

Unique Hotel & Resorts Limited

Financial Statements

As at 31 March 2018

Unique Hotel & Resorts Limited
Statement of Financial Position
As at 31 March 2018

	Notes	Amount in Taka	
		31 March 2018	30 June 2017
ASSETS			
Non-current Assets		22,513,600,945	21,993,282,955
Property, plant and equipment, net	6	18,538,050,496	18,312,065,901
Construction work in progress	7	3,975,550,449	3,681,217,054
Current Assets		9,777,012,969	10,162,433,192
Inventories	8	67,751,894	79,894,004
Investments	9	326,753,469	353,624,673
Accounts receivable	10	230,551,182	188,109,455
Other receivables	11	7,493,622	7,403,946
Advances, deposits and prepayments	12	7,736,867,537	8,308,558,449
Fixed deposit receipts	13	1,093,447,497	1,042,008,629
Cash and cash equivalents	14	314,147,768	182,834,036
TOTAL ASSETS		32,290,613,914	32,155,716,148
EQUITY AND LIABILITIES			
Shareholders' Equity		26,025,340,180	26,148,376,352
Share capital	15	2,944,000,000	2,944,000,000
Share premium	16	6,181,931,836	6,181,931,836
Tax holiday reserve	17	944,219,701	944,219,701
Revaluation reserve		12,777,363,231	12,873,111,822
Retained earnings		3,177,825,412	3,205,112,993
Non-current Liabilities		2,255,905,863	1,749,753,865
Term loan-non-current portion	18	1,905,009,375	1,385,312,500
Deferred tax liability	19	350,896,488	364,441,365
Current Liabilities		4,009,367,871	4,257,585,932
Term loan-current portion	18	403,000,000	403,000,000
Short term loans	20	1,378,348,867	1,594,881,514
Due to operator and its affiliates	21	26,050,931	70,093,723
Accounts payable	22	161,762,402	63,116,419
Unclaimed dividend	23	10,084,404	8,502,281
Other accruals and payables	24	2,030,121,267	2,117,991,995
TOTAL EQUITY AND LIABILITIES		32,290,613,914	32,155,716,148
Net Asset Value Per Share (NAVPS)		88.40	88.82

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

sd/- sd/- sd/- sd/- sd/-
Chief Financial Officer Company Secretary Director Managing Director Chairperson

Signed in terms of our separate report of even date annexed.

Dated, 26 April 2018
 Dhaka

Unique Hotel & Resorts Limited
Statement of Profit or Loss and Other Comprehensive Income
For the period from 01 July '17 to 31 March '18

Notes	Third Quarter ended (09 months)		3rd Quarter (03 months)		
	Amount in Taka		Amount in Taka		
	01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017	01 January 2018 to 31 March 2018	01 January 2017 to 31 March 2017	
Revenue	25	1,648,966,633	1,351,805,488	539,149,695	503,241,442
Cost of sales	26	(360,711,885)	(299,318,072)	(124,404,434)	(101,484,704)
Gross profit		1,288,254,748	1,052,487,416	414,745,261	401,756,738
Administrative and other expenses	27	(394,221,787)	(332,981,156)	(138,511,316)	(110,319,255)
Operating profit		894,032,961	719,506,260	276,233,945	291,437,483
Corporate office expenses	28	(207,642,553)	(200,905,791)	(69,168,860)	(71,650,446)
Interest income/(expenses)	29	(20,908,988)	30,876,799	88,816	(4,855,040)
Gain/(loss) on investment in shares	30	6,329,517	3,950,937	3,502,373	3,523,602
Other income/(expenses)	31	4,286,979	629,679	3,378,521	317,700
Workers' profit participation fund (WPPF)		(33,804,896)	-	(10,701,740)	-
Profit before tax		642,293,020	554,057,884	203,333,055	218,773,299
Provision for income tax	32	(133,867,945)	(116,456,698)	(49,782,034)	(51,249,104)
Net profit after tax		508,425,075	437,601,186	153,551,021	167,524,195
Other comprehensive income/(loss)	30	(42,791,422)	(37,568,668)	(36,214,652)	(37,568,668)
Total comprehensive income for the period		465,633,653	400,032,518	117,336,369	129,955,527
Basic and diluted earnings per share (EPS)	33	1.73	1.49	0.52	0.57

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

sd/-
Chief Financial Officer

sd/-
Company Secretary

sd/-
Director

sd/-
Managing Director

sd/-
Chairperson

Signed in terms of our separate report of even date annexed.

Dated, 26 April 2018
Dhaka

Unique Hotel & Resorts Limited
Statement of Changes in Equity
For the period from 01 July 2017 to 31 March 2018

Amount in Taka

Particulars	Ordinary Share Capital	Share Premium	Tax Holiday Reserve	Retained Earnings	Revaluation Reserve	Total
For 2016-2017:						
Balance at 1st July 2016	2,944,000,000	6,181,931,836	944,219,701	3,199,863,172	13,003,146,123	26,273,160,832
Net Profit during the period	-	-	-	400,032,518	-	400,032,518
Cash Dividend @ 22% for 2015-2016 on Ordinary Shares	-	-	-	(647,680,000)	-	(647,680,000)
Previous periods replacement reserve	-	-	-	(6,036,111)	-	(6,036,111)
Depreciation on Revaluation Surplus transferred to Retained Earnings	-	-	-	97,525,726	(97,525,726)	-
Previous period fair value adjustment for Investment in Share	-	-	-	58,076,413	-	58,076,413
Balance at 31 March 2017	2,944,000,000	6,181,931,836	944,219,701	3,101,781,718	12,905,620,397	26,077,553,652
For 2017-2018:						
Balance at 1st July 2017	2,944,000,000	6,181,931,836	944,219,701	3,205,112,993	12,873,111,822	26,148,376,352
Net profit during the period	-	-	-	465,633,653	-	465,633,653
Cash dividend @ 20% (for Jul'16 - Jun '17) on ordinary shares	-	-	-	(588,800,000)	-	(588,800,000)
Adjustment for reserve fund	-	-	-	130,175	-	130,175
Depreciation on revaluation reserve transferred to retained earnings	-	-	-	95,748,591	(95,748,591)	-
Balance at 31 March 2018	2,944,000,000	6,181,931,836	944,219,701	3,177,825,412	12,777,363,231	26,025,340,180

sd/-
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Dated, 26 April 2018
Dhaka

Unique Hotel & Resorts Limited
Statement of Cash Flows
For the nine month period ended 31 March 2018

