

# Howladar Yunus & Co.

**Auditors' Report  
on the Financial Statements  
of  
Shahjibazar Power Company Limited  
For the year ended June 30, 2014.**

**Chartered Accountants**  
Correspondent firm of Grant Thornton International Ltd.

# Howladar Yunus & Co.

Gulshan Office

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## **Independent Auditor's Report to the Shareholders of Shahjibazar Power Company Limited**

We have audited the accompanying consolidated financial statements of Shahjibazar Power Company Limited ("the Company") and its subsidiary, which comprise the consolidated statement of financial position as on June 30, 2014, and the consolidated statement of comprehensive income, 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 information.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) and the Companies Act 1994, and for such internal control as management determines is necessary to enable the preparation of these consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 consolidated financial statements.

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

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# Howladar Yunus & Co.

## Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Shahjibazar Power Company Limited and its subsidiary as on June 30, 2014 and of their financial performances and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and the Securities and Exchange Rules 1987.

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 Company and its subsidiary so far as it appeared from our examination of those books; and
- c) the consolidated statement of financial position and consolidated statement of comprehensive income of the Company and the separate statement of financial position and statement of comprehensive income of the Company dealt with by the report are in agreement with the books of account and returns.

*Howladar Yunus & Co.*  
Chartered Accountants

Dated: October 28, 2014  
Dhaka

SHAHJIBAZAR POWER COMPANY LIMITED  
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT JUNE 30, 2014

	Notes	June 30, 2014 Taka	June 30, 2013 Taka Re-stated
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4a	6,665,124,158	6,162,517,150
Biological Assets	5a	801,726	629,596
Intangible Assets	5b	107,300	-
Investment - at cost	6a	98,407,526	108,659,076
Investment -Midland Power Co.Ltd ( Associate)	7a	72,007,031	49,000,000
<b>Current Assets</b>			
Inventories	8a	1,125,663,025	130,994,934
Accounts Receivables	9a	1,028,886,444	381,246,121
Other Receivables	10a	1,720,365	-
Advance, Deposits and Prepayments	11a	596,837,319	468,228,099
Cash & Cash Equivalents	12a	1,093,426,399	30,525,505
Goods in Transit	13a	429,275,000	876,820,813
<b>TOTAL ASSETS</b>		<b>11,112,256,292</b>	<b>8,208,621,294</b>
<b>SHARE HOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share Capital	14a	1,141,180,000	1,141,180,000
Share Premium	15.00	724,720,000	724,720,000
Share Money Deposit	15a	99,333,400	99,333,400
Tax Holiday Reserve	15b	82,397,956	-
Retained Earnings	16a	1,166,521,565	949,177,207
<b>Minority Interest/Non controlling interest</b>		<b>1,900,319</b>	<b>527,157</b>
<b>Non-Current Liabilities</b>			
Long Term Loan- Net of Current Maturity	17a	1,823,748,941	2,831,374,107
Loan from other than Bank	17b	336,799,384	313,261,912
Deferred L/C Liabilities	18a	448,764,919	123,772,628
<b>Current Liabilities</b>			
Short Term Loan	19a	812,142,594	986,732,508
IPO Application Amount	20a	335,957,637	-
Long Term Loan - Current Maturity	21a	994,495,704	536,950,800
Sundry Creditors	22a	50,352,418	41,389,887
Liabilities for Expenses	23a	12,648,041	144,247,142
Dividend Payable	23b	171,177,000	-
Trade Payable	24a	319,720,362	186,568,081
L/C Liabilities	24b	2,590,396,052	129,386,465
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,112,256,292</b>	<b>8,208,621,294</b>

  
Chairman

*The annexed notes form an integral part of these Financial Statements.*

  
Director

  
Managing Director

Signed as per annexed report on even date.

  
Chartered Accountants

Dated: October 28, 2014  
Dhaka

**SHAHJIBAZAR POWER COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2014**

30, 2014.

	Notes	June 30, 2014 Taka	June 30, 2013 Taka
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment (WDV)	4.00	3,219,515,518	2,975,112,195
Biological Assets	5.00	353,365	353,365
Investment - at cost	6.00	197,740,926	207,992,476
Investment -Midland Power Co.Ltd ( Associate)	7.00	72,007,031	49,000,000
<b>Current Assets</b>			
Inventories	8.00	128,064,872	130,994,934
Accounts Receivables	9.00	393,626,962	381,246,121
Other Receivables	10.00	1,720,365	-
Advance, Deposits and Prepayments	11.00	1,470,485,846	1,287,434,365
Cash & Bank Balance	12.00	353,967,287	9,003,194
Goods In Transit	13.00	-	74,419,794
<b>TOTAL ASSETS</b>		<b>5,837,482,171</b>	<b>5,115,556,444</b>
<b>SHARE HOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share Capital	14.00	1,141,180,000	1,141,180,000
Share Premium	15.00	724,720,000	724,720,000
Retained Earnings	16.00	1,065,076,936	969,956,350
<b>Non-Current Liabilities</b>			
Long Term Loan- Net of Current Maturity	17.00	956,778,478	1,273,793,852
Deferred Liabilities	18.00	448,764,919	123,772,628
<b>Current Liabilities</b>			
Short Term Loan	19.00	207,130,332	113,402,382
IPO Application Amount	20.00	335,957,637	-
Long Term Loan - Current Maturity	21.00	523,440,000	536,950,800
Sundry Creditors	22.00	50,130,496	41,389,887
Liabilities for Expenses	23.00	3,784,466	3,822,464
Dividend Payable	23b	171,177,000	-
Trade Payable	24.00	209,341,907	186,568,081
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,837,482,171</b>	<b>5,115,556,444</b>

*The annexed notes form an integral part of these Financial Statements.*

  
Chairman

  
Director

  
Managing Director

Signed as per annexed report on even date.

  
Chartered Accountants

Dated: October 28, 2014  
Dhaka