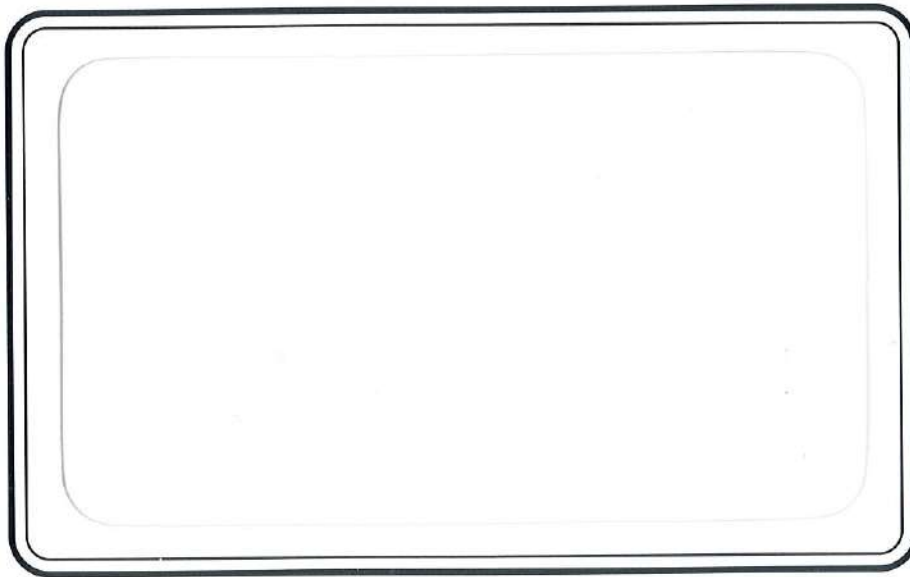


***PRIVATE AND CONFIDENTIAL***



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS

**Head Office :**

**SADHARAN BIMA SADAN (5TH FLOOR)  
24-25, DILKUSHA COMMERCIAL-AERA  
DHAKA-1000, BANGLADESH**

**Branch Office :**

**Plot 51, Floor-2, Road 14, Block-G Niketon  
Gulshan-1, Dhaka-1212**

**TEL OFF : +88 02 9568071, 9570717, 9575324, 9553630**

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**UNIQUE HOTEL & RESORTS LIMITED**

Plot No. 01, CWN(B), Road No. 45, Gulshan-2, Dhaka-1213



**Financial Statements & Auditor's Report  
For the year ended June 30, 2021**



# Independent Auditor's Report To the Shareholders of UNIQUE HOTEL & RESORTS LIMITED

## Report on the Audit of the Financial Statements

### Opinion

We have audited the consolidated financial statements of UNIQUE HOTEL & RESORTS LIMITED and its subsidiaries (the 'Group') as well as the separate financial statements of UNIQUE HOTEL & RESORTS LIMITED (the 'Company'), which comprise the consolidated and separate statement of financial position as at 30 June 2021, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	How our audit addresses the Key Audit Matter
<b>Investment in Subsidiary – Consolidation and Stand-Alone</b>  The Company has recognized an asset worth BDT 2,280,981,825 in subsidiary Unique Meghnaghat Power Limited as at 30 June 2021 (BDT 708,138,065 as at 30 June 2020). This investment represents 62.76% ownership in the subsidiary as at 30 June 2021 (51% ownership as at 30 June 2020). In prior years, this investment was presented as Advances which has been restated and Management has used the consolidation method to present the assets and liabilities of this subsidiary. This is the first year of consolidated financial statements and there are intercompany transactions taking place between the two entities. Considering these factors, the overall risk profile of this item was considered high and was considered as a key audit matter.	Our audit procedures to mitigate the risk include: <ul style="list-style-type: none"> <li>▶ We performed discussions with management to understand their procedures and processes to prepare consolidated financial statements as well as performing restatement of prior year financial information.</li> <li>▶ We reviewed supporting documentation to ensure the subsidiary met the criteria for consolidation and management has applied the appropriate accounting standards.</li> <li>▶ We provided our group audit instructions to the component auditor at the start of our audit. We obtained audit evidence, reporting package and performed review of their work as part of our group audit procedures.</li> <li>▶ We reviewed the consolidation procedures performed by Management. We reviewed management's elimination of intercompany balances to ensure accuracy and appropriateness. We also reviewed the stand-alone financial numbers used to prepare the consolidated statements to ensure clerical accuracy of consolidated financial statements.</li> <li>▶ We reviewed Management's calculation of Non-Controlling Interest for all financial years presented on the statement of financial position and ensured there were no clerical errors and IFRS 10 was applied appropriately.</li> <li>▶ Management's restatement of prior year financial information was reviewed and assessed. We reviewed all changes made and obtained supporting evidence to substantiate the correction or adjustment that management has made. We reviewed these changes also for clerical accuracy to ensure there were no clerical or mathematical mistakes.</li> </ul>



Ref: GKC/21-22/A28- Page 1

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 TEL OFF : 02-223388071, 02-223355324, 48812330, 48812331  
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	<ul style="list-style-type: none"> <li>▶ We reviewed management disclosures and notes to the financial statements to ensure they were accurate and adequate in regards to the requirements of IFRS 10 and IAS 8.</li> </ul>
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**Management has presented separate consolidated financial statements as well audited financial statements. Additional details have been included in Note 9.2 and 9.2A to the financial statements.**

**Property, Plant & Equipment**

<p>The Company's consolidated PPE balance as at 30 June 2021 was BDT 20,307,471,224 (BDT 19,348,773,908 as at 30 June 2020). This represents 47% of Total Assets of the Company (48.56% of the Company as at 30 June 2020). There is estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ Obtain an understanding of Company's internal controls, systems and processes around PPE.</li> <li>▶ Performed discussions with management to understand their process of determining asset useful life.</li> <li>▶ We performed PPE additions procedures by obtaining supporting documentation, invoices, and delivery information as well payments support.</li> <li>▶ We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence.</li> <li>▶ We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable.</li> <li>▶ For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset and then reviewed management's calculations to ensure no clerical errors took place to calculate any related gains or losses.</li> <li>▶ We reviewed management's consolidation entries for consolidation to ensure intercompany transactions related to this account was appropriately eliminated.</li> </ul>
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**Detailed notes regarding Property, Plant & Equipment has been included in Note 5.00 and Note 5.00A in the Financial Statements**

**Revenue and Accounts Receivables**

<p>During the year, the Company has recognized revenue of BDT 675,400,089 for the year ended 30 June 2021 (BDT 1,574,890,441 for the year ended 30 June 2020). The Company's revenue recognition process are complex as they have high volume and low value transactions. This account is also a significant driver of Company performance and has major impact on financial statement user's decision making. Finally this account always has risk of management over-ride of internal controls.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ We performed detailed discussions with Management of necessary departments to gain understanding of revenue recognition and daily reconciliation procedures. We performed walkthroughs of daily reconciliation and journal entry posting procedures. From there, we designed our substantive procedures to perform testing of revenue.</li> <li>▶ For our revenue testing, we had already communicated to Management that we will revamp the way testing is performed in order to obtain greater audit coverage. Since the Company's revenue is based on high volume micro transactions, we utilized Data Analytics and Audit CAATs to map the flow of data from inception (customer sale) to final settlement (deposit into the bank).</li> <li>▶ By analyzing the flow of JE s from revenue to bank and substantively testing the deposit of receipts of revenue to the bank, we were able to obtain the highest levels of audit assurance.</li> <li>▶ We obtained Accounts Receivable Sub Ledgers and Aging List from Management for Year-End. We selected customers with material receivable balances for both operating hotels and obtained year-end confirmation. In addition, we obtained subsequent receipt evidence from management to authenticate recoverability of these balances.</li> <li>▶ We reviewed Management's Allowance for Doubtful debt provisions to determine their appropriateness and completeness of the provision recognized.</li> </ul>
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**Details of Revenue Recognition are included in Note 27.00 and Accounts Receivable are included in Note 10.00 to the Financial Statements**

**Deferred Taxes and Current Taxes**

<p>Deferred Taxes is an area of complexity and has significant scope for management estimates and judgement. For the current year, the consolidated Deferred tax liability was BDT 2,536,077,319 (BDT 2,870,482,266 as at 30 June 2020).</p> <p>Consolidated Current Tax liability recognized as at 30 June 2021 was BDT 10,051,535 (BDT 143,479,956 as at 30 June 2020).</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ We obtained management's calculation of deferred taxes and reviewed the calculation to ensure appropriateness of liability calculated. We tested mathematical accuracy of calculations performed to ensure absence of clerical errors.</li> <li>▶ To confirm tax values of fixed assets, we obtained the Income Tax Assessments for the last two completed years from Management. We noted that Management's calculations of asset tax bases were appropriate.</li> <li>▶ We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and tax loss carry forwards to ensure the deferred tax liability</li> </ul>
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	<p>calculated was appropriate. We assessed the presentation and disclosures and determined their accuracy in accordance with IAS 12.</p> <ul style="list-style-type: none"> <li>▶ We obtained management's calculation of current taxes and review the calculation to ensure appropriateness of liability calculated. We tested mathematical accuracy of calculations performed to ensure absence of clerical errors.</li> <li>▶ We reviewed the Income Tax Act and Ordinances to ensure management's calculations of income taxes were in line with applicable rules and laws set out within the Income Tax Act and Finance Act and other applicable SROs an Rules published.</li> <li>▶ For Income Taxes paid at source or additional taxes paid, we obtained supporting documentation and traced the payments to the bank.</li> </ul>
<p><b>Details of Deferred Taxes are included in Note 20.00 to the Financial Statements</b></p>	
<p><b>Fixed Deposits</b></p>	
<p>The Company has recognized Current and non-current assets of Fixed Deposits worth BDT 1,387,262,035 as at 30 June 2021 (BDT 1,526,136,700 as at 30 June 2020). This account is not complex and does not involve high volume of transactions. However, there is scope for judgement on Management's part in regards to impairment of assets.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>▶ We obtained balance confirmation of FDR Statements to ensure existence, accuracy and valuation of Fixed Deposits. We also reviewed original FDR instruments to obtain additional assurance over their existence.</li> <li>▶ We reviewed management's interest income calculations to ensure accuracy and occurrence of interest income recognized on the financial statements.</li> <li>▶ We obtained management's assertions on impairment and also communicated in detail with the Company's legal counsel. We corroborated management's assertions with other available information to determine the overall reasonability of management's assumptions around impairment of assets.</li> <li>▶ We reviewed management's disclosures and assessed their adequateness and completeness.</li> </ul>
<p><b>Details of Fixed Deposits are included in Note 13.00 to the Financial Statements</b></p>	

#### Other Matter

1. We draw your attention to Note 4.19 to the financial statements which provide details on the restatement of prior year financial information. Our auditor's opinion is not qualified on this matter.
2. The financial statements of the Company for the year 30 June 2020 was audited by another auditor who expressed an unqualified audit opinion.

#### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard..

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



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

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- ▶ We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ▶ In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Group and Company so far as it appeared from our examinations of those books;
- ▶ Financial statements for the year ended 30 June 2021 of subsidiary namely, Unique Meghnaghat Power Limited have been audited by Pinaki & Company, Chartered Accountants and have been properly reflected in the consolidated financial statements. The auditors have expressed an unqualified opinion for the company;
- ▶ The consolidated and the separate statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- ▶ The expenditures incurred were for the purpose of the Group's and the Company's business.

Date: 25 October, 2021  
Dhaka, Bangladesh

DVC: 2111010392AS930654

  
A.K. Gulam Kibria, FCA (#392)  
Engagement Partner  
G. KIBRIA & CO.  
Chartered Accountants



# Unique Hotel & Resorts Limited

## Consolidated Statement of Financial Position

As at 30 June 2021

Notes	Amount in Taka		
	30 June 2021	30 June 2020	01 July 2019
		Restated	Restated
<b>ASSETS</b>			
<b>Non-current Assets</b>	<b>35,671,566,409</b>	<b>32,003,913,969</b>	<b>29,229,341,366</b>
Property, plant and equipment, net	5.A 20,307,471,224	19,348,773,908	18,979,873,440
Construction work in progress	6.A 14,969,091,394	12,037,940,108	9,520,486,197
Intangible assets	7.A 80,921	115,289	149,657
Fixed deposit receipts	13 274,679,385	274,679,385	274,679,385
Investment in unquoted share	9.A.1 112,737,000	334,502,800	445,858,055
Investment in Associate	9.3 7,506,485	7,902,479	8,294,632
<b>Current Assets</b>	<b>7,479,537,311</b>	<b>7,874,153,519</b>	<b>8,672,813,291</b>
Inventories	8 59,170,465	42,356,756	46,532,843
Investment in quoted share	9.1 186,506,292	200,603,460	269,098,870
Accounts receivable	10 84,429,542	219,098,663	237,226,763
Other receivables	11.A 11,040,732	24,902,501	26,805,250
Advances, deposits and prepayments	12.A 5,731,934,948	5,911,324,207	6,757,646,792
Fixed deposit receipts	13 1,112,582,650	1,251,457,315	1,252,693,338
Cash and cash equivalents	14.A 293,872,682	224,410,617	82,809,435
<b>TOTAL ASSETS</b>	<b>43,151,103,720</b>	<b>39,878,067,488</b>	<b>37,902,154,657</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>	<b>25,915,557,745</b>	<b>24,162,681,746</b>	<b>24,363,653,901</b>
Share capital	15 2,944,000,000	2,944,000,000	2,944,000,000
Share premium	16 6,181,931,836	6,181,931,836	6,181,931,836
Revaluation reserve	17 10,292,740,021	10,168,822,832	10,261,164,914
Retained earnings	4,001,586,811	4,129,985,502	4,332,402,950
Non controlling interest	2,495,299,077	737,941,576	644,154,201
<b>Non-current Liabilities</b>	<b>6,552,766,238</b>	<b>6,223,453,025</b>	<b>3,940,487,017</b>
Term loan- non-current portion	18.A 3,935,777,581	3,265,101,171	959,426,970
Lease liability-non current portion	19 80,911,338	87,869,588	93,618,491
Deferred tax liability	20 2,536,077,319	2,870,482,266	2,887,441,556
<b>Current Liabilities</b>	<b>10,682,779,737</b>	<b>9,491,932,717</b>	<b>9,598,013,739</b>
Term loan- current portion	18.A 4,144,967,907	3,481,073,050	3,526,920,931
Lease liability-current portion	19 11,477,463	8,976,913	13,891,334
Short term loans	21 1,722,539,454	1,660,713,706	1,590,647,500
Due to operator and its affiliates	22 238,264,830	386,279,386	263,682,006
Accounts payable	23 33,251,137	34,114,450	54,089,569
Undistributed/unclaimed dividend	24 12,841,987	12,611,384	10,598,403
Liabilities to intercompanies	25 2,759,745,537	2,408,342,770	2,643,987,494
Other accruals and payables	26.A 1,759,691,422	1,499,821,058	1,494,196,502
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,151,103,720</b>	<b>39,878,067,488</b>	<b>37,902,154,657</b>
<b>Net Asset Value (NAV) per share</b>	<b>37.1.1 88.03</b>	<b>82.07</b>	<b>82.76</b>

