

***Private & Confidential***



কাজী জহির খান এন্ড কোং  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
Since 1980

Associated Firm of

**EHK Consulting**  
Always adding value

***Independent Auditors' Report***  
**&**  
***Financial Statements***  
**of**  
***Credence First Growth Fund***  
***as on and for the year ended 30 June, 2023***

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**Head Office:**

Home Town Apartments (Flat-C, Level-15),  
87, New Eskaton Road, Dhaka-1000.  
Tel: 02-48319757, Mobile: 01713-013955  
E-mail: kzkc48@gmail.com  
kzkc\_bd@yahoo.com

**Branch Office:**

Sultana Tower (Level-12), 2 No. Kalabagan,  
Mirpur Road, Dhanmondi, Dhaka-1205.  
Mobile: 01726-339892  
E-mail: mahmudkzkcbd@gmail.com  
mdeftekharali@gmail.com



**Credence First Growth Fund  
for the year ended 30 June, 2023**

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## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CREDECE FIRST GROWTH FUND**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of Credence First Growth Fund (the Fund), which comprise the statement of financial position as at 30 June, 2023 and 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 and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules 1987, the Securities and Exchange (Mutual Fund) Rules, 2001 and other applicable laws and regulations.

#### **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 Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Asset Manager is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in note 2.00 and for such internal control as asset manager determines in necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Securities and Exchange Rules, 1987 and the Securities and Exchange (Mutual Fund) Rules, 2001 require the asset manager to ensure effective internal audit, internal controls and risk management functions of the Fund.

In preparing the financial statements, asset manager is responsible for assessing the Fund'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 Trustee either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

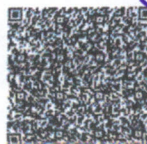
#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 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.



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mdefteharali@gmail.com





## Independent Auditors' Report (Continued)

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 omission, 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 Fund'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 Fund'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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, 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.

## Report on Other Legal and Regulatory Requirements

In according with The Securities and Exchange Rules, 1987 and the Securities and Exchange (Mutual Fund) Rules, 2001 and we also report the following:

- i. 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;
- ii. in our opinion, proper books of account as required by law have been kept by the Fund so far as it appeared from our examination of those books;
- iii. 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; and
- iv. the expenditure incurred was for the purposes of the Fund's business.

Dated: Dhaka  
08 August, 2023

  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants

DVC: 2308080915AS645184

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
Engagement Partner (Enrolment No. 0915)

### Head Office:

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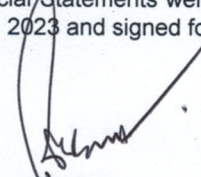


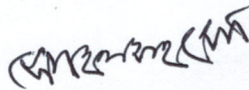
**Credence First Growth Fund**  
**Statement of Financial Position**  
**as at 30 June, 2023**

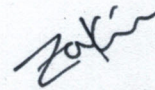
<u>Particulars</u>	<u>Notes</u>	<u>2022-2023</u> <u>Taka</u>	<u>2021-2022</u> <u>Taka</u>
<b><u>ASSETS</u></b>			
<b>Assets</b>		<b>188,004,857</b>	<b>209,937,913</b>
Investment in Shares-at Market Price	3.00	176,220,703	180,258,376
Investment in Shares (Pre IPO/RPO)	4.00	-	15,000,000
Accounts Receivable	5.00	807,034	432,950
Advances, Deposits & Pre-payments	6.00	185,237	206,133
Preliminary & Issue Expenses	7.00	894,462	1,905,233
Cash & Cash Equivalents	8.00	9,897,421	12,135,221
<b>Total Assets</b>		<b>188,004,857</b>	<b>209,937,913</b>
<b><u>EQUITY &amp; LIABILITY</u></b>			
<b>Owners' Equity</b>		<b>185,832,301</b>	<b>207,481,496</b>
Capital Fund	9.00	176,855,330	176,802,950
Unit Premium Reserve	10.00	(2,114,546)	(2,118,808)
Retained Earnings	11.00	11,091,517	32,797,354
<b>Current Liabilities</b>		<b>2,172,556</b>	<b>2,456,417</b>
Liability for Expenses	12.00	2,172,556	2,456,417
<b>Total Equity &amp; Liabilities</b>		<b>188,004,857</b>	<b>209,937,913</b>
<b>Net Asset Value (NAV) per Unit</b>			
at Cost	19.00	11.71	12.21
at Market Price	20.00	10.51	11.74

The accounting policies and other notes form an integral part of the financial statements.

The Financial Statements were approved and authorized for issue by the Board of Trustees on the date of August 03, 2023 and signed for and on behalf of the Trustees.


  
**Chairman, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Member, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Asset Manager (Managing Director)**  
**Credence Asset Management Ltd.**

This is the Statement of Financial Position referred to in our report of even date.

