
**Auditors' Report
&
Audited Financial Statements
of
BRAC EPL Investments Limited**

For the year ended 31 December 2020

A. QASEM & Co.

Chartered Accountants

Since 1953



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Chartered Accountants

★ Since 1953 ★

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of BRAC EPL Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BRAC EPL Investments Limited (the Company), which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 auditors' report thereon. The Annual Report of its parent-BRAC Bank Limited is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover 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 of 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 and fair presentation of the financial statements in accordance with IFRSs 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 concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement 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.
- 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, 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.

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

Report on Other Legal and Regulatory Requirements

We as required by the Companies Act, 1994, the Securities and Exchange Commission Act, 1993 and the Securities and Exchange Commission Rules, 1987 and other applicable laws and regulations.

We also report that:

- (i) 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;
- (ii) 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;
- (iii) The Company's 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 and returns; and
- (iv) The expenditure incurred was for the purposes of the Company's business.



A. Qasem & Co.

Chartered Accountants

RJSC Firm Registration Number: PF1015

Ziaur Rahman Zia, FCA

Partner

Enrolment Number: 1259

DVC: 2103281259AS277219

Place: Dhaka

Date: 22 March 2021

BRAC EPL Investments Limited
Statement of Financial Position
As at 31 December 2020

	Notes	Amount in BDT	
		As at	
		31 December 2020	31 December 2019
Assets			
Non-current assets			
Property, plant and equipment	5	9,122,577	6,479,779
Intangible assets	6	200,029	516,232
Right of use Asset	7	6,520,809	4,723,270
Investment in associate company	8	-	-
Deferred tax assets	9	283,711,094	286,439,604
		299,554,509	298,158,885
Current assets			
Account receivables	10	23,500,546	15,674,420
Inter-company receivables	11	267,439	136,066
Other receivables		17,031,337	15,293,703
Investment in quoted securities	12	1,018,347,946	895,166,869
Advance income tax	13	30,212,853	25,114,710
Loans and advances to customers	14	1,697,600,142	1,693,628,668
Accrued interest and management fees receivable	15	306,655,209	313,879,136
Advances, deposits and prepayments	16	31,965,960	2,351,054
Cash and cash equivalents	17	14,440,818	11,015,740
		3,140,022,250	2,972,260,366
Total assets		3,439,576,759	3,270,419,251
Equity and Liabilities			
Shareholders' equity			
Share capital	18	2,585,000,000	2,585,000,000
Share premium		436,825,951	436,825,951
Retained earnings		(2,231,889,288)	(2,276,111,075)
Shareholders' equity		789,936,663	745,714,876
Non-current liabilities			
Lease Liability	19.01	3,781,320	1,709,241
Current liabilities			
Customer deposits	20	79,536,443	84,854,573
Bank overdrafts	21	798,660,711	798,405,356
Short term loan	22	640,000,000	540,000,000
Account payables	23	18,809,802	6,787,284
Other liabilities	24	1,101,016,876	1,085,008,627
Provision for taxation	25	3,977,745	3,453,356
Lease Liability	19.01	3,353,677	3,392,023
Inter-company payable	26	503,523	1,093,915
		2,645,858,776	2,522,995,134
Total equity and liabilities		3,439,576,759	3,270,419,251

Footnotes:

1. These financial statements should be read in conjunction with annexed notes 1 to 37.



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Date: 22 March 2021


Chief Executive Officer (Acting)
BRAC EPL Investments Limited


Director
BRAC EPL Investments Limited


Chairman
BRAC EPL Investments Limited



BRAC EPL Investments Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2020

	Notes	Amount in BDT	
		For the year ended	
		31 December	31 December
		2020	2019
Revenue			
Interest income from margin loan		15,239,981	15,806,366
Interest expenses	27	(142,687,731)	(135,595,770)
Net interest income (A)		(127,447,750)	(119,789,404)
Fee and commission income	28	31,688,995	21,117,085
Fee and commission expenses	29	(7,310,477)	(6,126,189)
Net fee and commission income (B)		24,378,518	14,990,896
(Loss)/gain from investment in securities	30	174,584,345	(230,223,374)
Other operating income/(loss)	31	25,941,605	30,022,483
Net (loss)/gain from investment in securities (C)		200,525,950	(200,200,891)
Total operating income/(loss) (A+B+C)		97,456,718	(304,999,399)
Operating expenses	32	(49,036,205)	(54,466,262)
Operating profit/(loss) (D)		48,420,513	(359,465,661)
Finance income		47,013	72,997
Financial expenses	33	(942,229)	(1,491,689)
Net finance income (E)		(895,216)	(1,418,692)
Share of profit of equity in associate company (F)			1,496,879
Profit/(loss) before provisions (D+E+F+G)		47,525,297	(359,387,474)
Provision for loans and advances	24.1		-
Provision for account receivables	23.2		(12,871,697)
Profit/(loss) before tax		47,525,297	(372,259,171)
Current tax expense	34	575,000	482,599
Deferred tax expense / (income)	34	2,728,510	(4,283,458)
Tax (income)/expenses		3,303,510	(3,800,859)
Profit/(loss) after tax		44,221,787	(368,458,312)
Other comprehensive Income		-	-
Total Profit / (Loss)		44,221,787	(368,458,312)