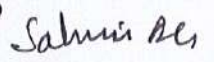
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

  
Chief Financial Officer

  
Company Secretary

  
Director

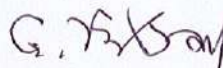
  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;  
25 October 2021

DVC: 2111010392A5930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO  
Chartered Accountants



# Unique Hotel & Resorts Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the year ended 30 June 2021

	Notes	Amount in Taka	
		01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
			<b>Restated</b>
Revenue	27	675,400,089	1,574,890,441
Cost of sales	28	(234,533,439)	(376,074,900)
<b>Gross profit</b>		<b>440,866,650</b>	<b>1,198,815,541</b>
Administrative and other expenses	29.A	(353,524,316)	(440,313,853)
<b>Operating profit</b>		<b>87,342,334</b>	<b>758,501,688</b>
Corporate office expenses	30	(309,260,548)	(303,038,910)
Capital gain	31.A	4,920,320	-
Other income/(expenses)	32	60,693,934	80,075,331
Gain/(loss) on investment in shares	33	138,894,497	(66,293,294)
Interest income	34.A	53,632,593	88,831,796
Interest expenses	34.A	(104,075,598)	(116,080,938)
Provision for bad debts	35	(142,707,454)	(2,023,458)
<b>Profit/(loss) before WPPF and tax</b>		<b>(210,559,922)</b>	<b>439,972,215</b>
Provision for WPPF	26.4	(15,753,687)	(22,782,838)
<b>Profit/(loss) before tax</b>		<b>(226,313,609)</b>	<b>417,189,377</b>
Current tax	36	9,451,198	(161,660,191)
Deferred tax	36	89,541,949	(13,821,404)
<b>Net profit/(loss) after tax of Group</b>		<b>(127,320,462)</b>	<b>241,707,782</b>
Share of net profit/(loss) after tax of Associate	9.3.1	(395,994)	(392,153)
<b>Total net profit/(loss) after tax for the year</b>		<b>(127,716,456)</b>	<b>241,315,629</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(127,716,456)</b>	<b>241,315,629</b>
<b>Net profit/(loss) after tax attributable to:</b>		<b>(127,716,456)</b>	<b>241,315,629</b>
Unique Hotel & Resorts Limited		(97,078,727)	260,164,642
Non controlling interest		(30,637,729)	(18,849,013)
<b>Total comprehensive income attributable to:</b>		<b>(127,716,456)</b>	<b>241,315,629</b>
Unique Hotel & Resorts Limited		(97,078,727)	260,164,642
Non controlling interest		(30,637,729)	(18,849,013)
<b>Consolidated Basic and Diluted Earnings Per Share (EPS)</b>	<b>37.2.1</b>	<b>(0.33)</b>	<b>0.88</b>

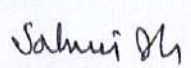
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;  
25 October 2021

DVC: 211010392A5930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
**G. KIBRIA & CO.**  
Chartered Accountants





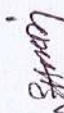
# Unique Hotel & Resorts Limited

Consolidated Statement of Changes in Equity  
For the year ended 30 June 2021

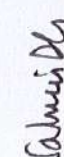
Particulars	Amount in Taka					
	Ordinary Share Capital	Share Premium	Retained Earnings	Revaluation Reserve	Non controlling interest	Total
<b>For 2019-2020:</b>						
Balance at 1st July 2019 (Restated)	2,944,000,000	6,181,931,836	4,348,990,236	10,261,164,914	-	23,736,086,986
Ownership of non controlling interest	-	-	-	-	290,620	290,620
Impact of profit/(loss) of subsidiary to UHRL and non controlling interest	-	-	(14,381,918)	-	(7,749,032)	(22,130,950)
Share money deposits received during the year	-	-	-	-	651,612,613	651,612,613
Share of profit/(loss) of Associate for the year ended 2017 and 2018	-	-	(2,205,368)	-	-	(2,205,368)
<b>Balance at 1st July 2019 (Restated)</b>	<b>2,944,000,000</b>	<b>6,181,931,836</b>	<b>4,332,402,950</b>	<b>10,261,164,914</b>	<b>644,154,201</b>	<b>24,363,653,901</b>
Increase in ownership of non controlling interest	-	-	-	-	319,430	319,430
Adjustment to equity due to increase in NCI ownership	-	-	3,095,134	-	(3,095,134)	-
Net profit/(loss) made during the year	-	-	260,164,642	-	(18,849,013)	241,315,629
Cash dividend @ 20% for 2018-19	-	-	(588,800,000)	-	-	(588,800,000)
Share money deposits received during the year	-	-	-	-	115,412,092	115,412,092
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	123,122,776	(92,342,082)	-	30,780,694
<b>Balance as on 30 June 2020 (Restated)</b>	<b>2,944,000,000</b>	<b>6,181,931,836</b>	<b>4,129,985,502</b>	<b>10,168,822,832</b>	<b>737,941,576</b>	<b>24,162,681,746</b>
<b>For 2020-2021:</b>						
Balance as on 1st July 2020 (Restated)	2,944,000,000	6,181,931,836	4,129,985,502	10,168,822,832	737,941,576	24,162,681,746
Decrease in ownership of non controlling interest	-	-	-	-	(146,410)	(146,410)
Preference shares issued during the year	-	-	-	-	2,472,887,590	2,472,887,590
Net profit/(loss) made during the year	-	-	(97,078,727)	-	(30,637,729)	(127,716,456)
Adjustment to equity due to decrease in NCI ownership	-	-	(11,434,063)	-	11,434,063	-
Cash dividend @ 10% for 2019-20	-	-	(140,831,710)	-	-	(140,831,710)
Share money deposits received during the year	-	-	-	-	793,311,326	793,311,326
Share money deposits adjusted against share issued	-	-	-	-	(1,489,491,340)	(1,489,491,340)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	120,945,809	123,917,189	-	244,862,998
<b>Balance as on 30 June 2021</b>	<b>2,944,000,000</b>	<b>6,181,931,836</b>	<b>4,001,586,811</b>	<b>10,292,740,021</b>	<b>2,495,299,077</b>	<b>25,915,557,745</b>

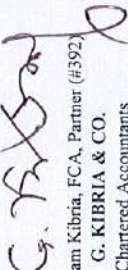
  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

  
Chairperson

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO.  
Chartered Accountants



Signed in terms of our report of even date annexed.

Dated, Dhaka:  
25 October 2021  
DVC: 2111010392AS930654

# Unique Hotel & Resorts Limited

Consolidated Statement of Cash Flows  
For the year ended 30 June 2021

Notes	Amount in Taka	
	As at 30 June 2021	As at 30 June 2020
<b>Cash flows from operating activities</b>		
Collections from turnover and other sources	923,927,975	1,762,943,833
Payment for operating costs and other expenses	(598,761,498)	(511,029,534)
Income tax paid during the period	(48,425,072)	(139,100,498)
<b>Net cash from operating activities (A)</b>	<b>37.4.1 276,741,405</b>	<b>1,112,813,801</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(171,507,053)	(451,202,736)
Disposal of property, plant and equipment	59,165,000	-
Increase in construction work in progress	(2,597,640,631)	(2,335,313,728)
Decrease/ (Increase) in investment and construction advances	373,384,690	(120,694,910)
Gain/ (loss) on investment in shares	30,572,966	349,070
Dividend received during the period	10,613,505	4,463,151
Increase in advance against land	(64,720,548)	(20,231,512)
Decrease/ (Increase) in fixed deposit receipts	138,874,665	1,236,023
<b>Net cash used in investing activities (B)</b>	<b>(2,221,257,407)</b>	<b>(2,921,394,643)</b>
<b>Cash flows from financing activities</b>		
Increase/(decrease) in term loan	670,676,410	2,557,565,932
Proceed from issuance of share capital	-	319,430
Changes in other receivable	(811,557)	(3,213,000)
Receipts from intercompany	-	115,412,092
Payments for lease liability	(4,457,700)	(18,873,319)
Proceed from Preference share capital	793,311,326	-
Interest Received	36,496	-
Increase/(decrease) in short term financing	799,428,511	(6,005,582)
Interest paid during the period	(104,070,841)	(107,870,944)
Dividend paid during the period	(140,601,107)	(586,787,019)
<b>Net Cash provided by/(used in) financing activities (C)</b>	<b>2,013,511,538</b>	<b>1,950,547,591</b>
<b>Net cash inflow/(outflow) for the period (A+B+C)</b>	<b>68,995,535</b>	<b>141,966,749</b>
Add: Cash and cash equivalents at the beginning of the year	224,410,617	82,809,435
Foreign currency translation difference	466,530	(365,567)
<b>Cash and cash equivalents at the end of the year</b>	<b>293,872,682</b>	<b>224,410,617</b>
<b>Consolidated operating cash inflow/(outflow) per share</b>	<b>37.3.1 0.94</b>	<b>3.78</b>

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

  
Chief Financial Officer

  
Company Secretary

  
Director

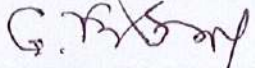
  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;  
25 October 2021

DVC: 2111010392AS930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO.  
Chartered Accountants



# Unique Hotel & Resorts Limited

## Statement of Financial Position

As at 30 June 2021

Notes	Amount in Taka		
	30 June 2021	30 June 2020	01 July 2019
<b>ASSETS</b>			
<b>Non-current Assets</b>			
	<b>30,338,072,992</b>	<b>28,015,595,924</b>	<b>25,589,347,470</b>
Property, plant and equipment, net	5	18,560,845,669	19,249,432,947
Construction work in progress	6	9,101,322,628	7,647,206,048
Fixed deposit receipts	13	274,679,385	274,679,385
Investment in unquoted share	9.2	2,393,718,825	836,375,065
Investment in Associate	9.3	7,506,485	7,902,479
			8,294,632
<b>Current Assets</b>			
	<b>7,347,813,082</b>	<b>7,850,849,205</b>	<b>8,667,962,309</b>
Inventories	8	59,170,465	42,356,756
Investment in quoted share	9.1	186,506,292	200,603,460
Accounts receivable	10	84,429,542	219,098,663
Other receivables	11	11,040,732	21,689,501
Advances, deposits and prepayments	12	5,730,909,353	5,910,165,501
Fixed deposit receipts	13	1,112,582,650	1,251,457,315
Cash and cash equivalents	14	163,174,048	205,478,009
			78,158,073
<b>TOTAL ASSETS</b>	<b>37,685,886,074</b>	<b>35,866,445,129</b>	<b>34,257,309,779</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
	<b>23,973,347,492</b>	<b>23,455,645,315</b>	<b>23,733,881,618</b>
Share capital	15	2,944,000,000	2,944,000,000
Share premium	16	6,181,931,836	6,181,931,836
Revaluation reserve	17	10,292,740,021	10,168,822,832
Retained earnings		4,554,675,635	4,160,890,647
			4,346,784,868
<b>Non-current Liabilities</b>			
	<b>6,471,854,900</b>	<b>6,135,583,437</b>	<b>3,846,868,526</b>
Term loan- non-current portion	18	3,935,777,581	3,265,101,171
Deferred tax liability	20	2,536,077,319	2,870,482,266
			2,887,441,556
<b>Current Liabilities</b>			
	<b>7,240,683,682</b>	<b>6,275,216,377</b>	<b>6,676,559,635</b>
Term loan- current portion	18	757,418,831	371,218,835
Short term loans	21	1,722,539,454	1,660,713,706
Due to operator and its affiliates	22	238,264,830	386,279,386
Accounts payable	23	33,251,137	34,114,450
Undistributed/unclaimed dividend	24	12,841,987	12,611,384
Liabilities to intercompanies	25	2,759,745,537	2,408,342,770
Other accruals and payables	26	1,716,621,906	1,401,935,846
			1,444,596,217
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,685,886,074</b>	<b>35,866,445,129</b>	<b>34,257,309,779</b>
Net Asset Value (NAV) per share (Restated)	37.1.2	81.43	79.67
Net Asset Value (NAV) per share (Published)	37.1.2	81.43	79.68
			80.63

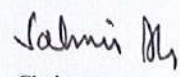
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Chief Financial Officer

  
Company Secretary

  
Director

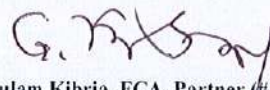
  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka,  
25 October 2021

DVC: 2111010392A5930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO  
Chartered Accountants



# Unique Hotel & Resorts Limited

Statement of Profit or Loss and Other Comprehensive Income  
For the year ended 30 June 2021

Notes	Amount in Taka	
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
		<b>Restated</b>
Revenue	27 675,400,089	1,574,890,441
Cost of sales	28 (234,533,439)	(376,074,900)
<b>Gross profit</b>	<b>440,866,650</b>	<b>1,198,815,541</b>
Administrative and other expenses	29 (291,378,920)	(410,056,474)
<b>Operating profit</b>	<b>149,487,730</b>	<b>788,759,067</b>
Corporate office expenses	30 (309,260,548)	(303,038,910)
Capital Gain	31 476,390,779	-
Other income/(expenses)	32 60,693,934	80,075,331
Gain/(loss) on investment in shares	33 138,894,497	(66,293,294)
Interest income	34 53,596,097	88,831,796
Interest expenses	34 (96,267,611)	(107,870,943)
Provision for bad debts	35 (142,707,454)	(2,023,458)
<b>Profit/(loss) before WPPF and tax</b>	<b>330,827,424</b>	<b>478,439,589</b>
Provision for WPPF	26.4 (15,753,687)	(22,782,838)
<b>Profit/(loss) before tax</b>	<b>315,073,737</b>	<b>455,656,751</b>
Current tax	36 9,451,198	(161,660,191)
Deferred tax	36 89,541,949	(13,821,404)
<b>Net profit/(loss) after tax of UHRL</b>	<b>414,066,884</b>	<b>280,175,156</b>
Share of net profit/(loss) after tax of Associate	9.3.1 (395,994)	(392,153)
<b>Total net profit/(loss) after tax for the year</b>	<b>413,670,890</b>	<b>279,783,003</b>
Other comprehensive income	-	-
<b>Total comprehensive income/(loss) for the year</b>	<b>413,670,890</b>	<b>279,783,003</b>
<b>Basic and Diluted Earnings Per Share (EPS)</b>	<b>37.2.2 1.41</b>	<b>0.95</b>

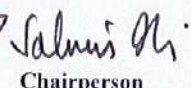
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Chief Financial Officer

  
Company Secretary

  
Director

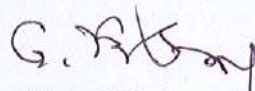
  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;  
25 October 2021

DVC: 2111010392AS930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO  
Chartered Accountants



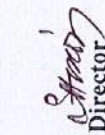
# Unique Hotel & Resorts Limited

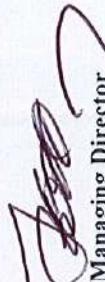
Statement of Changes in Equity  
For the year ended 30 June 2021

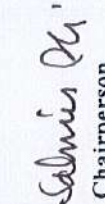
Particulars	Amount in Taka				
	Ordinary Share Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total
<b>For 2019-2020:</b>					
<b>Balance at 1st July 2019 (Restated)</b>	2,944,000,000	6,181,931,836	4,348,990,236	10,261,164,914	23,736,086,986
Share of net profit/(loss) after tax of Associate for the year ended 30 June 2017 and 30 June 2018	-	-	(2,205,368)	-	(2,205,368)
<b>Balance as on 1st July 2019 (Restated)</b>	2,944,000,000	6,181,931,836	4,346,784,868	10,261,164,914	23,733,881,618
Net profit/(loss) during the year	-	-	279,783,003	-	279,783,003
Cash dividend @ 20% for 2018-19	-	-	(588,800,000)	-	(588,800,000)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	123,122,776	(92,342,082)	30,780,694
<b>Balance as on 30 June 2020 (Restated)</b>	2,944,000,000	6,181,931,836	4,160,890,647	10,168,822,832	23,455,645,315
<b>For 2020-2021:</b>					
<b>Balance as on 1st July 2020 (Restated)</b>	2,944,000,000	6,181,931,836	4,160,890,647	10,168,822,832	23,455,645,315
Net profit/(loss) during the year	-	-	413,670,890	-	413,670,890
Cash dividend @ 10% for 2019-20	-	-	(140,831,710)	-	(140,831,710)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	120,945,809	123,917,189	244,862,998
<b>Balance as on 30 June 2021</b>	2,944,000,000	6,181,931,836	4,554,675,635	10,292,740,021	23,973,347,492

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.



