

Final

AUDITORS' REPORT
&
THE FINANCIAL STATEMENTS
OF
Aleem Jute Mills Ltd.
For the Year Ended 30th June 2023

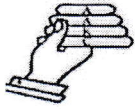
AUDITORS':

AKHTER ABBAS KHAN & Co.
Chartered Accountants

Nirman Samad Trade Centre (5th Floor)
63/1 Pioneer Road, Kakrail, Dhaka-1000

Hotel Ornate (5th Floor)
30 Bijoy Nagar, Dhaka-1000

Contact Number: 01972448363
Email ID: aakc.dhaka@gmail.com



Independent Auditor's Report
To the Board of Directors'
of
Aleem Jute Mills Ltd.

Report on the Audit of the Financial Statements

Report on the Audit of the Financial Statements:

Qualified Opinion:

We have audited the financial statements of **Aleem Jute Mills Ltd.** which comprise the statement of financial position as of 30 June 2023, and Statement of Manufacturing and Profit or Loss and Other Comprehensive Income, a statement of changes in equity, a 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, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

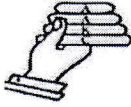
Emphasis the Matter

We draw attention to:

1. The company incurred a series of net losses in the consecutive Three years. Details are given in the tabulated form:

Financial Year	Net profit/(Loss) after tax (BDT.)	Profit & Loss Account Balance (Retained Earnings) (BDT.)
2020-2021	(70,318,807)	(3,394,631,719)
2021-2022	(39,861,673)	(3,382,119,694)
2022-2023	(34,446,335)	(3,402,701,716)

As of 30 June 2023, the Company's current liabilities stood at Tk. 195,911,643 and non-current liabilities stood Tk. 3,276,836,743 which exceeded its total assets of Tk. 2,901,991,696 by Tk. 570,756,690. We also draw attention to the production difficulties, inability to pay creditors on due dates, the inefficiency of key management, and negative operating cash flows indicated by the financial statements of the company. As per ISA-570 Para 19 & 22, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and that the financial statements do not adequately disclose this matter. However, as per P.O.-27 of 1972 Aleem Jute Mills Ltd. is a nationalized company and always backed and financially assisted by Government & subsequently Industrial Nationalization Act No. 25 of 2018. Company Operation is closed through government circular Ref: 24.00.0000.118.18.057.20.104 dated-30 June 2020. Our opinion is not modified in this issue.



AKHTER ABBAS KHAN & CO.
Chartered Accountants

Nirman Samad Trade Centre (5th Floor)
63/1 Pioneer Road, Kakrail, Dhaka-1000
Phone: 09611286804, Cell: 01972448363
E-mail ID : aakc.dhaka@gmail.com

2. IAS 12 requires an entity to recognize a deferred tax liability or (subject to specified conditions) a deferred tax asset for all temporary differences, with some exceptions. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes, but the Company did not reflect any deferred tax which is non-compliance of IAS 12. Our opinion is not modified in this issue.
3. There are no any fixed assets register and physical verification was not carried from inception with tagging of the same. Therefore, we cannot comment on any damage, obsolete items, scrap, over/under statement and its impact in annual financial statements. Our opinion is not modified in this issue.
4. Attention is drawn to Note no. 3.00 in the financial statements related to Inventories (Stock, Stores & Spares) balance accounted of BDT 17,300,073 as at 30 June 2023. The balance is confirmed by the management through financial statements and statement of inventory. But we could not physically verify the existence of the Inventory as at 30 June 2023 of the company, since audit was post-dated. Our opinion is not modified in this issue.

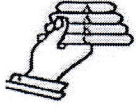
Basis for Qualified Opinion:

1. Attention is drawn to note no. 19.00 of the financial statements, regarding Liabilities for Expenses as on June 30, 2023 of BDT 31,621,339 (in which Provision for Land Taxes by the amounting Taka 28,712,201. Land Taxes duly provision by the company but has not been deposited to government treasury.
2. Attention is drawn to note no. 20.00 of the financial statements, regarding Liabilities for Other Finance (Including PF) as on June 30, 2023 of BDT 11,046,317 (in which Deduction of VAT From Suppliers by the amounting taka 2,844,572, Deduction of TAX From Suppliers by the amounting taka 461,362 and Tax deducted at source from employee by the amounting Taka 128,558). VAT & TAX duly deducted by the company from various suppliers and employees but has not been to deposited to government treasury within stipulated time which is a non-compliance of VAT & SD Act, 2012 and Income Tax Act 2023 (Previous the Income Tax ordinance & Rule, 1984).

