

AUDITOR'S REPORT

&

AUDITED FINANCIAL STATEMENTS

OF

Olympic Accessories Limited

Saiham Sky view Tower, 45 Bijoy Nagar,
Dhaka 1000.

FOR THE YEAR ENDED ON JUNE 30,2022

ARTISAN

CHARTERED ACCOUNTANTS
SONARGAON TERRACE (2ND FLOOR),
HOUSE # 52, ROAD # 13/C, BLOCK # E,
BANANI, DHAKA-1213.

Independent Auditors' Report

To the shareholders of Olympic Accessories Limited

Report on the Audit of the Financial Statements.

Opinion

We have audited the financial statements of **Olympic Accessories Limited** (“the Company”), which comprise the Statement of Financial Position as at 30 June 2022, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) where practicable, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Risk	Our response to the risk
Revenue recognition	
<p>During the year, the Company recognized sales turnover of BDT 456,788,926 (Export) which has increased by BDT 25,383,023 as compared with previous year.</p> <p>Sales revenue recognized by the Company as per IFRS: 15, 'Revenue from Contracts with</p>	<p>Our audit procedures included the following to test the design and operating effectiveness of key control focusing on:</p> <ul style="list-style-type: none"> ➤ Segregation of duties in invoice creation and modification. ➤ Timing of revenue recognition considering step by step procedure.

<p>Customers' & Company Policy. Revenue is recognized based on point of delivery and when relevant performance obligations are satisfied. The company adopted IFRS: 15 'Revenue from Contracts with Customers' as continued from last year.</p> <p>We considered sales revenue as an item of significant audit areas during our audit because of its predominance in determining the financial performance of the Company.</p>	<p>Our substantive procedures in relation to revenue recognition and measurement comprise the following:</p> <ul style="list-style-type: none"> ➤ Obtaining understanding and documenting the process of revenue recognition and measurement followed by the Company. ➤ Tracing performance obligations stipulated and contract value in the contract with invoice and delivery challan issued to evaluate point of recognition and measurement. ➤ Testing occurrence and accuracy of sales revenue recognized by inspecting source documents such as contract made with the customer, delivery challan and VAT challan. ➤ Assessing accuracy and comparing revenue recognized during the year with VAT returns submitted to VAT authority; ➤ Finally assessing the appropriateness and presentation of disclosure notes with IFRS 15: Revenue from contracts with customers.
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See note no. 22, Revenue in the financial statements

Valuation of closing inventories

<p>Closing inventories aggregating to BDT 298,019,755 was recognized in the statement of financial position as on 30 June 2022. Compared with previous year, this has decreased by BDT 13,187,740.</p> <p>Closing inventories were all held at factory premises of the Company. Since determining valuation of these inventories involves management judgements which results in estimation uncertainty, we considered this an area of significant audit attention to be emphasized during the audit.</p>	<p>Our audit responses comprise the following procedures:</p> <ul style="list-style-type: none"> ➤ Evaluating the design and implementation of key inventory control operating across factory premises. ➤ Attending and observing the physical inventory at the reporting date. ➤ Evaluating compliance with instructions of management count procedures during the count. ➤ Inspecting physical stock counting report as on 30 June 2020 and reconciling count results to closing inventories listings and performing test count on selected items to test completeness, accuracy and existence of inventories. ➤ Reviewing composition of cost of inventories comprising raw materials, work-in-process and finished goods and comparing net realizable value on selected samples to test their valuation.
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See note no. 7, Inventories in the financial statements

Property, plant and equipment

Property, plant and equipment (PPE) was carried at BDT 1,424,294,763 representing 57.45% of total assets of the company as on 30 June 2022. The company reported addition to PPE of BDT 2,945,530 during the year.

Property, plant and equipment (PPE) are subject to recognition and measurement criteria only after satisfactorily meeting relevant requirement as per IAS 16.

The company is also required to perform assessment for impairment when there is condition which suggests indication of assets being impaired.

The Company shows TK. 22,55,08,135.00 as Capital Working in progress which is longer more than two years. It should be added with Property, Plant and Equipment (PPE) according to International Accounting Standard (IAS) 16.

Our audit procedures performed during the audit to address the risks identified consist of the following:

- Obtaining and documenting detailed understanding regarding procurement process of PPE and identified relevant control points and their implementation.
- Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment.
- Inspecting supporting documents against the acquisition of PPE made during the year to test their accuracy, valuation and ownership in the financial statements.
- Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.

See note no. 3, Property, plant and equipment in the financial statements

Measurement of current year income tax and deferred tax

During the year, the Company recognized current year income tax of Tk. 4,020,049 and deferred tax income/expenses Tk. 5,861,750 respectively in the statement of profit or loss and other comprehensive income. Current tax expenses has increased as because AIT for this period and short provision for the earlier year has increased compared to the previous year. Deferred tax income/expenses increased due to a decrease in Tax Written down value and applicable tax rate.

Determination of both current year income tax and deferred tax involves compliance with the Income Tax Ordinance (ITO) 1984 and latest finance act along with IAS 12: Income Tax.

Our audit responses adopted during the audit to address the risk identified comprise the following:

- Obtained and documented management procedures involved in determining both current year income tax and deferred tax.
- Obtained understanding and reviewed relevant section of the ITO and SRO to test the accuracy of rate applied by the Company.
- Reviewed rate of depreciation used in determining tax depreciation in compliance with the latest finance act which is used to determine taxable profit and deferred tax.
- Re-performed detailed calculation of current year income tax and deferred tax as given by the Company.
- Inspected latest assessment order completed and compared amount of

	tax paid by the Company with amount recognized in the financial statements.
See note no. 29 & 30, Current Tax Expense & Deferred tax Income/Expense in the financial statements	
Bank Loan	
<p>As refereed note no 17 in the financial statement the company recognized Short-term Borrowings of BDT 113,145,913 at their reporting date.</p> <p>Loan liability borrowings from bank were considered a key audit matter because this external form of credit facilities availed by the company requires fulfillment of several terms and conditions as mentioned in loan sanction letter issued by lending bank.</p>	<ul style="list-style-type: none"> ➤ Our substantive audit procedure adopted during the audit includes the following test or details ➤ Inspecting relevant board minutes in support of bank loan reported in the financial statement. ➤ Agreeing outstanding balances with confirmation letter received from the bank. ➤ Agreeing finance costs charged by the company with loan statements provided by bank to test accuracy and completeness of expenses in relation to bank loan

Other Information

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial statements and our auditor’s report thereon. The directors are 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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 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. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management factions of the company.

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.

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.

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

- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are solely responsible for our audit opinion.

We communicated 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 identified during our audit.


We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined 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 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) 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;
- b) In our opinion, proper books of accounts and records as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditures incurred were for the purposes of the Company's business.
- e) The company adopted IFRS: 15 'Revenue from Contracts with Customers' & IFRS 16: 'Leases' as continued from last year.



Md. Selim Reza, FCA
Partner

ARTISAN

Chartered Accountants

DVC : 2211080939AS941462


Dated, 27th October, 2022

Place: Dhaka

Olympic Accessories Limited
Statement of Financial Position
As at June 30, 2022.