Footnotes:

1. These financial statements should be read in conjunction with annexed notes 1 to 37.



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BRAC EPL Investments Limited
Statement of Cash Flows
For the year ended 31 December 2020

Amount in BDT	
For the year ended	
31 December	31 December
2020	2019

A. Operating activities

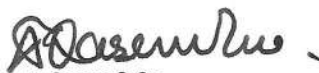
Net profit before tax	47,525,297	(372,259,171)
<i>Add: Items not involving in movement of cash:</i>		
Depreciation on property, plant and equipment	2,396,983	2,092,471
Amortization of intangible asset	316,204	262,938
Gain on disposal of property, plant and equipment	(152,499)	(24,000)
Depreciation of Right-of-use assets	6,158,365	9,017,503
Adjustment of lease	877,055	-
Fair value adjustments for fall in values of investment in securities	(168,122,345)	248,567,074
Share of profit of equity in associate company		(1,496,879)
	<u>(158,526,237)</u>	<u>258,419,106</u>
Income tax paid	(5,148,754)	(6,505,894)
Operating(loss)/profit before changes in working capital	(116,149,693)	(120,345,959)
Changes in working capital :		
(Increase)/decrease in loan and advances to customers	(3,971,474)	9,590,478
(Increase)/decrease in accrued interest and mgt. fees receivable	7,223,926	18,823,754
(Increase)/decrease in account receivables	(7,826,126)	12,254,427
(Increase)/decrease in advance, deposits and prepayments	(29,614,906)	3,337,381
(Increase)/decrease in inter-company receivable	(131,373)	(115,044)
(Increase)/decrease in other receivables	(1,737,634)	(4,916,796)
Increase/(decrease) in customer deposits	(5,318,130)	(9,983,459)
Increase/(decrease) in account payables	12,022,518	(2,929,294)
Increase/(decrease) in inter-company payable	(590,392)	66,559
Increase/(decrease) in other liabilities	16,008,249	15,008,434
Increase/(decrease) in lease liability	2,033,733	5,101,264
	<u>(11,901,609)</u>	<u>46,237,704</u>
Net cash (used)/from operating activities (A)	(128,051,302)	(74,108,254)

B. Cash flows from Investing activities:

Acquisition of property, plant and equipment	(5,039,782)	(244,781)
Disposal of property, plant and equipment	152,499	24,000
Striking off Brac Asset Management	-	17,172,920
Sale/(purchase) of investment securities	44,941,268	(1,281,492)
Inclusion of Right of Used Asset	(8,832,960)	(13,740,773)
Net cash used in investing activities (B)	31,221,025	1,929,874

C. Cash flows from Financing activities

Receipt/(repayment) of bank overdraft	255,355	(860,453)
Receipt/(repayment) of short term loans	100,000,000	70,000,000
Net cash from/(used) in financing activities (C)	100,255,355	69,139,547
Net decrease in cash and cash equivalents (A+B+C)	3,425,078	(3,038,833)
Cash and cash equivalents at the beginning of the year	11,015,740	14,054,573
Cash and cash equivalents at the end of the year	14,440,818	11,015,740



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BRAC EPL Investments Limited
Statement of Changes in Equity
For the year ended 31 December 2020

Particulars	Amount in BDT			
	Share capital	Share premium	Retained earnings	Total
Balance as on 31 December 2018	2,585,000,000	436,825,951	(1,907,652,764)	1,114,173,187
Total comprehensive income for the year 2019	-	-	(368,458,311)	(368,458,311)
Balance as on 31 December 2019	2,585,000,000	436,825,951	(2,276,111,075)	745,714,876
Total comprehensive income for the year 2020	-	-	44,221,787	44,221,787
Balance as on 31 December 2020	2,585,000,000	436,825,951	(2,231,889,288)	789,936,663



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1.0 Background and legal status

BRAC EPL Investments Limited (hereinafter referred to as "the Company" or BEIL) was incorporated in Bangladesh on 18 April 2000 as a private limited company under the Companies Act 1994 initially in the name of Equity Partners Limited, the name of which was changed to BRAC EPL Investments Limited on 4 October 2009. BRAC Bank Limited acquired 51% of its equity in August 2009 and a further 25% in May 2011. In 30 June 2016 BRAC Bank Limited subscribed 200 million shares further to increase BEIL's paid up capital. BRAC Bank Limited currently holding 99.95% of shares of BEIL's total subscribed shares. On 11 February 2010 a new Merchant Banker Registration Certificate was issued in favour of BRAC EPL Investments Limited which allows the organization to perform the various activities including issue management, underwriting and portfolio management. The company was converted to a public limited company on 4 November 2012. The registered office of the Company is located at Medona Tower, Level-4, 28 Mohakhali, Dhaka-1213.

1.1 Nature of business

BEIL delivers a whole range of investment banking services including traditional merchant banking activities such as issue management, underwriting and portfolio management. The Company also delivers value-added services such as wealth management, corporate advisory and corporate finance.

2.0 Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements of the Company have been prepared on going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, Securities & Exchange Commission Ordinance-1969, Securities & Exchange Commission Act 1993, Depository (User) Regulation-2003 and other applicable laws and regulations.

