

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 2015

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 2015

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 2015, 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.

Management's responsibilities for the financial statements

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

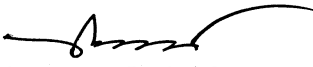
In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards give a true and fair view of the state of the Fund's affairs as of 30 June 2015 and of the results of its operations and its cash flows for the year then ended 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:

- a. 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;
- b. 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;
- c. 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;
- d. the investment was made as per Rule 56 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001; and
- e. the expenditure incurred and payments made were for the purpose of the Fund's business.

Dhaka, Bangladesh
Dated, 14 August 2015




S. F. AHMED & CO
Chartered Accountants

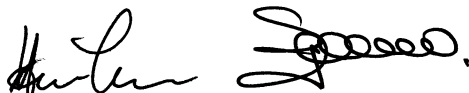
AB Bank First Mutual Fund

Statement of Financial Position (Balance Sheet)
As at 30 June 2015

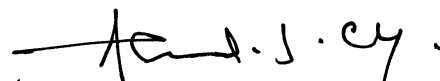
	Notes	2015 BDT	2014 BDT
Assets			
Investment in listed securities at market price (adjusted)	5	1,152,415,234	961,555,160
Investment in non-listed securities	6	297,665,592	419,308,846
Cash and cash equivalents	7	644,750,463	634,646,648
Preliminary and issue expenses	8	32,461,952	37,390,659
Other receivables	9	34,505,364	35,163,042
Advances, deposits and prepayments	10	3,685,301	3,735,687
Total asset		2,165,483,906	2,091,800,042
Less: Liabilities			
Liabilities for expenses	11	12,344,724	10,851,101
Other liabilities	12	777,818	2,165,124
Total liability		13,122,541	13,016,225
Net assets		2,152,361,364	2,078,783,817
Equity			
Capital fund	13	1,758,687,510	1,626,156,430
Unit premium		53,928,132	23,843,570
Retained earnings		303,213,224	112,240,627
Investment diminution reserve/unrealised gain		36,532,498	256,543,190
Dividend equalisation reserve		-	60,000,000
Total equity		2,152,361,364	2,078,783,817
Net asset value (NAV) per unit			
	14		
At market price (adjusted)		12.24	12.78
At cost price		12.03	11.21

These financial statements should be read in conjunction with annexed notes

for AB Bank First Mutual Fund



Asset Manager
Bangladesh RACE Management PCL



Trustee
Bangladesh General Insurance Company Limited

See annexed report of the date



Dhaka, Bangladesh
Dated, 14 August 2015



S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

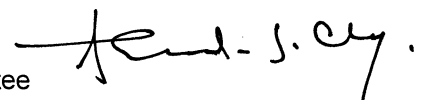
Statement of Comprehensive Income (Profit and Loss Statement)
For the year ended 30 June 2015

	Notes	2015 BDT	2014 BDT
Income			
Financial income	15	84,225,488	96,460,109
Dividend from investment		39,704,500	24,557,257
Profit on sale of investment		205,218,806	15,721,541
Total income (A)		<u>329,148,793</u>	<u>136,738,907</u>
Expenditure			
Management fee	16	24,634,887	22,583,907
Amortisation of preliminary expenses		4,928,707	4,928,707
Trustee fee	17	1,998,256	1,827,722
BSEC annual fee	18	1,626,156	1,500,000
Custodian fee	19	1,056,966	500,098
CSE annual fee		398,796	389,235
DSE annual fee		398,797	389,234
CDBL charges	20	114,489	313,569
Bank charges		72,571	73,559
Audit fee		57,500	57,500
Other operating expenses		273,431	449,438
Total expenditure (B)		<u>35,560,554</u>	<u>33,012,969</u>
Net profit for the year (A-B)		<u>293,588,239</u>	<u>103,725,938</u>
Other comprehensive income			
Investment diminution reserve/unrealised gain	21	36,532,498	256,543,190
Total comprehensive income		<u>330,120,737</u>	<u>360,269,128</u>
Earnings per unit for the year	22	1.67	0.59

These financial statements should be read in conjunction with annexed notes

for AB Bank First Mutual Fund


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Bangladesh RACE Management PCL


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Bangladesh General Insurance Company Limited