	Amount in Taka	
	01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
Cash flows from operating activities		
Collections from turnover and other sources	1,650,362,508	1,329,541,344
Payment for operating costs and other expenses	(598,200,795)	(321,092,575)
(Increase)/decrease in other receivables	(89,676)	4,252,143
Income tax paid	(134,444,216)	(252,255,766)
Net cash from operating activities (A)	917,627,821	760,445,146
Cash flows from investing activities		
Purchase of property, plant and equipment	(388,791,183)	(38,221,845)
Decrease/(increase) of investment	591,589,468	(612,517,035)
Gain/(loss) on investment in shares	(36,461,905)	3,950,937
Dividend received during the period	4,286,979	503,743
Increase in construction work in progress	(294,333,395)	(278,887,079)
Increase in advance against land	(262,364,945)	(584,449,997)
(Increase)/decrease in fixed deposit receipts	(51,438,869)	(24,813,468)
Net cash used in investing activities (B)	(437,513,850)	(1,534,434,744)
Cash flows from financing activities		
(Decrease)/ increase in short term loan	(216,532,647)	923,900,621
Increase in term loan	519,696,875	631,718,750
Interest paid during the period	(64,746,590)	(33,753,437)
Dividend paid during the period	(587,217,877)	(644,692,997)
Net Cash provided by/(used in) financing activities (C)	(348,800,239)	877,172,937
Net cash inflow/(outflow) for the period (A+B+C)	131,313,732	103,183,339
Add: Cash and cash equivalents at the beginning of the period	182,834,036	162,066,998
Cash and cash equivalents at the end of the period	314,147,768	265,250,337
Operating cash inflow/(outflow) per share	3.12	2.58

sd/-
Chief Financial Officer

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Company Secretary

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Director

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Managing Director

sd/-
Chairperson

Dated, 26 April 2018
Dhaka

Unique Hotel & Resorts Limited
Notes to the Financial Statements
For the period ended 31 March 2018

1. Legal status of the Company

1.1 Reporting entity

Unique Hotel & Resorts Limited ("the Company") is a Public Limited Company. The Company was incorporated on 28 November 2000 having registration no. C-41920(1279)/2000 under the Companies Act 1994 as a Public Limited Company in Bangladesh. The Company is listed with both Dhaka Stock Exchange Limited (DSEL) and Chittagong Stock Exchange Limited (CSEL).

1.2 Registered office

The registered office of the company is located at Plot no. 01 CWN (B), Road no. 45, Gulshan-2, Dhaka-1212.

1.3 Corporate office

Corporate office of the Company is located at 45 Kemal Ataturk Avenue, Banani, Dhaka-1213.

1.4 Company's associate and subsidiary Company

The company has no subsidiary. However, Borak Real Estate Limited holds 19.37% share of Unique Hotel & Resorts Limited.

2. Nature of business activities

Unique Hotel & Resorts Limited (the owner of "The Westin Dhaka") a Five Star Hotel in Bangladesh, started its commercial operation in 1st July 2007. The principal activities of the Company throughout the period were carrying out hotel business. The business activities connected with the hotel business is carried out through a Management Contract dated 20 December 1999 (renewed on 9 April 2015) executed between Unique Hotel & Resorts Ltd ("the Owner") and Westin Asia Management Co. ("the operator"), a wholly-owned subsidiary of Starwood Hotels & Resorts Worldwide, Inc., now J. W. Marriott International. The Operator is knowledgeable and experienced in managing and promoting five star hotels and resorts and has (and/or its Affiliates have) performed such services throughout the world.

In terms of Management Contract, the operator is entitled to receive base fee, license fee, incentive fee, reservation fee and institutional marketing fee from the owner on account of operation of the Hotel only. In addition, under the contract, the operator is entitled to receive office base fee and office incentive fee from the Owner on account of office space rented out in the hotel premises.

3 Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with the applicable Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

3.2 Other regulatory compliances

The Company is also required to comply with the following major laws and regulation in addition to the Companies Act 1994:

The Securities & Exchange Rules 1987;

The Securities & Exchange Ordinance 1969;

The Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited;

The Income Tax Ordinance 1984;

The Income Tax Rules 1984;

The Value Added Tax Act 1991;

The Value Added Tax Rules 1991;

The Customs Act 1969.

3.3 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by BAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

i) Statement of Financial Position;

ii) Statement of Profit or Loss and Other Comprehensive Income;

iii) Statement of Changes in Equity;

iv) Statement of Cash Flows;

v) Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements.

3.4 Basis of measurement of elements of financial statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation except that arising from revaluation of land, building and machineries as specified in note 6. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous period.

3.5 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT/Taka/Tk) which is both functional and presentation currency.

3.6 Risk and uncertainty for use of estimates and judgment

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make judgment, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses as well as the application of accounting policies. Uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amount of assets or liabilities affected in future period.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimates are revised as required by BAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

3.7 Going concern

As per BAS-1 para 25, a company is required to make assessment at the end of each period to assess its capability to continue as a going concern. Management of the Company makes such assessment each period. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage against its liabilities. For this reason, the directors continue to adopt the going concern assumption while preparing the financial statements.

3.8 Accrual basis

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

3.9 Reporting period

The financial statements of the company covers a period from 1 July 2017 to 31 March 2018. To comply with the Income Tax Ordinance 1984 and other regulatory guideline, the company has changed it's financial statements reporting period to 'July to June' from 'January to December' that prevailed upto 31 December 2015.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Foreign currency transaction and translation

At the end of each reporting period in compliance with the provision of BAS 21: The effects of changes in Foreign Exchange Rates:

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

4.2 Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of BAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc. On 30 September 2011, the land & land development and building have been revalued by an independent valuer to reflect fair value (prevailing market price) thereof following "current cost method". As the fair value of the assets do not differ significantly from its carrying amount as of 31 March 2018, so no revaluation has been made during the period ended 31 March 2018.

Subsequent costs

The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as repair and maintenance when it is incurred.

Depreciation on fixed assets

Depreciation is provided to amortize the cost or valuation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, plant and equipment. Full period depreciation is charged regardless of the date of acquisition. No depreciation is charged in the period of disposal regardless of the date of disposal. Depreciation of assets begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on reducing balance method.

Particular of Assets	Rate of depreciation
Buildings and other civil constructions	1.25%
Hotel furniture	5%
Hotel equipment	5%
Office furniture and equipment	5%
Motor vehicles	5%

The gain or losses on disposal or retirement of assets are included in profit or loss when the item is disposed off/derecognized.

Revaluation of fixed assets

The company made revaluation of company's land and land developments in conformity with paragraphs 31 and 34 of BAS 16: Property, plant and equipment and to reflect fair value of the property in terms of the prevailing market price of the properties under current cost method details of which are as follows:

Particulars of the assets	Name of the valuer	Qualification of the valuer	Date of revaluation	The carrying amount of assets as on 30.09.2011	Value of assets after revaluation as on 30.09.2011	Revaluation surplus
Land & Land Development	Ata Khan & Co.	Chartered Accountants	30-Sep-11	3,388,296,912	5,664,596,600	2,276,299,688
Building	Ata Khan & Co.	Chartered Accountants	30-Sep-11	5,415,829,221	11,420,259,375	6,004,430,154
Total				8,804,126,133	17,084,855,975	8,280,729,842

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head Revaluation Surplus. However, the increase is recognized in profit or loss account to the extent that it reverses a revaluation decrease of the same assets previously recognized in profit or loss account. A sum of revaluation surplus is transferred directly to equity each period in line with para 41 of BAS 16: Property, plant and equipment' as the asset is used by the company. The amount of the revaluation surplus transferred would be the differences between the depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. Transfer from revaluation surplus to retained earnings is not made through profit or loss.

Other fixed assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) as mentioned in the balance sheet of the company. As the fair value of the assets do not differ significantly from its carrying amount as of 31 March 2018, so no revaluation has been made on 31 March 2018.