2.2 Components of the financial statements

The financial statements comprise of :

- a) Statement of Financial Position as at 31 December 2020;
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2020;
- c) Statement of Changes in Equity for the year ended 31 December 2020
- d) Statement of Cash Flows for the year ended 31 December 2020; and
- e) Notes to the Financial Statements.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for investments in quoted shares which have been measured at "Mark to Market" (M2M) in accordance with IFRS 9: *Financial Instruments*.

2.4 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, BRAC EPL Investments Limited applies the accounting disclosure principles consistently from one period to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS 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. Actual results may differ from these estimates.

2.6 Going concern assumption

The accompanying Financial Statements have been prepared on a going concern assumptions that the company will continue in operation for foreseeable future. Based on management forecast and consideration of capital market trend, the board of directors of BEIL found sufficient grounds for company's continuing operations in the foreseeable future and look forward to an improved cash flow position subsequent year.

2.7 Reporting Period

The financial statements of the Company cover twelve (12) months from 01 January 2020 to 31 December 2020 and is followed consistently.

3.0 Summary of significant accounting policies

3.1 Financial assets and liabilities

Recognition

The Company initially recognizes loans and advances and deposits on the date that they are originated. All other financial assets and liabilities are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.



Identification and measurement of impairment

At each financial position date the Company assesses whether there is an objective evidence that financial assets not carried at fair value through profit and loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower and a significant downturn in the active market for a security.

Impairment losses on financial assets are measured as the difference between the carrying amount of the financial asset and the present value of the estimated future cash flows of that asset. Losses are recognized in statement of comprehensive income and reflected as an allowances against loans and advances.

When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through statement of comprehensive income.

3.2 Recognition of property, plant and equipment (PPE)

The cost of an item of property, plant and equipment is recognized as an assets if and only if is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, plant and equipment have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs of enhancement of an existing assets are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of comprehensive income during the financial period in which they are incurred.

3.3 Depreciation of property, plant and equipment (PPE)

The company uses straight line method for charging depreciation. Full month depreciation is charged on additions irrespective of date of its acquisition whereas no depreciation is charged in the month of disposal. The rates of depreciation on various classes of property, plant and equipment are as under:

<u>Name of the assets</u>	<u>Rates</u>
Furniture and fixtures	10%-20%
Office floor space	5%
Motor vehicles	20%
Leasehold improvement	15%-20%
IT equipment	20%-33.33%
Office equipment	10%-20%
Software	33.33%



3.4 Intangible assets

These represent cost of software and have been stated at cost as reduced by accumulated depreciation. Computer software acquired by the company which have finite useful life are measured at cost less accumulated depreciation. Depreciation is provided on software at the rate of 33.33% using the straight line method.

3.5 Leases

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

— the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

— the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

— the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Policy applicable before 1 January 2019

For contracts entered into before 1 January 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
 - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
 - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
 - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.



i. As a lessee

The Company recognises a right-of-use asset and a lease liability for its office rent agreements at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

When measuring lease liabilities, The company discounted lease payments using its incremental borrowing rate (11%) at 1 January 2020.

Short-term leases and leases of low-value assets

Currently the Company has no such short-term lease or lease of low value asset. The Company will not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company will recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term as applicable.

ii. As a lessor

There is no such lease for which the Company is a lessor.

3.6 Investments

The Company holds investment securities which are both actively traded in a quoted market and those which are unquoted.

(a) Fair value through profit or loss

Investments in shares which are actively traded on a quoted market are designated at fair value through statement of comprehensive income. Gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of comprehensive income.

(b) Fair value through other comprehensive income

Investments in shares which are not actively traded on a quoted market are designated as fair value through OCI. Since their fair values cannot be reliably measured, these are held at cost.

3.7 Recognition and measurement of financial assets

In accordance with International Financial Reporting Accounting Standard (IFRS) 9, financial assets may be recognized at fair value, with gain and losses taken to the income statement in net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

Account receivables

Accounts receivables consist mainly of net receivables from brokers for daily sale and buy transactions of clients. These are cleared every 3 working days.

Investment in quoted securities

The company invests in quoted securities, traded on the secondary capital market in Bangladesh. At the reporting date these are recognized at market value on aggregate basis. As per IFRS 9: Financial Instruments, these have been classified as fair value through profit or loss where gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of comprehensive income.

Accrued interest and management fees receivable

Accrued interest receivable and accrued portfolio management fee is deducted from client's account on every calendar quarter and adjusted with client's purchase power accordingly.

Other receivables

Other receivable Consist of dividend receivable of investment in quoted securities. These are cleared around 60 days.

3.8 Taxation

The Company current tax has been calculated on the basis of the Finance Act 2020.

Current Tax

Income tax expense is recognized in Statement of Profit or Loss and Other Comprehensive Income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Company qualifies as a "Merchant Bank"; hence the applicable corporate tax rate is 37.50% as per the Finance Act 2020.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.9 Statement of Cash Flows

The Statement of Cash Flows shows changes in cash and bank balances during the financial year. It has reported cash flows during the year classified by operational activities, investing activities and financing activities. It is prepared under indirect method in accordance with IAS :7 Statement of Cash Flows.