Particulars	Notes	Amount in Taka	
		June 30, 2022	June 30, 2021
ASSETS			
Non-Current Assets		1,651,162,127	1,727,931,303
Property, plant and equipment	3.00	1,424,294,763	1,500,623,108
Capital work in progress	4.00	225,508,135	225,508,135
Right-of-Use Assets	5.00	1,359,229	1,800,060
Current Assets		827,880,941	800,260,803
Investment in FDR	6.00	10,959,318	11,040,443
Inventories	7.00	298,019,755	311,207,495
Accounts receivables	8.00	362,775,130	324,647,515
Advances, deposits and prepayments	9.00	150,303,753	145,404,836
Cash and cash equivalents	10.00	5,822,985	7,960,513
Total Assets		2,479,043,068	2,528,192,106
SHAREHOLDER'S EQUITY AND LIABILITIES			
Shareholder's Equity		2,268,425,064	2,312,724,285
Share capital	11.00	1,695,269,820	1,695,269,820
Retained earnings	12.00	573,155,244	617,454,465
Non-Current Liabilities		81,970,385	87,076,178
Deferred tax liabilities	13.00	76,706,916	82,568,666
Advance for factory floor rent	14.00	2,500,000	2,500,000
Lease Liabilities	15.00	1,435,469	2,007,512
Higher purchase for Vehicle	16.00	1,328,000	-
Current Liabilities		128,647,619	128,391,643
Short term borrowings	17.00	113,145,913	113,772,403
Accounts Payables	18.00	2,495,000	2,154,650
Liabilities for expenses	19.00	8,746,015	7,323,736
Lease Liabilities (Current Portion)	20.00	572,043	507,659
Unclaimed dividend & IPO account	21.00	3,688,649	4,633,195
Total Liabilities		210,618,004	215,467,821
Total Equity And Liabilities		2,479,043,068	2,528,192,106
Net Asset Value (NAV) per Share	32.00	13.38	13.64

The annexed notes and Annexure-A are form an integral part of these financial statements.


Chairman

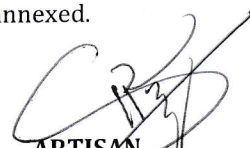

Managing Director


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Date : 27 October, 2022
Place: Dhaka


ARTISAN
Chartered Accountants
DVC : 2211080939AS941462



Olympic Accessories Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2022.

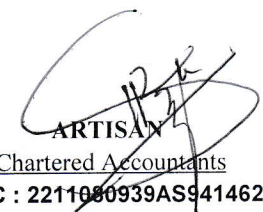
Particulars	Notes	Amount in Taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
Revenue	22.00	456,788,926	431,405,903
Cost of goods sold	23.00	(455,240,773)	(426,815,626)
Gross profit		1,548,153	4,590,277
Operating expenses		(21,807,290)	(29,996,924)
Administrative expenses	24.00	(14,767,293)	(21,918,733)
Selling & distribution expenses	25.00	(7,039,997)	(8,078,191)
Profit/(Loss) from operation		(20,259,137)	(25,406,647)
Financial expenses	26.00	(19,284,161)	(20,563,386)
Profit/(Loss) after financial expenses		(39,543,298)	(45,970,033)
Foreign exchange gain/(loss)	27.00	2,691,767	(100,950)
Other income	28.00	3,287,899	3,052,679
Net profit/(Loss) before tax		(33,563,632)	(43,018,304)
Income tax expenses		1,841,701	(13,152,116)
Current tax expenses	29.00	(4,020,049)	(2,659,512)
Deferred tax income/expenses	30.00	5,861,750	(10,492,604)
Net profit/(Loss) after tax		(31,721,931)	(56,170,420)
Other comprehensive income		-	-
Total comprehensive income/(Loss)		(31,721,931)	(56,170,420)
Earnings per Share (EPS)	31.00	(0.19)	(0.33)

The annexed notes and Annexure-A are form an integral part of these financial statements.

 Chairman
 Managing Director
 Company Secretary
 Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Date : 27 October, 2022
Place: Dhaka


ARTISAN
Chartered Accountants
DVC : 2211080939ASS941462



Olympic Accessories Limited

Statement of Changes in Equity

For the year ended June 30, 2022.

Particulars	Ordinary Share Capital	Retained Earnings	Total
Balance as on July 01, 2021	1,695,269,820	617,454,465	2,312,724,285
Adjustment for Lease Liabilities	-	-	-
Issuance of 1 % Cash Dividend	-	(12,577,290)	(12,577,290)
Total comprehensive income/(loss) during the year	-	(31,721,931)	(31,721,931)
Balance as on June 30, 2022	1,695,269,820	573,155,244	2,268,425,064

Statement of Changes in Equity

For the year ended June 30, 2021

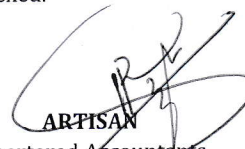
Balance as on July 01, 2020	1,695,269,820	674,349,687	2,369,619,507
Issuance of 2 % Cash Dividend	-	(724,802)	(724,802)
Total comprehensive income/(loss) during the year	-	(56,170,420)	(56,170,420)
Balance as on June 30, 2021	1,695,269,820	617,454,465	2,312,724,285

The annexed notes and Annexure-A are form an integral part of these financial statements.

 Chairman
 Managing Director
 Company Secretary
 Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Date : 27 October, 2022
Place: Dhaka


ARTISAN
Chartered Accountants
DVC : 2211080939AS941462



Olympic Accessories Limited
Statement of Cash Flows
For the year ended June 30, 2022.

Particulars	Amount in Taka	
	July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
Cash flows from operating activities:		
Receipts from customers and others	424,640,488	408,481,997
Payment to Suppliers	(340,041,728)	(298,330,185)
Payment to Employees	(29,686,311)	(41,401,813)
Payment to others	(18,018,621)	(20,890,491)
Cash generated from operations	36,893,828	47,859,508
Interest expense	(19,009,660)	(20,231,747)
Income tax paid	(3,555,294)	(2,008,372)
Net cash generated from operating activities	14,328,874	25,619,389
Cash flows from investing activities:		
Payment for acquisition of property, plant and equipment	(2,945,530)	-
Payment for capital work in progress	-	-
Proceeds from sale of demolished Plant & Machinery	-	-
Received/(Payment) for FDR	81,125	(5,449,250)
Net cash used in investing activities	(2,864,405)	(5,449,250)
Cash flows from financing activities:		
Received for Advance factory floor rent	-	-
Received/(Payment) for short term loan	(626,490)	(23,022,347)
Payment of dividend	(13,521,836)	(2,390,089)
Payment for IPO refund payable	-	-
Payment Lease	(782,160)	(782,160)
Received/(Payment) for higher purchase loan	1,328,000	-
Net cash Provided/(used) in financing activities	(13,602,486)	(26,194,597)
Increase/ decrease in cash and cash equivalents	(2,138,017)	(6,024,458)
Foreign currency gain	489	26,176
Cash and cash equivalents at beginning of year	7,960,513	13,958,795
Cash and cash equivalents at end of year	5,822,985	7,960,513
Net Operating Cash Flow Per Share (NOCFPS)	0.08	0.15

The annexed notes and Annexure-A are form an integral part of these financial statements.


Chairman

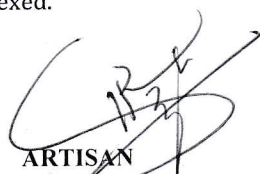

Managing Director


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Date : 27 October, 2022
Place: Dhaka


ARTISAN
Chartered Accountants
DVC : 2211080939AS941462



Olympic Accessories Limited

Notes, comprising significant accounting policies and other explanatory informations.