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Dhaka, Bangladesh
Dated, 14 August 2015


S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

Statement of Changes in Equity
For the year ended 30 June 2015

Particulars	Capital fund		Unit premium		Investment diminution reserve		Dividend equalisation reserve		Retained earnings		Total equity	
	BDT		BDT		BDT		BDT		BDT		BDT	
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	-
Unrealised gain on investment	126,156,430	-	-	-	256,543,190	-	-	-	-	-	256,543,190	-
Re-investment unit	126,156,430	-	-	-	-	-	-	-	-	-	126,156,430	-
Balance at 30 June 2014	1,626,156,430	23,843,570	23,843,570	256,543,190	60,000,000	112,240,627	2,078,783,817					
Balance at 01 July 2014	1,626,156,430	23,843,570	23,843,570	256,543,190	60,000,000	112,240,627	2,078,783,817					
Dividend equalisation reserve	-	-	-	-	(60,000,000)	60,000,000	-					
Dividend paid	-	-	-	-	-	-	-					
Net profit for the year	-	-	-	-	-	-	-					
Unit premium	-	-	30,084,562	-	-	-	-					
Unrealised loss on investment	-	-	-	(220,010,692)	-	-	-					
Re-investment unit	132,531,080	-	-	-	-	-	-					
Balance at 30 June 2015	1,758,687,510	53,928,132	53,928,132	36,532,498	303,213,224	2,152,361,364						

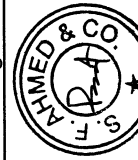
for AB Bank First Mutual Fund

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Asset Manager
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Bangladesh General Insurance Company Limited



Dhaka, Bangladesh
Dated, 14 August 2015

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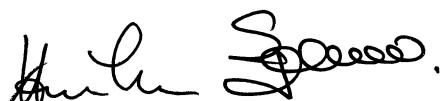
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S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

Statement of Cash Flows
For the year ended 30 June 2015

	2015 BDT	2014 BDT
Cash flows from operating activities		
Financial income	90,763,862	89,275,582
Dividend income	32,260,730	25,732,179
Operating expenses	<u>(30,538,894)</u>	<u>(20,452,367)</u>
Net cash from operating activities (A)	<u>92,485,698</u>	<u>94,555,394</u>
Cash flows from investing activities		
Listed securities	(161,934,483)	(165,899,790)
Non-listed securities	79,552,600	-
Net cash used in investing activities (B)	<u>(82,381,883)</u>	<u>(165,899,790)</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)	10,103,815	(71,344,396)
Opening cash and cash equivalents (E)	634,646,648	705,991,044
Closing cash and cash equivalents (F= D+E)	<u>644,750,463</u>	<u>634,646,648</u>
Net operating cash flow per unit (NOCFPU)	0.53	0.54

for AB Bank First Mutual Fund



Asset Manager
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Trustee
Bangladesh General Insurance Company Limited

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Dhaka, Bangladesh
Dated, 14 August 2015


S. F. AHMED & CO
Chartered Accountants

AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

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, Bangladesh RACE Management PCL, the asset management company of the fund, is the Fund Manager. Bangladesh 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 175,868,751 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 2014 to 30 June 2015.



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

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) 2001as 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) listed securities (other than mutual fund) are valued at market value as per IAS 39. Mutual fund securities are valued at lower of 85% of NAV, cost price or market price.
- (ii) investment in non-listed securities is valued at NAV based on the immediate past audited financial statements of the investee, in case of non-availability of the audited financial statements, this was valued at cost.
- (iii) listed bonds, not traded within previous one month prior to yearend have been valued based on average quoted closing price of the last twelve months from the date of valuation. Non-listed bonds have been considered as Held to Maturity (HTM) and measured at amortised cost using the effective interest method.



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

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.

However no dividend will be declared without set-off previous year's accumulated losses as appeared in the accounts.

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

Capital gains

Capital gains are recognised on being realised.

Dividend income

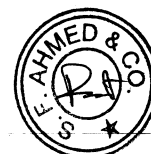
Dividend income was recognised upon declaration of the investee company based on the AGM date.

Finance income

Finance income comprises of interest income on fund kept at bank accounts, unsecured subordinated bond and preference shares. Interest income is recognised on an accrual basis.