4.3 Capital works in-progress

Property, plant and equipment under construction are accounted for as capital works in progress until completion of construction are measured at cost. In conformity with BAS 16: Property, plant and equipment no depreciation is charged on capital work in progress as it is not ready for use.

4.4 Inventories

Inventories (stock and stores) are measured at the lower of cost and net realizable value. The cost of inventory is assigned by using average cost formula. The cost of inventories consists of purchase, costs of conversion, import duties and other non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition.

4.5 Cash and cash equivalents

Cash and cash equivalents consists of cash in hand and with banks on current and deposit accounts and short-term investments and with Brokerage house which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

4.6 Accounts and other receivable

Accounts and other receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectible of any amount so recognized.

4.7 Earnings per share (EPS)

Basic earnings per share:

Earnings per share is calculated in accordance with BAS 33 “Earnings per share” by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

Diluted earnings per share:

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of shares outstanding, for the effect of all dilutive potential of ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential during the relevant periods.

4.8 Revenue

Revenue (room rent, sales proceeds of beverage, income from laundry and shop rental) is recognized at fair value of the consideration received or receivable in the period during which the services are provided. Revenue is recognized net of value added tax, supplementary duty and service charge collectible from clients as well as rebate and discount allowed to customers in compliance with the requirements of BAS 18: “Revenue”.

4.9 Employee’s benefits

According to the existing policy, the employees of the company working at The Westin Dhaka premises who have completed the required length of services are paid gratuity which is calculated on the last basic salary of the outgoing employees.

4.10 Impairment of assets

All assets except inventory, assets arising from construction contracts and financial assets are assessed at the end of each reporting period to determine whether there is any indication that an asset may be impaired. If any such indication exists the company assesses the recoverable amount. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. The reduction is an impairment loss as per BAS 36: Impairment of Assets.

An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease. No such assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

4.11 Borrowing cost

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are recognized as a part of the qualifying assets. Other borrowing costs are recognized as an expense in the period in which it incurs in accordance with BAS-23 “Borrowing Costs”.

4.12 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 26 April 2018 for issue after completion of review.

4.13 Provisions, accrued expenses and other payables

Provisions and accrued expenses are recognized in the financial statements in line with the Bangladesh Accounting Standard (BAS) 37 “*Provisions, contingent liabilities and contingent assets*” when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Other payables are not interest bearing and are stated at their nominal value.

4.14 Financial instruments

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, fixed deposit receipts, borrowings and other payables are shown at transaction cost.

Initial recognition

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument.

Subsequent measurement

Financial assets and the gain or loss thereof from changes in the fair value after initial recognition is treated as follows:

Asset Category	Description	Measurement after	Gains and losses
Financial assets available-for-sale (AFS): Investment in shares	Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or not classified in any other category i.e. i. Financial assets at fair value through profit or loss, ii. Held to maturity financial assets iii. Loans and receivables. Investment in shares has been reclassified to AFS from its previous category, financial assets at fair value through profit or loss as it better reflects the consistency in performance as well as free from market volatility.	Fair Value	In other comprehensive income
Loans and receivables: 1. Accounts receivable 2. Unquoted shares 3. Other receivable	Non-derivative financial assets with fixed or determinable payments that are: * Not quoted in an active market * Not designated as at fair value through profit or loss * Not held for trading or designated as available for sale (i.e. loans and receivables are none of the above)	Amortized cost	In profit or loss
Held-to-maturity investments: 1. Fixed deposit receipts	Non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold the maturity and are not designated or classified under any of the other headings.	Amortized cost	In profit or loss

4.15 Operating segments reporting

Operating segments reporting is not applicable for the Company as required by BFRS 8: "Operating Segments", as the company operates in a single industry segment.

4.16 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of BAS 7: Statement of cash flows. The cash generated from operating activities has been prepared using the "Direct Method" as prescribed by Securities and Exchange Rules and the benchmark treatments of BAS 7.

4.17 Related party disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The information as required by BAS 24: "Related party disclosures" has been disclosed in a separate notes to the financial statements (Note 34).

4.18 Taxation:

Current tax liability :

Current tax is the expected tax payable on the taxable income for the period, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. As per section 46 A (3) of the Income Tax Ordinance 1984, the Company has enjoyed Tax holiday for 4 (four) periods from 1 July 2007 to 30 June 2011 vide NBR Order No. 11/(73) Anu-1/2007 dated 24th January 2008. The Provision for current tax on the profit for the period from 1 July 2017 to 31 March 2018 has been made in the financial statements (Note-32).

Deferred tax liability:

Deferred tax liabilities is the amount of income taxes payable in future period in respect of taxable temporary difference. A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- (a) The initial recognition of goodwill; or
- (b) The initial recognition of an asset or liability in a transaction which;
 - (i) Is not a business combination; and
 - (ii) At the time of the transaction, affects neither accounting profit nor taxable profit (loss)

Deferred tax liability is measured at the tax rates that are expected to apply to the period when the assets are realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

4.19 Contingent assets and liabilities

A contingent asset is disclosed when it is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities which require disclosure under BAS 37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent assets is disclosed in accordance with BAS 37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

4.20 Events after the reporting period

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend on share in accordance with the requirements of the para 125 of BAS 1: Presentation of financial statements. Also, the proposed dividend has not been considered as liability in accordance with the requirements of the para 12 & 13 of BAS 10: Events after the reporting period, because no obligation exists at the time approval of accounts and recommendation of dividend by the Board of Directors.

4.21 Comparative information

Relevant comparative information has been presented in the financial statements. Previous period's figures have been rearranged/reclassified and wherever possible and considered necessary to confirm to current period's presentation.

5. Risk exposure

5.1 Interest rate risk

Interest rate risk is that which the company faces due to unfavorable movements of the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception:

Since the Unique Hotel & Resorts Limited has not borrowed funds at flexible interest rate, hence, not involved in the interest rate risk. The company has been repaying borrowed funds on a continuous basis.

5.2 Exchange rate risk

Exchange rate risk arises due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. When exchange rate is increased against local currency opportunity is created for generating more profit.

Management perception:

Unique Hotel & Resorts Limited management changes the price of their services to cope with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

5.3 Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market shares etc. which could have an adverse impact on the business, financial condition and results of operation.

Management perception:

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions.

5.4 Market risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception:

The company's brand "Westin" has a very strong image in the local and international market. Westin Asia Management Co. (a fully-owned subsidiary of Starwood Hotel and Resorts Worldwide Inc.) also has the reputation of providing quality hotel management services. Moreover, the demand for five star hotels in the country is increasing while there are very few five star hotels to meet the demand. Strong brand management and quality service has enabled the company to capture significant market share in the sector and the company is continuously penetrating into the market and upgrading the quality of their service to minimize the risk.

