

AB Bank First Mutual Fund

Trustee: Bangladesh General Insurance Company Limited
42 Dilkusha Commercial Area
Dhaka 1000

AB Bank First Mutual Fund

Auditors' report and financial statements
for the year ended 30 June 2014

S. F. AHMED & CO

Chartered Accountants

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AB Bank First Mutual Fund

Auditors' Report to the Trustee For the year ended 30 June 2014

We have audited the accompanying financial statements of AB Bank First Mutual Fund (the Fund), which comprise the statement of financial position (balance sheet) as at 30 June 2014, statement of comprehensive income (profit and loss statement), statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Respective responsibilities of management and auditors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion


In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards give a true and fair view of the state of the Fund's affairs as of 30 June 2014 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001, Trust Deed and other applicable laws and regulations.

We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Fund so far as it appeared from our examination of those books;
- the statement of financial position (balance sheet) and statement of comprehensive income (profit and loss statement) dealt with by this report are in agreement with the books of account;
- the investment was made as per Rule 56 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001; and
- the expenditure incurred and payments made were for the purpose of the Fund's business.

Dhaka, Bangladesh
Dated, 14 August 2014




S. F. AHMED & CO
Chartered Accountants


AB Bank First Mutual Fund

**Statement of Financial Position (Balance Sheet)
As at 30 June 2014**

	Notes	2014 BDT	2013 BDT
Assets			
Investment at cost in marketable securities	5	772,458,328	559,584,434
Cash and cash equivalents	6	634,646,648	705,991,044
Non-listed securities-at cost	7	351,862,488	351,862,488
Preliminary and issue expenses	8	37,390,659	42,326,925
Other receivables	9	35,163,042	60,398,073
Advance, deposit and prepayment	10	3,735,687	2,294,314
Total asset		<u>1,835,256,852</u>	<u>1,722,457,278</u>
Less: Liabilities			
Other payables	11	10,851,101	445,162
Other liabilities and provisions	12	2,165,124	3,497,427
Total liability		<u>13,016,225</u>	<u>3,942,589</u>
Net assets		<u>1,822,240,627</u>	<u>1,718,514,689</u>
Equity			
Capital fund	13	1,626,156,430	1,500,000,000
Unit premium		23,843,570	-
Retained earnings		112,240,627	158,514,689
Dividend equalisation reserve		60,000,000	60,000,000
Total equity		<u>1,822,240,627</u>	<u>1,718,514,689</u>
Net asset value (NAV) per unit	14		
At cost		11.21	11.46
At market price		12.78	11.77

These financial statements should be read in conjunction with annexed notes

for AB Bank First Mutual Fund



Asset Manager
RACE Management PCL

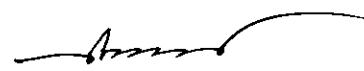


Trustee
Bangladesh General Insurance Company Limited



Dhaka, Bangladesh
Dated, 14 August 2014

See annexed report of the date



S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

**Statement of Comprehensive Income (Profit and Loss Statement)
For the year ended 30 June 2014**

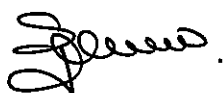
	Notes	2014 BDT	2013 BDT
Income			
Financial income	15	96,460,109	110,894,766
Dividend from investment		24,557,257	15,852,602
Profit on sale of investment		15,721,541	51,609,473
Total income (A)		<u>136,738,907</u>	<u>178,356,841</u>
Expenditure			
Management fee	16	22,583,907	22,556,606
Amortisation of preliminary expenses		4,928,707	4,929,588
Trustee fees	17	1,827,722	1,585,087
BSEC annual fee	18	1,500,000	1,500,000
Custodian fees	19	500,098	299,702
CSE annual fee		389,235	50,000
DSE annual fee		389,234	50,000
CDBL charges	20	313,569	96,819
Bank charges		73,559	104,417
Audit fee		57,500	51,750
Other operating expenses		449,438	359,838
Total expenditure (B)		<u>33,012,969</u>	<u>31,583,808</u>
Profit before provision (A-B)		<u>103,725,938</u>	<u>146,773,033</u>
Provision for unrealised loss on listed securities		-	3,022,578
Net profit for the year		<u>103,725,938</u>	<u>149,795,611</u>
Earnings per unit for the year	21	0.64	0.92