For the year ended June 30, 2022.

1.00 Significant accounting policies and other material information:

1.01 Legal form of the enterprise:

The Company namely Olympic Accessories Limited was incorporated on 28 May, 2003 vide registration no. C-49349 (1333)/2003 as a private limited company in Bangladesh under the Companies Act 1994. The company converted into Public limited company in 2014 and subsequently got listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in 2015.

1.02 Registered office of the company:

The registered office of the company is located at Saiham Sky view Tower, 45 Bijoy Nagar, Dhaka 1000. Production unit of the company is situated at Bishia Kuribari, Rajendrapur in Gazipur.

1.03 Principal activities and nature of the business:

The principal activities of the company are to carry on the business of manufacturing, processing, printing, cutting, sealing and assembling of all kinds of Hanger, Carton, Poly Bag, Sticker, Photo inlay, Bar code, Hangtag, Elastic, Twill tape, Back board, Tissue paper, Gum tape, Interlining, Label, Thread etc.

2.00 Significant accounting policies:

2.01 Basis of preparation of financial statements:

The financial statements of the company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws & regulation in Bangladesh

2.02 Going concern:

This financial statement has been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence, it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation.

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis is preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.03 Accrual Basis:

The Financial Statements have been prepared, except cash flow information, using the accrual basis of accounting.

2.04 Responsibility for preparation and presentation of financial statements:

The Board of Directors is responsible for the preparation 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 (IASs).

2.05 Functional and Presentational Currency :

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both functional and presentational currency of the Company. The amounts in these financial statements have been rounded off unless otherwise indicated. Because of these rounding off, in some instance the total may not match the sum of individual balance.



2.06 Components of the financial statements:

According to IAS 1 Presentation of the Financial Statements the complete set of financial statement includes the following components

- a) Statement of Financial Position as at June 30, 2022.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2022.
- c) Statement of Changes in Equity for the year ended June 30, 2022.
- d) Statement of Cash Flows for the year ended June 30, 2022.
- e) Notes, comprising significant accounting policies and other explanatory informations for the year ended June 30, 2022.

2.07 Changes in accounting policies & estimates:

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation. The company has changed its accounting policies previously as per IAS 8.

2.08 Corporate accounting standards practiced:

The following IASs and IFRS is applicable to the financial statements for the year under review:

IASs:

- 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 Rates;
- IAS 23 Borrowing Costs;
- IAS 33 Earnings per Share;
- IAS 36 Impairment of Assets;
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets;

IFRSs:

- IFRS 8 Operating Segments;
- IFRS 9 Financial Instruments;
- IFRS 13 Fair Value Measurement;
- IFRS 15 Revenue from Contracts with Customers;
- IFRS 16 Leases;

2.09 Statement of cash flows:

Statement of cash flows is prepared in accordance with IAS 7 Statement of Cash Flows and the cash flow from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".



2.10 Property, plant and equipment and depreciation:

All property, plant and equipment are stated at cost less accumulated depreciation as per IAS 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit embodied with the item will flow to and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation has been charged on property, plant and equipment under reducing balance method and depreciation has been charged on addition of assets when they are installed and available for use.

The annual rates of depreciation applicable to the principal categories of fixed assets are:

Kind of assets	Rate of Depreciation
a) Land & developments	0%
b) Factory building	2.50%
c) Plant & machinery	10%
d) Electrical installation & equipment	10%
e) Generator	10%
f) Vehicles	20%
g) Furniture & fixture	10%
h) Office equipment	20%
i) Fire equipment	10%

2.11 Revenue recognition:

In compliance with the requirements of IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

To recognise revenue under IFRS 15, an entity applies the following five steps:

1. Identify the contact with the customer.
2. Identify the performance obligations in the contact.
3. Determine the transaction price.
4. Allocate the transaction price.
5. Recognize revenue when (or as) a performance obligation is satisfied.

2.12 Impairment:

In accordance with the provision of IAS 36 Impairment of Assets the carrying amount of non financial assets other than inventories are reviewed to determine whether there is any indication of impairment. No such indication of impairment has risen till the date of our audit.

Valuation of current assets:

2.13 Accounts receivable:

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount was provided for as bad debt in the current period's account.

2.14 Inventories:

In compliance with the requirements of IAS 2 Inventories & with Schedule XI Part-II of the Companies Act 1994, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous period's practice. Net realizable value is Based on estimated selling price in the ordinary course of business less any further cost expected to be incurred to make the sale.



2.15 Employee benefit plan:

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

a) Short term employee benefits:

Short-term employee benefits include salaries, bonuses etc. Obligations for such benefits are measured on an undiscounted Basis and are expensed as the related service is provided.

b) Workers profit participation fund:

We are a 100% deemed export oriented garment accessories industry and member of Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association (BGAPMEA). As per Sub-Section 3 of Section 232 of Bangladesh Labour Act 2006 re-placed by the Act No 30, Para 63 of the year 2013 as follows:

"in case of a 100% export-oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector-based central fund comprising of buyers and owners, from a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector."

We didn't start making provision for WPPF because of not yet deduct against export value by the lien bank of the company as per circular no. FEPD (Export policy) 220/2016-18.

2.16 Liabilities & Basis of their valuation

2.16.01 Accrued expenses and other Payables:

Liabilities are recognized for the goods and services received, whether paid or not. Other Payables are not interest bearing and are stated at their nominal value.

2.16.02 Provisions:

In accordance with the guidelines as prescribed by IAS 37 Provisions, Contingent Liabilities and Contingent Assets are recognized in the following situations:

- when the company has an obligation (legal or constructive) as a result of past events;
- when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

2.17 Borrowing costs:

Financial expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS 23 Borrowing Costs.

2.18 Other income:

Other income is consisted of interest from IPO Account, Factory Floor Rent and interest from FDR. Advance factory Floor rent amount is not adjusted as per deed .

2.19 Related party disclosures:

The company in normal course of business carried out a number of transactions with other entities and Directors that fall within the definition of related party contained in International Accounting Standard IAS 24 Related Party Disclosures.



2.20 Events after the reporting period:

In compliance with the requirements of IAS 10 Events After the Reporting Period that provide additional information about the company's position at the date of the financial position; are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the notes when material.

The board of directors recommends declaring no dividend to the all Shareholders for the year ended 30th June, 2022 which is subject to shareholders' approval at the forthcoming Annual General Meeting.

2.21 Current tax:

Applicable tax rate of the company is 22.5% as per Finance Act, 2022 and company enjoy 50% tax rebate as per para 28 of 6th schedule part A. The tax has been deducted at source from export proceeds @ 0.50% as per Section 53BB of Income Tax Ordinance 1984. The income tax liability for the company is higher of regular tax rate of the company @ of 22.5% as per Finance Act, 2022, tax deduction amount as per Section 53BB and minimum tax on gross receipt.

2.22 Deferred tax:

Deferred tax arises due to temporary difference deductible or taxable for the events or transaction which is recognized in the statement of comprehensive income. A temporary difference is the difference between the tax Base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future periods recognized in the current year as per IAS 12 Income Taxes. Deferred Tax impact has been provided during the year.

2.23 Earnings per Share:

This has been calculated in compliance with the requirements of IAS 33 Earnings per Share by dividing the Basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.23.01 Basic earnings:

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders. The company has no diluted instrument in capital structure on the reporting date.