5.5 Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception:

The Company is equipped with power backup and security (CCTV) systems, which reduce operational risk. Besides, the equipment is under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

Unique Hotel & Resorts Limited
Fixed Assets Schedule
As at 31 March 2018

6. Property, plant and equipment (cost/ revaluation less accumulated depreciation)

Amount in Taka

Sl. No.	Assets	Cost				Rate (%)	Depreciation				Written down value as on 31 March 2018
		Balance as at 1 July 2017	Additions during the period	Disposal during the period	Balance as at 31 March 2018		Balance as at 1 July 2017	Charged during the period	Accumulated depreciation for disposal	Balance as at 31 March 2018	
1	Land and land developments	6,035,272,881	352,024,350	-	6,387,297,231	-	-	-	-	-	6,387,297,231
2	Building and other Civil Constructions	11,626,208,982	-	-	11,626,208,982	1.25%	996,807,866	99,650,635	-	1,096,458,502	10,529,750,480
3	Office furniture and equipments	32,216,147	232,000	-	32,448,147	5%	9,047,430	877,527	-	9,924,957	22,523,190
4	Hotel furniture	331,374,952	9,232,747	-	340,607,699	5%	126,057,387	8,045,637	-	134,103,023	206,504,676
5	Motor vehicles	135,937,432	20,500,000	-	156,437,432	5%	28,910,074	4,782,276	-	33,692,350	122,745,082
6	Hotel equipments	1,987,025,126	6,802,086	-	1,993,827,212	5%	675,146,862	49,450,513	-	724,597,375	1,269,229,837
Total as at 31 March 2018		20,148,035,520	388,791,183	-	20,536,826,703	-	1,835,969,619	162,806,588	-	1,998,776,207	18,538,050,496
Total as at 30 June 2017		20,087,783,437	60,252,083	-	20,148,035,520	-	1,614,715,401	221,254,218	-	1,835,969,619	18,312,065,901

Ata Khan & Co. Chartered Accountants, have further revalued Land & land development and building as of 30 September 2011 following "Current cost method" showing total current cost Tk 5,664,596,600 and Tk. 11,420,259,375 resulting in a revaluation surplus of Tk 2,276,299,688 and Tk.6,004,430,154 respectively.

S. F. Ahmed & Co, Chartered Accountants, have revalued all property, plant and equipment of the company as of 30 June 2009 (When Ata Khan & Co, Chartered Accountants was the auditor) following Current cost method, showing total current cost at Tk.8,325,239,643, resulting in a revaluation surplus at Tk. 4,689,598,221. Thereafter Ata Khan & Co, (When S.F. Ahmed & Co, Chartered Accountants were the auditor), have revalued the land of the company as of 30 June 2010 following "Current cost method" showing current cost thereof at Tk. 1,687,000,000, resulting in a further revaluation surplus at Tk. 843,500,000. Fixed assets to the extent of Tk.657,868,395 have been kept as mortgage against the short-term bank loan.

Amount in Taka		
	As at	As at
	31 March 2018	30 June 2017
7. Construction work in progress		
Hotel Sheraton Banani, Dhaka (7.1)	3,678,473,413	3,195,755,565
HANSA by Unique, a premium residence (7.2)	221,853,680	419,321,479
Multipurpose commercial complex (7.3)	75,223,357	66,140,010
	3,975,550,449	3,681,217,054
7.1 Hotel Sheraton Banani, Dhaka		
Opening balance	3,195,755,565	2,777,506,203
Add: Addition during the period	482,717,848	418,249,362
Less: Transferred to PPE during the period	-	-
Closing balance	3,678,473,413	3,195,755,565
7.2 HANSA by Unique, a premium residence		
Opening balance	419,321,479	172,735,602
Add: Addition during the period	154,044,841	246,585,877
Less: Transferred to PPE during the period	(351,512,640)	-
Closing balance	221,853,680	419,321,479
7.3 Multipurpose commercial complex		
Opening balance	66,140,010	44,692,533
Add: Addition during the period	9,083,347	21,447,477
Less: Transferred to PPE during the period	-	-
Closing balance	75,223,357	66,140,010
8. Inventories		
Food	21,894,882	15,043,500
Beverage	13,944,994	18,995,667
Guest amenities	7,710,367	13,347,496
Linen & china	5,544,370	11,428,061
Store- general	-	869,632
Utensils	12,241,848	14,123,393
Others	2,102,276	1,773,098
Construction material	4,313,157	4,313,157
	67,751,894	79,894,004

9. Investments

Investment in quoted shares (9.1)
Investment in unquoted shares (9.2)

Amount in Taka	
As at	As at
31 March 2018	30 June 2017
257,568,469	284,439,673
69,185,000	69,185,000
326,753,469	353,624,673

9.1 Investment in shares

Investments in equity shares in different companies are classified as a financial asset available-for-sale. The investment has been measured at fair value except investments that do not have a quoted price in an active market and whose fair value can not be reliably measured. Investments that do not have a quoted investment price has been measured at cost. Gain or loss arising from the change in fair value of the investments is recognized in other comprehensive income.

	Book value 31.03.2018 Taka	Fair value 31.03.2018 Taka	Fair value 30.06.2017 Taka
Investment in quoted shares:	343,062,988	257,568,469	284,439,673
Ratanpur Steel Re-Rolling Mills Limited	23,681,378	17,532,000	-
Beximco Pharmaceuticals	40,053,671	37,384,968	-
Southeast Bank Ltd.	17,417,164	14,481,014	-
Square Pharma	7,950,582	7,518,740	-
BD Submarine Cable	549,534	508,113	-
Mobil Jamuna Ltd.	6,510,818	5,717,981	-
Shahjibazar Power Co. Ltd.	1,391,979	964,971	-
Fast Finance	446,574	294,873	-
Exim Bank	4,617,129	3,445,133	-
Jamuna Bank	4,588,725	3,660,000	-
BGIC	2,170,771	2050000	-
Continental Insurance Ltd.	3,947,555	3024000	-
Rupali insurance Ltd.	2,213,630	1800000	-
IFIC	3,663,457	2905500	-
IDLC	8,671,620	6880000	-
Aftab Automobiles	14,912,481	11365509	-
Saiham Cotton Mills	16,695,012	11692965	-
Pubali Bank Ltd.	16,189,498	12100000	-
Beximco Ltd.	17,682,777	12,757,500	28,250,000
GPH Ispat	12,844,996	11,094,740	8,860,000
City Bank Ltd.	6,975,395	4,950,000	19,119,815
Acme Lab	13,796,458	11,804,823	11,801,400
Dutch Bangla Bank Ltd.	14,958,065	10,915,500	9,766,500
Eastern Bank Ltd.	8,165,086	8,373,379	7,290,255
EBL NRB Mutual Fund	10,000,225	8,603,861	9,269,774
Lafarge Surma Cement Ltd.	5,434,400	2,276,000	2,516,000
Lanka Bangla Finance	18,412,939	13,435,800	44,560,000
National Bank Ltd.	38,715,829	19,105,701	17,872,932
NCC Bank Ltd.	5,429,160	3,029,400	2,653,200
Power Grid Bangladesh Limited	14,976,080	7,896,000	8,570,450

	Book value 31.03.2018 Taka	Fair value 31.03.2018 Taka	Fair value 30.06.2017 Taka
Bangladesh Building Society	-	-	4,820,865
Singer BD	-	-	5,724,000
Social Investment Bank Ltd.	-	-	8,128,305
SPCL	-	-	14,430,000
One Bank Ltd.	-	-	10,500,000
Tung Hai Knitting & Dyeing	-	-	4,650,000
United Power Generating	-	-	5,550,000
First Security Bank Ltd.	-	-	4,968,810
ECABLES	-	-	282,000
Islami Bank	-	-	1,998,525
UNITEDFIN	-	-	556,400
Active Fine Chemicals	-	-	10,140,000
Confidence Cements	-	-	4,105,300
Al-Arafah Islami Bank Ltd.	-	-	6,312,653
BARAKA Power	-	-	2,927,900
British American Tobacco Bangladesh Ltd.	-	-	2,829,300
IDCL Ltd.	-	-	14,655,600
PHP First Mutual Fund	-	-	9,811,689
Titas Gas Transmission & Distribution Co. Ltd.	-	-	1,518,000

9.2 Investment in unquoted shares:

Eastern Industries Bangladesh Limited
Chartered Life Insurance Co. Ltd.
Dacca Steel Works Ltd.