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 2015

	2015 BDT	2014 BDT
5. Investment in listed securities at market price (adjusted)		
Investment in listed shares	1,087,248,715	911,555,160
Investment in mutual funds (as per directive)	65,166,519	-
Investment in IPO	-	50,000,000
	<u>1,152,415,234</u>	<u>961,555,160</u>
Details in <u>Annex A</u>		
6. Investment in non-listed securities		
Bonds (note 6.1)	233,776,702	327,308,846
Shares of Farmers Bank Limited	63,888,890	92,000,000
	<u>297,665,592</u>	<u>419,308,846</u>
6.1 Bonds		
Renata Ltd- short term bonds	-	166,500,000
Trust Bank Ltd- unsecured subordinated bonds	92,645,025	116,000,000
Bank Asia Ltd- zero coupon bonds	33,163,065	44,808,846
The Premier Bank non-convertible variable coupon rated bond	52,732,316	-
Regent Spinning Mills Corporate Bond	55,236,296	-
	<u>233,776,702</u>	<u>327,308,846</u>
7. Cash and cash equivalents		
Fixed deposit account	302,468,000	274,990,000
Short term deposit with:		
Operational accounts		
The Premier Bank Ltd (A/C 010413600000005)	103,832,157	154,670,198
One Bank Ltd (A/C 0123000722)	72,006,464	146,740,184
Southeast Bank Ltd (A/C 00831310001)	166,314,811	51,678,848
AB Bank Ltd (A/C-4005-776830-430)	20,599	5,293,972
EXIM Bank Ltd (A/C 00113100462655)	59,473	1,146,171
Eastern Bank Ltd (A/C 1011360215856)	23,183	98,993
BRAC Bank Ltd (A/C 1503202216121001)	25,777	25,248
NRB Bank Ltd. (A/C-1021030022251)	-	-
IPO and dividend accounts		
AB Bank Ltd (IPO-A/C-4005-776833-430)	-	3,034
One Bank Ltd (Div-A/C 0123001233)	-	-
Southeast Bank Ltd (Div-A/C 00831310044)	-	-
	<u>644,750,463</u>	<u>634,646,648</u>
8. Preliminary and issue expenses		
Opening balance	37,390,659	42,326,925
<u>Less:</u> Interest income from escrow account	-	7,559
	<u>37,390,659</u>	<u>42,319,366</u>
<u>Less:</u> Amortisation during the year	4,928,707	4,928,707
Closing balance	<u>32,461,952</u>	<u>37,390,659</u>
9. Other receivables		
Interest receivable (note 9.1)	25,048,209	31,586,583
Receivable from sale of marketable securities	650,796	2,213,869
Dividend receivable	8,806,359	1,362,590
	<u>34,505,364</u>	<u>35,163,042</u>
9.1 Interest receivable		
Fixed deposit account	19,761,244	22,457,511
Unsecured subordinated bonds	5,082,623	5,267,284
Short term deposit (STD) account	204,342	3,861,788
	<u>25,048,209</u>	<u>31,586,583</u>



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

	2015 BDT	2014 BDT
10. Advances, deposits and prepayments		
Advance income tax deducted at source	203,444	533,656
Deposit- Central Depository Bangladesh Limited (CDBL)	500,000	500,000
Prepayment (note 10.1)	<u>2,981,857</u>	<u>2,702,031</u>
	<u><u>3,685,301</u></u>	<u><u>3,735,687</u></u>
10.1 Prepayment		
Annual fee - BSEC	1,758,688	1,626,156
Trustee fee	1,031,744	975,875
Annual fee - DSE	50,000	50,000
Annual fee - CSE	50,000	50,000
CDBL Annual Fee	91,425	-
	<u>2,981,857</u>	<u>2,702,031</u>
11. Liabilities for expenses		
Management fee	11,818,185	10,678,393
Payable to sundry securities	150,520	86,770
Custodian fee	331,018	40,938
Audit fee	45,000	45,000
	<u>12,344,724</u>	<u>10,851,101</u>
12. Other liabilities		
Tax deducted at source	534,204	1,270,576
VAT deducted at source	62,670	744,548
Other expenses	180,943	150,000
	<u>777,818</u>	<u>2,165,124</u>
13. Capital fund		
Size of capital fund		
162,615,643 units of BDT 10 each	1,626,156,430	1,500,000,000
Add: 10% re-investment unit (RIU) (note 13.1)	<u>132,531,080</u>	<u>126,156,430</u>
	<u><u>1,758,687,510</u></u>	<u><u>1,626,156,430</u></u>