These financial statements should be read in conjunction with annexed notes

for AB Bank First Mutual Fund



Asset Manager
RACE Management PCL





Trustee
Bangladesh General Insurance Company Limited

See annexed report of the date



Dhaka, Bangladesh
Dated, 14 August 2014



S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

Statement of Changes in Equity
For the year ended 30 June 2014

Particulars	Capital fund		Unit premium		Dividend equalisation reserve		Retained earnings		Total equity	
	BDT		BDT		BDT		BDT		BDT	
Balance at 01 July 2012	1,500,000,000		-		60,000,000		8,719,078		1,568,719,078	
Net profit for the year	-		-		-		149795610.5		149,795,611	
Balance at 30 June 2013	1,500,000,000		-		60,000,000		158,514,689		1,718,514,689	
Balance at 01 July 2013	1,500,000,000		-		60,000,000		158,514,689		1,718,514,689	
Dividend paid	-		-		-		(150,000,000)		(150,000,000)	
Net profit for the year	-		-		-		103,725,938		103,725,938	
Unit premium	-		23,843,570		-		-		23,843,570	
Re-investment unit	126,156,430		-		-		-		126,156,430	
Balance at 30 June 2014	1,626,156,430		23,843,570		60,000,000		112,240,627		1,822,240,627	

[Signature]

Asset Manager
RACE Management PCL



Dhaka, Bangladesh
Dated, 14 August 2014

for AB Bank First Mutual Fund

[Signature]

Trustee
Bangladesh General Insurance Company Limited

See annexed report to the date

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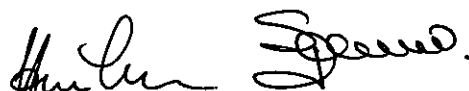
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AB Bank First Mutual Fund

Statement of Cash Flows
For the year ended 30 June 2014

	2014 BDT	2013 BDT
Cash flows from operating activities		
Financial income	89,275,582	88,778,680
Dividend income	25,732,179	13,315,090
Advance, deposit and prepayment	(1,441,373)	(1,652,904)
Other operating expenses	(19,010,994)	(28,054,032)
Net cash from operating activities (A)	<u>94,555,394</u>	<u>72,386,834</u>
Cash flows from investing activities		
Value of listed securities	(165,899,790)	(194,311,267)
Non-listed securities	-	(213,888,890)
Net cash used in investing activities (B)	<u>(165,899,790)</u>	<u>(408,200,157)</u>
Cash flows from financing activities		
Capital contribution	-	-
Net cash from financing activities (C)	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents (D=A+B+C)	<u>(71,344,396)</u>	<u>(335,813,323)</u>
Opening cash and cash equivalents (E)	<u>705,991,044</u>	<u>1,041,804,367</u>
Closing cash and cash equivalents (F= D+E)	<u>634,646,648</u>	<u>705,991,044</u>

for AB Bank First Mutual Fund



Asset Manager
RACE Management PCL




Trustee
Bangladesh General Insurance Company Limited

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Dhaka, Bangladesh
Dated, 14 August 2014



S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund
Notes to Financial Statements
For the year ended 30 June 2014

1. The fund and legal status

AB Bank First Mutual Fund (hereinafter called as "Fund") was established under a Trust Deed signed on 04 July 2011 between AB Bank Limited as a 'Sponsor' and the Bangladesh General Insurance Company Limited as a "Trustee". The Fund was registered under the Trust Act 1882 as well as under the Bangladesh Securities and Exchange Commission (BSEC) on 21 July 2011 vide Registration code no. SEC/Mutual Fund/2011/41 under the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001. The operations of the Fund was commenced on 29 January 2012 by listing with Dhaka and Chittagong Stock Exchanges.