	69,185,000	69,185,000	69,185,000
Eastern Industries Bangladesh Limited	185,000	185,000	185,000
Chartered Life Insurance Co. Ltd.	18,000,000	18,000,000	18,000,000
Dacca Steel Works Ltd.	51,000,000	51,000,000	51,000,000
	412,247,988	326,753,469	353,624,673

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

10. Accounts receivable

Accounts receivable (10.1)
Less: Provision for doubtful debt

Accounts receivable (10.1)	235,256,308	191,948,425
Less: Provision for doubtful debt	(4,705,126)	(3,838,970)
	230,551,182	188,109,455

10.1 Accounts receivable- ageing summary

0- 30 days	69,614,121	80,668,598
31-60 days	59,219,784	24,012,538
61-90 days	36,465,994	22,330,810
91-120 days	12,848,657	17,342,413
121- 150 days	20,662,265	17,924,743
151 days and over	36,445,487	29,669,323
	235,256,308	191,948,425

This is considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Sl.	Particulars	Amount in Taka	Amount in Taka
I	Accounts receivable considered good in respect of which the company is fully secured	230,551,182	188,109,455
II	Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security	-	-
III	Accounts receivable considered doubtful or bad	-	-
IV	Accounts receivable due by any director or other officer of the company	-	-
V	Accounts receivable due by common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
Total		230,551,182	188,109,455

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

11. Other receivables

Accrued interest on fixed deposit receipts	6,997,984	6,778,726
Insurance receivable	495,638	625,220
	7,493,622	7,403,946

12. Advances, deposits and prepayments

Advances (12.1)	7,714,149,632	8,278,450,933
Deposits (12.2)	20,052,267	19,496,250
Prepayments (12.3)	2,665,638	10,611,266
	7,736,867,537	8,308,558,449

12.1 Advances:

Advance income tax (12.1.1)	448,934,344	718,271,937
Advance to Govt.	175,500,000	175,500,000
Advance against purchases	13,244,183	5,976,660
Advance to parties/ suppliers	1,136,235,508	1,231,224,728
Advance to employees	1,290,929	1,290,929
Advance against Rent (security)	2,400,000	2,400,000
Advance to employees- The Westin Dhaka	766,700	1,024,703
Advance to suppliers- The Westin Dhaka	4,115,476	23,387,851
Others- The Westin Dhaka	8,933,025	1,998,608
Advance against salary	353,000	-
Advance for Unique Convention centre	1,505,070	-
Advance for Southpark project	564,500	-
Advance for hotel and service apartment	927,875,000	927,875,000
Advance against land*	3,313,274,237	3,312,356,737
Sonargoan Economic Zone Ltd.	684,862,796	423,415,351
Borak Real Estate Ltd.	139,750,964	758,503,938
Purnima Constructions (Pvt.) Ltd.	638,112,547	657,012,547
Chartered Life Insurance Co. Ltd.	3,553,287	3,553,287
Other advances	212,878,066	34,658,657
	7,714,149,632	8,278,450,933

i) Advance against land includes the advance for the purchase of 23.9375 katha of land at Gulshan Avenue, Gulshan-2, Dhaka-1213, from Borak Real Estate Limited to be used by the Company as Five Star International Chain Hotel as per shareholders approval in 12th AGM, dated 24 June 2013. The advance shall be accounted for as land as soon as the registration are completed.

ii) Advances to Borak Real Estate Ltd., Chartered Life Insurance Ltd., Purnima Constructions (Pvt.) Ltd. and Anannya Development (Pvt.) Ltd. have been categorized as advance against construction works from it's previous category interest bearing investment vide reference to the policy note 4.21.

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

12.1.1 Advance income tax

Opening	718,271,937	353,948,165
Add: Income tax during the year	94,521,955	364,323,772
Less: Income tax adjusted during the year	(363,859,548)	-
	448,934,344	718,271,937

12.2 Deposits:

Bank guarantee margin	5,999,192	5,983,690
Security deposit	13,448,776	12,908,261
Security deposit- The Westin Dhaka	604,299	604,299
	20,052,267	19,496,250

12.3 Prepayments:

Insurance premium	283,375	376,824
Prepaid expenses- The Westin Dhaka	2,382,263	10,234,442
	2,665,638	10,611,266

13. Fixed deposit receipts

Fixed deposit receipts of The Westin Dhaka

BD Finance Company Ltd.	-	10,000,000
Midland Bank Ltd.	-	11,064,494
International Leasing and Financial Services Ltd.	268,000,000	275,000,000
Fareast Finance and Investment Ltd.	90,000,000	90,000,000
People Leasing and Financial Services Ltd.	55,000,000	35,000,000
Eastern Bank Limited	40,000,000	-
	453,000,000	421,064,494

Fixed deposit receipts of Head office

Southeast Bank Ltd.- Gulshan Branch	14,778,588	14,239,135
United Commercial Bank Ltd- Banani Branch	625,668,909	606,705,000
	640,447,497	620,944,135
	1,093,447,497	1,042,008,629

14. Cash and cash equivalents

A. With corporate office:

Cash in hand

Cash at brokerage house

Cash at bank

Prime Bank Limited.-Banani Branch
 Prime Bank Ltd., Banani Branch (unit-2)
 United Commercial Bank Ltd.-Banani Branch
 Bank Alfalah Ltd., Gulshan Branch
 Eastern Bank Ltd.-Banani Branch, HPA Account
 Eastern Bank Ltd.-Gulshan Branch, Dhaka
 Eastern Bank Ltd.-Dividend 2011
 Eastern Bank Ltd.-Dividend 2012
 Eastern Bank Ltd.-Dividend 2013
 Eastern Bank Ltd.-Dividend 2014
 Eastern Bank Ltd.-Dividend 2015-16
 Eastern Bank Ltd.-Dividend 2016-17
 BRAC Bank Ltd., Gulshan- SND
 BRAC Bank Ltd., Gulshan- FC Dollar
 BRAC Bank Ltd., Gulshan- FC Pound
 BRAC Bank Ltd., Gulshan- FC Euro
 Sonali Bank Ltd, Gulshan. Branch
 Sonali Bank Ltd.,Reg. Complex Branch
 Shahjalal Islami Bank Ltd.-Banani Branch
 Southeast Bank Ltd.-Gulshan Branch, Dhaka.
 Mercantile Bank Ltd.-Banani Branch, Dhaka.
 Janata Bank Ltd.-Corporate Branch, Dhaka.
 Premier Bank Ltd. Banani Branch
 The City Bank Ltd.-Kawran Bazaar Branch
 The City Bank Ltd.-Gulshan Branch, Dhaka
 Standard Chartered Bank Ltd.
 One Bank Limited