A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO  
Chartered Accountants



Dated, Dhaka;  
25 October 2021  
DVC: 2111010392AS930654

# Unique Hotel & Resorts Limited

Statement of Cash Flows  
For the year ended 30 June 2021

Notes	Amount in Taka	
	As at 30 June 2021	As at 30 June 2020
<b>Cash flows from operating activities</b>		
	923,927,975	1,762,943,833
	(552,941,797)	(493,528,735)
	(48,425,072)	(139,100,498)
<b>Net cash from operating activities (A)</b>	<b>37.4.2 322,561,106</b>	<b>1,130,314,600</b>
<b>Cash flows from investing activities</b>		
	(63,835,778)	(446,269,035)
	59,165,000	-
	(1,408,497,299)	(2,028,732,084)
	373,384,690	(120,694,910)
	30,572,966	349,070
	10,613,505	4,463,151
	(674,125,000)	2,239,545
	(64,720,548)	(20,231,512)
	138,874,665	1,236,023
<b>Net cash used in investing activities (B)</b>	<b>(1,598,567,797)</b>	<b>(2,607,639,752)</b>
<b>Cash flows from financing activities</b>		
	670,676,410	2,305,674,201
	799,428,511	(6,005,582)
	(96,267,612)	(107,870,944)
	(140,601,107)	(586,787,019)
<b>Net Cash provided by/(used in) financing activities (C)</b>	<b>1,233,236,202</b>	<b>1,605,010,657</b>
<b>Net cash inflow/(outflow) for the period (A+B+C)</b>	<b>(42,770,490)</b>	<b>127,685,504</b>
Add: Cash and cash equivalents at the beginning of the year	205,478,009	78,158,073
Foreign currency translation difference	466,530	(365,567)
<b>Cash and cash equivalents at the end of the year</b>	<b>163,174,048</b>	<b>205,478,009</b>
<b>Operating cash inflow/(outflow) per share</b>	<b>37.3.2 1.10</b>	<b>3.84</b>

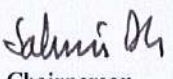
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Chief Financial Officer

  
Company Secretary

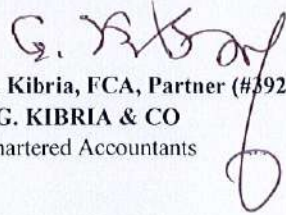
  
Director

  
Managing Director

  
Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;  
25 October 2021  
DVC: 2111010392A5930654

  
A.K. Gulam Kibria, FCA, Partner (#392)  
G. KIBRIA & CO  
Chartered Accountants



# Unique Hotel & Resorts Limited

Notes to the Financial Statements

For the year ended 30 June 2021

## 1. Legal status of the Company

### 1.1 Reporting entity

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

The consolidated financial statements of the Company comprise the Company's and its subsidiaries (together referred to as the "Group" and individually as "Group entities" ) and the Group's interest in associates.

### 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 51/B, Borak Mehnur, Kemal Ataturk Avenue, Banani, Dhaka-1213.

### 1.4 Principal activities and nature of business

Unique Hotel & Resorts Limited (the owner of "The Westin Dhaka" which is a Five Star Hotel in Bangladesh) started its commercial operation on 1<sup>st</sup> July 2007. The principal activities of the Company over the period were carrying out hotel business through a Management Contract dated 20 December 1999 (renewed on 9 April 2015) executed between Unique Hotel & Resorts Ltd ("the Owner") and Starwood Asia Pacific Hotels & Resorts Pte. Ltd. ("the operator"), now 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 or program service 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 centralized service fees for developing, promoting, operating, maintaining and upgrading the centralized services and associated Starwood technology.

The Company owned another international standard hotel in the name and style of "HANSA, a premium residence by UHRL" has started its operation from July 2018.

Construction work of another 5 star hotel "Sheraton Dhaka" is nearly finished. Due to COVID-19 impact the work of furnishing and decorating has been delayed and we are expecting to complete the project work by October 2021.

## 2 Description of subsidiaries and associates

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Associates are entities in which Unique Hotel & Resorts Limited can exert significant influence including power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. The Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in associates are initially recognised at cost.



## **2.1 Unique Meghnaghat Power Limited**

Unique Meghnaghat Power Limited (UMPL) was established for "Power Generation" under a joint venture between the sponsors Unique Hotel & Resorts Limited, Strategic Finance Limited and Guyanama PR Holdings B.V., which was incorporated in Bangladesh on 25 September 2018 as a Public Limited Company under Companies Act 1994. Unique Hotel & Resorts Limited initially subscribed to 64.99% of the ordinary shares of the Unique Meghnaghat Power Limited. Subsequently new shares were issued on 8th August 2019 which reduces the ownership of Unique Hotel & Resorts Limited to 51%. Strategic Finance Limited further transferred 11.76% shares in the name of Unique Hotel & Resorts Limited on April 13, 2021 which further accumulates the shareholding of Unique Hotel & Resorts Limited to 62.76%.

The registered office is at Borak Mehnur, 51/B, Kemal Ataturk Avenue, Banani, Dhaka 1213, Bangladesh. The principal activity of Unique Meghnaghat Power Limited is to set up and operate power plants for generation and supply of electricity. It has undertaken to set up 584MW capacity power plants at Meghnaghat, Narayanganj. Commercial production is planned to be started by 31st December 2022.

## **2.2 Sonargaon Economic Zone Limited**

Unique Hotel & Resorts Limited holds 35% of Sonargaon Economic Zone Limited (SEZL), a company which was incorporated on February 06, 2017 as a private limited company under the Companies Act 1994. The aim of Sonargaon Economic Zone Limited is to attract new categories of investment in addition to the conventional ones. These are: Textile & Garment, Food Processing, Power Plant, Automobile, Petrochemical, Plastic and other Consumer Goods, Electric & Electronics, Precision Machinery Parts, LPG Plant, a broad range of light, medium, and heavy industries is proposed for the site. The registered office is at Borak Mehnur, 51/B, Kemal Ataturk Avenue, Banani, Dhaka 1213, Bangladesh.

## **3 Basis of preparation**

### **3.1 Statement of compliance**

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

### **3.2 Other regulatory compliances**

The Group is also required to comply with the following major laws and regulations 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 and SD Act, 2012;
- The Value Added Tax and SD Rules, 2016;
- The Customs Act 1969;
- DSE Listing Regulations, 2015;
- Bangladesh Labour Act, 2006 (Amendment in 2013);
- Bangladesh Labour Rules, 2015; and
- Financial Reporting Act, 2015.





### 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 IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

- i) Consolidated and Separate Statement of Financial Position;
- ii) Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income;
- iii) Consolidated and Separate Statement of Changes in Equity;
- iv) Consolidated and Separate Statement of Cash Flows;
- v) Notes to the Consolidated and Separate Financial Statements, comprising a summary of significant accounting policies and other explanatory information to the financial statements.

### 3.4 Basis of consolidation

#### (i) Subsidiaries

The financial statements of subsidiary, UMPL has been fully consolidated as Unique Hotel & Resorts Limited directly controls more than 50% of the voting rights of Unique Meghnaghat Power Limited (UMPL). The accounting policies of UMPL have been changed when necessary to align them with the policies adopted by Unique Hotel & Resorts Limited.

#### (ii) Non-controlling interests

Non-controlling interest (NCI) is the equity interest in Unique Meghnaghat Power Limited not attributable to Unique Hotel & Resorts Limited. NCI is measured at UMPL's proportionate share of identifiable net assets at the date of acquisition as per para 19 of IFRS 3: *Business Combinations*.

The Company presents the non-controlling interests in the consolidated statement of financial position within equity, separately from the equity of the owners of parent as per Para 22 of IFRS 10: Consolidated Financial Statements.

Changes in Company's interest in UMPL that do not result in a loss of control are accounted for as equity transaction as per Para 23 of IFRS 10: Consolidated Financial Statements.

According to Para B94 of IFRS 10: Consolidated Financial Statements, the Group attributes the profit or loss and each component of the other comprehensive income to the owners of the parent and to the non-controlling interests even if the results in the non-controlling interest having a deficit balance.

Where UMPL has outstanding cumulative preference shares that are classified as equity and are held by NCI, the Company shall compute its share of profit or loss after adjusting for the dividends on such share, whether or not such dividends have been declared as per para B95 of IFRS 10: Consolidated Financial Statements.

When the proportion of the equity held by the non-controlling interests changes, the Company adjusted the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in Unique Meghnaghat Power Limited and recognized directly in equity for any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent by as per provision of Para B96 of IFRS 10: Consolidated Financial Statements.

#### (iii) Loss of control

When Unique Hotel & Resorts Limited loses control over its subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of the equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.



**(iv) Intragroup transactions**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Unique Hotel & Resorts Limited's interest in the investee. Unrealised losses, if any, are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

**3.5 Investment in Associate and Joint Ventures**

In line with IAS 28, The Company's investment in its associates over which the Company has significant influence are accounted for using the equity method in the Consolidated and Separate Financial Statements. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

**3.6 Basis of measurement of elements of financial statements**

The financial statements have been prepared on the historical cost basis other than the finance lease asset and finance lease obligations which were measured at present value of the minimum lease payments, 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 5. The accounting policies, unless otherwise stated, have been consistently applied by the Group and are consistent with those of the previous year.

**3.7 Functional and presentation currency**

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

**3.8 Risk and uncertainty for use of estimates and judgment**

The preparation of financial statements in conformity with International 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 IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

In particular, information about significant areas of estimation and judgments in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in the following notes:

Note - 3.4	Basis of consolidation
Note - 3.5 and 9.3	Basis for using Equity Method
Note - 4.9 & 19	Leases

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2021 is included in the following notes:

Note - 4.1 & 5	Depreciation
Note - 4.13, 20 & 36	Deferred tax asset/liability
Note - 4.10, 10 & 35	Provision for doubtful debt
Note - 4.10, 26.3 & 36	Provision for corporate tax
Note - 4.12 & 26	Provision for gratuity
Note - 42	Commitment
Note - 41	Contingencies



**Measurement of fair values:**

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised at different levels of the fair value hierarchy, the overall fair value measurement is categorised at the same level as the lowest level input that is significant to the entire measurement.

**3.9 Going concern without material uncertainties**

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. Previous financial year, on 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID 19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures, all business and economic activities were adversely affected which pretentious the Unique Hotel and Resorts Ltd. (UHRL) business as well. Business operation and profitability of the UHRL has been impacted due to COVID 19, but as the situation is constantly changing and there is no certainty at present as to how long the situation will be prevailed. Therefore, potential impact of COVID 19 on the UHRL operation and financial results cannot reasonably be assessed. Though management of the UHRL has assessed the going concern issue and found no uncertainty regarding this for the upcoming 12 months due to COVID 19. Assessment of COVID-19 impact on the following areas have been made:

**Implications of COVID-19 on our business**

The pandemic has confronted the hospitality industry with an unprecedented challenge. Strategies to flatten the COVID-19 curve such as community lockdowns, social distancing, stay-at-home orders, travel and mobility restrictions have resulted in temporary closure of many hospitality businesses and significantly decreased the demand for businesses that were allowed to continue to operate. Almost all restaurants in Bangladesh were asked to limit their operations to only take-outs. Restrictions placed on travel and stay-at-home orders issued by the authorities led to sharp decline in hotel occupancies and revenues. Due to maintain the social distances and restrictions for some corporate social elements, the overall revenue dropped significantly by 57%.

According to the Civil Aviation Authority of Bangladesh, on-arrival visas for all nationalities have been confined during the pandemic situation. Due to the cancellation of scheduled tour packages from abroad, the tour operators in Bangladesh are struggling to sustain. Besides, domestic tourists are expected to maintain self-isolation. As a consequence, the domestic, inbound and outbound tourism sector in Bangladesh is facing enormous economic losses. With restricted travel and cancellation of business flights, the luxury hotel industry has also been facing the domino effect of economic fallout. The occupancy rates of luxury hotels have declined by staggering amounts since pandemic situation arose in Bangladesh which started from February 2020 onwards. While the hotels would have witnessed occupancy rates of 75% to 80% in usual times, the current rates have plunged to an average of 25% to 30%.

The main revenue of the Hotel's (The Westin Dhaka and Hansa Residence) comes from room and food and beverage (F&B) services almost 90% which sell to the foreign and local guest of different corporate clients. During this COVID-19 pandemic period, demand for room & F&B has reduced remarkably due to travel band on international flights and also many corporate, factories, offices, production plants were shut down. During the financial year (2020-2021) the UHRL total revenue is 675 million which is 57% lower compared to the same period last year which ultimately impacted on profitability and earnings per share (EPS).



### **Description of the measures taken to warrant going concern**

The flexibility in travel band and developments in vaccination requirements across the world has started contributing to recover the situation. Compared to the April to June 2021, our total revenue has been increased by 16% in the quarter July to September 2021. Out of that, room and F&B revenue has been increased by 31.7% and 3.2% respectively for the period mentioned above which indicates positive inflow of business gradually. The Company is set to open another five star hotel "Sheraton Dhaka" in 2021 which will provide synergies in catering larger events, adapt to larger group operations and enhance operational efficiency by optimizing resources.