Dated: Dhaka  
08 August, 2023

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
DVC:2308080915AS645184  
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
Engagement Partner (Enrolment No. 0915)



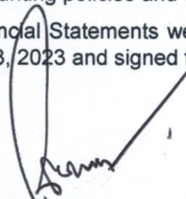


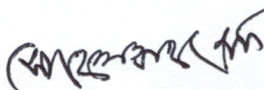
**Credence First Growth Fund**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended 30 June, 2023**

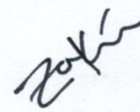
<u>Particulars</u>	<u>Notes</u>	<u>2022-2023</u> <u>Taka</u>	<u>2021-2022</u> <u>Taka</u>
<b>Income</b>			
Gain on Sale of Investments (Annexure-B)		7,383,838	18,994,101
Dividend from Investment in Shares	13.00	5,414,637	6,551,569
Interest on Bank Deposits	14.00	501,540	689,398
<b>Total Income</b>		<b>13,300,015</b>	<b>26,235,068</b>
<b>Expenses</b>			
Management Fees	15.00	4,015,775	4,652,009
Amortization of Preliminary & Issue Expenses		1,010,771	1,010,771
Annual Fees to BSEC		206,133	223,496
CDBL Settlement & Demat Charges		11,853	45,291
CDBL Fees		26,000	26,000
Trustee Fees		293,720	329,882
Custodian Fees		260,199	292,068
Brokerage Commission		204,194	672,095
Audit Fees		46,000	34,500
IPO Application Related Expenses		17,000	26,000
Bank Charges & Excise Duty		60,296	57,098
Other Operating Expenses	16.00	164,889	138,995
<b>Total Expenses</b>		<b>6,316,830</b>	<b>7,508,205</b>
<b>Profit before Provision</b>		<b>6,983,185</b>	<b>18,726,863</b>
(Provision Required)/Write Back against Erosion of Marketable Investment	17.00	(12,776,757)	(4,757,043)
<b>Net Profit during the year</b>		<b>(5,793,572)</b>	<b>13,969,820</b>
<b>Earnings per Unit</b>	18.00	<b>(0.33)</b>	<b>0.79</b>

The accounting policies and other notes form an integral part of the financial statements.

The Financial Statements were approved and authorized for issue by the Board of Trustees on the date of August 03, 2023 and signed for and on behalf of the Trustees.

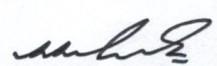
  
**Chairman, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Member, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Asset Manager (Managing Director)**  
**Credence Asset Management Ltd.**

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our report of even date.

Dated: Dhaka  
08 August, 2023

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
DVC: 2308080915AS645184  
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
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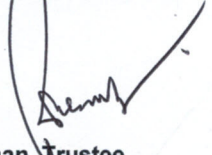
**Credence First Growth Fund**  
**Statement of Changes in Equity**  
**for the year ended 30 June, 2023**

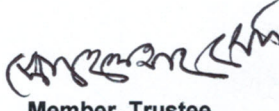
Particulars	Unit Capital	Unit Premium Reserve	Retained Earnings	Total Equity
Balance as on 01-07-2022	176,802,950	(2,118,808)	32,797,354	207,481,496
Unit Sold during the year	79,910	-	-	79,910
Unit Surrender during the year	(27,530)	-	-	(27,530)
Premium on Sale of Unit	-	5,807	-	5,807
Premium on Surrender of Unit	-	(1,545)	-	(1,545)
Net Profit/(Loss) during the year	-	-	(5,793,572)	(5,793,572)
Dividend Paid	-	-	(15,912,265)	(15,912,265)
<b>Balance as on 30-06-2023</b>	<b>176,855,330</b>	<b>(2,114,546)</b>	<b>11,091,517</b>	<b>185,832,301</b>

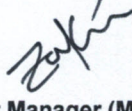
Particulars	Unit Capital	Unit Premium Reserve	Retained Earnings	Total Equity
Balance as on 01-07-2021	182,643,010	(806,565)	41,657,910	223,494,355
Unit Sold during the year	241,040	-	-	241,040
Unit Surrender during the year	(6,081,100)	-	-	(6,081,100)
Premium on Sale of Unit	-	50,506	-	50,506
Premium on Surrender of Unit	-	(1,362,749)	-	(1,362,749)
Net Profit/(Loss) during the year	-	-	13,969,820	13,969,820
Dividend Paid	-	-	(22,830,376)	(22,830,376)
<b>Balance as on 30-06-2022</b>	<b>176,802,950</b>	<b>(2,118,808)</b>	<b>32,797,354</b>	<b>207,481,496</b>

The accounting policies and other notes form an integral part of the financial statements.

The Financial Statements were approved and authorized for issue by the Board of Trustees on the date of August 03, 2023 and signed for and on behalf of the Trustees.


