital Fund	Unit Transaction reserve	Retained earnings	Investment diminution reserve	Total equity
Balance as at January 01, 2019	1,000,095,350	(1,558)	(74,386,710)	-	925,707,082
Subscribed by unitholders	38,970	-	-	-	38,970
Net profit/ (loss) during the year	-	-	(81,643,352)	-	(81,643,352)
Unit Transaction Reserve	-	(3,028)	-	-	(3,028)
<b>Balance December 31, 2019</b>	<b>1,000,134,320</b>	<b>(4,586)</b>	<b>(156,030,062)</b>	<b>-</b>	<b>844,099,672</b>

*Sayed Ulum Akbar*  
Managing Director

*Amrutha Vignesh*  
Chariman, Trustee

*Tharwan*




Dated: 27.01.2021  
Place: Dhaka



**UFS- IBBL SHARIAH Unit Fund**  
**Statement of Cash Flows**  
For the period from 1st January 2020 to 31st December 2020

Particulars	Amount in Taka	
	Dec 31, 2020	Dec 31, 2019
<b>Cash flows from operating activities :</b>		
Finance income	12,603,492	4,814,475
Dividend income	11,827,161	12,058,145
Profit on sale of investment	29,296,918	4,309,069
Receipts from FY 2019	1,089,775	13,362,666
Paid off Liabilities of FY 2019	(190,914)	(1,138,091)
Decrease in Advances, Deposits & Prepayments	(115,960)	422,409
Payment made for expenses	(12,896,815)	(17,964,256)
<b>Net cash from/(used in) operating activities (A)</b>	<b>41,613,657</b>	<b>15,864,416</b>
<b>Cash flows from investing activities :</b>		
Buy Securities	(134,336,431)	(101,381,081)
Sell Securities	149,619,624	108,041,965
Investment in IPO	(25,892,800)	(4,190,840)
Investment in MTDR	(200,000,000)	-
<b>Net cash used in investing activities (B)</b>	<b>(210,609,607)</b>	<b>2,470,044</b>
<b>Cash flow from financing activities :</b>		
Procced from capital fund	10,915,240	38,970
Net of Unit Transaction Reserve	(897,256)	(3,028)
<b>Net cash from/(used in) financing activities (C)</b>	<b>10,017,984</b>	<b>35,942</b>
<b>Net increasae/(decrease) in cash and cash equivalents (D=A+B+C)</b>	<b>(158,977,967)</b>	<b>18,370,402</b>
Opening cash and cash equivalents (E)	333,323,655	314,953,253
<b>Closing cash and cash equivalents (D+E)</b>	<b>174,345,689</b>	<b>333,323,655</b>
<b>Net Operating Cash Flow Per Unit (NOCFPU)</b>	<b>0.41</b>	<b>0.16</b>

  
Managing Director

  
Chairman (Trustee)