2.23.02 Weighted average number of ordinary shares outstanding during the year:

The Basis of computation of number of shares is in line with the provisions of IAS 33 Earnings per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

2.24 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS - 9.

2.25 Financial Assets

Financial assets of the company include cash and cash equivalents, trade receivables and other receivables.

The company initially recognizes a financial asset in its statement of financial position when and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cashflows of the financial asset.



2.26 Financial Liabilities

The company initially recognizes a financial liability in its statement of financial position when and only when the company becomes a party to the contractual provision of the instrument.

The company derecognizes a financial liability from its statement of financial position when and only when it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

2.27 Risk Management

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

(a) Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to financial instruments fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from receivables are nominal as the company is deemed exporter.

(b) Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has significant cash and cash equivalents to meet expected operational expenses including financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short-term financing.

(c) Market Risk

Market Risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. It reflects interest rate risk, currency risk and other price risks. Management is fully aware of the market risk, and act accordingly. Market of garments accessories in Bangladesh is growing rapidly. Moreover, the objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Additional information on financial statements

2.28 Authorization date for issuing financial statements:

The financial statements were authorized by the Board of Directors on October 27, 2022.

2.29 Comparative:

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

Previous year figure has been re-arranged whenever considered necessary to ensure comparability with the current year presentation as per IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2.30 General:

- i) The figure has been rounded off to the nearest taka.
- ii) The financial Statements have been prepared covering one year from July 01, 2021 to June 30, 2022.



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
3.00	Property plant and equipment :Tk. 1,424,294,763		
	This is made up as follows:		
	Particulars		
	Opening balance as at 01.07.2021	2,079,484,216	2,000,949,095
	Addition during the year	2,945,530	78,535,121
	Disposal during the year	-	-
	Total assets value at cost (A)	2,082,429,746	2,079,484,216
	Accumulated depreciation as at 01.07.2021	(578,861,108)	(497,426,143)
	Current year depreciation	(79,273,875)	(81,434,965)
	Depreciation on disposal of fixed assets	-	-
	Total accumulated depreciation (B)	(658,134,983)	(578,861,108)
	Written down value as at 30.06.2022 (A-B)	1,424,294,763	1,500,623,108
	Details of property, plant & equipment and depreciation are shown in the annexed Annexure-A .		
4.00	Capital work in progress : Tk. 225,508,135		
	This is made up as follows:		
	Building constructions 4.01	225,508,135	225,508,135
	Plant and machinery 4.02	-	-
	Total	225,508,135	225,508,135
4.01	Building constructions : Tk. 225,508,135		
	Opening balance	225,508,135	225,508,135
	Addition during the year	-	-
		225,508,135	225,508,135
	Less: Transfer to fixed asset	-	-
	Closing Balance	225,508,135	225,508,135
4.02	Plant and Machinery : Tk. 0		
	Opening balance	-	78,535,121
	Addition during the year	-	-
		-	78,535,121
	Less: Transfer to fixed asset	-	78,535,121
	Closing Balance	-	-
5.00	Right-of-Use Assets: Tk. 1,359,229		
	This is made up as follows:		
	Particulars		
	Opening Balance	1,800,060	2,240,891
	Less: Depreciation Expenses	440,831	440,831
	Closing Balance	1,359,229	1,800,060
6.00	Investment in FDR: Tk. 10,959,318		
	Opening balance	11,040,443	5,591,193
	Add: FDR -MBL (A/C # 111141333319901)	-	5,611,500
	Add: Interest during the year	555,585	309,048
	Toal	11,596,028	11,511,741
	Less: Withdrawal of interest	581,151	440,393
	Less: Tax Deduction at Source	55,559	30,905
	Closing Balance	10,959,318	11,040,443
7.00	Inventories : Tk. 298,019,755		
	This is made up as follows:		
	Particulars		
	Raw materials 23.01	154,146,071	143,208,504
	Work in process 23.00	16,160,731	20,913,586
	Finished goods 23.00	127,487,224	146,817,044
	Store items 23.03	225,729	268,362
	Total	298,019,755	311,207,495



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
8.00	Accounts receivables : Tk. 362,775,130		
	Particulars		
	Bills receivable	360,622,541	323,880,265
	Gain for fluctuation in foreign currency	1,925,089	539,750
	Factory floor rent receivable	227,500	227,500
	Total	362,775,130	324,647,515

The amount of receivable is against export bills as on June 30, 2022. This is considered as good & realizable and is secured by export letter of credit duly accepted by L/C opening bank.

Ageing of accounts receivable

Due within 6 Months	362,775,130	324,647,515
Due within above 6 Months	-	-
Total	362,775,130	324,647,515

The classification of receivables as required by the Schedule XI, Part I, Para 4 of The Companies Act, 1994 are given below:

(1) Receivables Considered good and in respect of which the company is fully secured ;	362,775,130	324,647,515
(2) Receivables Considered good for which the company holds no security other than the debtor's personal security;	-	-
(3) Receivables considered doubtful or bad ;	-	-
(4) Receivables due by Directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
(5) Receivables due by companies under the same management;	-	-
(6) The maximum amount due by directors or other officers of the company at any time during the year.	-	-

9.00 Advances, deposits and prepayments : Tk.150,303,753

This is made up as follows:

Particulars

Advance and prepayments

Advance income tax	9.01	4,912,526	4,973,755
Advance to employees	9.02	1,302,800	1,782,800
Prepaid insurance premium	9.03	136,540	464,925

Deposits

L/C margin for Import of raw material	142,119,613	136,351,082
Security deposits- Palli Bidyut Samity (PBS)	1,275,804	1,275,804
Advance rent	556,470	556,470

Total

150,303,753 **145,404,836**

9.01 Advance income tax : Tk. 4,912,526

This is made up as follows:

Particulars

Opening Balance		4,973,755	7,750,850
Add: Tax deduction at source	9.01(a)	2,904,154	2,008,372
		7,877,909	9,759,222
Less: Adjustment during the year		2,965,383	4,785,467
Closing Balance		4,912,526	4,973,755