  
**Chairman, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Member, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Asset Manager (Managing Director)**  
**Credence Asset Management Ltd.**

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka  
08 August, 2023

  
**KAZI ZAHIR KHAN & CO.**  
**Chartered Accountants**  
DVC: 2308080915AS645184  
Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA  
Engagement Partner (Enrolment No. 0915)



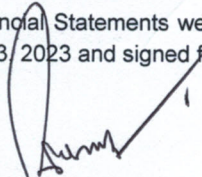


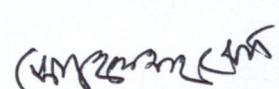
**Credence First Growth Fund**  
**Statement of Cash Flows**  
**for the year ended 30 June, 2023**

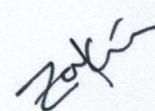
<u>Particulars</u>	<u>2022-2023</u> <u>Taka</u>	<u>2021-2022</u> <u>Taka</u>
<b>Cash Flows from Operating Activities</b>		
Gain on Sale of Investments	7,383,838	18,994,101
Dividend from Investment in Shares	5,040,553	6,118,619
Interest on Bank Deposits	501,540	689,398
Operating Expenses	(5,569,024)	(6,484,143)
<b>Net Cash Generated from Operating Activities</b>	<u><b>7,356,907</b></u>	<u><b>19,317,975</b></u>
<b>Cash Flows from Investing Activities</b>		
Net Investment in Shares and Securities	4,037,673	9,610,703
Purchase of Shares-Pre IPO/RPO Investment	15,000,000	(15,000,000)
<b>Net Cash used in Investing Activities</b>	<u><b>19,037,673</b></u>	<u><b>(5,389,297)</b></u>
<b>Cash Flows from Financing Activities</b>		
Unit Capital Sold	79,910	241,040
Unit Capital Surrendered	(27,530)	(6,081,100)
Premium Received on Unit Sold	5,807	50,506
Premium Refunded Unit Surrendered	(1,545)	(1,362,749)
(Provision Required)/Write Back against Erosion of Marketable Investment	(12,776,757)	(4,757,043)
Dividend Paid	(15,912,265)	(22,830,376)
<b>Net Cash Generated from Financing Activities</b>	<u><b>(28,632,380)</b></u>	<u><b>(34,739,722)</b></u>
<b>Net Cash Increase in Cash &amp; Cash Equivalents</b>	<u><b>(2,237,800)</b></u>	<u><b>(20,811,044)</b></u>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<u><b>12,135,221</b></u>	<u><b>32,946,265</b></u>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<u><b>9,897,421</b></u>	<u><b>12,135,221</b></u>
<b>Net Operating Cash Flows per Unit</b>	<b>21.00</b>	<b>0.42</b>
		<b>1.09</b>

The accounting policies and other notes form an integral part of the financial statements.

The Financial Statements were approved and authorized for issue by the Board of Trustees on the date of August 03, 2023 and signed for and on behalf of the Trustees.

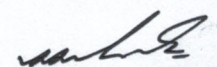
  
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**Bangladesh**

  
**Member, Trustee**  
**Investment Corporation of**  
**Bangladesh**

  
**Asset Manager (Managing Director)**  
**Credence Asset Management Ltd.**

This is the Statement of Cash Flows referred to in our report of even date.

Dated: Dhaka  
08 August, 2023

  
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**Chartered Accountants**  
DVC: 2308080915AS645184  
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Engagement Partner (Enrolment No. 0915)





**Credence First Growth Fund**  
**Notes to the Financial Statements**  
**for the year ended 30 June, 2023**

**1.00 The Fund & It's Operations:**

**1.01 Introduction**

Credence First Growth Fund (here-in-after referred to the "Fund") was constituted through a Trust Deed signed on 21 November, 2016 between Credence Asset Management Limited as 'Sponsor' and the Investment Corporation of Bangladesh (ICB) as 'Trustee' under the Trust Act, 1882 and Registration Act, 1908. The Fund was registered with the Bangladesh Securities and Exchange Commission (BSEC) on 18 December, 2016 vide registration no. BSEC/Mutual Fund/2016/74 under the Securities and Exchange Commission (Mutual Fund) Rules, 2001. The operation of the Fund was commenced on 05 April, 2017.

The Investment Corporation of Bangladesh (ICB) is custodian of the fund and Credence Asset Management Limited manages the operations of the fund as Fund Manager. Credence Asset Management Company Limited (CAML), is one of the growing asset management companies of the country. CAML is established by a group of highly experienced capital market professionals and seasoned business personalities with a view to bringing positive change in the fund management segment of our capital market.

**1.02 Address of the Registered & Corporate Office:**

The registered office of the Fund is located at 56/1, Purana Paltan, Baitul View Tower, 8th Floor, B-Unit, Dhaka-1000.