As provided in Trust Deed, RACE Management PCL, the asset management company of the fund, is the Fund Manager. RACE Management PCL was incorporated as a private limited company under Companies Act 1994 on March 2008.

AB Bank First Mutual Fund is a close-end Mutual Fund of ten years' tenure. The objectives of the Fund are to provide regular dividend to the investors by investing the Fund both in capital and money market instruments. The Fund consists of 162,615,643 units of BDT 10 each. The units of the Fund are transferable.

2. Objectives

The objective of AB Bank First Mutual Fund is to provide attractive dividends to its unit-holders by earning superior risk adjusted return from a diversified investment portfolio.

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) and as per requirements of the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001, Trust Deed and other applicable laws and regulations.

3.2 Basis of measurement

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

3.3 Functional and presentational currency

These financial statements are presented in BDT, which is also the Fund's functional and presentational currency.

3.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

3.5 Reporting period

These financial statements are prepared for the period from 01 July 2013 to 30 June 2014.



AB Bank First Mutual Fund

**Notes to Financial Statements
For the year ended 30 June 2014**

3.6 Taxation

The income of the Fund is exempted from Income Tax as per SRO No. 333-Act/Income Tax/2011 dated 10 November 2011, under Section 44(4) clause (b) of Income Tax Ordinance, 1984; hence no provision for tax is required.

4. Significant accounting policies

The accounting policies set out below have been applied throughout the period presented in these financial statements.

4.1 Investment policy

The investment policy of the Fund as summarised below has set in accordance with Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 as amended and any other authorities as required:

- (i) as per Rule 55 (02) of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 as amended, at least 60% of total assets of the Fund is to be invested in capital market out of which at least 50% will be in listed securities;
- (ii) not more than 25% of total asset of the Fund shall be invested in fixed income securities;
- (iii) not more than 15% of total asset of the Fund shall be invested in pre-IPOs at a time.
- (iv) all amounts collected for the fund then invested only in cashable/transferable instruments, securities either in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitised debts;
- (v) the fund shall get the securities purchased or transferred in the name of the Fund;
- (vi) asset management company will make the investment decisions and place orders for securities to be purchased or sale for the Fund's portfolio only, etc.

4.2 Valuation policy

Valuation of various investments of the Fund is made as under:

- (i) the basis of calculation of net asset value (NAV) of listed securities of portfolio of the Fund is the average quoted market price prevailing on stock exchanges at the date of valuation;
- (ii) for securitised debts, debentures, margin or fixed deposits, accrued interest on such instruments on the date of valuation has taken into account in calculating NAV of such securities in the portfolio of the Fund;
- (iii) the valuation of non-listed securities is being made by the asset management company with their reasonable value as referred by Bangladesh Securities and Exchange Commission.



AB Bank First Mutual Fund

Notes to Financial Statements

For the year ended 30 June 2014

4.3 Net asset value calculation

NAV per unit is being calculated using the following formula:

Total NAV = VA - LT

NAV per unit = Total NAV / No. of units outstanding.

VA: Value of all securities in vault + Value of all securities placed in lien + Cash in hand and bank balances + Value of all securities receivables + receivables of proceeds of sale of investments + Dividend receivable, net tax + Interest receivable, net of tax + Issue expenses amortised on that date + Printing, publication and stationery expenses amortised on date.

LT: Value of all securities payable + Payable against purchase of investments + Payable as brokerage and custodial charges + Payable as trustee fee + All other payable related to printing, publication and stationery + Accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

4.4 Dividend policy

As per Rule 66 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 as amended, the Fund is required to distribute its profit in the form of dividend either in cash or reinvestment (bonus share) or both to its unit holders an amount which shall not be less than 70% of annual profit during the year, net provisions.

4.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and fixed deposits.

4.6 Provisions

A provision is recognised if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting period.

4.7 Revenue recognition

Gains/losses arising on sale of investment are included in the Profit and Loss Statement on the date at which the transaction takes place. Dividend and interest income are recognised as per BAS-18 and Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001.