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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) and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws.

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





AKHTER ABBAS KHAN & CO.
Chartered Accountants

Nirman Samad Trade Centre (5th Floor)
63/1 Pioneer Road, Kakrail, Dhaka-1000
Phone: 09611286804, Cell: 01972448363
E-mail ID: aakc.dhaka@gmail.com

Other Matter:

1. The financial statements of the entity for the year ended 30 June 2022, were audited by Masud Altaf & Co. who expressed an unmodified opinion on those financial statements.

Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report. 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 identified above when it becomes available 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, 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.

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 concerned 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.

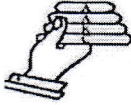
Those charged with governance are responsible for overseeing the Company's financial reporting process.

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.





AKHTER ABBAS KHAN & CO.
Chartered Accountants

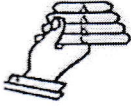
Nirman Samad Trade Centre (5th Floor)
63/1 Pioneer Road, Kakrail, Dhaka-1000
Phone: 09611286804, Cell: 01972448363
E-mail ID : aakc.dhaka@gmail.com

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate 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 identify during our audit.





AKHTER ABBAS KHAN & CO.
Chartered Accountants

Nirman Samad Trade Centre (5th Floor)
63/1 Pioneer Road, Kakrail, Dhaka-1000
Phone: 09611286804, Cell: 01972448363
E-mail ID : aakc.dhaka@gmail.com

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) we did not get Schedule -X and Form-XII from the company because the company did not submit annual return to the RJSC;
- c) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- d) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- e) the expenditure incurred was for the purpose of the Company's business.

Place: Dhaka

Date: 18 APR 2024

Signed for & on behalf of
Akhter Abbas Khan & Co.
Chartered Accountants

Biplob Saha ACA
Partner

Enrollment Number-ICAB: 1992

DVC: 2404181992A5177417





Aleem Jute Mills Ltd.

Statement of Financial Position
As on 30th June, 2023

Particulars	Note	Amount (Tk.)	
		30.06.2023	30.06.2022
Assets:			
Non-Current Assets :			
Property, Plant & Equipment	2.00	2,862,464,084	2,867,593,760
Total Non-Current Assets : (A)		2,862,464,084	2,867,593,760
Current Assets :			
Inventories (Stock, Stores & Spares)	3.00	17,300,073	18,619,231
Debtors	4.00	4,706,344	4,706,344
Due from BJMC Mills	5.00	1,557,713	438,355
Advance, Deposits & Pre-payments	6.00	3,155,794	3,071,080
Interim Revenue Support Receivable	7.00	6,196,151	6,196,151
Cash & Cash Equivalents	8.00	6,611,537	57,513,901
Total Current Assets : (B)		39,527,612	90,545,062
Total Assets : (A+B)		2,901,991,696	2,958,138,822
Equity & Liabilities :			
Authorized Capital	10.00	50,000,000	50,000,000
Shareholders Equity:			
Issued, Subscribed & Paid-up Capital	11.00	6,500,000	6,500,000
Govt. Equity Contribution	12.00	26,418,920	26,418,920
Reserve & Surplus	13.00	2,799,026,107	2,803,495,783
Profit & Loss Account Balance (Retained Earnings)	9.00	(3,402,701,716)	(3,382,119,694)
Total Shareholders Equity: (C)		(570,756,690)	(545,704,990)
Non-Current Liabilities:			
BJMC Current Account	14.00	63,724,190	168,214,547
Long Term Loan	15.00	3,198,059,792	2,999,669,589
Gratuity Liabilities (Long Term Portion)	16.00	15,052,760	48,647,031
Total Non-Current Liabilities : (D)		3,276,836,743	3,216,531,167
Current Liabilities :			
Bank Overdraft	17.00	46,760,404	46,939,404
Liabilities for Goods	18.00	-	3,566,176
Liabilities for Expenses	19.00	31,621,339	51,239,995
Liabilities for Other Finance (Including PF)	20.00	11,046,317	28,222,308
Due to BJMC Mills	21.00	25,541,609	30,981,486
Gratuity Liabilities (Current Portion)	22.00	80,941,974	126,363,276
Total Current Liabilities : (E)		195,911,643	287,312,645
Total Equity & Liabilities : (C+D+E)		2,901,991,696	2,958,138,822

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

As per our annexed report of same date

Place: Dhaka

Date: 18 APR 2024

Deputy General Manager

মোঃ সাজ্জাদ হোসেন

ব্যবস্থাপক (মঃ বেঃ)

প্রকল্প প্রধান

আলীম জুট মিলস লিঃ

আটরা, খুলনা।

Signed for and on behalf of

Akhter Abbas Khan & Co.