3.10 Margin loan to customer

BRAC EPL Investments Ltd. extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount), in line with the limit set by BSEC of purchased securities against the respective investor account. The investors are to maintain the margin as per as set rules and regulatins. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement the investors are to required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.11 Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Company does not intend to sell immediately or in the near term.

Loans and advances are initially measured at fair value and subsequently measured at amortized cost.

3.12 Customer deposits

Customer deposits consist of funds provided by customers which have not yet been used to invest in securities. These are initially measured at fair value and subsequently measured at amortized cost.

3.13 Provision

A provision is recognized if, as a result of a past event, the Company 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.

3.14 Revenue recognition

3.14.1 Interest income

In general, interest Income from loan is recognized on accrual basis. Interest is accrued on a daily basis and applied to customer's account every quarter. Interest income on negative equity accounts is not recognised.

3.14.2 Fee and commission income

Fees and commission income arising from services provided by the company are recognized as income on earned basis as per IFRS 15 "Revenue from Contracts with Customers". Fees and Commission charged to customers on share transaction. Management fee income is recognized as accrual basis and is accrued on a daily basis and applied to customer's account every quarter.

The debt arrangement fee and corporate advisory fee income is recognized after completion of work.

3.14.3 Dividend income

Dividend income is recognized when the right to receive dividend is established. Usually this is the ex-dividend date for equity securities.

3.14.5 Finance income

Finance income comprises of interest income on fixed deposits and savings accounts. Income is recognized on accrual basis.

4.0 Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments:

- ** Credit risk
- ** Settlement Risk
- ** Liquidity risk
- ** Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework.



4.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers and investment securities. These loans and advances are backed by the securities held by the

With respect to credit risk arising from the other financial assets of the Company, the maximum exposure is equal to the carrying amounts of the financial assets.

4.2 Settlement Risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of losses due to failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For such transactions the Company only allows the purchase of tradable securities if the customer has adequate cash/purchase power beforehand.

4.3 Liquidity Risk

The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities.

Under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the

The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by the Board.

4.4 Market Risk

A key market risk for the Company is the volatility in price movements of traded securities. The objectives of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

The Company is subject to various market risks, including risks from interest and currency exchange rates.

4.4.1 Interest Rate Risk

The Company relies heavily on borrowed funds from the money markets to fund its margin loans. Any hikes in interest rates in the money markets will increase its cost of funds and reduce the interest rate spread that the Company earns on its margin loans.

Interest rate risks are primarily managed through monitoring of interest rate gaps and re-pricing of products in the Management Committee which is the monitoring body for such strategies and is assisted by Treasury on a day-to-day basis.

4.5 Capital Management

The Company's objective when managing capital is to maintain a capital structure that provides a balance between the risk associated with higher level of borrowings and the advantages and security of a sound capital position.

There were no changes in the BOD's approach to capital management during the year. The Company is not subject to any externally-imposed capital requirements.

4.6 Authorisation for issue

Authorisation for issue These financial statements have been authorised for issue by the Board of Directors of the company on 11 March 2021.

4.7 General

- i) Amounts appearing in these financial statements have been rounded off to the nearest Bangladesh Taka; and
- ii) Figures related to previous year have been rearranged wherever considered necessary to confirm with current year's presentation.



	31 December 2020	31 December 2019
	BDT	BDT
5 Property, plant and equipment		
Cost at the beginning of the year	47,283,878	47,538,879
Add: Addition during the year	5,039,782	-
Less: Adjustment/disposal during the year	2,122,056	255,000
Cost at the close of the year	50,201,604	47,283,879
Accumulated depreciation at the beginning of the year	40,804,099	38,966,629
Add: Depreciation during the year	2,396,983	2,092,471
Less: Adjustment/disposal during the year	2,122,056	255,000
Accumulated depreciation the end of the year	41,079,026	40,804,099
Carrying amount as at 31 December	9,122,577	6,479,779
Details are shown in Annexure-A		
6 Intangible assets		
Cost at the beginning of the year	948,611	469,220
Add: Addition during the year	-	479,391
Less: Adjustment/disposal during the year	-	-
Cost at the close of the year	948,611	948,611
Accumulated depreciation at the beginning of the year	432,379	169,441
Add: Depreciation during the year	316,204	262,938
Less: Adjustment/disposal during the year	-	-
Accumulated depreciation the end of the year	748,583	432,379
Carrying amount as at 31 December	200,029	516,232
Details are shown in Annexure-A		
7 Right-of-use assets		
Cost at the beginning of the year	13,740,773	-
Add: Addition during the year	8,832,960	13,740,773
Less: Adjustment/disposal during the year	11,693,374	-
Cost at the close of the year	10,880,359	13,740,773
Accumulated depreciation at the beginning of the year	9,017,503	-
Add: Depreciation during the year	6,158,365	9,017,503
Less: Adjustment/disposal during the year	10,816,319	-
Accumulated depreciation the end of the year	4,359,549	9,017,503
Carrying amount as at 31 December	6,520,809	4,723,270
Details are shown in Annexure-A		
8 Investment in associate company		
BRAC Asset Management Company Limited	-	15,676,040
Profit for the period	-	1,496,879
	-	17,172,920
Striking off Investments in associate	-	17,172,920
Closing Balance	-	-



31 December 2020	31 December 2019
BDT	BDT
(2,532,516)	(5,261,026)
(281,178,577)	(281,178,577)
283,711,094	286,439,604

9 Deferred tax assets

Deferred tax on temporary differences (Note 9.1)
Net Operating loss carry forwards (Note 9.2)

As the management of BRAC EPL Investments Limited has predicted that, there is a probability of having taxable profits in the near future that the entity can utilize before the unused tax losses or unused tax credits expire, the loss amounting Tk. 28,11,78,577 for the year ended 31 December 2017 has been carried forward as per para 36(b) of IAS 12.