Moreover, as per our application on August 18, 2020 to the Bangladesh Investment Development Authority (BIDA) repayment date of foreign loan USD 35 million via Standard Chartered Bank (Landon/Mauritius/Singapore) through Standard Chartered Bank Limited Dhaka, Bangladesh, the tenure of the loan has been increased by nine (9) months from their existing maturity for all the three tranches. Considering the prolonged COVID situation, we have again applied for deferment for another nine (9) months for the said foreign loan on January 08, 2021 which has been approved by BIDA.

a) For Tranche- 1 (USD 15 million), Tranche-2 (USD 10 million) and Tranche-3 (USD 10 million), interest will be deferred along with principal repayment for 9 months with revised maturity dates 29-Jan-2022 for Tranche-1, 20-Apr-2023 Tranche-2 and 17-Dec-2025 for Tranche-3.

b) For Tranche-1, payment will due on 30th October 2021 including interest accrued since last payment under this tranche (November'20);

c) For Tranche-2, payment will due on 21st October 2021 including interest accrued since last payment under this tranche (January'20); and

d) Similarly, for Tranche-3, payment due on 22nd September 2021 including interest accrued since last payment under this tranche (December'19) has already been paid in due time.

e) Interest repayment on local currency loan from Standard Chartered Bank and Dutch Bangla Bank Limited has been extended till December 2020 as per Bangladesh Bank Circular BRPD Circular no. 17 dated September 28, 2020. However, according to the directives from Bangladesh Bank, Unique Hotel & Resorts Limited has paid 25% of its accumulated installments until June 30, 2021 subsequently (see note 18 for detailed information);

f) With reference our letter dated April 21, 2020, Prime Bank Limited sanctioned working capital facility (Overdraft – as inner of existing funded working capital limit) under Bangladesh Bank's Financial Stimulus Fund (FSF) to COVID 19 Tk. 10 crore under Govt. simulation package for a period of 1 year @ 4.5% on July 19, 2020. Prime Bank Limited has sanction another overdraft facility for 50crore in July 2021.

g) Bank Alfalah Limited extended their hand by revolving 50 crore loan on December 2020 which is further due to be settled in December 2021.

Management have assessed all the other areas of operations and disclosure accordingly and found no significant impact of COVID-19 except discussed above and no uncertainty about the entity's ability to continue as a going concern is identified.

### **3.10 Accrual Basis**

Unique Hotel & Resorts Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Group recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

### **3.11 Materiality, aggregation and off setting**

Each material item as considered by management significant, has been presented separately in the financial statements. No amount has been set off unless the Group has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the period.



### 3.12 Reporting period

The separate and consolidated financial statements of the Group cover the financial period of twelve months from 01 July 2020 to 30 June 2021 with comparative figures for the period from 01 July 2019 to 30 June 2020.

### 3.13 Authorization date for issuing financial statements

The separate and consolidated financial statements were authorized by the Board of Directors on 25 October 2021 for issue after completion of review.

### 3.14 Comparative information

Comparative information has been disclosed in respect of 01 July 2019 to 30 June 2020 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed in accordance with the requirement of IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. Prior year figure has been re arranged wherever considered necessary to ensure comparability with the current period.

### 3.15 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Assets and liabilities are classified as current when they are expected to be realized, settled, sold or consumed in a normal accounting cycle or within twelve months after the reporting period. Assets and liabilities that are held primarily for trading are also considered current.

## 4 Significant accounting policies

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

### 4.1 Property, plant and equipment

#### Initial recognition and measurement

An item shall be recognized as property, plant and equipment if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or revaluation less accumulated depreciation in compliance with the requirements of IAS 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. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/ implementation of the property, plant and equipment, if the recognition criteria are met.

The cost of self-constructed assets includes the cost of material and direct labor and other costs directly attributable to bringing the assets to a working condition inclusive of inward freight, duties and non-refundable taxes for their intended use.

#### Subsequent costs

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognized in the Statement of Profit or loss and Other Comprehensive Income as 'repair and maintenance' when it is incurred.

#### Depreciation of property, plant and equipments

Depreciation is provided to amortize the cost or revaluation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, plant and equipment.

Unique Hotel & Resorts Limited charges full year depreciation regardless of the date of acquisition. No depreciation is charged in the year of disposal regardless of the date of disposal. Depreciation of assets begins when it is available for use. Depreciation is charged on items of property, plant & equipment except land and land developments of Unique Hotel & Resorts Limited on reducing balance method.

<u>Category of Assets</u>	<u>Rate of depreciation</u>
Buildings and other civil constructions	1.25%
Hotel furniture	5%
Hotel equipment	5%



Office furniture and equipment	5%
Motor vehicles	5%

Unique Meghnaghat Power Limited charges depreciation on items of property, plant & equipment from the immediately following month in which the assets become available for use. Depreciation is charged using the straight line basis over the estimated useful lives. The rates at which property, plant & equipment are depreciated for current and comparative years are given below:

<u>Category of Assets</u>	<u>Rate of depreciation</u>
Furniture, fixtures and furnishing	10%
Office and electrical equipment	20%
Motor vehicles	20%

Depreciation methods, rates and residual values are reviewed at each reporting date and adjusted if appropriate.

#### **Revaluation of fixed assets**

As per IAS 16: Property, Plant and Equipment paragraph 31, after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount and revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

As per IAS 16: Property, Plant and Equipment paragraph 34, "the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years".

In conformity with paragraphs 31 and 34 of IAS 16: Property, plant and equipment, on 30 September 2011, the land & land development and building owned by Unique Hotel & Resorts Limited 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 does not differ significantly from its carrying amount as of 30 June 2020, so no revaluation has been made during the year ended 30 June 2021.

Particulars of the assets	Name of the valuer	Qualification of the valuer	Date of revaluation	The carrying amount 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			30-Sep-11	5,415,829,221	11,420,259,375	6,004,430,154
<b>Total</b>				<b>8,804,126,133</b>	<b>17,084,855,975</b>	<b>8,280,729,842</b>

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head of 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 year in line with para 41 of IAS 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 in 2011.

#### **Disposal of property, plant and equipment**

An item of property, plant and equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal or retirement of an item of property, plant and equipment is included in the statement of profit or loss and other comprehensive income in the period in which the de-recognition occurs.



#### **Impairment of property, plant and equipment**

As per IAS 36: Impairment of Assets the carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

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. During this period no indication for impairment of the fixed assets as a result, no such assets have been impaired and for this reason no provision has been made for impairment of assets.

#### **4.2 Capital work in-progress**

Property, plant and equipment under construction are accounted for as capital works in progress until completion of construction and are measured at cost. Capital work in progress consists of building construction costs, costs of construction materials, acquisition cost of plant, machinery, capital components of other equipment, related installation costs and directly attributable costs incurred until date the asset placed in service including the overhead during construction. In case of purchase of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group. In conformity with IAS 16: Property, plant and equipment no depreciation is charged on capital work in progress as it is not ready for use.

#### **4.3 Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

#### **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 Intangible assets**

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38 Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific assets to which they relate. All other costs are recognized in profit or loss as incurred.

Internally generated intangible assets including goodwill are not capitalised. Internally generated goodwill is not recognised as an asset because it is not an identifiable resource (ie it is not separable nor does it arise from contractual or other legal rights) controlled by the Group that can be measured reliably at cost.



### **Amortisation**

Amortisation is calculated to write-off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and is generally recognised in profit or loss. The rates at which intangible assets are amortised are given below:

<u>Category of Assets</u>	<u>Rate of amortisation</u>
IT software	20%
Web Hosting	20%

#### **4.6 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 Group without any restriction. There is insignificant risk of change in value of the same.

#### **4.7 Accounts and other receivables**

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. Provision for doubtful debts are made where there is evidence of a risk of non payment, taking into account ageing, previous experience as well as general economic conditions and ultimately the prospects of realizability. Provision is made at the rate of 3% of rolling three months of average receivables. In specific cases, the Company makes provision based on circumstances prevailing at the reporting date regarding the recoverability of receivables.

#### **4.8 Revenue**

##### **4.8.1 Revenue from contract with customers**

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. IFRS 15: Revenue from Contracts with Customers establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised service to a customer. Service is considered as transferred when (or as) the customer obtains control of that service. Revenue from room rent, sales proceeds of food & beverage, space rental and shop rental are 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 customers as well as rebate and discount allowed to customers.

##### **4.8.2 Revenue from investment income**

###### **(a) Interest income**

Interest on bank deposits and FDR have been accounted for on accrual basis.

###### **(b) Dividend income**

###### **Quoted and unquoted shares**

Dividend income against quoted and unquoted shares are recognized when the Group's right to receive the payment is established or after receipt of dividend, which is generally when shareholders approve the dividend.

###### **Preference shares**

Dividend income on cumulative preference shares are recognised on accrual basis. However, Unique Hotel & Resorts Limited is not entitled to get any dividend income for investment in preference shares for the time being.





#### **(c) Capital gain on sale of shares**

Capital gain on sale of shares listed in the stock exchanges is recognised only when such gain is realised through the shares selling in the market.

#### **4.9 Leases**

Financial Reporting Principles IFRS 16: Leases effective from annual periods beginning on or after January 1, 2019 has significantly changed how the Group accounts for its lease contracts. The Group leases a number of floor spaces for the accommodation of its employees in addition to service sites. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized in the statement of financial position as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempt. Lessor accounting remains similar to previous accounting policies.

At the inception of a contract, the Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The contract involves using an identified asset when the Group has the right to obtain all of the economic benefits from the use of the asset throughout the period of use substantially, and the Group has either the right to direct the use of the asset or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

In compliance with the standard, Unique Hotel & Resorts Limited has elected to use the recognition exemptions in the standard due to their being short-term leases and leases of low value items. In such cases the lease payments are accounted for as expenses in the statement of profit or loss and other comprehensive income.

According to IFRS 16, Unique Meghnaghat Power Limited, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Unique Meghnaghat Power Limited recognizes right-of-use assets and lease liabilities for all leases. UMPL has applied IFRS 16 using the modified retrospective approach, and therefore the comparative information has not been restated. At transition, right-of-use assets were measured at the present value of the lease payments and advance deposits, discounted at UMPL's incremental borrowing rate, which is 9% from the commencement dates of respective agreements.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the UMPL's incremental borrowing rate. The lease liabilities are subsequently increased by the interest cost on the lease liabilities and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. UMPL has applied judgement to determine the lease term for the lease contracts which include renewal options. The assessment of whether UMPL is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

#### **4.10 Financial instruments**

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

##### **4.10.1 Classification and measurement of financial assets and financial liabilities**

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale. The adoption of IFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.



Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the cost is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- (a) it is held within a business model whose objective is achieved by collecting contractual cash flows; and
- (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

#### **Subsequent measurement**

The following accounting policies apply to the subsequent measurement of financial assets.

#### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

#### **Financial assets at amortized cost**

These assets are classified as financial assets measured at amortized cost. These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

#### **Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### **Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

#### **Impairment of financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to:

- financial assets measured at amortized cost,
- contract assets and
- debt investments measured at FVOCI, but the standard does not apply to investments in equity instruments.



The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. The Group measures loss allowances at an amount equal to ECL from trade receivables.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Loss allowances measured at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for accounts receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

#### **Measurement of Expected Credit Losses (ECL)**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

#### **Presentation of impairment**

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset. Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement.

In accordance to IAS 36 Para 12 impairment test to be performed if there are indications of market value declines, negative changes in technology, markets, economy, or laws, increases in market interest rates, net assets of the Group higher than market capitalization, obsolescence or physical damage, asset is idle, part of a restructuring or held for disposal, worse economic performance than expected and for investments in subsidiaries, joint ventures or associates, the carrying amount is higher than the carrying amount of the investee's assets, or a dividend exceeds the total comprehensive income of the investee.

The carrying value of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whether the carrying amount of asset or its cash generating units exceeds its recoverable amount. Impairment losses, if any, are recognized in the profits or loss and other comprehensive income.

### **4.11 Accruals, provisions and contingencies**

#### **(a) Accruals**

Accruals are liabilities to pay for services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of accounts and other payables. Other payables are not interest bearing and are stated at their nominal value.

#### **(b) Provisions**

Provisions and accrued expenses are recognized in the financial statements in line with IAS 37: Provisions, contingent liabilities and contingent assets when:

- the Group 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.



Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the Group expects some or all of the provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year the Group has made sufficient provisions where applicable.

#### **(c) Contingencies**

A contingent liability is a possible obligation that arises from 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 Group; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from 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 Group. A contingent assets is disclosed where an inflow or economic benefits is probable.

### **4.12 Employee benefits**

#### **(a) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

#### **(b) Defined contribution plan (Provident fund)**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts.

The companies maintain separate defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective Trust Deeds and Rules.

The companies have separate provident fund scheme recognized under Income Tax Ordinance 1984. All permanent employees contribute 10% of their basic salary to the provident fund and the companies make matching contributions.

The Group recognizes contribution to defined contribution plan as an expense when an employee has rendered related services in exchange for such contribution. The legal and constructive obligation is limited to the amount the Group agrees to contribute to the fund.

#### **(c) Defined Benefit Plan**

##### **Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. According to the existing policy, the employees working at The Westin Dhaka premises and Unique Meghnaghat Power Limited who have completed the required length of services are paid gratuity which is calculated on the last basic salary of the outgoing employees. The Group's obligation is to provide the agreed benefits to current and former employees.

##### **Workers' Profit Participation Fund (WPPF)**

Unique Hotel & Resorts Limited provides for 5% of its profit before tax after charging contribution to WPPF in accordance with Bangladesh Labour Act, 2006 (as amended to 2013). A Board of Trustees of WPPF has been formed and the required fund has been disbursed for the year up to June 2020 to the bank account of the Trustee Board and Government Welfare Fund in compliance with the said Act.



#### 4.13 Taxation

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Taxes.

##### (a) Current tax

Income tax expense for current year is recognized on the basis of the Group's computation based on the best estimated assessable profit for the year at the applicable tax rate pursuant to provision of Income Tax Ordinance 1984. As per paragraph 46 of IAS 12: Income Taxes, current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used by Unique Hotel & Resorts Limited as a publicly traded company for the reporting period was 22.5% according to the Finance Act 2021-22.

No provision is required for income tax on the Unique Meghnaghat Power Limited's profits as it has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy for a period of 15 years from start of its commercial operation.

##### (b) Deferred tax

Deferred tax is recognized as income or expense and included in the net profit or loss for the period. Deferred tax relating to items dealt with other comprehensive income is recognized as tax relating to other comprehensive income.

According to paragraph 47 of IAS 12: Income Taxes, deferred tax asset or 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.