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
9.01(a) Tax Deductiion at source : Tk. 2,904,154	This is made up as follows:		
	Particulars		
	Advance Tax against export proceeds	2,499,864	1,707,104
	Advance Tax against floor rent	136,500	168,768
	Advance Tax against Bank interest & other income	60,790	-
	Advance Tax against vehicle	207,000	132,500
	Total	2,904,154	2,008,372
9.02 Advance to employees : Tk. 1,302,800	This is made up as follows:		
	Particulars		
	Opening balance	1,782,800	2,312,800
	Add: Addition During the year	-	-
		1,782,800	2,312,800
	Less: Adjustment During the year	480,000	530,000
	Closing Balance	1,302,800	1,782,800
9.03 Prepaid Insurance premium : Tk. 136,540	This is made up as follows:		
	Particulars		
	Opening balance	464,925	432,214
	Add: Addition During the year	231,696	670,699
		696,621	1,102,913
	Less: Adjustment During the year	560,081	637,988
	Closing Balance	136,540	464,925
10.00 Cash and cash equivalents : Tk. 5,822,985	This is made up as follows:		
	Particulars		
	Cash in hand	4,195,820	4,572,005
	Cash at bank	10.01 1,627,165	3,388,508
	Total	5,822,985	7,960,513
10.01 Cash at bank : Tk. 1,627,165	This is made up as follows:		
	Particulars		
	Mercantile Bank Ltd., Nayabazar Br., 011111100008312	329,207	18,211
	EXIM Bank Ltd., Imamgonj Br., 00611100006118	-	46
	Eastern Bnak Ltd.,Principal Br.,1011070475088	471,014	75,406
	City Bank,Gulshan Br.,1402409146001	-	1,700
	NCC Bank Ltd., Babubazar Br., 0006-0210005111	364,558	28,645
	NCC Bank Ltd., Babubazar Br., 0006-0325000524	5,598	493,209
	Eastern Bnak Ltd.,Principal Br.,(Excess Margin USD) USD\$ 2,289.08@93.4666	213,953	729,798
	NCC Bank Ltd.,Babubazar Br., 0006-0251000021 US\$ 89.30 @93.4666	8,347	1,515,916
	NCC Bank Ltd.,Babubazar Br., 0006-0259000016 US\$2,508.80@ 93.4666	234,489	4,566
	Mercantile Bank Ltd., Nayabazar Br., 111115409062928 US\$ 0 @ 0	-	-
	NCC Bank Ltd., Babubazar Br., 0006-0325000515, STD Account	-	209,533
	NCC Bank Ltd., Babubazar Br, 0006-0251000012, US\$ 0 @ Tk. 0	-	267,336
	NCC Bank Ltd., Babubazar Br., 0006-0252000010, GBP 0 @ Tk. 0	-	20,301
	NCC Bank Ltd., Babubazar Br., 0006-0253000018, EURO 0 @ Tk. 0	-	23,840
	Cash at bank	1,627,165	3,388,508

The bank balance are in agreement with respective bank statement balances.



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
11.00	Share capital : Tk. 1,695,269,820		
11.01	Authorized share capital : Tk. 2,500,000,000		
	250,000,000 ordinary shares of Taka 10/= each	2,500,000,000	2,500,000,000
		2,500,000,000	2,500,000,000
11.02	Issued, subscribed, paid-up share capital : Tk. 1,695,269,820		
	116,910,000 ordinary shares of Tk 10/= each fully paid-up in cash	1,169,100,000	1,169,100,000
	37,205,438 ordinary shares of Tk. 10/= each fully paid-up in bonus share	372,054,380	372,054,380
	15,411,544 ordinary shares of Tk. 10/= each fully paid-up in bonus share	154,115,440	154,115,440
		1,695,269,820	1,695,269,820

The shareholding position of the company are as under

Names	No. of shares	%	June 30, 2022	June 30, 2021
			Amount in Tk	Amount in Tk
Md. Golam Kibria	14,500,640	8.55%	145,006,400	145,006,400
Mrs. Farida Akhter	8,700,384	5.13%	87,003,840	87,003,840
Navana Poly Packaging Ltd.	13,726,240	8.10%	137,262,400	137,262,400
Riverside Apparels Limited	6,826,820	4.03%	68,268,200	68,268,200
Other Shareholders	125,772,898	74.19%	1,257,728,980	1,257,728,980
Total	169,526,982	100%	1,695,269,820	1,695,269,820

12.00 Retained Earnings : Tk. 573,155,244

Particulars

Opening Balance		617,454,465	674,349,687
Less : Adjustment for Lease Liabilities		-	(724,802)
Less : Issuance of 1 % Cash Dividend		(12,577,290)	-
Add : Total Comprehensive Income		(31,721,931)	(56,170,420)
Closing Balance		573,155,244	617,454,465

13.00 Deferred tax liabilities : Tk. 76,706,916

Property, plant and equipment:

Opening balance		82,568,666	72,076,062
Add: Deferred tax expenses during the year	30.00	(5,861,750)	10,492,604
Closing Balance		76,706,916	82,568,666

14.00 Advance for factory floor rent : Tk. 2,500,000

This is made up as follows:

Advance for factory floor rent		2,500,000	2,500,000
Total		2,500,000	2,500,000

The above amount of Tk. 2,500,000 was received advance against factory floor rent from Olympic Fashion Limited, which is not adjustable against monthly rent.

15.00 Lease Liabilities: Tk. 1,435,469

This is made up as follows:

Particulars

Opening Balance		2,515,171	2,965,692
Add: Interest Expenses		274,501	331,638
		2,789,672	3,297,331
Less : Lease Payment		782,160	782,160
		2,007,512	2,515,171
Less: Current Portion of Lease Liabilities		572,043	507,659
Lease Liabilities Net of Current Portion		1,435,469	2,007,512



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
16.00	Higher purchase for Vehicle		
	Particulars		
	Cost price of Vehicle	2,575,000	-
	Less: Down payment	(800,000)	-
	Payble Ammount After Down payment	1,775,000	-
	Less: Installment paid during the year	(447,000)	-
	Closing Balance	1,328,000	-
17.00	Short term borrowings : Tk. 113,145,913		
	This is made up as follows:		
	Particulars		
	Mercantile Bank Ltd., Nayabazar Br., CC Hypo A/C No.-011172900001119	20,149,047	20,044,396
	NCC Bank Ltd., Babubazar Br., CC Hypo A/C No.- 00060181000637	41,412,412	40,948,654
	EDF/LTR and LDBP Loan	51,584,454	52,779,352
	Mercantile Bank Ltd., Nayabazar Branch	22,657,500	31,863,565
	NCC Bank Ltd., Babubazar Branch	28,233,121	20,915,787
	Eastern Bank Ltd., Gulshan Branch	693,832	-
	Total	113,145,913	113,772,403
18.00	Accounts Payables : Tk. 2,495,000		
	This is made up as follows:		
	Particulars		
	M/s.Bismillah Electronics	-	3,650
	Galaxy Corporation	-	35,000
	Bangladesh Association of Public Listed Companies(BAPLC)	50,000	50,000
	Dhaka Stock Exchanges Ltd.(DSE)	645,000	654,000
	Chittagong Stock Exchanges Ltd.(CSE)	1,800,000	1,200,000
	Central Depository Bangladesh Limited(CDBL)	-	212,000
	Total	2,495,000	2,154,650
19.00	Laibilities for expenses : TK. 8,746,015		
	This is made up as follows:		
	Particulars		
	Salary & wages	1,973,250	1,036,980
	Utilities bills	456,844	374,361
	Audit fees	287,500	287,500
	Current tax liabilities 19.01	6,028,421	5,624,895
	Total	8,746,015	7,323,736
19.01	Current tax liabilites : Tk. 6,028,421		
	This is made up as follows:		
	Particulars		
	Current tax for the year 2022	2,904,154	-
	Current tax for the year 2021	2,008,372	2,008,372
	Short Provision o9f tax for the year 2020-2021	434,606	-
	Short Provision o9f tax for the year 2019-2020	681,289	2,965,383
	Short Provision o9f tax for the year 2018-2019	-	651,140
	Closing balance	6,028,421	5,624,895