**1.03 Objective:**

The objective of Credence First Growth Fund is to earn superior risk adjusted return by maintaining a diversified portfolio and provide attractive dividend payments to the unit holders.

**2.00 Summary of Significant Accounting & Valuation Principles:**

**2.01 Basis of Preparation & Presentation of the Financial Statements:**

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of Trust Deed, Securities and Exchange Rules, 1987 and IAS and IFRS. The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and cash flows statement according to IAS-7 "Cash Flows Statement".

**2.02 Accounting Convention and Assumption:**

The financial statements are prepared under the historical cost convention.

**2.03 Principal Accounting Policies:**

The specific accounting policies have been selected and applied by the Fund's management for significant transactions and events that have a material effect within the Framework for preparation & presentation of Financial Statements. Financial Statements have been prepared and presented in compliance with IAS-1 "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Fund. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The Fund classified the expenses using the function of expenses method as per IAS-1.

**2.04 Legal Compliance:**

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Trust Deed, Securities and Exchange Rules, 1987 and IASs. On the basis of these regulations, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) were applied with the applicable standards at the Statement of Financial Position date.



**2.05 Critical Accounting Estimates, Assumptions and Judgments:**

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies.

**2.06 Components of the Financial Statements:**

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- Statement of Financial Position as at 30 June, 2023;
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2023;
- Statement of Changes in Equity for the year ended 30 June, 2023;
- Statement of Cash Flows for the year ended 30 June, 2023;
- Accounting Policies and Explanatory Notes.

**2.07 Cash & Cash Equivalents:**

Cash and cash equivalents include cash in hand, cash at banks, term deposits which are available for use by the Fund without any restrictions. There is an insignificant risk of change in value of the same.

**2.08 Accounts Receivable:**

Receivables are carried at original invoice amount. This is considered good for collection and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

**2.09 Provision:**

The preparation of financial statements in conformity with International Accounting Standards, IAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

**2.10 Investment:**

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognized at the date of trading i.e. the date on which the Fund commits to purchase or sell the investments. Bonus entitlements, if any, are not accounted for as income rather included in the portfolio to reduce the average cost after being confirmed on respective AGM date.

Investment is recorded in the Statement of Financial Position at cost value where the market value of the investment is given as required by the act.

**2.11 Revenue Recognition:**

Gains/losses arising on sale of investment are included in the Profit or Loss and Other Comprehensive Income on the date at which the transaction takes place on average costing method. Dividend income is recognized on being declared by the investee company based on the record date as the cut off date. Interest income accounted for in the financial statements under accrual basis accounting system..

**2.12 Amortization of Preliminary and Issue Expenses:**

Preliminary and issue expenses represent expenditure incurred prior to commencement of operations and establishment of the Fund. These costs are amortized within seven years' tenure after adjusting interest income from escrow accounts as per Trust Deed and Securities and Exchange Commission (Mutual Fund) Rules, 2001.

**2.13 Provision for Marketable Investment:**

The investments have been valued on aggregate portfolio basis and a provision is required to be made considering overall decrease in the value of the investments. To meet any future unforeseen diminution in the value of the investment portfolio over the cost, the management has established a policy of making a general provision out of its profit and has set up an accumulated general provision for Taka.

**2.14 Dividend Policy:**

Pursuant to rule 66 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001, the Fund is required to distribute in the form of dividend to its unit holders an amount which shall not be less than 50% of annual profit during the year, net of provisions.



**2.15 Management Fees:**

Credence Asset Management Limited, the management Company of the Fund is to be paid an annual management fees on weekly average net asset value (NAV) as per Rule 65 of Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 and Trust Deed. The rate will be applicable as per below:

Weekly Average NAV Amount (TK.)	Percentage(%)
Up to Tk. 5.00 Crore	2.50%
Up to additional Tk. 25.00 Crore over Tk. 5.00 Crore	2.00%
Up to additional Tk. 50.00 Crore over Tk. 25.00 Crore	1.50%
Over additional Tk. 50.00 Crore	1.00%

**2.16 Cash Flow Statement:**

Statement of Cash Flow is prepared principally in accordance with IAS-7: Cash Flow Statement and the cash flows from operating activities have been presented on direct method.

**2.17 Statement of Changes in Equity:**

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth.

**2.18 Trustee Fees:**

The Trustee is entitled to an annual Trustee Fee of @ 0.15% on NAV of the Fund on semiannual in advance basis during the life of the Fund or as may be agreed upon between the parties.

**2.19 Custodian Fees:**

The Custodian is entitled to receive a safekeeping fee @ 0.15% of the balance of securities and assets held by the fund calculated on the basis of average month end value per annum.

**2.20 Annual Fees to BSEC:**

Annual fees at the rate of 0.10% of the fund size was paid to Bangladesh Securities and Exchange Commission (BSEC) as per Rules 11 (1) of Securities and Exchange Commission (Mutual Fund) Rules, 2001.