##### 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)

##### Revaluations to fair value – Property, Plant and Equipment

According to paragraph 20 of IAS 12: Income Taxes, the revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore give rise to a deferred tax liability.

Moreover, the transfer of excess depreciation or amortization from revaluation reserve to retained earnings is net of related deferred tax according to paragraph 64 of IAS 12: Income Taxes.

##### Deductible temporary difference

A deferred tax asset is recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

The Group's existing accounting policy for uncertain income tax treatments is consistent with the requirements in IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019.



#### 4.14 Earnings Per Share (EPS)

Earnings Per Share (EPS) are calculated in accordance with IAS 33: Earnings Per Share.

##### Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of Unique Hotel & Resorts Limited/the Group by the weighted average number of ordinary shares outstanding during the year.

##### Diluted earnings per share

For the purpose of calculating diluted earnings per shares, the Group adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Diluted EPS is only calculated where the Group has commitment to issue ordinary share in future at reporting date. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential during the relevant periods.

#### 4.15 Foreign currency transaction and translation

At the end of each reporting period in compliance with the provision of IAS 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.

Amount in foreign currency bank accounts and other foreign currency balances have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income/(loss) in statement of profit or loss and comprehensive income.

#### 4.16 Operating segments reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with the company's other components and for which discrete financial information is available.

According to IFRS 8: Operating Segments, the Group started with hotel operations. With time, it diversified its business and operations into power generation. The Group has determined its operating segments considering nature of segmental business. The business segments are managed separately and the operating results of the business segments are regularly reviewed by the company's managing director to make decisions about resources allocated to the segments and assess its performance.

Information about operating segment has been presented in note 39.

#### 4.17 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been prepared using the "Direct Method" as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatments of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

#### 4.18 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 IAS 24: Related party disclosures has been disclosed in a separate notes to the financial statements (Note 40).



#### 4.19 Prior year adjustment

The Company had investments in Unique Meghnaghat Power Limited (UMPL) with 64.99% and 51% holding as at 30 June 2019 and 30 June 2020 respectively. U MPL was incorporated in September 25, 2018 under the Companies Act, 1994 as a public limited company. The Company recognised these investments under Advance, deposits and prepayments head as at 30 June 2019 and 30 June 2020. However, during the year, the Company has restated the separate statement of financial position according to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and has reclassified the investment in the ordinary share capital of Unique Meghnaghat Power Limited of Tk. 539,380 and Tk. 634,950 as at 30 June 2019 and 30 June 2020 respectively as "Investment in unquoted share" from "Advance, deposits and prepayments". The Company also recognised "Advance for share" of Tk. 709,838,228 and Tk. 707,503,115 as at 30 June 2019 and as at 30 June 2020 respectively which has been reclassified to "Investment in unquoted share" from "Advance, deposits and prepayments".

Furthermore, the principal activity of the project company (UMPL) is to set up a 584MW powerplant and supply the same to national grid through selling to BPDB under Power Purchase Agreement (PPA) between BPDB and the project company. Since the incorporation of U MPL in 2019, the project company (UMPL) was actively pursuing to raise the required finance from multilateral financial institution leading the financial close and the investment from UHRL was not significant enough to consider for consolidation during the year ended 30 June 2019 and 30 June 2020. UHRL holds more than 50% in U MPL in 2019 and 2020. Economic benefits from U MPL was not certain in 2019 and 2020 as U MPL was under construction stage. Therefore, the Company did not consolidate the financial statements according to IFRS 3: Business Combination and IFRS 10: Consolidated Financial Statements. However, the Company has consolidated the financial statements of U MPL as a Group during the year. As a results, the total comprehensive income, earnings per share and net asset value per share has been restated from Tk. 280,175,156 to Tk. 241,315,629; from Tk. 0.95 to Tk. 0.88 and from Tk. 79.68 to Tk. 82.07 in the consolidated financial statements respectively.

The Company had investments in Sonargaon Economic Zone Limited (SEZL) with 35% holding since its incorporation in February 06, 2017 as a private limited company under the Companies Act 1994. The Company recognised these investments under Advance, deposits and prepayments. However, during the year, the Company has restated the separate statement of financial position according to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and reclassified the investment in the ordinary share capital of Tk. 10,500,000 in SEZL from "Advance, deposits and prepayments" to "Investment in unquoted share" since beginning of the preceding period, i.e. 01 July 2019.

Moreover, the investment in SEZL (associate) has been recognised at cost initially and subsequently accounted for in the equity method in the consolidated and separate financial statements since beginning of the preceding period, i.e. 01 July 2019. As a result, investment in associate has been credited and retained earnings of UHRL has been debited by Tk. 2,205,368 as at 01 July 2019. Investment in associate has been credited and loss after tax has been accounted for by Tk. 392,153 for the year ended 30 June 2020.

In addition to that, the total investment of the Company in Dacca Steel Industries Limited amounts to Tk. 87,552,000. However, the Company accounted for the investment in Dacca Steel Industries Limited for an amount of Tk. 51,000,000. The investment in Dacca Steel Industries Limited has been restated by Tk. 3,65,52000 in the separate and consolidated financial statements during the year according to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and payable to Borak Real Estate Limited has been restated by the same amount.

#### 4.20 Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the statement of financial position date are reflected in the financial statements as per IAS 10: Events after the Reporting Period.

All material events occurring after the statement of financial position date have been considered and where necessary, adjusted for or disclosed.

The amount of proposed dividend has not been accounted for but disclosed in the notes to the financial statements (Note 43) along with dividend on share in accordance with the requirements of the paragraph 125 of IAS 1: Presentation of Financial Statements. Also, the proposed dividend has not been considered as liability in accordance with the requirements of the paragraphs 12 & 13 of IAS 10: Events after the Reporting Period, because no obligation exists at the time of approval of the accounts and recommendation of dividend by the Board of Directors.



#### **Subsequent Event: Unique Hotel & Resorts Limited Post Covid Business Strategies:**

The COVID-19 pandemic has spread rapidly since 2020, with a significant number of cases. Measures taken by Bangladesh governments to contain the virus have affected economic activity. We have taken various measure to monitor and mitigate the effects of COVID-19, such as safety and health measures for our people (such as social distancing and working from home) and securing the supply of materials that are essential to our production process.

"At this stage, the impact on our business and results has been significant, however our total revenue for July to September 2021 has increased by 16% versus April to June 2021. Moreover, room and F&B revenue has seen an increase of 31.7% and 3.2% respectively for the period mentioned above indicates positive inflow of business gradually. Addition of Sheraton Dhaka operations to the portfolio will provide synergies to cater MICE segment business, larger events, accommodate larger group business and improve operational efficiency with resource optimization. As per the media report the international flights has already opened and guest inflow has increased. We will continue to follow the various government policies and advice and, in parallel, we will do our utmost to continue our operations in the best and safest way possible without jeopardizing the health of our people."

Also, we have taken the following strategy to recover the business:

#### **Achieve 2021-22 Gross Operating Profit (GOP) Budget:**

Achieve budgeted GOP for 2021-22, Quarter 1 (July to September 2021) closed 6 million ahead of budget. Rooms revenue closed Q1 8.7% ahead of budget and Food and beverage revenue 4.5% ahead of budget. This will be achieved not only by growing revenue but done by deep diving into all costs and a large focus on rightsizing our manning to meet the new business demands.

#### **Recovery Plan:**

We are aiming for a revpar recovery % vs 2019 of + 3%; Q1 result currently at +2.1%. This will be achieved by putting revenue strategies in place which focus on capturing long stay business, group business, acquiring new accounts, focusing on local leisure market. There is a big focus on restaurants and bars with the local market and also social events and outdoor catering. As lockdown measures are relaxed by the government we have a big focus on dine-in along with delivery and takeaway menus and offerings being made available on all sales and social media platforms and incentive programs in place for the sales team.

#### **Guest Satisfaction:**

Ensure all guests who stay feel safe and secure and are given quality service by driving the below:

- a) Intend to Recommend guest satisfaction score to achieve 77%;
- b) Cleanliness score of 78%;
- c) Food & Beverage Quality score of 70%;
- d) Staff Service score of 78%.

#### **Associate Satisfaction:**

Associate Training Hours to finish more than 50 hours with majority spent on the Commitment to Clean standards now in place by Marriott. A focus on associate well being and reward and recognition to lead to a 2021-22 goal of 92 out of 100 for our Associate Satisfaction survey.

#### **4.21 Compliance with Financial Reporting Standards as applicable in Bangladesh**

According to Para-12 of Securities & Exchange Rule 1987, Unique Hotel & Resorts Limited has prepared its consolidated financial statements in compliance with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).





Sl. No.	IAS No.	IAS Title	Status
1	IAS- 1	Presentation of Financial Statements	Complied
2	IAS- 2	Inventories	Complied
3	IAS- 7	Statement of Cash Flows	Complied
4	IAS- 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	IAS- 10	Events after the Reporting Period	Complied
6	IAS- 12	Income Taxes	Complied
7	IAS- 16	Property, Plant & Equipment	Complied
8	IAS- 19	Employee Benefits	Complied
9	IAS- 20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
10	IAS- 21	The Effects of Changes in Foreign Exchange Rates	Complied
11	IAS- 23	Borrowing Cost	Complied
12	IAS- 24	Related Party Disclosures	Complied
13	IAS- 26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
14	IAS- 27	Separate Financial Statements	Complied
15	IAS- 28	Investments in Associates and joint ventures	Complied
16	IAS- 29	Financial Reporting in Hyperinflationary Economies	Not applicable
17	IAS- 32	Financial Instruments: Presentation	Complied
18	IAS- 33	Earnings per Share	Complied
19	IAS- 34	Interim Financial Reporting	Complied
20	IAS- 36	Impairment of Assets	Complied
21	IAS- 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	IAS- 38	Intangible Assets	Complied
23	IAS- 40	Investment Property	Not applicable
24	IAS- 41	Agriculture	Not applicable

Sl. No.	IFRS No.	IFRS Title	Status
1	IFRS- 1	First-time adoption of International Financial Reporting Standards	Not applicable
2	IFRS- 2	Share-based Payment	Not applicable
3	IFRS- 3	Business Combinations	Complied
4	IFRS- 4	Insurance Contracts	Not applicable
5	IFRS- 5	Non-current Assets Held for Sale and Discontinued Operations	Not applicable
6	IFRS- 6	Exploration for and Evaluation of Mineral Resources	Not applicable
7	IFRS- 7	Financial Instruments: Disclosures	Complied
8	IFRS- 8	Operating Segments	Complied
9	IFRS- 9	Financial Instruments	Complied
10	IFRS- 10	Consolidated Financial Statements	Complied
11	IFRS- 11	Joint Arrangements	Not applicable
12	IFRS- 12	Disclosure of Interests in other Entities	Complied
13	IFRS- 13	Fair Value Measurement	Complied
14	IFRS- 14	Regulatory Deferral Accounts	Not applicable
15	IFRS- 15	Revenue from contracts with customers	Complied
16	IFRS- 16	Leases	Complied
17	IFRS- 17	Insurance Contracts	Not applicable



#### 4.22 Standards Issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

##### ***IFRS 17 Insurance Contracts***

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. This standard is not applicable to the Company and will not be adopted.

##### ***IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities***

As part of its 2018-2020 annual improvements to IFRS standards process the IAASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

##### ***Definition of Accounting Estimates - Amendments to IAS 8***

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Company.



	Amount in Taka	
	30 June 2021	30 June 2020
<b>5. Property, plant and equipment, net</b>		
<b>Cost/Revaluation</b>		
Opening balance	21,762,719,192	21,156,450,158
Addition during the year	63,835,778	606,269,035
Disposal during the year	(527,612,371)	-
<b>Closing balance</b>	<b>21,298,942,599</b>	<b>21,762,719,192</b>
<b>Accumulated depreciation</b>		
Opening balance	2,513,286,246	2,284,665,277
Charged during the year	224,810,684	228,620,969
<b>Closing balance</b>	<b>2,738,096,930</b>	<b>2,513,286,246</b>
<b>Closing balance of written down value (WDV)</b>	<b>18,560,845,669</b>	<b>19,249,432,947</b>

Details of property, plant and equipment have been shown in Annexure- A.

**5.A Consolidated property, plant & equipment, net**

<b>Cost/Revaluation</b>		
Opening balance	21,885,288,690	21,274,085,955
Addition during the year	2,198,753,803	611,202,736
Intragroup transaction	(471,470,459)	-
Disposal during the year	(527,612,371)	-
<b>Closing balance</b>	<b>23,084,959,663</b>	<b>21,885,288,690</b>
<b>Accumulated depreciation</b>		
Opening balance	2,536,514,782	2,294,212,515
Charged during the year	240,973,657	242,302,267
<b>Closing balance</b>	<b>2,777,488,439</b>	<b>2,536,514,782</b>
<b>Closing balance of written down value (WDV)</b>	<b>20,307,471,224</b>	<b>19,348,773,908</b>

Details of consolidated property, plant and equipment have been shown in Annexure- A1.

**6. Construction work in progress**

Sheraton Dhaka (6.1)	8,505,342,712	7,190,651,949
Multipurpose commercial complex (Southpark project) at Gulshan- 2 (6.2)	595,979,916	456,554,098
	<b>9,101,322,628</b>	<b>7,647,206,048</b>

**6.1 Sheraton Dhaka**

Opening balance	7,190,651,949	5,334,589,463
Add: Addition during the year	1,314,690,763	1,856,062,486
<b>Closing balance</b>	<b>8,505,342,712</b>	<b>7,190,651,949</b>

"A joint venture agreement has been executed between Unique Hotel and Resorts Ltd. (UHRL) and Borak Real Estate Ltd. (BREL) as on December 07, 2010 for running a five-star hotel jointly.

According to the agreement, profit or loss ratio are as follows:

- a) Unique Hotel and Resorts Limited 50%;
- b) Borak Real Estate Limited 50%



Borak Real Estate Ltd. has provided 100% space for the Hotel and its surrounding area to UHRL in exchange of 50% profit or loss arising from the hotel operation; on the other hand, UHRL agreed to share 50% of its profit or loss from hotel operation with BREL”.

This 100% space has been considered as investment of Borak Real Estate Ltd. for the project.