Chartered Accountants

Biplob Saha ACA

Partner

Enrollment Number-ICAB: 1992

DVC: 2404181992AS177417





AKHTER ABBAS KHAN & CO.
Chartered Accountants

Aleem Jute Mills Ltd.

Statement of Manufacturing and Profit or Loss & Others Other Comprehensive Income
For the year ended 30th June, 2023

Particulars	Note	Amount (Tk.) 2022-2023			Amount (Tk.)
		Hessian	Sacking	Total	2021-22
Income :					
Local Sales		-	-	-	-
Foreign Sales		-	-	-	-
Total Sales : (1+2)		-	-	-	-
Subsidy		-	-	-	-
Total Income : (3+4)		-	-	-	-
Material Cost :					
Opening Work-in-Process		-	-	-	-
Raw Jute Consumption		-	-	-	-
Charges on Raw Jute		-	-	-	-
Other Direct Materials Consumed		-	-	-	-
Sub-Total : (6 to 9)		-	-	-	-
Closing Work-in-Process		-	-	-	-
Total Material Cost : (10-11)		-	-	-	-
Conversion Cost :					
Opening Work-in-Process		-	-	-	-
Salaries	23.00	-	-	27,574,731	27,528,933
Power/Electricity	24.00	-	-	1,022,299	1,552,994
Repairs & maintenance	25.00	-	-	404,724	296,296
Depreciation	26.00	-	-	660,000	660,000
Sub-Total : (13 to 21)		-	-	29,661,754	30,038,223
Closing Work-in-Process		-	-	-	-
Total Conversion Cost : (22-23)		-	-	29,661,754	30,038,223
Cost of Production : (12+24)		-	-	29,661,754	30,038,223
Opening stock of Finished Goods		-	-	-	-
Cost of Goods available for Sale : (25+26)		-	-	29,661,754	30,038,223
Closing stock of Finished Goods		-	-	-	-
Total cost of Sales : (27- 28)		-	-	29,661,754	30,038,223
Administrative expenses	27.00	-	-	2,278,581	3,061,500
Selling expenses		-	-	-	761,950
Total operating expenses : (29 to 31)		-	-	31,940,335	33,861,673
Operating Profit/(Loss) : (5-32)		-	-	(31,940,335)	(33,861,673)
Financial Expenses :					
Interest on Cash Credit	28.00	-	-	1,000,000	-
Interest on Long term Loan	28.00	-	-	1,500,000	6,000,000
Total Interest : (34+35)		-	-	2,500,000	6,000,000
Total Profit/(Loss) : (33+36)		-	-	(34,440,335)	(39,861,673)
Non-Operating Income		-	-	-	-
Net Profit/(Loss) : (37-38)		-	-	(34,440,335)	(39,861,673)

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

উপ-ব্যবস্থাপক (হিসাব ও অর্থ)
আলীম জুট মিলস লিমিটেড
আটোরা, খুলনা

As per our annexed report of 30th June 2023 date

Place: Dhaka

Date: 18 APR 2024

Deputy General Manager

মোঃ সাজ্জাদ হোসেন
ব্যবস্থাপক (সঃ বেঃ)

প্রকল্প প্রধান
আলীম জুট মিলস লিমিটেড
আটোরা, খুলনা

Signed for and on behalf of
Akhter Abbas Khan & Co.
Chartered Accountants

Biplob Saha ACA
Partner

Enrollment Number-ICAB: 1992
DVC: 2404181992AS177417





Aleem Jute Mills Ltd.

Statement of Manufacturing and Profit or Loss & Others Other Comprehensive Income (Lakh Taka)
For the year ended 30th June, 2023