**2.21 Earning Per Unit:**

Earning per unit has been calculated in accordance with International Accounting Standard-33 "Earning per Share" and shown on the face of statement of profit or loss and other comprehensive income.

**2.22 Comparative:**

Financial statements are presented as IAS-1 "Presentation of Financial Statements" and previous year's figures have been restated due to changes in some accounting policies as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

**2.23 Reporting Period:**

The financial statements cover one year from 01 July, 2022 to 30 June, 2023.

**2.24 Authorization Date for Issuing Financial Statements:**

The financial statements were authorized by the Board of Trustees on August 03, 2023 for issue after completion of review.

**2.25 General:**

Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison;

Figures appearing in the financial statements have been rounded off to the nearest Taka.



**Notes Particulars**

**2022-2023**

**2021-2022**

**Taka**

**Taka**

**3.00 Investment in Shares-at Market Price:**

This is made-up as follows:

Investment in Shares (Note 3.01)

**Total**

176,220,703

180,258,376

**176,220,703**

**180,258,376**

**3.01 Sector wise Break-up of Investment in Shares is as follows:**

Sector/Category	Total Cost Price	Total Market Price	Total Market Price
Bank	25,354,400	21,796,292	8,904,000
Cement	14,702,778	16,610,500	16,347,600
Corporate Bond	880,000	850,000	-
Engineering	10,618,197	11,568,978	31,010,520
Financial Institution	19,081,254	12,626,843	13,034,160
Foods & Allied	200,000	538,000	-
Fuel & Power	18,082,999	13,977,000	14,450,000
Insurance	2,502,128	1,815,984	1,549,317
Miscellaneous	13,397,001	10,595,400	10,903,200
Mutual Fund	5,715,885	4,692,037	5,362,760
Pharmaceuticals & Chemicals	42,593,934	39,082,471	39,405,233
Telecommunication	23,445,210	19,363,768	19,615,086
Tannery Industries	90,300	99,330	-
Service & Real-estate	13,074,513	15,708,600	10,335,000
Ceramic Industries	6,513,925	5,799,500	1,479,000
Travel & Leisure	1,185,500	1,096,000	7,862,500
<b>Total</b>	<b>197,438,024</b>	<b>176,220,703</b>	<b>180,258,376</b>

Details are given in Portfolio Statement (Annexure-A).

**4.00 Investment in Shares (Pre IPO/RPO):**

This is made-up as follows:

Achia Sea Foods Ltd.

**Total**

-

15,000,000

-

**15,000,000**

27,260 ordinary shares @ Tk.10/- each allotment received under fixed price method.

**5.00 Accounts Receivable:**

This is made-up as follows:

Dividend Receivable (Note-5.01)

**Total**

807,034

432,950

**807,034**

**432,950**

**5.01 Dividend Receivable:**

FIRSTSBANK

PIONEERINS

GIB

BEXGSUKUK

**Total**

-

400,000

-

32,950

751,534

55,500

-

**807,034**

**432,950**

**6.00 Advances, Deposits & Pre-payments:**

This made-up as follows:

Advance Subscription Fees to BSEC

**Total**

185,237

206,133

**185,237**

**206,133**



**Notes Particulars**

**2022-2023**  
**Taka**

**2021-2022**  
**Taka**

**7.00 Preliminary & Issue Expenses:**

The above balance has been made-up as under:

Opening Balance	1,905,233	2,916,004
Add: Addition during the year	-	-
	1,905,233	2,916,004
Less: Amortization during the year	(1,010,771)	(1,010,771)
<b>Closing Balance</b>	<b>894,462</b>	<b>1,905,233</b>

**8.00 Cash & Cash Equivalents:**

This made-up as follows:

**Cash in Hand**

Vision Capital Management Ltd.  
Popular Life Securities Ltd.

<b>130,483</b>	<b>1,461</b>
130,176	1,154
307	307

**Cash at Bank**

Dhaka Bank Ltd., Eskaton Br., SND 1051520000243  
Southeast Bank Ltd., Principal Br., SND 135000000002  
Al Arafa Islami Bank Ltd., Motijheel Br., MSND 002122000800  
IFIC Bank Ltd., Stock Exchange Br, SND 200276482041  
IFIC Bank Ltd., Stock Exchange Br, Corp. Plus 20027648202

<b>9,766,938</b>	<b>12,133,760</b>
5,698,849	2,310,226
116,272	106,187
1,366,494	9,717,347
1,409	-
2,583,914	-
<b>9,897,421</b>	<b>12,135,221</b>

**Total**

The bank balances have been confirmed and reconciled with respective bank statement.