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

144,587	185,552
21,708,621	10,492,856
21,853,208	10,678,408

8,645,190	7,499,825
39,334	57,522
1,324,514	1,805,418
650,007	62,915
296,052	292,597
76,642	1,220,399
784,696	781,811
6,168,467	6,112,003
3,223,333	3,193,894
2,285,312	2,279,412
2,135,573	2,328,816
1,680,078	-
6,518,186	6,459,335
405,979	405,979
3,382,833	3,382,834
2,115,249	2,115,249
17,012	17,012
12,083	12,083
7,570	7,570
-	573
44,460	44,460
23,269	23,269
3,100	3,675
352,867	10,784
683,849	-
575	-
9,080	-
40,885,310	38,117,434
62,738,518	48,795,842

B. With The Westin Dhaka

Cash in hand

Cash at bank

Prime Bank Limited- C/A
 Prime Bank Limited- STD
 The City Bank Limited- Gulshan Branch
 Eastern Bank Ltd.-Gulshan Branch Dhaka
 Prime Bank Limited- replacement reserve
 Dutch Bangla Bank Ltd.
 Standard Chartered Bank
 Standard Chartered Bank CD

925,001	1,055,000
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250,484,249	132,983,194
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3,860	(65,273,152)
71,214,396	106,616,897
39,823,795	13,188,564
1,886,477	1,886,477
39,373,928	8,950,367
231,203	242,803
82,069,576	54,627,732
15,881,014	12,743,506
251,409,250	134,038,194

Total : (A+B)

314,147,768	182,834,036
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		Amount in Taka	
		As at	As at
		31 March 2018	30 June 2017
15. Share capital			
A. Authorized share capital			
1,000,000,000 ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000
		10,000,000,000	10,000,000,000
B. Issued, subscribed and paid- up capital			
294,400,000 ordinary shares of Tk. 10 each fully paid		2,944,000,000	2,944,000,000
		2,944,000,000	2,944,000,000
C. Shareholding position			
	Percentage	No. of shares	
Sponsors/Directors	45.67%	134,451,528	1,344,515,280
Companies and financial institutions	28.72%	84,540,413	845,404,130
Foreign individual & companies	1.59%	4,667,402	46,674,020
General public	24.03%	70,740,657	707,406,570
	100.00%	294,400,000	2,944,000,000
16. Share premium		6,181,931,836	6,181,931,836
17. Tax holiday reserve		944,219,701	944,219,701
Tax holiday period has been ended on 30 June 2011. So, no provision has been made thereafter.			
18. Total long term loan		2,308,009,375	1,788,312,500
Current and non-current distinction			
Non-current portion		1,905,009,375	1,385,312,500
Current portion		403,000,000	403,000,000
		2,308,009,375	1,788,312,500
Name of lender	:	Standard Chartered Bank, Singapore	
Security agent	:	Standard Chartered Bank, Dhaka	
Name of facility	:	Term loan facility	
Facility limit	:	USD 35 million	
Rate of interest	:	LIBOR+4.50% per annum	
Purpose of loan	:	Financing capital expenditure	
Repayment	:	5 years including 12 months grace period for principal amount that will be paid through 16 equal quarterly installments after the grace period.	
Security	:	i) Registered mortgage on 24 storied five star hotel building (The Westin Dhaka) including 1 bigha and 4.25 katha of land on which the building is situated along with fittings and fixtures and boundary wall etc.;	
		ii) Personal guarantee of Mr. Mohd. Noor Ali, Managing Director;	
		iii) Exclusive charge on receivables of the Company.	
19. Deferred tax liability			
Opening balance		364,441,365	354,462,638
Deferred tax obligation/(benefit) during the period		(13,544,876)	9,978,727
		350,896,488	364,441,365

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

20. Short term loans

Standard Chartered Bank	-	180,000,000
Bank Alfalah Ltd.	500,000,000	500,000,000
Prime Bank Ltd. Banani Branch, overdraft	577,238,498	609,909,447
Standard Chartered Bank, Gulshan Branch, overdraft	301,110,369	304,972,067
	1,378,348,867	1,594,881,514

The loans are secured against mortgage and charge on the fixed assets, personal properties and guarantee of the Directors.

21. Due to operator and its affiliates

License fee	6,503,813	18,194,406
Incentive fee	11,386,512	31,036,163
Institutional marketing fee	6,178,622	17,284,691
Reservation fee	1,916,883	3,443,288
Office base fee	65,101	135,175
	26,050,931	70,093,723

22. Accounts payable

Bashundhara Tissue Industries	-	279,480
Blue Bird International	-	586,507
Expolink Resources Ltd.	-	1,059,100
IG Food Ltd.	-	1,622,160
Bengal Meat Processing Ind. Ltd.	-	2,652,903
R. M. Enterprise	1,716,478	2,940,623
Paragon Poultry Ltd.	411,722	79,066
Ahsan Motina Food	717,516	901,382
Northern Hatcheries Ltd.	1,916,777	-
Band Box Ltd.	1,188,264	-
Star Trade International	932,910	-
Idol Ace Ltd.	691,401	-
Transcom Beverage Ltd.	598,763	-
Unity Services Ltd.	415,038	-
Taj Enterprise	908,276	-
Noor Trade House	3,581,987	-
Starwood Asia Pacific Hotels & Resorts	74,965,152	-
Starwood Hotels & Resorts Worldwide	27,077,744	-
Liability for Starwood preferred guests	17,083,929	-
Other creditors	29,556,445	52,995,198
	161,762,402	63,116,419

23. Unclaimed dividend

Opening balance	8,502,281	7,736,729
Add: Dividend declared during the period	588,800,000	647,680,000
Less: Dividend paid during the period	(587,217,877)	(646,914,448)
	10,084,404	8,502,281

24. Other accruals and payables

Taxes, deposits and other creditors- The Westin Dhaka (24.1)
Provision for gratuity
Accrued expenses (24.2)
Provision for corporate tax (24.3)
Liability to directors and shareholders
Workers' profit participation fund (24.4)
Other payables

Amount in Taka	
As at	As at
31 March 2018	30 June 2017

58,723,218	59,377,241
15,799,419	13,203,876
140,924,519	127,485,751
602,315,492	858,684,481
269,876,165	261,076,165
71,901,180	38,096,284
870,581,274	760,068,196
2,030,121,267	2,117,991,995

24.1 Taxes, deposits and other creditors

Security deposits from suppliers
Security deposits from tenants
Others
VAT and supplementary duty
Service charge
VAT plus
TDS- suppliers
VDS- suppliers
Tips payable and employee fund
Travel agents' commission

7,260,000	6,060,000
4,560,220	4,560,220
2,007,660	3,923,369
1,277,007	615,547
15,974,221	11,867,902
26,973,250	19,687,263
111,637	322,814
316,482	238,628
-	12,101,498
242,741	-
58,723,218	59,377,241