4.8 Statement of cash flows

Cash flows from operating activities have been presented under direct method.



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2014

	2014 BDT	2013 BDT
5. Investment at cost in marketable securities (Annex-A)		
Investment at cost price	722,458,328	559,584,434
Investment in IPO	50,000,000	-
	<u>772,458,328</u>	<u>559,584,434</u>
6. Cash and cash equivalents		
Fixed deposit account	274,990,000	250,000,000
Short term deposit with:		
Sponsor account		
The Premier Bank Ltd (A/C 010413600000005)	154,670,198	159,791,080
One Bank Ltd (A/C 0123000722)	146,740,184	-
Southeast Bank Ltd (A/C 00831310001)	51,678,848	199,428,712
AB Bank Ltd (A/C-4005-776830-430)	5,293,972	22,124,057
EXIM Bank Ltd (A/C 00113100462655)	1,146,171	994,158
Eastern Bank Ltd (A/C 1011360215856)	98,993	14,712,594
BRAC Bank Ltd (A/C 1503202216121001)	25,248	24,105
One Bank Ltd (A/C 0123000573)	-	54,460,917
EXIM Bank Ltd (A/C 039131000048276)	-	321
IPO- AB Bank Ltd (A/C-4005-776833-430)	3,034	4,214,640
Escrow account- AB Bank Ltd (A/C-4005-776832-430)	-	240,459
	<u>634,646,648</u>	<u>705,991,044</u>
An amount of BDT 10,000 which was collected during subscription of unit would required to be refunded to the subscribers on demand which is deposited with the above- refund IPO account.		
7. Non listed security-at cost		
Bonds (note 7.1)	287,973,598	287,973,598
Shares of Farmers Bank Limited	63,888,890	63,888,890
	<u>351,862,488</u>	<u>351,862,488</u>
7.1 Bonds		
Renata Ltd- short term bonds	150,000,000	150,000,000
Trust Bank Ltd- unsecured subordinated bonds	100,000,000	100,000,000
Bank Asia Ltd- zero coupon bonds	37,973,598	37,973,598
	<u>287,973,598</u>	<u>287,973,598</u>
8. Preliminary expenses		
Opening balance	42,326,925	47,325,312
<u>Less: Interest income from escrow account</u>	<u>7,559</u>	<u>68,799</u>
	42,319,366	47,256,513
<u>Less: Amortisation during the year</u>	<u>4,928,707</u>	<u>4,929,588</u>
Closing balance	<u>37,390,659</u>	<u>42,326,925</u>
9. Other receivables		
Interest receivable (note 9.1)	31,586,583	24,394,497
Receivable from sale of marketable securities	2,213,869	33,466,064
Dividend receivable	1,362,590	2,537,513
	<u>35,163,042</u>	<u>60,398,073</u>
9.1 Interest receivable		
Fixed deposit account	22,457,511	-
Unsecured subordinated bonds	5,267,284	3,977,830
Short term deposit (STD) account	3,861,788	20,416,667
	<u>31,586,583</u>	<u>24,394,497</u>



AB Bank First Mutual Fund
Notes to Financial Statements
For the year ended 30 June 2014

	2014 BDT	2013 BDT
10. Advance, deposit and prepayment		
Advance income tax deducted at source	533,656	194,314
Deposit- Central Depository Bangladesh Limited (CDBL)	500,000	500,000
Prepayment (note 10.1)	2,702,031	1,600,000
	<u>3,735,687</u>	<u>2,294,314</u>
10.1 Prepayment		
Annual fee - BSEC	1,626,156	1,500,000
Trustee fee	975,875	-
Annual fee - DSE	50,000	50,000
Annual fee - CSE	50,000	50,000
	<u>2,702,031</u>	<u>1,600,000</u>
11. Other payables		
Management fee	10,678,393	87,155
Payable to sundry securities	86,770	86,399
Custodian fee	40,938	231,108
Audit fee	45,000	40,500
	<u>10,851,101</u>	<u>445,162</u>
12. Other liabilities and provisions		
Tax deducted at source	1,270,576	2,604,875
VAT deducted at source	744,548	792,552
Publication expenses	150,000	100,000
	<u>2,165,124</u>	<u>3,497,427</u>
13. Capital fund		
Size of capital fund		
1,50,000,000 units of BDT 10 each	1,500,000,000	1,500,000,000
Add: 10% re-investment unit (RIU) (note 13.1)	126,156,430	-
	<u>1,626,156,430</u>	<u>1,500,000,000</u>