**9.00 Capital Fund:**

This made-up as follows:

Opening Balance	176,802,950	182,643,010
Add: Unit Sold during the year	79,910	241,040
	176,882,860	182,884,050
Less: Unit Surrendered during the year	27,530	6,081,100
<b>Closing Balance</b>	<b>176,855,330</b>	<b>176,802,950</b>

The unit capital represents 17,685,533 number of units of Tk.10/- each in circulation of premium.

**10.00 Unit Premium Reserve:**

This made-up as follows:

Opening Balance	(2,118,808)	(806,565)
Add: Premium on Sales of Unit	5,807	50,506
	(2,113,001)	(756,059)
Less: Premium on Surrendered of Unit	1,545	1,362,749
<b>Closing Balance</b>	<b>(2,114,546)</b>	<b>(2,118,808)</b>

**11.00 Retained Earnings:**

This made-up as follows:

Opening Balance	32,797,354	41,657,910
Add: Net Profit/(Loss) during the year	(5,793,572)	13,969,820
Less: Dividend Paid	(15,912,265)	(22,830,376)
<b>Closing Balance</b>	<b>11,091,517</b>	<b>32,797,354</b>



**Notes Particulars**

**2022-2023**

**2021-2022**

**Taka**

**Taka**

**12.00 Liabilities for Expenses:**

This made-up as follows:

Management Fees	1,968,761	2,253,106
CDBL Settlement & Demat Charges	189	437
Custodian Fees	132,871	144,964
Newspaper Publication Expenses	12,480	8,640
Audit Fees	46,000	30,000
TDS Payable-Newspaper	2,580	2,320
VAT Payable	-	4,500
VAT Payable-Newspaper	9,675	12,450
<b>Total</b>	<b><u>2,172,556</u></b>	<b><u>2,456,417</u></b>



**Notes Particulars**

**2022-2023**  
**Taka**

**2021-2022**  
**Taka**

**13.00 Dividend from Investment in Shares:**

Gross Dividend (Note-13.01)  
Less: TDS  
**Net Dividend**

6,195,433	6,551,569
(780,796)	-
<b>5,414,637</b>	<b>6,551,569</b>

**13.01 Dividend from Investment in Shares:**

Achia Sea Foods Limited  
BSCCL  
BATBC  
BDLAMP  
BEXIMCO  
BEXGSUKUK  
BEXPHARMA  
EHL  
FIRSTSBANK  
GIB  
GP  
IBNSINA  
IDLC  
KOHINOOR  
LINDEBD  
LHBL  
LRGLOBAL  
LRGLOBMF1  
MALEKSPIN  
NIALCO  
PENINSULA  
POPULARLIF  
PIONEER  
RAKCERAMIC  
RUNNERAUTO  
SEMLIBLSF  
SEMLLECMF  
SEMLFBSLGF  
SAIFPOWER  
Shinepukur Ceramics Limited  
SINGERBD  
SQRPHARMA  
UNIQUEHRL  
VAMLBDMF1  
**Total**

25,000	-
212,520	14,800
-	137,500
14,000	-
252,000	220,500
113,500	-
350,000	350,000
44,000	-
-	400,000
751,534	-
710,095	1,003,463
265,980	208,351
407,318	387,961
7,800	-
420,000	550,000
1,147,200	597,500
-	582,407
231,420	-
-	30,000
-	41,297
10,000	-
-	320,000
36,245	32,950
55,000	100,000
200,000	200,000
60,000	100,000
50,000	300,000
-	75,000
318,000	300,000
24,000	-
-	180,000
458,070	274,842
-	144,998
31,751	-
<b>6,195,433</b>	<b>6,551,569</b>

**14.00 Interest on Bank Deposits:**

Interest on Short Notice Deposit  
**Total**

501,540	689,398
<b>501,540</b>	<b>689,398</b>

**15.00 Management Fees:**

Management Fees  
**Total**

4,015,775	4,652,009
<b>4,015,775</b>	<b>4,652,009</b>

2.50 percent per annum of the weekly average NAV up to Tk. 5.00 crore and @ 2.00 percent per annum for additional amount of the weekly average NAV up to Tk. 25.00 crore over Tk. 5.00 crore and @ 1.50 percent per annum for additional amount of the weekly average NAV up to Tk. 50.00 crore over Tk. 25.00 crore and @ 1.00 percent per annum for additional amount of the weekly average NAV over Tk. 50.00 crore, accrued and payable semi-annually.