Note	Particulars	Amount in taka	
		June 30, 2022	June 30, 2021
20.00	Lease Liabilities (Current Portion) : Tk. 572,043		
	This is made up as follows:		
	Current Portion of Lease Liabilities	572,043	507,659
	Total	572,043	507,659
21.00	Unclaimed dividend & IPO account : Tk. 3,688,649		
	This is made up as follows:		
	Particulars		
	Unclaimed Dividend Account 2021	21.01 365,700	-
	Unclaimed Dividend Account 2019	21.02 3,322,949	3,648,886
	Unclaimed Dividend Account 2015	21.03 -	462,447
	IPO Refund Liability	21.04 -	521,863
	Total	3,688,649	4,633,195
21.01	Unclaimed dividend account 2021: Tk. 365,700		
	This is made up as follows:		
	Particulars		
	Opening balance	-	-
	Add: Addition during the year	12,577,290	-
	Less: Payments during the year	12,211,590	-
	Closing balance	365,700	-
21.02	Unclaimed dividend account 2019: Tk. 3,322,949		
	This is made up as follows:		
	Particulars		
	Opening balance	3,648,886	6,038,975
	Less: Payments during the year	325,937	2,390,089
	Closing balance	3,322,949	3,648,886
21.03	Unclaimed dividend account 2015: Tk. 0		
	This is made up as follows:		
	Particulars		
	Opening balance	462,447	462,447
	Less: Transfer to Capital Stabilization Fund (CMSF)	462,447	-
	Closing balance	-	462,447
21.04	IPO refund liability : Tk. 0		
	This is made up as follows:		
	Particulars		
	Opening balance	521,863	521,863
	Less: Transfer to CMSF-Fund	521,863	-
	Closing balance	-	521,863



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

22.00 Export : Tk. 456,788,926

This is made up as follows:

Particulars

Name of Products	%	Amount in Tk	Amount in Tk
Carton		28,292,440	22,008,282
Elastic		83,126,322	79,677,383
Twill tape		23,131,604	20,984,343
Hanger		181,836,174	155,212,342
Poly		48,659,311	66,417,627
Photo card		47,184,786	47,580,209
Back board		13,731,510	10,824,779
Size/Price/Bar code tag		5,068,678	4,710,370
Paper Band/Interling		12,349,143	11,149,801
Label		6,036,335	5,230,969
Gum tape		7,372,623	7,609,796
Total		456,788,926	431,405,903

23.00 Cost of goods sold : Tk. 455,240,773

This is made up as follows:

Particulars

Raw materials consumed	23.01	323,143,735	289,824,595
Manufacturing overhead	23.02	108,014,363	114,231,691
Cost of manufacturing		431,158,098	404,056,286
Work in process- opening		20,913,586	38,555,548
Work in process- closing		(16,160,731)	(20,913,586)
Cost of production		435,910,953	421,698,248
Finished goods - opening		146,817,044	151,934,421
Finished goods - closing		(127,487,224)	(146,817,044)
Total		455,240,773	426,815,626

23.01 Raw materials : Tk. 154,146,071

This is made up as follows:

Particulars

Opening balance		143,208,504	158,875,402
Add: Purchase during the year		334,081,303	274,157,696
Raw materials available for production		477,289,806	433,033,099
Less: Consumption during the year		323,143,735	289,824,595
Closing balance		154,146,071	143,208,504

23.02 Manufacturing overhead : Tk. 108,014,363

This is made up as follows:

Particulars

Wages, salaries and allowances		17,138,213.00	21,624,590
Festival bonus		1,589,258.35	1,839,487
Truck fare		2,322,913.95	2,541,645
Power and fuel		5,380,437.47	3,454,424
Medical expenses		257,698.27	218,199
Fooding expenses		1,108,592.98	1,498,394
Daily Labor charges		2,027,503.12	2,513,956
Production incentives		277,106.77	234,624
Telephone and mobile bill		305,018.00	317,045
Printing and stationery		171,131.50	185,849
Store items	23.03	234,528.00	429,394
Conveyance		262,615.50	288,619
Postage and stamp		51,246.00	49,198
Miscellaneous expenses		166,324.36	201,361
Repairs and maintenance		618,855.61	657,340
Depreciation expenses	Annexure-A	76,102,920.00	78,177,566
Total		108,014,363	114,231,691



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

23.03 Store items : Tk. 225,729

This is made up as follows:

Particulars

Opening balance		268,362	498,080
Add: Purchase during the year		191,895	199,676
		460,257	697,756
Less: Consumption during the year		234,528	429,394
Closing balance		225,729	268,362

24.00 Administrative expenses : Tk. 14,767,293

This is made up as follows:

Particulars

Salaries and allowances		5,002,350	7,700,340
MD's remuneration		1,500,000	1,500,000
Board meeting fees		60,000	96,000
Festival bonuses		403,725	557,017
Conveyance expenses		256,227	314,815
Phone, fax and mobile bill		298,004	309,207
Postage and stamps		21,141	19,796
Printing and stationery		160,710	172,956
Fees and forms		2,306,290	6,302,075
Entertainment		245,826	277,860
Utilities and other bills		346,182	354,503
Audit fees		287,500	287,500
Insurance expenses	9.03	560,081	637,988
Miscellaneous expenses		145,743	149,074
AGM expense		198,080	205,000
Vehicle's fuel & oil expenses		156,388	150,722
Depreciation Charge for the Right-of-Use Asset		440,831	440,831
Depreciation	Annexure-A	2,378,216	2,443,049
Total		14,767,293	21,918,733

25.00 Selling & distribution expenses : Tk. 7,039,997

This is made up as follows:

Particulars

Salaries and allowances		2,875,060	3,804,371
Festival bonuses		229,365	308,371
Phone, fax and mobile bill		272,258	320,065
Entertainment expenses		458,189	559,290
Repair and maintenance		32,694	44,187
Paper and periodicals		17,055	15,160
Conveyance expenses		207,619	264,386
Printing and stationery		82,045	96,543
Sample expenses		880,482	676,196
Postage and courier		13,633	14,834
Truck fare		1,005,724	966,789
Miscellaneous expenses		173,134	193,649
Depreciation	Annexure-A	792,739	814,350
Total		7,039,997	8,078,191



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021
26.00	Financial expenses : Tk. 19,284,161		
	This is made up as follows:		
	Particulars		
	Interest on short term loan	18,181,752	17,154,268
	Bank charge	827,908	3,077,479
	Interest Expense on the Lease Liability	274,501	331,638
	Total	19,284,161	20,563,386
27.00	Foreign Exchange Gain/(Loss) : Tk. 2,691,767		
	This is made up as follows:		
	Particulars		
	Foreign Exchange-Realized Gain/(Loss)	766,189	(666,876)
	Foreign Exchange-Un Realized Gain	1,925,089	539,751
	Foreign Currency Gain	489	26,176
	Total	2,691,767	(100,950)
28.00	Other income : Tk. 3,287,899		
	This is made up as follows:		
	Particulars		
	Bank Interest	2,314	13,631
	FDR interest	555,585	309,048
	Factory floor rent	2,730,000	2,730,000
	Total	3,287,899	3,052,679
29.00	Current tax expenses : Tk. 4,020,049		
	This is made up as follows:		
	Tax expenses under regular rate (A)	29.01	1,345,425
	Advance income tax (B)	9.01(a)	2,904,154
	Tax for gross receipt (C)	29.02	1,406,245
	Current tax expenses (higer of A, B or C)	2,904,154	2,008,372
	Add: Short provision (FY:2018-2019)	-	651,140
	Add: Short provision (FY:2019-2020)	681,289	-
	Add: Short provision (FY:2020-2021)	434,606	-
	Total	4,020,049	2,659,512
29.01	Income tax expenses under regular rate : Tk. 1,345,425		
	This is made up as follows:		
	Particulars		
	Net Profit/(Loss) Before Tax	(33,563,632)	(43,018,304)
	Less : Foreign exchange gain/(loss)	2,691,767	(100,950)
	Less : Other income	3,287,899	3,052,679
	Taxable business income/(loss)	(39,543,298)	(45,970,033)
	Add : Accounting Depreciation	79,273,875	81,434,965
	Less : Depreciation as per Annexure-A(As per third schedule of ITO 1984)	100,563,796	165,375,801
	Resultant business profit/(loss)	(60,833,220)	(129,910,869)
	Income After 50% Rebate(As per Sixth Schedule Part-A, Para-28)	(30,416,610)	(64,955,434)
	Tax on business profit @ 22.50%	-	-
	Tax on Foreign exchange gain/(loss) @ 22.50%	605,648	-
	Tax on other income @ 22.50%	739,777	763,170
	Total	1,345,425	763,170