Calculation of capital fund:

Fund size at 2013	Face value	NAV at 28 Aug 2014	RIU distributed as per NAV @ 10%	Total capital fund
<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>	<u>BDT</u>
1,626,156,430	10	12.27	13,253,108	1,758,687,510

13.1 Re-investment unit

The Trustee of the Fund has approved the audited accounts of the fund for the year ended on 30 June 2014. The Fund has reported net profit of BDT 103,725,938 and earnings per unit of BDT 0.64. Accordingly the Trustee declared a dividend of 10% for the year 2014 in the form of 're-investment' units to be issued at a valuation of the last published NAV per unit before the record date as on September 01, 2014..



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

	2015	2014
	BDT	BDT
14. Net asset value (NAV) per unit		
At market price (adjusted)		
Total asset (*)	2,165,483,906	2,091,800,042
<u>Less:</u> Accounts payable	12,344,724	10,851,101
Other liabilities and provisions	777,818	2,165,124
Net asset value at market price	2,152,361,364	2,078,783,817
Number of units	175,868,751	162,615,643
NAV per unit at market price	12.24	12.78

(*) Total assets includes investment in the listed securities, mutual fund, non-listed securities etc. The basis of the calculation in listed securities was taken at market value, the calculation of mutual fund was taken at cost (If 85% of NAV is greater than acquisition cost, value was taken at cost, if less taken 85% of NAV.) the calculation of non-listed securities was taken as per Note 4.2.

At cost price

Net asset value at market price	2,152,361,364	2,078,783,817
<u>Less:</u> Unrealised gain on securities	(36,532,498)	(256,543,190)
Net asset value at cost	2,115,828,866	1,822,240,627
Number of units	175,868,751	162,615,643
NAV per unit at cost price	12.03	11.21

15. Financial income

Short term deposit (STD) account	33,808,960	37,638,517
Corporate bonds	25,614,795	31,790,748
Fixed deposit account	24,801,733	27,030,844
	84,225,488	96,460,109

16. Management fee

	24,634,887	22,583,907
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Bangladesh 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:

Slab

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

	1,998,256	1,827,722
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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.

18. BSEC annual fee

	1,626,156	1,500,000
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Annual fee of BDT 1,626,156 (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.

19. Custodian fee

	1,056,966	500,098
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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.



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

	2015 BDT	2014 BDT
20. CDBL charges	114,489	313,569

CDBL charge of BDT 114,489 was paid to Central Depository Bangladesh Limited (CDBL) as per Annexure A-1 of CDBL Bye Laws (3.7).

21. Investment diminution reserve/unrealised gain

	Cost price BDT	Market price BDT	Excess/(deficit) BDT
Investment in listed shares	1,068,519,205	1,087,248,715	18,729,510
Investment in mutual funds units	72,719,235	49,087,901	(23,631,334)
Investment in non-listed securities (Annex A)	272,309,888	297,665,592	25,355,704
			20,453,880
<u>Add:</u> Adjustment for provision (note 21.1)			16,078,619
			36,532,498

21.1 Adjustment for provision (Annex A2)

Required provision based on the market price	23,631,334
Required provision based on BSEC directive	(7,552,716)
	16,078,619

(*) Investment in mutual fund has been made as per Bangladesh Securities and Exchange Commission circular ref. no. BSEC/Mukhopatro/2011/1972 dated 29 June 2015.

	2015 BDT	2014 BDT
22. Earnings per unit for the year		
Net profit for the year	293,588,239	103,725,938
Number of units	175,868,751	175,868,751
Earnings per unit	1.67	0.59

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 2014 has been restated.