24.2 Accrued expenses

Salaries, wages, bonus and other benefits
Accruals for utility services
Audit fee
Income tax payable for expatriate salaries
Accrual for Starwood preferred guest programme
Accrual for employee survey and vacation
Accrual for Starwood-third party reservation
Accrual for Starwood GSI/GEI
Westin privilege card and SPP card selling
Legal fees
Expatriate benefits
Advance received tower rent and workout
Accrual for data processing
Other payables- TheWestin Dhaka
Accrued expenses- corporate office

7,854,912	3,078,627
2,821,809	3,343,088
367,375	2,419,804
2,187,148	1,992,303
82,384,866	73,238,901
588,209	673,226
2,140,997	1,750,075
725,827	2,296,677
386,251	240,542
-	296,500
-	1,790,760
9,492,140	9,919,044
817,099	247,480
19,022,041	16,164,436
12,135,845	10,034,288
140,924,519	127,485,751

24.3 Provision for corporate tax

Opening balance
 Add: Income tax during the year
 Less: Income tax adjusted during the year
Closing balance

Amount in Taka	
As at	As at
31 March 2018	30 June 2017
858,684,481	675,588,679
149,818,544	183,095,802
(406,187,534)	-
602,315,492	858,684,481

24.4 Provision for workers' profit participation fund (WPPF)

Opening balance
 Add: Provision made during the period
 Less: Paid during the period
Closing balance

38,096,284	-
33,804,896	38,096,284
-	-
71,901,180	38,096,284

The Company has established workers' profit participation fund (WPPF) in the year 2016-17 in compliance with the section 234 of Bangladesh Labor (Amendments) Act, 2013.

25. Revenues

Rooms
 Food and beverage
 Minor operating department (MOD)
 Space rental and shop rent
 Other revenues

Amount in Taka	
01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
681,882,041	536,555,287
776,952,414	613,903,312
58,773,013	57,733,937
29,171,274	33,671,890
102,187,891	109,941,062
1,648,966,633	1,351,805,488

26. Costs of sales

Particulars	1 July 2017 to 31 March 2018				01 July 2016 to 31 March 2017
	Rooms Taka	Food & beverage Taka	Minor operating dept. (MOD) Taka	Total Taka	Total Taka
Salary, wages, bonus and benefits	11,897,485	49,302,966	4,890,595	66,091,046	56,128,162
Cost of materials & other related expenses	-	207,476,080	209,680	207,685,760	159,631,252
Operating supplies	6,279,549	20,241,338	1,908,178	28,429,065	23,068,920
Laundry, dry cleaning and uniforms	7,110,616	5,797,603	2,408,848	15,317,067	13,768,810
Complementary guest services	18,232,280	102,015	136,742	18,471,037	17,736,170
Linen, china, glass & silver	4,396,056	438,952	44,873	4,879,881	3,420,453
In-house TV , video, movies, music etc.	1,157,961	6,457,699	-	7,615,660	5,215,035
Travel agents commission	4,591,472	953,673	-	5,545,145	4,907,386
Traveling & communication	-	221,018	-	221,018	124,201
Airport counter charge	558,136	-	-	558,136	391,307
Fees and purchase	17,897	23,204	-	41,101	84,121
Third party reservation & amenities	7,842,419	-	-	7,842,419	8,333,511
Decoration & training	206,376	267,482	-	473,858	607,341
Pest control	-	-	-	-	430,000
Postage	447,911	3,500	-	451,411	30,191
Promotion & others	1,300	356,901	-	358,201	1,365,339
Entertainment	-	52,987	-	52,987	43,232
Others	(2,435,239)	(965,145)	78,477	(3,321,907)	4,032,641
Total	60,304,219	290,730,273	9,677,393	360,711,885	299,318,072

27. Administrative and other expenses

Operators and its affiliated company fees (27.1)
 Administrative and general expenses (27.2)
 Repairs and maintenance (27.3)
 Advertising, promotion and public relations (27.4)
 Information and Telecommunications systems (27.5)

Amount in Taka	
01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
83,052,887	64,060,663
77,133,731	65,030,824
137,095,692	128,521,079
83,364,572	66,391,549
13,574,905	8,977,041
394,221,787	332,981,156

	Amount in Taka	
	01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
27.1 Operators and its affiliated company fees		
License fee (27.1.1)	30,764,582	24,379,174
Incentive fee (27.1.2)	52,288,305	39,681,489
	83,052,887	64,060,663
27.1.1 License fee		
Payable to Westin Asia Management Co.	30,764,582	24,379,174
27.1.2 Incentive fee		
Payable to Westin Asia Management Co:		
Adjusted gross operating profit	906,528,141	689,731,530
Less:		
Marketing fee	29,226,352	23,485,756
Reservation fee	5,830,039	4,887,624
	35,056,391	28,373,380
Gross operating profit for the purpose of incentive fee	871,471,750	661,358,150
Incentive fee @ 6% on GOP	52,288,305	39,681,489
27.2 Administrative and general expenses		
Salaries, wages, bonus and benefits	27,738,123	24,876,340
Operating supplies	1,623,121	878,803
Postage	85,690	100,325
Travel and communication	2,063,620	932,453
Entertainment	1,143,062	1,642,732
Security services	10,582,944	14,826,479
Internal audit fee	(729,079)	1,315,000
Legal and professional charges	212,800	9,000
Fee and purchased services	216,491	222,765
Uniforms	115,759	333,568
Subscriptions	90,000	30,000
Bank charges	579,064	294,026
Credit card commission	18,630,947	14,338,559
Recruitment and training	2,405,571	3,513,241
Expense against provision	866,156	-
VAT expense	9,359,077	-
Permits and license fee	1,784,103	1,534,437
Other expenses	366,282	183,096
	77,133,731	65,030,824

	Amount in Taka	
	01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
27.3 Repairs and maintenance		
Salaries, wages, bonus and benefits	7,049,161	6,191,878
Electric bulbs	1,402,360	1,316,655
Painting and decorations	955,486	1,248,009
Travel and communication	265,281	28,387
Laundry equipments	153,925	-
Pest control	931,560	376,000
Electricity expenses	87,422,367	84,358,632
Fuel	96,306	29,200
Repair and maintenance	16,801,814	11,510,116
Locks and keys	713,873	271,581
Operating supplies	2,249,938	3,752,463
Plumbing charge	995,187	787,821
Propine gas	9,889,717	9,753,299
Radio, television and signage	-	122,850
Waste removal expenses	38,490	783,400
Water treatment and pest control	7,109,812	6,435,019
Uniforms	167,530	341,646
Other expenses	852,885	1,214,123
	137,095,692	128,521,079
27.4 Advertising, promotion and public relation		
Salaries, wages, bonus and benefits	7,541,635	6,524,408
Operating supplies	740,452	557,599
Postage	600	12,237
Travel and communication	847,946	648,696
Entertainment	1,797,061	1,543,433
Advertising	173,069	2,695,680
Signs, events and functions	3,161,914	1,624,732
SPG expenses	31,632,033	23,903,481
Institutional marketing fee	29,226,352	23,485,756
Reservation fee	5,830,039	4,887,624
Uniforms	221,115	154,283
Complementary guest services	-	73,301
Other expenses	2,192,356	280,319
	83,364,572	66,391,549
27.5 Information and Telecommunications Systems		
Salaries, wages, bonus and benefits	819,895	1,252,407
Uniforms	23,024	-
Operating supplies	22,150	144,162
Travel and communication	3,607,604	2,765,375
Data processing and maintenance	9,030,467	4,759,689
Laundry, dry cleaning and uniforms		20,284
Other expenses	71,765	35,124
	13,574,905	8,977,041