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

29.02 Minimum tax : Tk. 1,406,245

This is made up as follows:

Particulars	Receipts		
Export	456,788,926	1,370,367	1,294,218
Foreign exchange gain	2,691,767	16,151	-
Rental Income & Interest Income	3,287,899	19,727	18,316
Total	462,768,592	1,406,245	1,312,534

30.00 Deferred tax income/ expense Tk. -5,861,750

The above balance is made up as follows:

Particulars			
Carrying amount of PPE (Accounting Base)		1,424,294,763	1,500,623,108
Carrying amount of PPE (Tax Base)		742,455,513	840,073,779
Taxable temporary difference		681,839,251	660,549,330
Tax rate		11.25%	12.50%
Closing deferred tax liability		76,706,916	82,568,666
Opening deferred tax liability		82,568,666	72,076,062
Deferred tax expenses		(5,861,750)	10,492,604

31.00 Earnings Per Share (EPS) Tk. -0.19

This is made up as follows:

Particulars		
a. Total comprehensive income/(loss) for the year	(31,721,931)	(56,170,420)
b. Weighted average number of ordinary shares	169,526,982	169,526,982
Earnings per Share (a÷b)	(0.19)	(0.33)

Weighted average number of ordinary shares outstanding

No. of Shares	Days	Factor	Weighted average No. of Shares
154,115,438 Ordinary Shares	365	1.00	154,115,438
15,411,544 Bonus Shares	365	1.00	15,411,544
169,526,982 No. Of Shares			169,526,982

32.00 Net Asset Value (NAV) Per Share Tk. 13.38

This is made up as follows:

Particulars			
Total Assets		2,479,043,068	2,528,192,106
Less: Total Liabilities		210,618,004	215,467,821
a. Net Asset Value		2,268,425,064	2,312,724,285
b. Total Number of Share outstanding	11.02	169,526,982	169,526,982
Net Asset Value (NAV) per Share (a÷b)		13.38	13.64

33.00 Net Operating Cash Flow Per Share (NOCFPS) Tk. 0.08

This is made up as follows:

Particulars			
a. Net Operating Cash Flow		14,328,874	25,619,389
b. Weighted Average Number of Ordinary Shares	11.02	169,526,982	169,526,982
Net Operating Cash Flow Per Share (a÷b)		0.08	0.15



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

34.00 Reconciliation for net profit with cash flows from operating activities making adjustment of non cash items, for non-operating items and for the net changes in operating accruals.			
	Net Profit/(Loss) Before Tax	(33,563,632)	(43,018,304)
	Less : Foreign currency gain	489	26,176
		(33,564,121)	(43,044,480)
	Adjustment for :	98,998,867	102,439,182
	Depreciation	79,714,706	81,875,796
	Financial expenses	19,284,161	20,563,386
	Changes In Working Capital	(28,540,919)	(11,535,194)
	Decrease in Inventories	13,187,740	38,655,956
	(Increase)/Decrease in Trade and other receivables	(38,127,615)	(25,849,459)
	(Increase)in Advances, deposits and prepayments	(4,960,146)	(23,475,524)
	Increase in Trade and other creditors	340,350	818,152
	Decrease in liabilities for expenses	1,018,753	(1,684,320)
	Paid for Financial expenses	(19,009,660)	(20,231,747)
	Paid for Income Tax	(3,555,294)	(2,008,372)
	Net Cash Generated from Operating activities (Indirect method)	14,328,874	25,619,389
	Net Cash Generated from Operating activities(Direct method)	14,328,874	25,619,389

35.00 Key Management personel compansation as per paragraph 17 o f IAS 24 Related Party Disclosures
(a) Short term employee benefits:

The amount of transaction for remuneration and board meeting fee during the year from 1st July 2021 to to 30th June, 2022 are as follows:

Name		Remuneration	Board Meeting Fees	Remarks
Mrs. Farida Akhter	Chairman	-	12,000	-
Md. Golam Kibria	Managing Director	1,500,000	12,000	-
Mr. Zulfiquer Haider (Nominee Director of NPPL)	Director	-	12,000	-
Mr. Md. Golam Haider Mazumder (Nominee Director of RAL)	Director	-	12,000	-
Mr. Golam Kibria	Independent Director	-	8,000	-
Mr. Nurul Islam Chowdhury, FCA	Independent Director	-	4,000	Appointed on 30.01.2022 subject to approval in next AGM
Total		1,500,000	60,000	

(b) Post-employee benefits : Nil

(c) Other long term benefits : Nil

(d) Termination benefits : Nil

(e) Share-based payment : Nil



Note	Particulars	Amount in taka	
		July 01, 2021 to June 30, 2022	July 01, 2020 to June 30, 2021

36.00 Board Meeting and attendance

During the reporting period under review, the Committee held nine meetings. The attendance of the members at these meeting is as follows:

Name	Designations	No.of Meeting	Attendance
Mrs. Farida Akhter	Chairman	6	6
Mr. Zulfiquer Haider (Nominee Director of NPPL)	Director	6	6
Md. Golam Kibria	Managing Director	6	6
Mr. Md. Golam Haider Mazumder (Nominee Director of RAL)	Director	6	6
Mr. Golam Kibria	Ex-Independent Director	4	4
Mr. Nurul Islam Chowdhury, FCA	Independent Director	2	2

37.00 Significant Deviation

The management of the company is trying to increase sales year to year by taking various effective methodology. For the year from July 01, 2021 to June 30, 2022 our sales increased 5.88% compared to the year from July 01, 2020 to June 30, 2021. The cost of raw material of RMG sector as well as ours at import stage is still significantly high compared to previous year that is why gross profit has been decreased. In the current year administrative expenses has been reduced to 14,767,293 Tk. from 21,918,733 tk. decreasing of 32.63 % , and selling expenses also reduced compare to previous year. In the year ended 30th June 2022 our Net profit/(Loss) before tax has been decreased 94,54,672 tk (21.98%) compared to previous year. Thus our resultant EPS has been decreased (0.19) during the year ended 30th June, 2022 from (0.33) of year ended 30th June, 2021. In the financial year 2021-2022 collection from customers has been increased of 16,158,491 tk (3.81%) compared to financial year 2020-2021 and payment to others has been decreased 2,871,870 tk (15.94%) compared to previous financial year. As a result, net cash generated from operating activities has been decreased tk 11,290,515 (78.80%) compare to previous year. Hence, net operating cash flow for year ended June 30, 2022 per share has been decreased to 0.08 from 0.15 compare to the year ended June 30, 2021.