		Amount in Taka	
		30 June 2021	30 June 2020
<b>6.2</b>	<b>Multipurpose commercial complex (SouthPark project) at Gulshan- 2</b>		
	Opening balance	456,554,098	283,884,501
	Add: Addition during the year	139,425,818	172,669,597
	<b>Closing balance</b>	<b>595,979,916</b>	<b>456,554,098</b>
<b>6.A</b>	<b>Consolidated construction work in progress</b>		
	Unique Hotel & Resorts Limited	9,101,322,628	7,647,206,048
	Unique Meghnaghat Power Limited (6.A.1)	5,867,768,766	4,390,734,060
	<b>Closing balance</b>	<b>14,969,091,394</b>	<b>12,037,940,108</b>
<b>6.A.1</b>	<b>Unique Meghnaghat Power Limited</b>		
	Opening balance	4,390,734,060	3,902,012,233
	Add: Addition during the year	1,477,034,706	488,721,827
	<b>Closing balance</b>	<b>5,867,768,766</b>	<b>4,390,734,060</b>
<b>7</b>	<b>Intangible assets</b>		
<b>7.A</b>	<b>Consolidated intangible asset</b>		
	<b>Cost</b>		
	Opening balance	171,839	171,839
	Addition during the year	-	-
	Disposal during the year	-	-
	<b>Closing balance</b>	<b>171,839</b>	<b>171,839</b>
	<b>Accumulated amortisation</b>		
	Opening balance	56,550	22,182
	Charged during the year	34,368	34,368
	<b>Closing balance</b>	<b>90,918</b>	<b>56,550</b>
	<b>Closing balance of written down value (WDV)</b>	<b>80,921</b>	<b>115,289</b>
<b>8.</b>	<b>Inventories</b>		
	Food (The Westin Dhaka)	11,240,638	6,443,110
	Beverage (The Westin Dhaka)	40,322,967	22,195,951
	Inventories (HANSA by UHRL)	7,606,860	13,717,695
	<b>Closing balance</b>	<b>59,170,465</b>	<b>42,356,756</b>



**9. Investments**

Investment in quoted shares (9.1)  
Investment in unquoted shares (9.2)  
Investment in Associate (9.3)

Amount in Taka	
30 June 2021	30 June 2020
186,506,292	200,603,460
2,393,718,825	836,375,065
7,506,485	7,902,479
<b>2,587,731,602</b>	<b>1,044,881,004</b>

Investments in equity shares in different companies are classified as a financial asset at fair value through profit or loss as it was held for trading (it was acquired or incurred principally for the purpose of selling or repurchasing it in the near future). The investment has been measured at fair value except investments that do not have a quoted investment 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. In reference to para 5.7.1 of IFRS 9: Financial Instruments, the gain or loss arising from change in the fair value of the investments is recognized in the profit or loss account.

**9.1 Investment in quoted shares**

ACME Laboratories Ltd.  
Advent Pharma Ltd.  
Aftab Automobiles Ltd.  
Al-Haj Textile Mills Ltd  
Aman Feed Ltd.  
Bashundhara Paper Mills Ltd.  
Berger Paints Bangladesh Ltd.  
Beximco Ltd.  
Beximco Pharma Ltd.  
Brac Bank Ltd.  
BAT Bangladesh Company Limited  
City Bank Ltd.  
Dhaka Electric Supply Co. Ltd.  
Dragon Sweater and Spinning Ltd.  
Dutch Bangla Bank Ltd.  
Eastern Bank Ltd.  
Eastern Insurance Co. Ltd.  
EBL NRB Mutual Fund  
Exim Bank Ltd.  
Federal Insurance Co. Ltd.  
GPH Ispat Ltd.  
Grameen Phone Limited  
IDLC Finance Ltd.  
IFIC Bank Ltd.  
Information Technology Cons  
IPDC BD. LTD  
Khulna Power Company Ltd.  
Keya Cosmetics Ltd.  
Lafarge Surma Cement Ltd.  
LankaBangla Finance Ltd.  
Mobil Jamuna Ltd.  
Nahee Aluminium Composite Panel Ltd.  
National Bank Ltd.  
NCC Bank Ltd.

Book value 30.06.2021	Fair value 30.06.2021	Fair value 30.06.2020
<b>241,766,105</b>	<b>186,506,292</b>	<b>200,603,460</b>
11,394,300	7,001,500	6,023,000
-	-	3,619,591
4,916,870	1,787,923	1,557,010
-	-	387,987
1,550,290	1,549,561	816,248
-	-	279,300
1,224,353	1,259,802	936,958
9,738,438	8,950,000	7,816,250
-	-	34,424,716
1,083,144	852,687	486,858
42,392,986	47,651,049	-
6,975,395	3,776,722	3,126,473
955,620	750,200	765,600
-	-	52,250
-	-	1,836,618
10,585,256	12,016,795	6,905,439
-	-	89,400
690,025	734,069	6,431,957
7,636,582	5,766,650	2,194,677
-	-	51,000
-	-	8,468,647
5,838,052	4,548,489	3,108,698
9,384,836	7,314,689	5,342,879
-	-	3,873,113
14,100,369	11,403,525	9,122,820
-	-	3,940,355
-	-	1,177,800
308,308	316,000	-
5,434,400	2,372,000	1,436,000
-	-	9,540,659
8,349,681	6,379,500	5,016,967
-	-	5,181,000
36,521,907	15,945,112	14,997,802
4,799,279	2,942,586	2,242,482



	Book value 30.06.2021	Fair value 30.06.2021	Fair value 30.06.2020
Orion Pharma Ltd.	2,878,380	2,699,851	
Pacific Denim Ltd.	-	-	48,450
Power Grid Company Bangladesh Limited	14,976,080	7,353,150	7,139,300
Pubali Bank Ltd.	16,189,498	13,410,600	11,247,600
Shurwid Industries Ltd.	494,639	239,234	290,021
Simtex Industries Ltd.	-	-	2,621,956
Southeast Bank Ltd.	-	-	11,436,391
Sonali Life Insurance Company Ltd.	520	572	-
Square Pharmaceuticals Ltd.	19,265,597	16,291,121	10,489,035
Takaful Islami Insurance Limited	-	-	153,746
United Finance Ltd.	660,240	403,200	300,000
United Insurance Ltd.	2,034,337	1,869,312	1,013,518
VFS Thread Dyeing Ltd.	797,047	419,636	4,105,913
Runner Automobiles Limited	-	-	143,648
United Power GDCL	589,677	500,759	363,330

Amount in Taka	
30 June 2021	30 June 2020

## 9.2 Investment in unquoted shares

Investment in subsidiary (9.2.1)  
Investment in other (9.2.2)

2,393,718,825	836,375,065
2,280,981,825	708,138,065
112,737,000	128,237,000

### 9.2.1 Investment in subsidiary

#### Unique Meghnaghat Power Limited

Ordinary share capital  
Preference share  
Advance for share

2,280,981,825	708,138,065
781,360	634,950
2,239,388,900	-
40,811,565	707,503,115

Unique Hotel & Resorts Limited (UHRL) invested in Unique Meghnaghat Power Limited (UMPL) for ordinary shares and irredeemable convertible preference shares. UHRL holds 62.76% of ordinary shares of UMPL as on 30 June 2021. However, an agreement has been executed between Unique Hotel & Resorts Limited (UHRL), Strategic Finance Limited (SFL) and Nebras Power Investment Management BV. Based on the above agreement, UHRL will transfer 11.76% ordinary shares to Nebras to be executed by 1st, 2nd, 3rd and 4th closing, phase by phase subject to the relevant approval.

Investment in cumulative preference shares has been recorded at cost.

Amount in Taka	
30 June 2021	30 June 2020

### 9.2.2 Investment in other

Eastern Industries Bangladesh Limited  
Chartered Life Insurance Co. Ltd.  
Dacca Steel Works Ltd.  
Strategic Finance & Investment Limited  
Star Allied Venture Ltd.

112,737,000	128,237,000
185,000	185,000
22,500,000	18,000,000
87,552,000	87,552,000
-	20,000,000
2,500,000	2,500,000

### 9.3 Investment in Associate

#### Sonargaon Economic Zone Ltd.

Ordinary share capital  
Share of profit/(loss) of Sonargaon Economic Zone Limited (9.3.1)

7,506,485	7,902,479
10,500,000	10,500,000
(2,993,515)	(2,597,521)



	Amount in Taka	
	30 June 2021	30 June 2020
<b>9.3.1 Share of profit/(loss) of Sonargaon Economic Zone Limited</b>		
Opening balance	(2,993,515)	(2,597,521)
Profit/(loss) of SEZL during the year	(2,597,521)	(2,205,368)
	(395,994)	(392,153)
<b>9.A Consolidated investments</b>		
Investment in quoted shares (9.1)	186,506,292	200,603,460
Investment in Associate (9.3)	7,506,485	7,902,479
Investment in unquoted shares -other (9.A.1)	112,737,000	334,502,800
	<b>306,749,777</b>	<b>543,008,739</b>
<b>9.A.1 Investment in other</b>		
Eastern Industries Bangladesh Limited	185,000	185,000
Chartered Life Insurance Co. Ltd.	22,500,000	18,000,000
Dacca Steel Works Ltd.	87,552,000	87,552,000
Strategic Finance & Investment Limited	-	20,000,000
Star Allied Venture Ltd.	2,500,000	2,500,000
Unique Meghnaghat Power Limited (9.2.1)	2,280,981,825	708,138,065
	2,393,718,825	836,375,065
Intragroup transaction	(2,280,981,825)	(501,872,265)
	<b>112,737,000</b>	<b>334,502,800</b>
<b>10. Accounts receivable</b>		
<b>Receivable of The Westin Dhaka</b>		
Accounts receivable	220,385,010	220,555,530
Less: Provision for bad debts*	(148,721,167)	(6,605,579)
	<b>71,663,843</b>	<b>213,949,951</b>
<b>Receivable of HANSA by UHRL</b>	12,765,699	5,148,712
	<b>84,429,542</b>	<b>219,098,663</b>
*Detailed disclosure related to provision for bad debts is presented in note 35.		
<b>10.1 Accounts receivable- ageing summary</b>		
0- 30 days	53,899,676	25,083,622
31-60 days	5,411,487	1,997,622
61-90 days	7,736,279	1,575,969
91-120 days	4,303,121	9,685,970
121- 150 days	7,512,876	9,056,821
151 days and over	154,287,269	178,304,238
	<b>233,150,709</b>	<b>225,704,242</b>



Amount in Taka	
30 June 2021	30 June 2020

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. No.	Particulars	Amount in Taka	Amount in Taka
I	Accounts receivable considered good in respect of which the company is fully secured	84,429,542	219,098,663
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	148,721,167	-
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	-	-
<b>Total</b>		<b>233,150,709</b>	<b>219,098,663</b>

**11. Other receivables**

Accrued interest on FDR	8,029,793	21,689,501
Forfeiture balance (Provident Fund) receivable	1,859,939	-
Car rent receivable	1,151,000	-
	<b>11,040,732</b>	<b>21,689,501</b>

**11.A Consolidated other receivables**

Accrued interest on FDR	8,029,793	21,689,501
Forfeiture balance (Provident Fund) receivable	1,859,939	-
Car rent receivable	1,151,000	-
Mr. Anupam Hayat	-	1,543,500
Mr. Hozyfa Ibne Seraj	-	1,669,500
	<b>11,040,732</b>	<b>24,902,501</b>

**12. Advances, deposits and prepayments**

Advances (12.1)	5,700,780,744	5,879,248,866
Deposits (12.2)	20,308,961	21,905,250
Prepayments (12.3)	9,061,950	7,568,330
From HANSA by UHRL	757,697	1,443,055
	<b>5,730,909,353</b>	<b>5,910,165,501</b>

Amount in Taka	
30 June 2021	30 June 2020

**12.1 Advances**

Advance income tax (12.1.1)	18,286,412	93,192,043
Advance to Govt.	175,500,000	175,500,000
Advance against rent (security)	2,400,000	2,400,000
Advance against purchases	47,801,459	48,546,587
Advance to parties/ suppliers	170,007,497	404,874,770
Advance to employees- The Westin Dhaka	439,500	695,700
Advance to suppliers- The Westin Dhaka	6,714,848	39,924,474
Others- The Westin Dhaka	-	20,582,754
Advance for Limousine Service	131,797	134,297
Advance for HANSA by UHRL	977,696	327,206
Advance for LC Margin	723,857	723,857
Advance for hotel and service apartment	927,875,000	927,875,000





Advance against salary	171,731	227,165
Advance for Unique Convention centre	1,505,070	1,505,070
Advance for GEC project	-	1,069,239
Advance for South Park project	2,405,481	-
Advance against land*	2,708,253,484	2,649,239,486
Advance against land of SEZL	624,892,587	624,892,587
Sonargoan Economic Zone Ltd.	829,074,683	823,368,133
Other advances	183,619,644	64,170,499
	<b>5,700,780,744</b>	<b>5,879,248,866</b>

\* Advance against land includes the advance of Tk. 2,600,000,000 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 Seven 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 is completed.

	Amount in Taka	
	30 June 2021	30 June 2020
<b>12.1.1 Advance income tax</b>		
Opening balance	93,192,043	422,760,278
Add: Advance tax paid during the year	48,425,072	126,261,465
Less: Advance tax adjusted during the year	(123,330,703)	(455,829,700)
	<b>18,286,412</b>	<b>93,192,043</b>

Tax @4% on transfer of land u/s 53H of the Income Tax Ordinance 1984 for the land sold and transferred to Unique Meghnaghat Power Limited and Strategic Finance Limited amounting to Tk.37,793,526 and Tk.2,366,600 respectively has already been paid at the time of transfer. Detailed disclosure related to sale and transfer of land is presented in note 31.

<b>12.2 Deposits</b>		
Bank margin	1,786,347	1,786,347
Security deposit	17,806,411	19,332,700
Security deposit- The Westin Dhaka	716,203	786,203
	<b>20,308,961</b>	<b>21,905,250</b>

<b>12.3 Prepayments</b>		
Insurance- The Westin Dhaka (Property Damage & Business Interruption)	452,045	242,812
Insurance- The Westin Dhaka (Commercial General Liabilities)	4,745,264	2,860,671
Insurance- The Sheraton Dhaka (Property insurance coverage)	3,200,313	3,818,576
Insurance- The Sheraton Dhaka (Terrorism insurance coverage)	548,478	565,208
Insurance- HANSA by UHRL	115,850	81,063
	<b>9,061,950</b>	<b>7,568,330</b>

<b>12.A Consolidated advances, deposits &amp; prepayments</b>		
Advances	5,701,806,340	5,880,407,571
Deposits	20,308,961	21,905,250
Prepayments	9,061,950	7,568,330
From HANSA by UHRL	757,697	1,443,055
	<b>5,731,934,948</b>	<b>5,911,324,207</b>



**13. Fixed deposit receipts**

**Fixed deposit receipts of The Westin Dhaka**

People's Leasing and Financial Services Ltd.

International Leasing and Financial Services Ltd.

Fareast Finance and Investment Ltd.

Brac bank Ltd.

Eastern Bank Ltd.

**Fixed deposit receipts of Head office**

Southeast Bank Ltd.

United Commercial Bank Ltd

**Fixed deposit receipts of HANSA by UHRL**

Eastern Bank Ltd.

Eastern Bank Ltd.