Calculation of capital fund:

Fund size at 2013	Face value	NAV at 26 Aug 2013	RIU distributed as per NAV @ 10%	Total capital fund
<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>
1,500,000,000	10	11.89	126,156,430	1,626,156,430

13.1 Re-investment unit

The Trustee Committee of the Fund has approved the audited accounts of the fund for the year ended on 30 June 2013. The Fund has reported net profit of BDT 149,795,611 and earnings per unit of BDT 0.92. Accordingly the Trustee declared a dividend of 10% for the year 2013 in the form of 're-investment' units to be issued at a valuation of the last published NAV per unit before the record date. Record date was at 26 August 2013.



AB Bank First Mutual Fund

Notes to Financial Statements

For the year ended 30 June 2014

	2014	2013
	BDT	BDT
14. Net asset value (NAV) per unit at cost		
At cost		
Total asset	1,835,256,852	1,722,457,278
<u>Less:</u> Accounts payable	10,851,101	445,162
Other liabilities and provisions	2,165,124	3,497,427
Total net asset value at cost - (numerator)	<u>1,822,240,627</u>	<u>1,718,514,689</u>
Number of units -(denominator)	<u>162,615,643</u>	<u>150,000,000</u>
NAV per unit at cost	<u>11.21</u>	<u>11.46</u>
At market value		
Total net asset value at cost price	1,822,240,627	1,718,514,689
<u>Add:</u> Unrealised gain on securities	256,543,190	47,646,060
Total net asset at market value (numerator)	<u>2,078,783,817</u>	<u>1,766,160,749</u>
Number of units (denominator)	<u>162,615,643</u>	<u>150,000,000</u>
NAV per unit at market value	<u>12.78</u>	<u>11.77</u>
15. Financial income		
Short term deposit (STD) account	37,638,517	64,114,709
Corporate bonds	31,790,748	23,318,468
Fixed deposit account	27,030,844	23,461,589
	<u>96,460,109</u>	<u>110,894,766</u>
16. Management fee	<u>22,583,907</u>	<u>22,556,606</u>
<p>RACE Management PCL, the Fund Manager, is to be paid an annual management fees on weekly average net asset value (NAV) as per Rule 65 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 and as per Trust Deed at the following rates:</p>		
<u>Slab</u>		
On weekly average NAV up to BDT 5 crore	2.5%	
On next 20 crore of weekly average NAV	2%	
On next 25 crore of weekly average NAV	1.5%	
On rest of weekly average NAV	1%	
17. Trustee fee	<u>1,827,722</u>	<u>1,585,087</u>
<p>Bangladesh General Insurance Company Limited, the trustee of the fund is entitled to get an annual trusteeship fee @ 0.10% of the net asset value per annum, payable semi-annually in advance basis during the entire life of the Fund as per Trust Deed.</p>		
18. BSEC annual fee	<u>1,500,000</u>	<u>1,500,000</u>
<p>Annual fee of BDT 1,500,000 (at the rate of 0.10% of the fund size) was paid to BSEC as per Rules 11(1) of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001.</p>		
19. Custodian fee	<u>500,098</u>	<u>299,702</u>
<p>BRAC Bank Limited, the custodian of the fund is entitled to receive a safekeeping fee @ 0.07% on the balance of securities calculated on average month end value per annum as per Trust Deed.</p>		