9.1 Deferred tax on temporary differences

(i) Deductible temporary differences

Property, plant and equipment

Finance lease obligations

(4,067,673)

(14,029,403)

(ii) Deductible temporary difference
of lease obligations

(2,685,703)

Net taxable/(deductible) temporary differences

(6,753,377)

(14,029,403)

Tax rate

37.50%

37.50%

Deferred tax asset as at 31 December

(2,532,516)

(5,261,026)

Less: opening balance as at 1 January

5,261,026

977,569

Deferred tax expense /(income)

2,728,510

(4,283,458)

9.2 Net Operating loss carry forwards

Deferred tax (asset)/liability as at 31 December

(281,178,577)

(281,178,577)

Less: opening balance as at 1 January

281,178,577

281,178,577

Deferred tax expense /(income) from operating loss

-

-

10 Account receivables

Portfolio Management Department (PMD) (Note-10.1)

10,628,849

675,223

Structured Finance Department (SFD) (Note-10.2)

12,871,697

14,999,197

23,500,546

15,674,420

10.1 Portfolio Management Department (PMD)

Receivable from brokerage for client trading

10,628,849

675,223

Receivable from brokerage for own investment

-

-

10,628,849

675,223

PMD's receivables consist mainly of net receivables from brokers for daily sale and buy transactions of clients. These are cleared every 3 working days.

10.2 Structured Finance Department (SFD)

Debt arrangement fees

10,568,072

12,695,572

Corporate advisory fees

2,303,625

2,303,625

12,871,697

14,999,197

11 Inter-company receivables

BRAC EPL Stock Brokerage Limited

267,439

136,066

267,439

136,066



31 December 2020	31 December 2019
BDT	BDT

12 Investment in quoted securities

1,018,347,946	895,166,869
1,018,347,946	895,166,869

The company invests in quoted securities, traded on the secondary capital market in Bangladesh. At the reporting date these are recognized at market value on aggregate basis. As per IFRS 9: Financial Instruments, these have been classified as fair value through profit or loss where gains or losses arising from a change in the fair value of such financial assets are recognized in the statement of comprehensive income.

13 Advance income tax

Opening balance	25,114,710	18,608,816
Add: paid during the year	5,098,143	6,505,894
	30,212,853	25,114,710
Less: adjusted during the year	-	-
	30,212,853	25,114,710

14 Loans and advances to customers

Opening balance	1,693,628,668	1,703,219,146
Increase / (decrease) during the year	3,971,474	(9,590,478)
	1,697,600,142	1,693,628,668

15 Accrued interest and management fees receivable

Accrued interest receivable	306,012,764	312,770,270
Accrued management fees receivable	642,445	1,108,866
	306,655,209	313,879,136

Accrued interest receivable and accrued portfolio management fee is deducted from client's account on every calendar quarter and adjusted with client's purchase power accordingly.

16 Advances, deposits and prepayments

Advances		
Staff loans	20,000	66,000
General suppliers	455,147	332,842
	475,147	398,842
Deposits		
Regulators	314,500	314,500
IPO Application	29,996,101	-
	30,310,601	314,500
Prepayments		
Office rent	1,180,212	1,637,712
	1,180,212	1,637,712
	31,965,960	2,351,054

17 Cash and cash equivalents

Cash in hand	94,614	134,654
Balance with Banks		
BRAC Bank Ltd.	2,416,855	4,041,678
Standard Chartered Bank	6,476,526	5,989,507
NRB Commercial Bank Limited	518,643	515,189
NRB Bank Limited	57	747
One Bank Limited	4,835,409	234,216
Standard Bank Limited	3,759	4,449
Midland Bank	94,955	95,300
	14,440,818	11,015,740



31 December 2020	31 December 2019
BDT	BDT

Bank Name	Bank Account No.	Type of Accounts		
BRAC Bank Ltd.	150-110-165720-9001	STD A/C	1,578,349	712,958
BRAC Bank Ltd.	150-120-165720-9002	Current A/C	381	231
BRAC Bank Ltd.	151-310-136480-3001	STD A/C	826,836	3,316,510
BRAC Bank Ltd.	150-120-165720-9003	Current A/C	11,288	11,978
			2,416,855	4,041,678
Standard Chartered Bank	02-6198201-01	SND A/C	1,390	2,080
Standard Chartered Bank	01-6198201-01	Current A/C	544,864	703,844
Standard Chartered Bank	01-6198201-02	Current A/C	1,491,964	4,103,434
Standard Chartered Bank	02-6198201-02	SND A/C	32,235	32,925
Standard Chartered Bank	01-6198201-03	Current A/C	46,203	1,107,954
Standard Chartered Bank	02 6198201 03	SND A/C	31,770	31,770
Standard Chartered Bank	01 6198201 04	Current A/C	4,328,100	7,500
			6,476,526	5,989,507
NRB Commercial Bank Ltd.	010233300000159	Current A/C	518,643	515,189
NRB Bank Limited	1012010022911	Current A/C	57	747
One Bank Limited	0120083761008	Current A/C	39,575	12,538
One Bank Limited	0120083761016	Current A/C	4,776,619	202,988
One Bank Limited	0120083761018	SND A/C	19,215	18,690
			4,835,409	234,216
Standard Bank Limited	00233011545	Current A/C	3,759	4,449
Midland Bank	0011-1050001760	Current A/C	94,955	95,300