**Current and non-current classification**

Non-current asset

Current asset

Amount in Taka	
30 June 2021	30 June 2020
43,679,385	43,679,385
231,000,000	231,000,000
5,300,000	5,300,000
66,462,500	-
288,049,787	524,391,625
<b>634,491,672</b>	<b>804,371,010</b>
18,144,443	17,268,857
728,428,312	698,498,033
<b>746,572,755</b>	<b>715,766,890</b>
3,205,838	3,103,000
2,991,770	2,895,800
<b>6,197,608</b>	<b>5,998,800</b>
<b>1,387,262,035</b>	<b>1,526,136,700</b>
274,679,385	274,679,385
1,112,582,650	1,251,457,315
<b>1,387,262,035</b>	<b>1,526,136,700</b>

The Company has investments in International Leasing and Financial Services Ltd. (ILFSL) to the extent of Tk. 231,000,000 in the form of term deposits. At present, a winding up application by the depositors of ILFSL, Company Matter No. 299 of 2019, is pending against ILFSL in the Honorable High Court Division of the Supreme Court of Bangladesh. The Company, however, does not consider its investment in ILFSL to be credit-impaired financial asset in terms of IFRS 9 for the reason that the Honorable Court has not allowed the application but has instead reconstructed ILFSL's Board of Directors, and there is observable data that ILFSL has started paying off its creditors.

Furthermore, the Company has investments in People's Leasing and Financial Services Ltd. (PLFSL) to the extent of Tk. 43,679,385 in the form of term deposits. At present, a winding up application, Financial Institution Matter No. 1 of 2019 filed by Bangladesh Bank, is pending against PLFSL in the Honorable High Court Division of the Supreme Court of Bangladesh. The Company, however, does not consider its investment in PLFSL to be a credit-impaired financial asset in terms of IFRS 9 for the reason that the Honorable High Court has not allowed the application but has instead reconstructed PLFSL's Board of Directors, and there is observable data that PLFSL has started recovering loans from defaulting borrowers thereby improving its liquidity position.



**14. Cash and cash equivalents****a. Cash in hand**

Cash in hand- Corporate office  
 Cash with brokerage house  
 Cash in hand- HANSA by UHRL

Amount in Taka	
30 June 2021	30 June 2020

69,139	44,123
16,041,957	6,107,635
865,926	175,635
<b>16,977,022</b>	<b>6,327,393</b>

**Cash at bank**

Prime Bank Limited- HANSA by UHRL  
 United Commercial Bank Ltd.-HANSA by UHRL  
 Standard Chartered Bank- HANSA by UHRL  
 United Commercial Bank Ltd.-Banani Branch  
 Bank Alfalah Ltd., Gulshan Branch  
 Eastern Bank Ltd.-Gulshan Branch  
 Eastern Bank Ltd., HPA- Banani  
 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  
 Eastern Bank Ltd.-Dividend 2017-18  
 Eastern Bank Ltd.-Dividend 2018-19  
 Eastern Bank Ltd.-Dividend 2019-20  
 Prime Bank Ltd.- Banani Branch, (Unit-2)  
 Prime Bank Limited.-Banani Branch  
 BRAC Bank Ltd., Gulshan- SND  
 BRAC Bank Ltd., Gulshan- FC Dollar  
 BRAC Bank Ltd., Gulshan- FC Pound  
 BRAC Bank Ltd., Gulshan- FC Euro  
 Janata Bank Ltd.-Corporate Branch  
 Shahjalal Islami Bank Ltd.-Banani Branch  
 The City Bank Ltd.-Kawran Bazaar Branch  
 Mercantile Bank Ltd.-Banani Branch  
 Premier Bank Ltd. Banani Branch  
 One Bank Ltd.  
 Sonali Bank Ltd, Gulshan. Branch, Dhaka  
 Sonali Bank Ltd., Dhaka Reg. Complex Branch  
 Dutch Bangla Bank Ltd.  
 Sonali Bank Ltd., Gulshan Branch  
 Agrani Bank Ltd.  
 Southeast bank Ltd.  
 IFIC Bank Ltd.  
 Commercial Bank of Ceylon

2,126,579	2,121,296
45,193,873	11,293,376
2,229,648	2,899,381
32,688,183	1,798,802
16,073	88,507
194,956	195,896
319,931	314,549
851,158	836,150
6,716,151	6,589,764
3,495,633	3,439,923
2,481,002	2,436,829
2,312,200	2,270,964
1,287,108	1,272,302
792,796	855,790
1,721,867	2,079,070
674,823	-
27,613	2
(934,188)	(17,628,488)
22,278	6,810,950
416,872	416,872
3,030,154	2,683,312
1,969,359	1,855,725
23,269	23,269
7,570	7,570
17,444	17,970
44,460	44,460
3,100	3,100
5,147	6,182
17,012	17,012
12,083	12,083
4,675,973	-
50,000	50,000
41,670	50,000
3,057	157,199
11,661	11,661
76,235	76,925
<b>112,622,750</b>	<b>33,108,403</b>
<b>129,599,772</b>	<b>39,435,796</b>



		Amount in Taka		
		30 June 2021	30 June 2020	
<b>b. The Westin Dhaka</b>				
Cash in hand		925,000	1,425,000	
Cash at bank				
Standard Chartered Bank		4,273,825	64,542,105	
Standard Chartered Bank CD		15,159,563	17,547,978	
Prime Bank Limited- C/A		288,937	2,618,304	
Prime Bank Limited- STD		4,524,881	23,429,613	
Prime Bank Limited- replacement reserve		542,461	13,181,160	
The City Bank Limited- Gulshan Branch		7,631,616	43,069,565	
Dutch Bangla Bank Ltd.		227,993	228,488	
		<u>32,649,276</u>	<u>164,617,213</u>	
		<u>33,574,276</u>	<u>166,042,213</u>	
<b>Total : (a+b)</b>		<u><b>163,174,048</b></u>	<u><b>205,478,009</b></u>	
<b>14.A Consolidated cash &amp; cash equivalents</b>				
Cash in hand		18,425,168	7,919,208	
Cash at banks		275,447,514	216,491,409	
		<u><b>293,872,682</b></u>	<u><b>224,410,617</b></u>	
<b>15. Share capital</b>				
<b>A. Authorized share capital</b>				
1,000,000,000 ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000	
		<u><b>10,000,000,000</b></u>	<u><b>10,000,000,000</b></u>	
<b>B. Issued, subscribed and paid- up capital</b>				
294,400,000 ordinary shares of Tk. 10 each fully paid		2,944,000,000	2,944,000,000	
		<u><b>2,944,000,000</b></u>	<u><b>2,944,000,000</b></u>	
<b>C. Shareholding position</b>				
	%	No. of shares	30 June 2021	30 June 2020
Sponsor/Director	46.03%	135,516,202	1,355,162,020	1,537,569,050
Companies and financial Institutions	28.13%	82,797,863	827,978,630	935,493,690
Foreign Individual & Companies	0.61%	1,802,350	18,023,500	37,010,520
General Public	25.23%	74,283,585	742,835,850	433,926,740
	<u><b>100.00%</b></u>	<u><b>294,400,000</b></u>	<u><b>2,944,000,000</b></u>	<u><b>2,944,000,000</b></u>
<b>D. Classification of shareholders by holding</b>				
<b>Number of shares</b>		<b>No. of shareholders</b>	<b>No. of shares</b>	<b>% of holdings</b>
1 to 500 shares		11,574	1,324,696	0.45%
501 to 5,000 shares		1,819	3,317,851	1.13%
5,001 to 10,000 shares		316	2,410,581	0.82%
10,001 to 20,000 shares		164	2,437,769	0.83%
20,001 to 30,000 shares		55	1,375,815	0.47%
30,001 to 40,000 shares		28	968,245	0.33%
40,001 to 50,000 shares		22	1,004,237	0.34%
50,001 to 1,00,000 shares		60	4,489,826	1.52%
1,00,001 to 1,000,000 shares		88	27,694,427	9.41%
over 1,000,000		34	249,376,553	84.70%
		<u><b>14,160</b></u>	<u><b>294,400,000</b></u>	<u><b>100.00%</b></u>



	Amount in Taka	
	30 June 2021	30 June 2020
<b>16. Share premium</b>	<b>6,181,931,836</b>	<b>6,181,931,836</b>
<b>17. Revaluation reserve</b>		
Opening balance	10,168,822,832	10,261,164,914
Realized through excess depreciation on revaluation of assets	123,917,189	(92,342,082)
	<b>10,292,740,021</b>	<b>10,168,822,832</b>
<b>18. Long term loan</b>		
Standard Chartered Bank Limited - Foreign currency loan (18.1)	1,167,375,000	1,166,687,500
Standard Chartered Bank Limited (18.2)	1,469,632,506	1,469,632,506
Dutch Bangla Bank Limited (18.3)	1,056,188,906	1,000,000,000
United Commercial Bank Limited (18.4)	1,000,000,000	-
	<b>4,693,196,412</b>	<b>3,636,320,006</b>
<b>Current and non-current classification</b>		
Non-current portion	3,935,777,581	3,265,101,171
Current portion	757,418,831	371,218,835
	<b>4,693,196,412</b>	<b>3,636,320,006</b>

**18.1 Standard Chartered Bank Limited - Foreign currency loan**

Name of lender	:	Standard Chartered Bank, Singapore
Security agent	:	Standard Chartered Bank, Dhaka
Name of facility	:	Term loan facility
Facility limit	:	USD 35 million (\$ 35 million disbursed)
Rate of interest	:	LIBOR+4.50% per annum
Purpose of loan	:	Financing capital expenditure
Repayment	:	5 years including 12 months grace year for principal amount that will be paid through 16 equal quarterly installments after the grace year. (For 3rd Tranche- \$ 10 million, 24 equal installments in 7 years including 1 year moratorium year).
Security	:	<p>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.;</p> <p>ii) Personal guarantee of Mr. Mohd. Noor Ali, Managing Director;</p> <p>iii) Exclusive charge on receivables of the Company.</p>

The Company has taken the above foreign currency loan which are denominated in USD. The loan shall be repaid over a year of 5 years from the revenue of the Company during the relevant year from hotel operation which are also invoiced and collected in USD. The foreign currency loan was sanctioned solely for the purpose of a capital project termed as "purchase and installation of interiors and furnishing materials of Unique Hotel and Resorts Limited (unit 2), Hotel Sheraton Dhaka, an international five star hotel". The said project is ongoing and the underlying property is yet to be ready for available for use.

The Company has translated the foreign currency loan from USD to BDT at the rate prevailing on the closing date. Recognising of foreign currency difference in profit or loss, will result significant fictitious impact on its financial performance which will also be misleading to the fair presentation. Accordingly, the Company has recognized foreign currency difference in translation of USD denominated loans to capital work in progress of the underlying property taking under cognizance the substance of the above matter.

As per our application on August 18, 2020 to the Bangladesh Investment Development Authority (BIDA) repayment date of foreign loan USD 35 million via Standard Chartered Bank (Landon/Mauritius/Singapore) through Standard Chartered Bank Limited Dhaka, Bangladesh, the tenure of the loan has been increased by 9 (nine) months from their existing maturity for all the three tranches. Moreover, we have again applied for further 9 (Nine) months deferment for the said foreign loan on January 08, 2021 which was approved by BIDA on May 11, 2021. According to the approval, the installments are as follows:



- a) For Tranche- 1 (USD 15 million), Tranche-2 (USD 10 million) and Tranche-3 (USD 10 million), interest will be deferred along with principal repayment for 9 months with revised maturity dates 29-Jan-2022 for Tranche-1, 20-Apr-2023 Tranche-2 and 17-Dec-2025 for Tranche-3;
- b) For Tranche-1, payment will due on 30th October 2021 including interest accrued since last payment under this tranche (November'20);
- c) For Tranche-2, payment will due on 21st October 2021 including interest accrued since last payment under this tranche (January'20); and
- d) Similarly, for Tranche-3, payment will due on 22nd September 2021 including interest accrued since last payment under this tranche (December'19).

#### 18.2 Standard Chartered Bank Limited

Name of lender	:	Standard Chartered Bank, Dhaka
Name of facility	:	Term loan facility
Facility limit	:	150.00 crore
Rate of interest	:	T Bill+7.26% per annum
Purpose of loan	:	Financing constructions and furnishing works of Sheraton Dhaka and Hyatt Centric (Acropolis) Project
Repayment	:	6 years including 2 years moratorium year
Security	:	i) Demand Promissory Note and a Letter of continuation for BDT 2,140 million of Unique Hotel & Resorts Ltd.;
		ii) Registered mortgage over land and building of The Westin Dhaka situated at Plot 01, Road 45, Gulshan-2, Dhaka covering the facility amount. A second mortgage has been created for BDT 1.5 Billion covering the additional term loan facility over this Land and Building;
		iii) Personal guarantee of Mr. Mohd. Noor Ali, held for BDT 3,764.5 million. Additional Personal Guarantee for BDT 1.5 Billion to be taken from Mr. Mohd. Noor Ali and Salina Ali.

The interest rate of this term loan has been changed to 9.00% from 1st of April 2020 as per Banking Regulation & Policy Department Circular No. 03/2020 dated February 24, 2020. The interest rate has further been revised to T-Bill+3.68% p.a. with a floor of 6% p.a. through letter dated August 23, 2021 of Standard Chartered Bank Limited which will be effective from August 31, 2021.

Bangladesh Bank has provided further guidelines through BRPD Circular no. 13 dated June 27, 2021 directing the borrowers to settle 20% of the total accumulated installments until June 2021 within August 31, 2021. The rest of the installment shall be adjusted with the last installment payment. According to the circular, Unique Hotel & Resorts Limited has paid 20% of its accumulated installment until June 30, 2021 subsequently. Moreover, Bangladesh Bank through BRPD Circular no. 19 dated August 26, 2021 further provided guideline to settle 25% of the total accumulated installments from January 2021 to December 2021 within December 2021. Unique Hotel & Resorts Limited has paid the due installments upto September 2021 accordingly.

#### 18.3 Dutch Bangla Bank Limited

Name of lender	:	Dutch Bangla Bank Limited
Name of facility	:	Term loan
Facility limit	:	100.00 crore
Rate of interest	:	10.50% per annum
Purpose of loan	:	For completion of works of Sheraton Dhaka
Repayment	:	7 years including 2 years moratorium year
Security	:	i) Registered mortgage of HANSA- Premium Residence (03 star serviced apartment) measuring 48,420 sft (1st floor to 12th floor), including basement 1 & 2 with undivided and undemarcated share of (3.68+3.69)=7.37 decimal or 4.47 Katha land in Dhaka, Sub Register Office- Uttara, Mouza- Uttara R/A, being Plot No.03, Road No. 10/A, Sector 09, Uttara Model Town, Dhaka-1230 and (4.13+4.12)=8.25 decimal or 5 Katha land in Dhaka, Sub Register Office- Uttara, Mouza- Uttara R/A, being Plot No.05, Road No. 10/A, Sector 09, Uttara Model Town, Dhaka-1230 standing in the name of "Unique Hotel & Resorts Ltd." valued at BDT 896.38 million as per valuation report by Northern Inspection Co. Ltd. Dated: 29-10-19;



- ii) Registration of mortgage charge with RJSC&F;
- iii) Personal guarantee of Chairman and Managing Director of the concern.