<u>Notes</u> <u>Particulars</u>	<u>2022-2023</u> <u>Taka</u>	<u>2021-2022</u> <u>Taka</u>
<b>16.00 Other Operating Expenses:</b>		
This made-up as follows:		
Newspaper Publication & Other Expenses	164,889	138,995
<b>Total</b>	<b>164,889</b>	<b>138,995</b>
<b>17.00 Reserve for Unrealized Gain/(Loss):</b>		
Opening Balance	(8,440,564)	(3,683,521)
Provision Shortfall		
(Provision Required)/Write Back for the year in Statement of Profit or Loss and Other Comprehensive Income	(12,776,757)	(4,757,043)
<b>Required Provision against Diminution in Value of Investments at the end of the year</b>	<b>(21,217,321)</b>	<b>(8,440,564)</b>
<b>18.00 Earnings per Unit:</b>		
The Computation is given below:		
Earning attributable to the unitholders (net profit after tax)	(5,793,572)	13,969,820
Number of Units	17,685,533	17,680,295
<b>Earnings per Unit (Per value Tk. 10)</b>	<b>(0.33)</b>	<b>0.79</b>
<b>19.00 Net Assets Value (NAV) Per Unit at Cost Price:</b>		
The Computation of (NAV) is given below:		
NAV at Cost Price	207,049,622	215,922,059
Number of Units	17,685,533	17,680,295
<b>Net Assets Value (NAV) per Unit at Cost Price</b>	<b>11.71</b>	<b>12.21</b>
<b>20.00 Net Assets Value (NAV) Per Unit at Market Price:</b>		
The Computation of (NAV) is given below:		
NAV at Market Price	185,832,301	207,481,495
Number of Units	17,685,533	17,680,295
<b>Net Assets Value (NAV) per Unit at Market Price</b>	<b>10.51</b>	<b>11.74</b>
<b>21.00 Net Operating Cash Flows per Unit:</b>		
The Computation of (NOCFU) is given below:		
Net Cash Generated from Operating Activities	7,356,907	19,317,975
Number of shares Outstanding during the year	17,685,533	17,680,295
<b>Net Operating Cash Flows per Unit</b>	<b>0.42</b>	<b>1.09</b>

**22.00 Audit Fees:**

Auditors remuneration comprises annual audit fees only.

**23.00 General:**

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure.

The comparative information has been disclosed of 2021-2022 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements.

To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.




**Notes Particulars**

**2022-2023**  
**Taka**

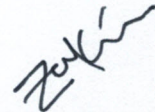
**2021-2022**  
**Taka**

**24.00 Events after the Repotting Period:**

The Trustees of the fund approved no dividend for the year ended June 30, 2023 at the meeting held on August 03, 2023.

  
Chairman, Trustee  
Investment Corporation of  
Bangladesh

  
Member, Trustee  
Investment Corporation of  
Bangladesh

  
Asset Manager (Managing Director)  
Credence Asset Management Ltd.



## Credence First Growth Fund

Portfolio Statement  
as at 30 June, 2023

Annexure-A

Sl. No.	Instrument	Total Share	Buy Rate	Mkt. Rate	Buy Price	Mkt Price	Deficit/(Excess)	% of Total Assets
<b>BANK</b>								
1	FIRSTSBANK	924,000	11.17	8.90	10,323,730	8,223,600	(2,100,130)	5.49
2	GIB	1,578,220	9.52	8.60	15,030,670	13,572,692	(1,457,978)	7.99
					25,354,400	21,796,292	(3,558,108)	13.49
<b>FINANCIAL INSTITUTION</b>								
3	IDLC	271,545	70.27	48.00	19,081,254	12,626,843	(6,454,411)	10.15
					19,081,254	12,626,843	(6,454,411)	10.15
<b>MUTUAL FUND</b>								
4	LRGLOBMF1	385,700	7.72	6.40	2,976,121	2,468,480	(507,641)	1.58
5	SEMLLECMF	100,000	10.60	9.10	1,059,706	910,000	(149,706)	0.56
6	VAMLBDMF1	63,501	7.60	7.30	482,458	463,557	(18,901)	0.26
7	SEMLIBLSF	100,000	11.98	8.50	1,197,600	850,000	(347,600)	0.64
					5,715,885	4,692,037	(1,023,848)	3.04
<b>ENGINEERING</b>								
8	BDLAMPs	7,490	273.27	252.20	2,046,768	1,888,978	(157,790)	1.09
9	RUNNERAUTO	200,000	42.86	48.40	8,571,429	9,680,000	1,108,571	4.56
					10,618,197	11,568,978	950,781	5.65
<b>FOOD &amp; ALLIED</b>								
10	ACHIASF	20000	10.00	26.90	200,000	538,000	338,000	0.11
					200,000	538,000	338,000	0.11
<b>FUEL &amp; POWER</b>								
11	LINDEBD	10,000	1,808.30	1,397.70	18,082,999	13,977,000	(4,105,999)	9.62
					18,082,999	13,977,000	(4,105,999)	9.62
<b>PHARMACEUTICALS &amp; CHEMICALS</b>								
12	BXPHERMA	100,000	190.51	146.20	19,051,483	14,620,000	(4,431,483)	10.13
13	IBNSINA	44,330	232.95	286.60	10,326,624	12,704,978	2,378,354	5.49
14	KOHINOOR	4,680	604.48	458.80	2,828,954	2,147,184	(681,770)	1.50
15	SQURPHARMA	45,807	226.75	209.80	10,386,872	9,610,309	(776,563)	5.52
					42,593,934	39,082,471	(3,511,463)	22.66
<b>SERVICE &amp; REALSTATE</b>								
16	EHL	60,000	116.75	104.40	7,005,113	6,264,000	(741,113)	3.73
17	SAIFPOWER	318,000	19.09	29.70	6,069,400	9,444,600	3,375,200	3.23
					13,074,513	15,708,600	2,634,087	6.95
<b>CEMENT</b>								
18	LHBL	239,000	61.52	69.50	14,702,778	16,610,500	1,907,722	7.82
					14,702,778	16,610,500	1,907,722	7.82
<b>TANNERY INDUSTRIES</b>								
19	MKFOOTWEAR	9,030	10.00	11.00	90,300	99,330	9,030	0.05
					90,300	99,330	9,030	0.05
<b>CERAMIC INDUSTRIES</b>								
20	SPCERAMICS	80,000	48.51	43.00	3,880,865	3,440,000	(440,865)	2.06
21	RAKCEAMIC	55,000	47.87	42.90	2,633,060	2,359,500	(273,560)	1.40
					6,513,925	5,799,500	(714,425)	3.46