18 Share capital

18.1 Authorized share capital

300,000,000 ordinary shares of BDT 10 each

3,000,000,000 **3,000,000,000**

18.2 Issued, subscribed and paid-up share capital

258,500,000 ordinary shares of BDT 10 each

2,585,000,000 **2,585,000,000**

The company's shareholding position as at 31 December was as follows:

Name of shareholders	Nationality/ Incorporated in	No of shares	Face value per share (BDT)	Amount BDT	Amount BDT
BRAC Bank Ltd.	Bangladesh	258,358,734	10	2,583,587,340	2,583,587,340
Other individual shareholders	Various	141,266		1,412,660	1,412,660
		258,500,000		2,585,000,000	2,585,000,000

As per Form-117, BRAC Bank Limited (hereinafter called the "said Transferee") acquired shares from the minority shareholders on 19th November 2017. BRAC Bank Limited currently holding 99.95% of shares of BEIL's total subscribed shares.

19 Finance Lease liability under lease agreement

Balance at the beginning of the year	5,101,264	-
Add: Addition during the year	7,803,243	13,740,773
Less: Adjustment/disposal during the year	(5,769,510)	(8,639,508)
Closing balance	7,134,997	5,101,264



	31 December 2020	31 December 2019
	BDT	BDT
19.01 Lease Liability		
Non-current liabilities	3,781,320	1,709,241
Current liabilities	3,353,677	3,392,023
	<u>7,134,997</u>	<u>5,101,264</u>
20 Customer deposits		
Opening balance	84,854,573	94,838,032
Change during the year	(5,318,130)	(9,983,459)
	<u>79,536,443</u>	<u>84,854,573</u>

Customer deposits represent invested funds lying in the company's account at the reporting date.

21 Bank overdrafts		
BRAC Bank. Limited	798,660,711	798,405,356
	<u>798,660,711</u>	<u>798,405,356</u>

The terms and conditions of the bank overdraft are as follows:

BRAC Bank Limited

Type of facility	: Overdraft 1- renewal
Facility limit	: BDT 800,000,000 (BDT eight hundred million) only.
Repayment procedures	: From operational cash flow/or own sources of borrower.
Maximum tenor	: On demand
Purpose	: To meet day to day operational activities.
Interest	: 9%
Expiry	: 29 June 2021

22 Short term loan	<u>640,000,000</u>	<u>540,000,000</u>
22.1 Opening balance	540,000,000	470,000,000
Add: received during the year	100,000,000	1,320,590,371
	<u>640,000,000</u>	<u>1,790,590,371</u>
Less: payment during the year	-	1,250,590,371
Closing balance	<u>640,000,000</u>	<u>540,000,000</u>

22.1.1 Short term Loan from BRAC Bank Limited

Opening balance	-	470,000,000
Add: received during the year	-	-
	-	<u>470,000,000</u>
Less: payment during the year	-	470,000,000
Closing balance	-	<u>-</u>

The terms and conditions of the loan taken from BRAC Bank Limited are as follows:

Loan limit	: BDT 700,000,000 (BDT seven hundred million) only.
Repayment procedures	: From operational cash flow/or own sources of borrower.
Maximum tenor	: 180 days (maximum from date of each disbursement)
Purpose	: To meet funding requirement for margin lending.
Expiry	: 29 March 2019



31 December 2020	31 December 2019
BDT	BDT

22.1.2 Short term Loan from IIDFC Limited

Opening Balance	390,000,000	-
Add: received during the year	80,000,000	1,070,590,371
Less: payment during the year	-	680,590,371
Closing balance	<u>470,000,000</u>	<u>390,000,000</u>

The terms and conditions of the loan taken from IIDFC Limited are as follows:

Loan limit	: BDT 500,000,000 (BDT five hundred million) only.
Mode of repayment	: Interest will be paid on quarterly basis and principal will be repaid on maturity
Maximum tenor	: 1 Year or Twelve months
Purpose	: To meet Business Operation
Interest	: 11%
Expiry	: 11 December 2021.

22.1.3 Short term Loan from United Finance Limited

Opening Balance	150,000,000	-
Add: received during the year	20,000,000	250,000,000
Less: payment during the year	-	100,000,000
Closing balance	<u>170,000,000</u>	<u>150,000,000</u>

The terms and conditions of the loan taken from United Finance Limited are as follows:

Loan limit	: BDT 250,000,000 (BDT Twenty five hundred million) only.
Mode of repayment	: Periodic payment based on credit period
Maximum tenor	: Within 120 days from the date of disbursement with principal and interest
Purpose	: Short term finance revolving loan
Interest	: 11%
Expiry	: 05 May 2021.