	Amount in Taka	
	01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
28. Corporate office expenses		
Managing Director's remuneration	4,500,000	1,800,000
Salary, allowance and wages	12,754,885	9,932,534
Festival allowance	705,180	429,573
Traveling, conveyance and allowances	435,340	1,126,746
Printing, stationery and papers	399,724	148,924
Computer expenses	111,940	126,000
Food and entertainment	806,177	784,973
Office repairs and maintenance	73,295	79,668
Telephone, mobile and internet	249,405	269,918
Advertisement and publicity for BSEC compliance	355,333	350,981
Donation and subscriptions	2,500,000	2,550,029
Trade license, renewal fees, duty and taxes	230,290	1,425,992
Office rent, utility and electrical	7,588	35,174
Legal expenses	325,000	450,000
AGM expenses	2,018,929	3,178,526
Insurance premium	3,476,824	3,465,201
Audit fees	37,500	795,000
Car repairs and maintenance	428,633	31,769
Bank charge	132,344	840,544
Paper, books and periodicals	4,532	-
Consultancy fees	505,000	-
VAT expense	10,264,185	-
Meeting fees	304,000	-
City corporation tax	-	3,872,048
Postage and courier	-	1,122
Board meeting fees	-	414,000
Rating fee	-	150,000
Regulatory fees	1,372,806	1,467,820
Depreciation	162,806,588	165,913,951
Other expenses	2,837,055	1,265,298
	207,642,553	200,905,791
29. Interest income/(expense)		
Interest income from FDR and bank deposits	43,837,602	64,630,236
Interest paid on loan	(64,746,590)	(33,753,437)
	(20,908,988)	30,876,799
30. Gain/(loss) on investment in shares		
Realized gain/ (loss) from sale of shares	6,329,517	3,950,937
Unrealized gain/(loss) for difference between cost and market price	(42,791,422)	(37,568,668)
	(36,461,905)	(33,617,731)

Unrealized gain refers to the reversal of prior period's loss recognized due the difference between the cost and market price of corresponding investment in shares.

		Amount in Taka	
		01 July 2017 to 31 March 2018	01 July 2016 to 31 March 2017
31. Other income/(expenses)			
Dividend income		4,286,979	629,679
		4,286,979	629,679
32. Provision for income tax			
Current tax expenses		147,412,821	107,541,677
Deferred tax expenses/(benefit)		(13,544,876)	8,915,021
		133,867,945	116,456,698
33. Basic Earnings per share (EPS) on Net Profit after tax before Other Comprehensive Income: (Par Value of Tk.10)		1.73	1.49
<u>Earnings attributable to ordinary shares:</u>	A		
Net Profit after tax as per Statement of Comprehensive Income		508,425,075	437,601,186
<u>Number of shares:</u>	B	294,400,000	294,400,000
		Earnings attributable to ordinary shareholders	Earnings attributable to ordinary shareholders
	=	508,425,075	437,601,186
		294,400,000	294,400,000
Basic and diluted earnings per share C=(A/B) (Par Value of Tk.10)	=	1.73	1.49

Both Basic EPS and Diluted EPS are same since there was no dilutive potential during the relevant periods.

34. Related party disclosure

During the period the Company carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in below table in accordance with the provisions of BAS-24- "Related Party Disclosure".

Name of the Party	Relationship	Nature of Transaction	Balance as on 31 March 2018			
			Opening balance	Addition	Adjustment/ (Received)	Closing balance
Borak Real Estate Ltd.	Common Director	Advance against constructions	758,503,938	192,579,576	811,332,551	139,750,963
Anannya Development (Pvt.) Ltd.	Common Director	Advance against constructions	-	-	-	-
Anannya Development (Pvt.) Ltd.	Common Director	Balance with current account	(20,000,000)		21,100,000	(41,100,000)
Purnima Construction Ltd.	Common Director	Advance against constructions	657,012,548	-	18,900,000	638,112,548
Chartered Life Insurance Company Ltd.	Common Director	Advance payment	3,553,287	-	-	3,553,287
Unique Vocational Training Centre Ltd.	Common Director	Balance with current account	116,152	-	-	116,152
Ms. Salina Ali	Chairperson	Balance with current account	(45,094,907)	3,000,000	-	(42,094,907)
Mr. Mohd. Noor Ali	Managing Director	Balance with current account	(26,065,560)	2,000,000	19,800,000	(43,865,560)
Ms. Nabila Ali	Director	Balance with current account	(77,519,684)	2,000,000	-	(75,519,684)
Ms. Nadiha Ali	Director	Balance with current account	(55,905,295)	2,000,000	-	(53,905,295)
Ms. Nadila Ali	Shareholder	Balance with current account	(56,490,719)	2,000,000	-	(54,490,719)
Unique Group of Companies Ltd.	Common Director	Balance with current account	5,156,668	3,379,806	3,057,415	5,479,059
Star Infrastructure Development Consortium Ltd.	Common Director	Advance payment	1,085,000	15,000	-	1,100,000
Borak Real Estate Ltd.	Common Director	Advance against land	2,600,000,000	-	-	2,600,000,000
Unique Property Development Ltd.	Common Director	Advance against land	3,800,000	4,880	-	3,804,880
Sonargoan Economic Zone Ltd.	Common Director	Advance against land	423,415,351	261,447,445	-	684,862,796
Borak Travels (Pvt.) Ltd.	Common Director	Balance with current account	(74,875,000)	-	22,500,000	(97,375,000)
Unique Eastern (Pvt.) Ltd.	Common Director	Balance with current account	(174,833,864)	-	89,339,500	(264,173,364)
Total			3,921,857,914	468,426,707	986,029,466	3,404,255,155

Transaction with key management personnel of the entity:

No.	Particulars	Value in Tk.
(a)	Managerial remuneration paid or payable during the year from 1 July 2017 to 31 March 2018 to the directors, including managing director, a managing agent or manager	4,500,000
(b)	Net cash inflow/(outflow) for the period	(4,500,000)
(c)	Commission or remuneration payable separately to a managing agent or his associate	Nil
(d)	Cash and cash equivalents at the end of the period	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(i)	Share based payments	Nil

35. Events after reporting period

In compliance with the requirements of BAS 10 : “Events after reporting period”, post balance sheet adjusting events that provide additional information about the Company’s position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material. The Company have no adjusting or non adjusting events after reporting period.

36. Directors responsibility statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

37. General

37.1 Employee details:

Total number of employees having annual salary and allowances of Tk. 36,000 or above each at the reporting date was as follows:

Particulars	31 March '18	30 June '17
Number of employees	885	759

None of the employees were in receipt of remuneration which in aggregate was less than Tk. 3,000 per month.

37.2 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest Taka and wherever considered necessary.

37.3 Rearrangement of last year figures

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

sd/- sd/- sd/- sd/- sd/-
Chief Financial Officer Company Secretary Director Managing Director Chairperson

Dated, 26 April 2018
Dhaka