Sl. No.	Instrument	Total Share	Buy Rate	Mkt. Rate	Buy Price	Mkt Price	Deficit/(Excess)	% of Total Assets
<b>INSURANCE</b>								
22	PIONEERINS	25,222	99.20	72.00	2,502,128	1,815,984	(686,144)	1.33
					<u>2,502,128</u>	<u>1,815,984</u>	<u>(686,144)</u>	<u>1.33</u>
<b>CORPORATE BOND</b>								
23	BEXGSUKUK	10,000	88.00	85.00	880,000	850,000	(30,000)	0.47
					<u>880,000</u>	<u>850,000</u>	<u>(30,000)</u>	<u>0.47</u>
<b>TELECOMUNICATION</b>								
24	GP	32,277	389.97	286.60	12,587,131	9,250,588	(3,336,543)	6.70
25	BSCCL	46,200	235.02	218.90	10,858,079	10,113,180	(744,899)	5.78
					<u>23,445,210</u>	<u>19,363,768</u>	<u>(4,081,442)</u>	<u>12.47</u>
<b>TRAVEL &amp; LEASURE</b>								
26	PENINSULA	40,000	29.64	27.40	1,185,500	1,096,000	(89,500)	0.63
					<u>1,185,500</u>	<u>1,096,000</u>	<u>(89,500)</u>	<u>0.63</u>
<b>MISCELLANEOUS</b>								
27	AGNISYSL	30,000	31.17	29.50	935,000	885,000	(50,000)	0.50
24	BEXIMCO	84,000	148.36	115.60	12,462,001	9,710,400	(2,751,601)	6.63
					<u>13,397,001</u>	<u>10,595,400</u>	<u>(2,801,601)</u>	<u>7.13</u>
<b>Grand Total</b>					<u><b>197,438,024</b></u>	<u><b>176,220,703</b></u>	<u><b>(21,217,322)</b></u>	<u><b>105.02</b></u>



**Credence First Growth Fund**  
**All Shares Gain/Loss**  
**from 01 July, 2022 to 30 June, 2023**

**Annexure-B**

Instrument	Quantity	Buy Amount	Sale Amount	Gain/Loss
BDLAMPS	16,000	4,678,326	5,675,410	997,084
EHL	17,500	1,826,636	2,003,950	177,314
SINGERBD	30,000	5,806,610	4,557,000	(1,249,610)
SAPORTL	20,000	628,000	703,478	75,478
SPCERAMICS	40,000	1,981,176	2,041,500	60,324
UNIQUEHRL	140,000	7,961,044	9,160,264	1,199,220
ORIONPHARM	39,000	4,988,600	5,464,575	475,975
JMISMDL	5,500	2,349,350	2,720,619	371,269
PENINSULA	25,000	752,600	909,000	156,400
QUASEMIND	141,900	6,898,232	9,201,582	2,303,350
SEMLFBSLGF	200,000	1,786,941	2,007,298	220,357
INDEXAGRO	6,000	687,326	703,200	15,874
MEGHNAINS	7,312	73,120	435,795	362,675
BDPAINTS	25,550	255,500	1,062,576	807,076
ACHIASF	7,260	72,600	240,740	168,140
CLICL	7,006	70,060	455,541	385,481
ICICL	7,622	76,220	375,765	299,545
TILIL	6,181	61,810	489,535	427,725
AMPL	4,803	48,030	178,191	130,161
<b>Total</b>	<b>746,634</b>	<b>41,002,181</b>	<b>48,386,019</b>	<b>7,383,838</b>