Dated: 27.01.2021  
Place: Dhaka







**UFS - IBBL Shariah Unit Fund**  
Investment In Marketable Securities  
As at 31st December 2020

Annexure- A i

Sl No	Sector	Script Trading Code	No of Unit	Cost price/ Unit	Total Cost Price	Market Price/ Unit	Total Market Price	Unrealized Gain/(Loss)
1	Engineering	ACTIVEFINE	540,153	31.90	17,232,519	16.90	9,128,586	(8,103,933)
2	Pharmaceuticals	ACMELAB	290,055	83.17	24,122,798	74.70	21,667,109	(2,455,689)
3	Mutual Fund	AIBL1STIMF	1,343,071	8.31	11,154,258	8.40	11,281,796	127,538
4	Fuel and Power	BARKAPOWER	1,150,243	31.17	35,852,993	25.70	29,561,245	(6,291,748)
5	Tennary	BATASHOE	22,680	1,155.45	26,205,636	702.70	15,937,236	(10,268,400)
6	Engineering	BBS	193,931	42.05	8,154,718	17.50	3,393,793	(4,760,926)
7	Engineering	BBSCABLES	481,714	93.38	44,980,194	54.80	26,397,927	(18,582,267)
8	Pharmaceuticals	BXPHERMA	334,322	96.26	32,182,157	190.50	63,688,341	31,506,184
9	Engineering	COPPERTECH	5,952	9.52	56,687	21.10	125,587	68,901
10	Insurance	CRYSTALLINS	19,277	10.00	192,770	39.40	759,514	566,744
11	Textile	ESQUIRENIT	88,323	45.00	3,974,535	26.30	2,322,895	(1,651,640)
12	Bank	FIRSTSBANK	1,534,467	12.45	19,110,726	9.00	13,810,203	(5,300,523)
13	Textile	GENNEXT	869,225	8.95	7,782,322	3.90	3,389,978	(4,392,344)
14	Telecommunication	GP	233,169	386.02	90,007,598	347.10	80,932,960	(9,074,638)
15	Textile	GENEXIL	515,136	61.27	31,564,131	55.00	28,332,480	(3,231,651)
16	Pharmaceuticals	IBP	1,945	8.34	16,227	19.10	37,150	20,922
17	Fuel and Power	INTRACO	657	9.52	6,257	18.70	12,286	6,029
18	Bank	ISLAMIBANK	915,868	35.90	32,876,572	26.80	24,545,262	(8,331,309)
19	Insurance	ISLAMIINS	12,233	30.33	370,966	50.80	621,436	250,470
20	Fuel and Power	LINDEBD	16,430	1,265.65	20,794,670	1,281.10	21,048,473	253,803
21	Food and Allied	MARICO	9,895	2,170.05	21,472,624	2,138.80	21,163,426	(309,198)
22	Textile	NEWLINE	11,104	9.35	103,779	17.00	188,768	84,989
23	Food and Allied	OLYMPIC	144,911	197.98	28,688,777	191.10	27,692,492	(996,285)
24	Pharmaceuticals	RENATA	5,000	1,008.99	5,044,941	1,106.90	5,534,500	489,559
25	Ceramic	RAKCEAMIC	176,489	47.67	8,413,295	26.10	4,606,363	(3,806,932)
26	Textile	RINGSHINE	159,170	8.70	1,384,087	6.40	1,018,688	(365,399)
27	Telecommunication	ROBI	469,019	10.00	4,690,190	29.80	13,976,766	9,286,576
28	Fuel and Power	SAIFPOWER	494,174	21.76	10,753,418	18.00	8,895,132	(1,858,286)
29	Pharmaceuticals	SILCOPHL	13,291	8.33	110,760	24.00	318,984	208,224
30	Engineering	SINGERBD	120,805	174.68	21,102,067	175.60	21,213,358	111,291
31	Engineering	SSSTEEL	10,123	8.70	88,030	18.40	186,263	98,233
32	Pharmaceuticals	SQURPHARMA	424,356	226.31	96,034,146	219.50	93,146,142	(2,888,004)
33	Fuel and Power	SUMITPOWER	492,991	40.32	19,879,238	38.90	19,177,350	(701,888)
<b>Total</b>					<b>624,404,084</b>		<b>574,112,488</b>	<b>(50,291,596)</b>





Mutual Fund Valuation							
SI NO	SCRIPT CODE	No. of Unit	Cost Price (Tk.)	Total Cost Price (Tk.)	Market Price (Tk.)	Total Market Price (Tk.)	Unrealized Value
1	AIBL1STIMF	1,343,071	8.31	11,154,258	8.40	11,281,796	127,538.38
				11,154,258		11,281,796	127,538.38

NAV	85% Last NAV (Tk./unit)	Required Provision	Required provision in Amount	Loss Recovery	Total Market Price After Provision	Unrealized Value
-	-	-	-	-	11,281,796	127,538.38
					11,281,796	127,538.38

**UFS - IBBL Shariah Unit Fund**  
**Investment In Non Listed Securities**

Annexure- A ii

SI No	Sector	Script Trading Code	No of Unit	Cost price/Unit	Total Cost Price	Market Price/Unit	Total Market Price	Unrealized Gain/(Loss)
1	Open Ended MF	ICB AMCL Islamic Unit Fund	3,883,496	10.30	40,000,009	7.90	30,679,618	(9,320,390)
2	Open Ended MF	ATC Shariah Unit Fund	469,925	10.64	5,000,002	10.53	4,948,310	(51,692)
					45,000,011		35,627,929	(9,372,082)
	Provision	NAV of the Funds	5% of NAV	Net RP	RP In Amount	Loss Recovery	Market price after RP	Un. Value after RP
	2.40	8.56	0.43	0.43	1,662,136	7,658,254	38,337,873	(1,662,136)
	0.11	9.77	0.49	0.11	51,692	(0)	4,948,310	(51,692)
					1,713,828	7,658,254	43,286,183	(1,713,828)

**Summary of Investment**

Particular	Cost Price	Market Price	Unrealized Value
Total Investment in Listed Securities	624,404,084	574,112,488	(50,291,596)
Total Investment in Non Listed Securities	45,000,011	43,286,183	(1,713,828)
	<b>669,404,095</b>	<b>617,398,671</b>	<b>(52,005,424)</b>