23. Profit and earnings per unit available for distribution

Retained earnings brought forward	112,240,627	158,514,689
<u>Add:</u> Net profit for the year	293,588,239	103,725,938
Dividend equalisation reserve	60,000,000	-
	465,828,866	262,240,627
<u>Less</u> Dividend paid for the year	162,615,642	150,000,000
Profit available for distribution	303,213,224	112,240,627
Number of units	175,868,751	162,615,643
Earnings per unit available for distribution	1.72	0.69



AB Bank First Mutual Fund

Notes to Financial Statements
For the year ended 30 June 2015

24. Events after the reporting period

The Trustee of the Fund has approved dividend at the rate of 15% on the capital fund of Taka 1,758,687,510 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 2015 at the meeting held on 14 August 2015.

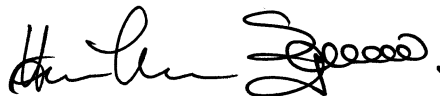
25. Others

25.1 Figures relating to the previous year included in this report have been rearranged, whenever considered necessary, to make them comparable with those of the current year without, creating any impact on the operating result and value of assets and liabilities as reported in the financial statements for the current year.

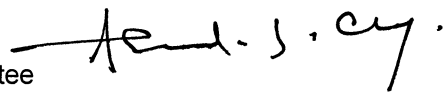
25.2 Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.

25.3 This notes form an integral part of the said financial statement and accordingly, are to be read in conjunction therewith.

for AB Bank First Mutual Fund



Asset Manager
Bangladesh RACE Management PCL



Trustee
Bangladesh General Insurance Company Limited

Dhaka, Bangladesh
Dated, 14 August 2015



AB Bank First Mutual Fund

Annex A

**Details of investment in shares/units
As at 30 June 2015**

List of the total investment and aggregate required provision

Particulars	Cost price	Market price	Market price	(Required provision)
	BDT	BDT	(adjusted) BDT	/excess BDT
Investment in listed securities at market price (note 5)	1,141,238,440	1,136,336,615	1,152,415,234	11,176,794
Investment in listed shares/units (Annex A1)	1,068,519,205	1,087,248,715	1,087,248,715	18,729,510
Investment in mutual funds	72,719,235	49,087,901	65,166,519	(7,552,716)
Investment in non-listed securities (note 6)	272,309,888		297,665,592	25,355,704
Non listed debt securities	208,420,998	Not Available	233,776,702	25,355,704
Non listed equity securities	63,888,890	Not Available	63,888,890	-
Total	1,413,548,328		1,450,080,826	36,532,498

Annex A1

Investment in listed shares/units

Sector/category	Cost price	Market price	Excess / (Deficit)
	BDT	BDT	BDT
Bank	397,202,088	322,184,655	(75,017,434)
Cement	44,964,302	47,047,122	2,082,821
Ceramic	585,040	592,000	6,960
Corporate Bond	2,029,568	2,082,820	53,252
Engineering	8,372,753	8,522,738	149,986
Food and Allied	76,882,207	80,839,986	3,957,779
Fuel and Power	36,949,270	34,844,611	(2,104,660)
Insurance	33,163,620	32,269,783	(893,837)
IT	1,287,600	1,124,000	(163,600)
Miscellaneous	15,011,405	15,224,784	213,378
NBFI	47,711,136	47,375,044	(336,092)
Pharma	173,536,736	241,312,136	67,775,400
Tannery	11,047,928	9,576,485	(1,471,443)
Telecommunication	138,139,172	189,698,970	51,559,798
Textile	4,923,283	4,386,148	(537,135)
Travel and Leisure	76,713,097	50,167,432	(26,545,665)
Total	1,068,519,205	1,087,248,715	18,729,510

Annex A2

	Cost price	Market price	Excess/(deficit)
	BDT	BDT	BDT
Required provision for investment in mutual funds	72,719,235	49,087,901	(23,631,334)
	(a)	(b)	Excess/(deficit)
	BDT	BDT	BDT
Investment in mutual funds (as per directive) (*)	72,719,235	65,166,519	(7,552,716)

(a) Cost price

(b) If 85% of NAV is greater than acquisition cost, value was taken at cost, if less taken 85% of NAV.

(*) Investment in mutual fund has been made as per Bangladesh Securities and Exchange Commission circular ref. no. BSEC/Mukhopatro/2011/1972 dated 29 June 2015.