AB Bank First Mutual Fund
Notes to Financial Statements
For the year ended 30 June 2014

	2014 BDT	2013 BDT
20. CDBL charges	<u>313,569</u>	<u>96,819</u>
CDBL charge of BDT 313,569 was paid to Central Depository Bangladesh Limited (CDBL) as per Annexure A-1 of CDBL Bye Laws (3.7).		
21. Earnings per unit for the year		
Net profit for the year (numerator)	<u>103,725,938</u>	<u>149,795,611</u>
Number of units (denominator)	<u>162,615,643</u>	<u>162,615,643</u>
Earnings per unit	<u>0.64</u>	<u>0.92</u>

Number of units

This represents the number of units outstanding at the beginning of the year plus the number of re-investment units (RIU) issued during the year. The logic behind this basis is, that the re-investment units (RIU) are issued to the existing unit holders without any consideration, and therefore, the number of units outstanding is increased without an increase in resources generating new earnings. Due to the change in number of units earnings per unit for the year 2013 has been restated.

22. Events after the reporting period

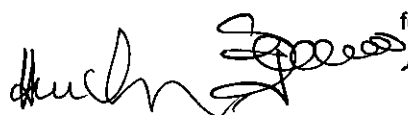
The Trustee of the Fund has approved dividend at the rate of 10% on the capital fund of Taka 1,626,156,430 in the form of re-investment units to be issued at a valuation of the last published NAV per Unit before the record date for the year ended 30 June 2014 at the meeting held on 14 August 2014.

23. Others

23.1 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

23.2 Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.

23.3 Figures of previous year have been rearranged wherever considered necessary, to conform the current year's presentation.



Asset Manager
RACE Management PCL

for AB Bank First Mutual Fund



Trustee
Bangladesh General Insurance Company Limited

Dhaka, Bangladesh
Dated, 14 August 2014



Annex A

AB Bank First Mutual Fund
Notes to Financial Statements
For the year ended 30 June 2014

List of the total investment and aggregate required provision

Particulars	Cost value	Market value	Fair value	Required provision /(excess)
	BDT	BDT	BDT	BDT
Investment in marketable securities (Note-5)	772,458,328	944,852,231	961,555,160	(189,096,832)
Listed securities (Active) (Annex-A1)	667,368,332	850,727,458	850,727,458	(183,359,126)
Listed thinly traded/illiquid securities	55,089,996	44,124,773	60,827,702	(5,737,706)
IPO investment (Tung Hai Knitting & Dyeing Ltd)	50,000,000	50,000,000	50,000,000	-
Investment in non-listed securities (Note-7)	351,862,488		419,308,846	(67,446,358)
Non listed equity securities	63,888,890	Not Available	92,000,000	(28,111,110)
Non listed debt securities	287,973,598	Not Available	327,308,846	(39,335,248)
Total	1,124,320,816		1,380,864,006	(256,543,190)

As the Fair Value of the investments is much higher than cost value, no provision has been taken on investments.

Annex A1

Sector-wise break up of investment in listed securities (Active)

Sector/category

Sector/category	Number of shares	Cost	Market value	Difference
		BDT	BDT	BDT
Bank	12,544,034	272,191,292	219,209,176	(52,982,116)
Cement	8,000	4,108,880	4,068,000	(40,880)
Corporate bond	2,230	2,029,568	2,198,223	168,655
Food and allied	34,500	20,715,525	79,974,450	59,258,925
Fuel and power	299,550	24,533,051	25,506,530	973,479
Insurance	279,315	33,094,518	41,929,856	8,835,338
NBFI	147,044	1,757,652	1,669,114	(88,538)
Pharma	502,743	131,065,933	242,190,351	111,124,418
Telecommunication	633,904	97,285,416	168,052,171	70,766,756
Textile	60,500	3,873,400	3,485,450	(387,950)
Travel and leisure	922,365	76,713,097	62,444,138	(14,268,960)
Total value of listed securities (Active)	15,434,185	667,368,332	850,727,458	183,359,126