Particulars	Notes	Amount (Tk. in Lakh)		2022-23	Last Year
		Hessian	Sacking	Total	2021-2022
Income:					
Local Sales		-	-	-	-
Foreign Sales		-	-	-	-
Total Sales : (1+2)		-	-	-	-
Subsidy		-	-	-	-
Total Income : (3+4)		-	-	-	-
Material Cost :					
Opening Work-in-Process		-	-	-	-
Raw Jute consumption		-	-	-	-
Charges on Raw Jute		-	-	-	-
Other direct materials consumed		-	-	-	-
Sub-Total : (6 to 9)		-	-	-	-
Closing Work-in-Process		-	-	-	-
Total Material Cost : (10-11)		-	-	-	-
Conversion Cost :					
Opening Work-in-Process		-	-	-	-
Wages		-	-	-	-
Salaries	23.00	-	-	275.76	275.28
Power/Electricity	24.00	-	-	10.22	15.53
Fuel		-	-	-	-
Repairs & maintenance	25.00	-	-	4.04	2.96
Depreciation	26.00	-	-	6.60	6.60
Insurance		-	-	-	-
Other Factory overhead		-	-	-	-
Sub-Total : (13 to 21)		-	-	296.62	300.37
Closing Work-in-Process		-	-	-	-
Total Conversion Cost : (22-23)		-	-	296.62	300.37
Cost of production : (12+24)		-	-	296.62	300.37
Opening Stock of Finished Goods		-	-	-	-
Cost of Goods available for Sale : (25+26)		-	-	296.62	300.37
Closing Stock of Finished Goods		-	-	-	-
Total cost of Sales : (27- 28)		-	-	296.62	300.37
Administrative expenses	27.00	-	-	22.78	30.62
Selling expenses		-	-	-	7.62
Total operating expenses : (29 to 31)		-	-	319.40	338.61
Operating Profit/(Loss) : (5- 32)		-	-	(319.40)	(338.61)
Financial Expenses :					
Interest on Cash Credit	28.00	-	-	10.00	-
Interest on Long term Loan	28.00	-	-	15.00	60.00
Total Interest : (34+35)		-	-	25.00	60.00
Total Profit/(Loss) : (33+36)		-	-	(344.40)	(398.61)
Non-Operating Income		-	-	-	-
Net Profit/(Loss) : (37- 38)		-	-	(344.40)	(398.61)

The annexed notes form an integral parts of these financial statements.

Manager (Accountant & Finance Officer)

উপ-ব্যবস্থাপক (হিঃ ও অর্থ)
আলীম জুট মিলস্ লিঃ

As per our annexed report of the date

Place: Dhaka

Date: 18 APR 2024

Deputy General Manager

বোর্ড সাক্ষরকর্তা/বোর্ড
ব্যবস্থাপক (সং বেঃ)

প্রকল্প প্রধান
আলীম জুট মিলস্ লিঃ
আট্টারা, খুলনা।



Aleem Jute Mills Ltd.

Statement of Changes In Equity
For the year ended 30 June 2023

Particulars	2022-2023				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Reserves & Surplus	Profit & Loss Account Balance (Retained Earnings)	Total
Opening Balance	6,500,000	26,418,920	2,803,495,783	(3,382,119,694)	(545,704,991)
Add: Net Profit/(loss) for the year				(34,440,335)	(34,440,335)
Add: Prior year Adjustment for the year				13,858,313	13,858,313
Less: Depreciation on Revaluation of Fixed Assets			(4,469,676)		(4,469,676)
Balance as on June 30, 2023	6,500,000	26,418,920	2,799,026,107	(3,402,701,717)	(570,756,690)

Particulars	2021-2022				
	Issued, Subscribed & Paid-up Capital	Govt. Equity Contribution	Reserves & Surplus	Profit & Loss Account Balance (Retained Earnings)	Total
Opening Balance	6,500,000	26,418,920	2,807,965,459	(3,394,631,719)	(553,747,340)
Add: Net Profit/(loss) for the year				(39,861,673)	(39,861,673)
Add: Prior year Adjustment for the year				52,373,699	52,373,699
Less: Depreciation on Revaluation of Fixed Assets			(4,469,676)		(4,469,676)
Balance as on June 30, 2022	6,500,000	26,418,920	2,803,495,783	(3,382,119,694)	(545,704,991)

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

চন্দ্রকান্ত বেরাসী
উপ-ব্যবস্থাপক (হিঃ ও অর্থ)
আলীম জুট মিলস লিঃ
আটরা, খুলনা।

As per our annexed report of same date

Deputy General Manager

বোঃ সাঈদ হোসেন
ব্যবস্থাপক (হিঃ বেঃ)
প্রকল্প প্রধান
আলীম জুট মিলস লিঃ
আটরা, খুলনা।

Place: Dhaka

Date:

18 APR 2024





Aleem Jute Mills Ltd.
Statement of Cash Flows
For the year ended 30th June, 2023

Sl. #	Particulars	Amount (Tk.)	
		2022-2023	2021-2022
A.	Cash Flow from Operating Activities :		
	Net Profit (Loss) for the year	(34,440,335)	(39,861,673)
	Previous year adjustment	13,858,313	52,373,699
	Depreciation	660,000	660,000
	Inventories (Stock, Stores & Spares)	1,319,158	-
	Debtors	-	7,200,494
	Advance, Deposits & Pre-payments	(84,714)	1,142,326
	Due from BJMC Accounts	(1,119,358)	-
	BJMC Current Accounts	(104,490,357)	55,056,975
	Due to BJMC Mill	(5,439,877)	-
	Liabilities for Goods	(3,566,176)	(23,926,189)
	Liability for Expenses	(19,618,656)	(159,122,008)
	Gratuity Liabilities (Long Term Portion)	(33,594,271)	-
	Net Cash used from Operating Activities : (A)	(186,516,274)	(106,476,376)
B.	Cash flow from investing activities :		
	Fixed Assets Addition / Adjustment	-	(128,050)
	Long term Loan	198,390,203	529,176,300
	Net cash flow from investing activities : (B)	198,390,203	529,048,250
C.	Cash Flow from Financing Activities :		
	Liabilities For Other Finance	(17,175,991)	994,265
	Bank Overdraft	(179,000)	3,427,540
	Gratuity Liabilities (Current Portion)	(45,421,302)	(414,913,432)
	Net Cash used from Financing Activities : (C)	(62,776,293)	(410,491,627)
	Net Increase/Decrease in Cash at Bank Balance : (A+B+C)	(50,902,364)	12,080,247
	Opening Cash & Bank Balance	57,513,901	45,433,654
	Closing Cash & Bank Balance	6,611,537	57,513,901

The annexed notes form an integral parts of these financial statements.

Manager (Accounts & Finance)

চন্দ্রকান্ত বেরাঙ্গা
উপ-ব্যবস্থাপক (হিসাব ও অর্থ)
আলীম জুট মিলস্ লিমিটেড
আটরা, খুলনা।

As per our annexed report of same date

Deputy General Manager

মোঃ সাজ্জাদ হোসেন
ব্যবস্থাপক (নঃ বোঃ)
প্রবন্ধ প্রধান
আলীম জুট মিলস্ লিমিটেড
আটরা, খুলনা।

Place: Dhaka

Date: 18 APR 2024



Aleem Jute Mills Ltd.

Notes to the Financial Statement
For the year ended 30th June, 2023

A. Legal form of the Enterprise :

Aleem Jute Mills Ltd. incorporated in then the East Pakistan under the Company Act 1913 subsequently amended in 1994. The mill was placed under the control and management of Bangladesh Jute Mills Corporation (BJMC) under P.O. 27 of 1972 & subsequently the industrial nationalised Act No. 25 of 2018.

B. Nature of Business :

The principal activities of the company is manufacturing, local sale and export of Sacking and Hessain.

C. Significant Accounting Policies :

The Mill follows an integrated accounting system. These accounts have been prepared on a going concern

D. Basis of Presentation :

Financial Statement presentation follows the formats recommended in the International Financial Reporting Standards.

E. Cash and Cash Equivalents :

Cash in hand and cash at bank have been considered as cash and cash equivalents for the preparation of these financial statements, which were held and are available for use by the factory without any restriction. There was no significant risk of changes in value of these current assets.

F. Fixed Assets :

The Fixed Assets are shown at cost & Revaluation less accumulated depreciation. 1st time revaluation was made in the year 1992-93 and 2nd time revaluation was made in the year 2016-2017 and increased value transferred to Capital Reserve Account as per BJMC Guide Line.

G. Depreciation :

Fixed Assets were depreciated at straight line method @ 2.5% to 25% according the type of assets.

H. Foreign Currency Transaction:

Revenue transactions of foreign currency are converted in Bangladeshi taka at the exchange rate prevailing on the date of transaction.

I. Service Benefits :

(a) The factory is maintaining a contributory Provident Fund for its every permanent employee. The factory is providing contribution to the Fund equivalent to 8.33 of basic salary of each permanent employee from date of Nov'2017 & each member of provident fund contributes 10% of basic salary.

(b) The factory also provides Gratuity benefit to its every permanent employee equivalent to two months last basic wages/salary for each completed year of service.

J. Taxation :

The factory is incurring loss since long. This year the factory also incurred loss. On the other hand source tax deducted on export proceeds have adjusted against company tax.

K. Liabilities for Expenses :

Provision for certain expenses and known liabilities were made in the accounts during the year under audit.

N-1 Reporting period :

The financial statements of the factory cover the period of 1st July, 2022 to 30th June, 2023 consistently.