23 Account payables

Broker for client trading	9,336,019	1,350,138
VAT on fee income	4,400,486	4,677,986
Payable for other PMD activities	4,339,364	390
Tax deducted at source from salaries and allowances	230,457	212,430
Tax deducted at source from suppliers	143,476	105,174
Withholding VAT on office rent	37,800	73,095
Withholding VAT on suppliers' payments	280,389	302,858
Tax deducted at source from office rent	41,811	65,213
	<u>18,809,802</u>	<u>6,787,284</u>



		31 December 2020	31 December 2019
		BDT	BDT
24	Other liabilities		
	Provision for loans and advances (Note 24.1)	1,059,064,609	1,059,064,609
	Interest Payable	8,799,999	3,286,240
	Sales receivable in transit	13,972,672	3,672,126
	CDBL charges	-	20,000
	Office maintenance	5,259,226	5,167,418
	Audit fees payable	216,000	198,000
	IT expenses	211,386	211,386
	Telephone and mobile expenses	21,099	21,099
	Rent	55,813	55,813
	Security services	-	(4,546)
	Legal, and professional fees	535,374	201,174
	Printing- Postage & Stationery	9,001	9,001
	Liability for fixed Assets	-	234,610
	Provision for account receivable (Note 24.2)	12,871,697	12,871,697
		1,101,016,876	1,085,008,627
24.1	Provision for loans and advances		
	Opening balance	1,059,064,609	1,059,064,609
	Provision made during the year	-	-
	Provision released during the year	-	-
	Closing balance	1,059,064,609	1,059,064,609
24.2	Provision for account receivables		
	Debt arrangement fee		
	Omara petroleum limited	8,493,072	8,493,072
	CACO chemicals	1,500,000	1,500,000
	Silver composite	575,000	575,000
		10,568,072	10,568,072
	Corporate advisory fee		
	KDDI	578,625	578,625
	PEB Steel	1,725,000	1,725,000
		2,303,625	2,303,625
	Total:	12,871,697	12,871,697
25	Provision for taxation		
	Opening balance	3,453,356	2,970,757
	Add : provision made during the year	524,389	482,599
		3,977,745	3,453,356
	Less: paid/adjusted during the year	-	-
		3,977,745	3,453,356
26	Inter-company payable		
	BRAC EPL Stock Brokerage Ltd.	503,523	1,093,915
		503,523	1,093,915



		31 December 2020	31 December 2019
		BDT	BDT
27	Interest expenses	142,687,731	135,595,770
	BRAC Bank Limited	75,885,639	99,979,773
	IIDFC	49,082,926	30,253,497
	United Finance	17,719,167	5,362,499
		142,687,731	135,595,770
28	Fee and commission income		
	Portfolio Management Department (PMD) (note-28.1)	31,688,995	14,491,985
	Structured Finance Department (SFD) (note-28.2)	-	6,625,100
		31,688,995	21,117,085
28.1	Portfolio Management Department (PMD)		
	Settlement fees	13,736,698	11,447,444
	Management fees	17,702,811	2,798,681
	BO maintenance fees	206,306	222,000
	Documentation fees	30,100	9,800
	Commission income from IPO	13,080	14,060
		31,688,995	14,491,985
28.2	Structured Finance Department (SFD)		
	Debt. arrangement fees	-	6,625,100
		-	6,625,100
29	Fee and commission expenses		
	Brokerage commission cost	7,310,477	6,126,189
		7,310,477	6,126,189
30	(Loss)/Income from investment in securities		
	Realized (loss)/ gain during the year	6,462,000	18,343,700
	Fair value adjustment at reporting date (Note_30.01)	168,122,345	(248,567,074)
		174,584,345	(230,223,374)
30.01	Fair value adjustment at reporting date		
	Unrealized (Loss)/Gain as year opening	(391,961,963)	(143,394,889)
	Unrealized (Loss)/Gain as at year closing	(223,839,618)	(391,961,963)
		168,122,345	(248,567,074)
31	Other operating income/(loss)		
	Dividend income	25,765,106	29,998,483
	Gain on disposal of property, plant and equipment	152,499	24,000
	Sub Rent Income	24,000	
		25,941,605	30,022,483



32 Operating expenses

	31 December 2020	31 December 2019
	BDT	BDT
Salaries and allowances	24,842,960	25,775,109
Other personnel expenses	2,809,634	3,680,803
Rental expenses- VAT Portion	946,397	-
Utilities, maintenance and running expenses	6,306,620	6,704,176
CDBL expenses	370,648	398,527
Legal and professional fees	1,627,628	1,085,100
Telephone, communication and IT expenses	1,047,341	1,516,518
Printing and stationery	257,142	456,383
Travelling and conveyance	130,744	575,404
Vehicle maintenance expenses	163,224	1,082,370
Entertainment expenses	156,098	263,359
Meeting expenses	311,673	278,340
License and renewal fees	50,000	36,913
Audit fees	276,000	253,000
Regulatory fees	100,000	150,000
Insurance	765,543	837,347
Training Expense	3,000	-
Depreciation & amortization	2,713,187	2,355,409
Depreciation for Right of use assets	6,158,365	9,017,503
	49,036,205	54,466,262