38.00 Disclosures of the Companies Act, 1994
The requirement of Schedule XI, Part I, Para 6 :
Advances, Deposits and Prepayments

Particulars	June 30, 2022	June 30, 2021
Advances, deposits & prepayments considered good and in respect of which the company is fully secured.	149,000,953	143,622,036
Advances, deposits and prepayments considered good for which the company holds no security other than the debtor's personal security.	-	-
Advances, deposits & prepayment considered doubtful or bad.	-	-
Advances, deposits & prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
Advances, deposits & prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the year.	1,302,800	1,782,800

38.01 The requirement of Schedule XI, part II, Para 3 (a) :
Turnover

Particulars	June 30, 2022
Turnover in BDT.	456,788,926
Turnover in Quantity (MT)	2,465.68

38.02 The requirement of Schedule XI part II, Para 3 (d) (i) :
Raw Materials Consumed

Particulars	June 30, 2022
Raw Material (Value in BDT.)	323,143,735
Raw Material Quantities (MT)	2,405.55

38.03 The requirement of Schedule XI part II, Para 3 (d) (ii) :
Finished goods

Particulars	June 30, 2022
Opening Quantity (MT)	298.24
Production Quantity (MT)	2,918.15
Closing Quantity (MT)	750.71

38.04 The requirement of schedule XI part-II, Note 5 of Para 3 :
No. of employees

Employee position of the company as at June 30, 2022

Salary (Monthly)	Officer & Staff		Worker	Total Employee
	Head Office	Factory		
Number of employees whose salary below Tk. 3,000 per month	-	-	-	-
Number of employees whose salary above Tk. 3,000 per month	32	8	121	161
Total	32	8	121	161



38.05 The requirement of Schedule XI, Part II, Para 4 :**Payments to Managing Director and Director by the company during the year**

SL No.	Particulars	June 30, 2022
(a)	Managerial remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager;	1,500,000
(b)	Expenses reimbursed to the managing agent;	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year;	Nil
(f)	Any other perquisites or benefits in cash or in kind;	Nil
(g)	Other allowances and commission including guarantee commission.	Nil
(h)	Pensions etc.-	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon.	Nil
	(iv) Compensation for loss of office.	Nil
	(v) Consideration in connection with retirement from office.	Nil

38.06 The requirement of Schedule XI, Part II, Para 6 :

Amount paid to the auditor as fees for service rendered-

(a) as auditor; Tk. 287,500

(b) as advisor, or in any other capacity, in respect of-

(i) taxation matters; Nil

(ii) company law matters; Nil

(iii) management services; Nil and

(c) in any other manner Nil.

38.07 The requirement of schedule XI part-II, Para 7 :**Production capacity utilization**

The production capacity and utilization of its are as follows:

Particulars	Quantity in MT 2021- 2022
Installed capacity	11,584.27
Actual production	2,918.15
Capacity utilization (%)	25.19%



38.08 The requirement of Schedule XI, Part II, Para 8 of the Companies Act, 1994

(a) Value of imports calculated on C.I.F basis by the company during the financial year ended 30 June, 2022 in respect of raw materials, components and spare parts and capital goods were as follows:

S.L	Particulars	Import
		Amount in BDT
i	Raw Materials	334,081,303
ii	Packing Materials	-
iii	Components of Spare parts	-
iv	Capital Goods	-

(b) The Company did not have any expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	(%)	Local Taka	(%)
Raw Materials	323,143,735	323,143,735	100%	-	0%
Packing Materials	-	-	0%	-	0%
Store Items	234,528	-	0%	234,528	100%
Total	323,378,263	323,143,735		234,528	

(d) No amount has been remitted during the year in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

(i) Export of goods calculated on F.O.B. basis Tk. 456,788,926

(ii) No royalty, know-how, professional and consultation fees were received;

(iii) No interest and dividend received;

(iv) No other income received.



Olympic Accessories Limited
Schedule of Property Plant and Equipment
For the year ended June 30, 2022.

Annexure-A

Particulars	Cost				Rate of Dep (%)	Depreciation			Written down value as on June 30, 2022
	Balance as on July 01, 2021	Addition during the year	Adjustment during the year	Balance as on June 30, 2022		Charge during the year	Adjustment during the year	Balance as on June 30, 2022	
Land & Land Development	174,189,538	-	-	174,189,538	-	-	-	-	174,189,538
Factory Buildings	805,894,773	-	-	805,894,773	2.50%	18,104,754	-	99,809,364	706,085,409
Plant & Machinery	962,684,845	-	-	962,684,845	10%	55,944,125	-	459,187,723	503,497,122
Electrical Installation & Equipment	72,172,395	-	-	72,172,395	10%	2,527,455	-	49,425,298	22,747,097
Generator	10,562,169	-	-	10,562,169	10%	275,857	-	8,079,455	2,482,714
Vehicles	19,679,389	2,945,530	-	22,624,919	20%	1,281,901	-	16,515,472	6,109,447
Furniture and Fixture	15,038,651	-	-	15,038,651	10%	570,489	-	9,904,250	5,134,401
Office Equipment	9,614,370	-	-	9,614,370	20%	214,922	-	8,754,684	859,686
Fire Equipment	9,648,086	-	-	9,648,086	10%	354,372	-	6,458,736	3,189,350
As on June 30, 2022	2,079,484,216	2,945,530	-	2,082,429,746		79,273,875	-	658,134,982	1,424,294,763
As on June 30, 2021	2,000,949,095	78,535,121	-	2,079,484,216		81,434,965	-	578,861,108	1,500,623,108

Allocation of depreciation

Manufacturing Expenses	96%	76,102,920
Administrative Expenses	3%	2,378,216
Selling & Distribution Expenses	1%	792,739
	100%	79,273,875



Olympic Accessories Limited
Schedule of Property Plant and Equipment
For the year ended June 30, 2021

Particulars	Cost			Rate of Dep (%)	Depreciation			Written down value as on June 30, 2021
	Balance as on July 01, 2020	Addition during the year	Adjustment during the year		Balance as on June 30, 2021	Charge during the year	Adjustment during the year	
Land & Land Development	174,189,538	-	-	-	-	-	-	174,189,538
Factory Buildings	805,894,773	-	-	2.50%	63,135,631	18,568,979	-	724,190,163
Plant & Machinery	884,149,724	78,535,121	-	10%	345,900,135	57,343,464	-	559,441,246
Electrical Installation & Equipment	72,172,395	-	-	10%	44,089,560	2,808,283	-	25,274,552
Generator	10,562,169	-	-	10%	7,497,090	306,508	-	2,758,571
Vehicles	19,679,389	-	-	20%	14,122,116	1,111,455	-	4,445,818
Furniture and Fixture	15,038,651	-	-	10%	8,699,884	633,877	-	5,704,890
Office Equipment	9,614,370	-	-	20%	8,271,110	268,652	-	1,074,608
Fire Equipment	9,648,086	-	-	10%	5,710,616	393,747	-	3,543,723
As on June 30, 2021	2,000,949,095	78,535,121	-		497,426,143	81,434,965	-	1,500,623,108
As on June 30, 2020	1,816,063,086	271,116,029	(86,230,020)		476,531,765	76,791,521	(55,897,144)	1,503,522,953

Allocation of depreciation

Manufacturing Expenses	96%	78,177,566
Administrative Expenses	3%	2,443,049
Selling & Distribution Expenses	1%	814,350
	100%	81,434,965