As per IFRS 16, rental expense amounting BDT. 7,255,708 have reclassified while recognizing right of use assets. The VAT portion of rental expenses amount in BDT. 946,397

33 Financial expenses

Bank charges and commission	177,092	482,517
Other Expenses (Interest expenses on Right of use assets)	765,137	1,009,172
	942,229	1,491,689

34 Tax (income)/expenses

Current taxes for the year (Note 34.1)	575,000	482,599
Deferred tax (income)/expense (Note 9.1)	2,728,510	(4,283,458)
Total tax (income)/expense	3,303,510	(3,800,859)

34.1 Current taxes for the year

Prior year taxes	50,611	-
Current year taxes	524,389	482,599
	575,000	482,599

35 Number of employees

During the period 24 permanent employees were in the employment with the company whose earning was BDT 24,000 or more per annum.

36 Related party transactions

During the year, the company carried out a number of transactions with related parties in the normal course of business. In accordance with the provisions of IAS 24 : Related party disclosure, these are detailed below.

Name of party	Nature of transactions	2020	2019
		BDT	BDT
BRAC Bank Limited	Loans and borrowings	798,660,711	798,405,356
BRAC EPL Stock Brokerage Limited	Expenses payable	503,523	1,093,915
BRAC EPL Stock Brokerage Limited	Receivable	267,439	136,066
BRAC Asset Management Company Ltd.	Striking off Investments	-	17,172,920

37 Events after the reporting date

No subsequent events were noted for which adjustments or disclosures are required in accordance with IAS 10.



Property, plant and equipment

Annexure-A
Amount in BDT

Assets	Cost				Rate of depreciation	Depreciation				Written down value at 31 December 2020
	Balance on 1 January 2020	Additions during the year	Adjustment/ disposal during the year	Balance on 31 December 2020		Balance on 01 January 2020	Charged during the Period	Adjustment/ disposal during the year	Balance on 31 December 2020	
Furniture & fittings	4,394,050	503,700	510,541	4,387,209	10%-20%	4,345,768	35,625	510,541	3,870,851	516,357
Office floor space	6,348,797			6,348,797	5%	3,029,817	307,383	-	3,337,200	3,011,597
Motor vehicles	12,104,340			12,104,340	20%	8,993,359	1,572,085	-	10,565,444	1,538,896
Leasehold improvement	600,940	2,953,365	159,575	3,394,730	15%-20%	600,940	295,336	159,575	736,702	2,658,028
IT equipment	13,978,271	1,394,467	1,019,940	14,352,798	20%-33.33%	13,978,271	153,395	1,019,940	13,111,726	1,241,072
Office equipment	9,857,480	188,250	432,000	9,613,730	10%-20%	9,855,944	33,159	432,000	9,457,103	156,627
As at 31 December 2020	47,283,878	5,039,782	2,122,056	50,201,604		40,804,099	2,396,983	2,122,056	41,079,026	9,122,577
As at 31 December 2019	47,538,879	-	255,000	47,283,879		38,966,629	2,092,471	255,000	40,804,099	6,479,779

Intangible assets

Assets	Cost				Rate of depreciation	Amortization				Written down value at 31 December 2020
	Balance on 1 January 2020	Additions during the year	Adjustment/ disposal during the year	Balance on 31 December 2020		Balance on 01 January 2020	Charged during the Period	Adjustment/ disposal during the year	Balance on 31 December 2020	
Software	948,611	-	-	948,611	33.33%	432,379	316,204	-	748,583	200,029
31 December 2019	469,220	479,391	-	948,611		169,441	262,938	-	432,379	516,232

Right of use assets details

Lease Name	Lease Assets				Rate of depreciation	Amortization				Written down value at 31 December 2020
	Balance on 1 January 2020	Additions during the year	Adjustment/ disposal during the year	Balance on 31 December 2020		Balance on 01 January 2020	Charged during the Period	Adjustment/ disposal during the year	Balance on 31 December 2020	
Sylhet Office	467,617	-	(76,701)	390,916		143,882	109,793		253,675	137,241
Chittagong office	1,269,497	-	(424,108)	845,390		380,849	185,816		566,665	278,724
Noakhali office	340,873	-	(57,704)	283,169		110,553	82,855		193,409	89,760
Gulshan office	2,073,773	-	(318,543)	1,755,230		711,008	522,111		1,233,119	522,111
DSE Annex	1,697,093	243,048	(1,940,141)	-		1,357,674	582,466	(1,940,141)	(0)	0
Mojib Baksh	7,891,920	984,258	(8,876,178)	-		6,313,536	2,562,642	(8,876,178)	(0)	0
Medona Tower		7,605,654		7,605,654			2,112,682		2,112,682	5,492,972
As at 31 December 2020	13,740,773	8,832,960	(11,693,374)	10,880,359		9,017,503	6,158,365	(10,816,319)	4,359,549	6,520,809
As at 31 December 2019		13,740,773		13,740,773		-	9,017,503		9,017,503	4,723,270