The interest rate of this term loan has been changed @9% from 1st of April 2020 as per Banking Regulation & Policy Department Circular No. 03/2020 dated: February 24, 2020. Moreover, Bank has further reduced the interest rate @8.75% effective from October 9, 2020 and further reduction in interest rate has been @7.75% with effect from August 2021.

Interest repayment on the above loan has been deferred till December, 2020 as per the BRPD Circular no 17 dated September 28, 2020.

As per BRPD circular 17, interest repayment for the year May to December 2020 has been capitalized with principal amount by the Bank as a result outstanding loan amount has been increased from BDT 100 crore to BDT 105.62 crore.

Bangladesh Bank has provided further guidelines through BRPD Circular no. 13 dated June 27, 2021 directing the borrowers to settle 20% of the total accumulated installments until June 2021 within August 31, 2021. The rest of the installment shall be adjusted with the last installment payment. According to the circular, Unique Hotel & Resorts Limited has paid 20% of its accumulated installment until June 30, 2021 subsequently. Moreover, Bangladesh Bank through BRPD Circular no. 19 dated August 26, 2021 further provided guideline to settle 25% of the total accumulated installments from January 2021 to December 2021 within December 2021. Unique Hotel & Resorts Limited has paid the due installments upto September 2021 accordingly.

#### 18.4 United Commercial Bank Limited

Name of lender	:	United Commercial Bank Ltd.
Name of facility	:	Term loan
Facility limit	:	100.00 crore
Rate of interest	:	9.00% per annum
Purpose of loan	:	For Finishing and Interior work, supplier payment and other payments related to the project "Sheraton Dhaka"
Repayment	:	7 years including 2 years moratorium year
Security	:	i) Registered Mortgage of 30,391 sq. ft. Office space alone with 3 khata 6 Chatak 1 sq. ft. at Dilkusha, Motijheel, Dhaka. ii) 90,00,000 nos. shares of Unique Hotel & Resorts Limited (UHRL) to be pledged which hold by its sister concern against the approved facility; iii) Registration of mortgage charge with RJSC&F; iv) Personal guarantee of Chairman and Managing Director of the concern. v) Undated security cheque covering the entire facilities.

Amount in Taka	
30 June 2021	30 June 2020

#### 18.A Consolidated term loan

Standard Chartered Bank Limited - Foreign currency loan  
Standard Chartered Bank Limited  
Dutch Bangla Bank Limited  
United Commercial Bank Limited  
Agrani Bank Limited

1,167,375,000	1,166,687,500
1,469,632,506	1,469,632,506
1,056,188,906	1,000,000,000
1,000,000,000	-
3,387,549,076	3,109,854,215
<b>8,080,745,488</b>	<b>6,746,174,221</b>

#### Current and non-current classification

Non-current portion  
Current portion

3,935,777,581	3,265,101,171
4,144,967,907	3,481,073,050
<b>8,080,745,488</b>	<b>6,746,174,221</b>



19. Consolidated lease liability

Opening balance  
Interest capitalised during the year  
Payment during the year  
Closing balance

Lease liability

Lease liability - non-current portion  
Lease liability - current portion

Amount in Taka	
30 June 2021	30 June 2020
96,846,501	98,286,940
7,647,337	8,089,876
(12,105,037)	(9,530,315)
<b>92,388,801</b>	<b>96,846,501</b>
80,911,338	87,869,588
11,477,463	8,976,913
<b>92,388,801</b>	<b>96,846,501</b>

A lease agreement was signed between Unique Meghnaghat Power Limited (UMPL) and Borak Real Estate Limited (BRE) on 01 October 2018. The area of premises is 5,674 sft, and the rent value of the lease is @Tk.150 per sft. Unique Meghnaghat Power Limited recognises the Lease hold office floor as a right-of-use asset and lease liabilities according to IFRS 16 using the modified retrospective approach, applying the requirements from 01 July 2019. Generally, U MPL uses its incremental borrowing rate (9.00%) as the discount rate. The lease liabilities are subsequently increased by the interest cost on the lease liabilities and decreased by lease payments made during the year.

20. Deferred tax liability

Opening balance  
Deferred tax obligation/(benefit) during the year  
Transferred to retained earnings- excess depreciation on revaluation reserve

Amount in Taka	
30 June 2021	30 June 2020
2,870,482,266	2,887,441,556
(89,541,949)	13,821,404
(244,862,998)	(30,780,694)
<b>2,536,077,319</b>	<b>2,870,482,266</b>

As at 30 June 2021	Tax rate	Carrying amount	Tax Base	Temp. difference	Deferred tax (asset) / liability
Property, Plant and Equipment	22.50%	6,184,828,521	3,894,622,632	2,290,205,889	515,296,325
Provision for bad debt	22.50%	(148,721,167)	-	(148,721,167)	(33,462,263)
Gratuity provision	22.50%	(19,736,565)	-	(19,736,565)	(4,440,727)
Unused tax losses	22.50%	-	(84,742,950)	(84,742,950)	(19,067,164)
Unrealized gain/(loss) from investment in shares	10%	(55,259,813)	-	(55,259,813)	(5,525,981)
<b>A Closing deferred tax liability as at 30 June 2021</b>					<b>452,800,191</b>
Closing Deferred tax liability as at 30 June 2020					542,342,140
<b>Deferred tax (income)/expenses during the year</b>					<b>(89,541,949)</b>
Revaluation of Land	4%	3,790,955,298	-	3,790,955,298	151,638,212
Revaluation of Property, Plant and Equipment	22.50%	8,585,061,850	-	8,585,061,850	1,931,638,916
<b>B Closing deferred tax liability as at 30 June 2021</b>					<b>2,083,277,128</b>
Closing Deferred tax liability as at 30 June 2020					2,328,140,126
<b>Transferred to retained earnings during the year- excess depreciation on revaluation reserve</b>					<b>(244,862,998)</b>
<b>Total deferred tax liability as at 30 June 2021 (A+B)</b>					<b>2,536,077,319</b>





As at 30 June 2020	Tax rate	Carrying amount	Tax Base	Temp. difference	Deferred tax (asset) / liability
Property, Plant and Equipment	25%	6,752,469,989	4,492,162,577	2,260,307,412	565,076,853
Provision for bad debt	25%	(6,605,579)	-	(6,605,579)	(1,651,395)
Gratuity provision	25%	(18,900,736)	-	(18,900,736)	(4,725,184)
Unrealized gain/(loss) from investment in shares	10%	(163,581,346)	-	(163,581,346)	(16,358,135)
<b>A Closing deferred tax liability as at 30 June 2020</b>					<b>542,342,140</b>
Closing Deferred tax liability as at 30 June 2019					528,520,736
<b>Deferred tax (income)/expenses during the year</b>					<b>13,821,404</b>
Revaluation of Land	4%	3,790,955,298	-	3,790,955,298	151,638,212
Revaluation of Property, Plant and Equipment	25%	8,706,007,660	-	8,706,007,660	2,176,501,914
<b>B Closing deferred tax liability as at 30 June 2020</b>					<b>2,328,140,126</b>
Closing Deferred tax liability as at 30 June 2019					2,358,920,820
<b>Transferred to retained earnings during the year- excess depreciation on revaluation reserve</b>					<b>(30,780,694)</b>
<b>Total deferred tax liability as at 30 June 2021 (A+B)</b>					<b>2,870,482,266</b>

	Amount in Taka	
	30 June 2021	30 June 2020
<b>21. Short term loans</b>		
Standard Chartered Bank	195,000,000	190,000,000
Bank Alfalah Ltd.	500,000,000	500,000,000
Prime Bank Ltd. Banani Branch	51,392,921	42,203,384
Prime Bank Ltd. Banani Branch- overdraft	715,929,448	625,692,677
Standard Chartered Bank, Gulshan- overdraft	260,217,085	302,817,645
	<b>1,722,539,454</b>	<b>1,660,713,706</b>
<b>22. Due to operator and its affiliates</b>		
License fee	44,808,228	90,229,862
Marketing fee	95,926,470	106,411,426
Office base fee	801,448	1,536,374
Incentive fee	60,186,794	155,072,154
Reservation fee/program service fund	28,941,518	28,119,493
License fee (HANSA by UHRL)	3,831,077	2,586,975
Incentive fee (HANSA by UHRL)	3,769,295	2,323,102
	<b>238,264,830</b>	<b>386,279,386</b>
<b>23. Accounts payable</b>		
R. M. Enterprise	418,062	249,692
Paragon Poultry Ltd.	659,117	269,069
Idol Ace Ltd.	489,835	122,375
Band Box	271,185	762,556
Noor Trade House	1,448,796	473,691
Taj Enterprise	767,665	17,249
Other creditors	26,763,773	31,002,162
Payables of HANSA by UHRL	2,432,704	1,217,656
	<b>33,251,137</b>	<b>34,114,450</b>
<b>24. Undistributed/unclaimed dividend</b>		
Opening balance	12,611,384	10,598,403
Add: Dividend declared during the year	140,831,710	588,800,000
Less: Dividend paid during this year/year	(140,601,107)	(586,787,019)
	<b>12,841,987</b>	<b>12,611,384</b>



		Amount in Taka	
		30 June 2021	30 June 2020
<b>25</b>	<b>Liabilities to intercompanies</b>		
	Borak Real Estate Ltd.	1,908,240,793	1,854,568,758
	Unique Eastern (Pvt.) Ltd.	395,134,245	365,392,213
	Borak Travels Pvt Ltd.	292,725,192	172,725,510
	Unique Vocational Training Centre	17,074,911	15,656,289
	Unique Ceramics Industries Ltd.	146,570,396	-
		<b>2,759,745,537</b>	<b>2,408,342,770</b>
<b>26.</b>	<b>Other accruals and payables</b>		
	Taxes, deposits and other creditors (26.1)	53,921,109	35,211,617
	Accrued expenses (26.2)	214,635,604	239,490,457
	Provision for corporate tax (26.3)	10,051,535	143,479,956
	Provision for Workers' Profit Participation Fund (WPPF) (26.4)	15,753,687	35,095,472
	Liability to directors and shareholders	516,539,705	490,239,705
	Provision for gratuity	19,736,565	18,900,736
	Liability for finance cost	180,382,008	165,397,512
	Other payables	705,601,693	274,120,391
		<b>1,716,621,906</b>	<b>1,401,935,846</b>
<b>26.1</b>	<b>Taxes, deposits and other creditors</b>		
	Security deposits from suppliers	7,840,000	7,740,000
	Security deposits from tenants	5,207,980	5,207,980
	Supplementary duty	1,346,800	395,089
	Service charge	6,623,651	1,319,887
	Breakage fund and others	6,695,542	2,317,517
	TDS payables- suppliers	1,052,590	97,625
	Tax payable on management fees	20,542,145	14,990,325
	Service charge of HANSA by UHRL	3,383,539	2,584,190
	VAT payables of HANSA by UHRL	1,183,875	559,004
	Supplementary duty HANSA by UHRL	44,987	-
		<b>53,921,109</b>	<b>35,211,617</b>
<b>26.2</b>	<b>Accrued expenses</b>		
	Income tax payable for expatriate salaries	-	1,736,755
	Salaries, wages, bonus and other benefits	2,838,708	9,847,423
	Accruals for utility services	2,426,351	6,201,908
	Accrual for Marriott Bonvoy	91,548,225	122,279,221
	Accrual for employee survey and vacation	3,309,668	1,432,816
	Accrual for Starwood GSI/GEI	46,025,268	31,873,795
	Westin privilege card and SPP card	75,000	50,002
	Advance received for tower rent and Gym membership	10,284,758	11,136,251
	Expatriate benefits	2,082,565	1,416,715
	Audit fee	4,702,500	3,719,500
	Other accrued expenses of Westin Dhaka	10,569,811	15,610,066
	Accrued expenses of HANSA by UHRL	7,334,027	5,537,993
	Payable to Unique Meghnaghat Power Ltd.	811,557	-
	Accrued expenses- corporate office	32,627,167	28,648,012
		<b>214,635,604</b>	<b>239,490,457</b>



**26.3 Provision for corporate tax**

Opening balance
Add: Income tax expense for the year*
Less: Income tax adjusted during the year
<b>Closing balance</b>

143,479,956	450,488,499
7,165,893	161,660,191
(140,594,314)	(468,668,734)
<b>10,051,535</b>	<b>143,479,956</b>

\*Detailed disclosure related to tax on sale and transfer of land is presented in note 31.

**26.4 Provision for Workers' Profit Participation Fund (WPPF)**

Opening balance
Add: Adjustment during the year
Add: Provision made during the year
Less: Paid to the Government Welfare Fund
Less: Paid during the year to the WPPF Trustee account
<b>Closing balance</b>

35,095,472	104,149,914
30,000	-
15,753,687	22,782,838
(14,620,918)	
(20,504,554)	(91,837,280)
<b>15,753,687</b>	<b>35,095,472</b>

The Company formed Unique Hotel & Resorts Limited Workers' Participation and Welfare Fund in 2019. The Company transferred Tk. 20,504,554 (90% of provision for WPPF, i.e. Tk. 22,782,838 for the year ended 30 June 2020) to the respective bank account of the Trustee Board. Moreover, 10% of the fund till June 2020 which amounts to Tk. 14,620,918 has been transferred to the Director General Government Welfare Fund in compliance with the Labor Law.

**26.A Consolidated other accruals and payables**

Taxes, deposits and other creditors- The Westin Dhaka
Accrued expenses
Provision for corporate tax
Provision for Workers' Profit Participation Fund (WPPF)
Liability to directors and shareholders
Provision for gratuity
Liability for finance cost
Other payables
 Intragroup transactions

Amount in Taka	
30 June 2021	30 June 2020
53,921,109	35,211,617
253,624,159	337,375,669
10,051,535	143,479,956
15,753,687	35,095,472
516,539,705	490,239,705
24,629,083	18,900,736
180,382,008	165,397,512
705,601,693	274,120,391
<b>1,760,502,979</b>	<b>1,499,821,058</b>
(811,557)	-
<b>1,759,691,422</b>	<b>1,499,821,058</b>

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020

**27. Revenue****Revenue from The Westin Dhaka**

Rooms
Food and beverage
Minor operating department (MOD)
Space rental
Shop rent

165,379,451	622,674,211
390,724,416	780,505,118
36,596,896	61,042,999
3,339,936	22,772,777
11,805,402	11,882,877
<b>607,846,101</b>	<b>1,498,877,982</b>

**Revenue from HANSA by UHRL**

Rooms
Food and beverage
Minor operating department (MOD)

33,333,587	53,935,072
28,746,163	17,560,526
5,474,238	4,516,861
<b>67,553,988</b>	<b>76,012,459</b>
<b>675,400,089</b>	<b>1,574,890,441</b>



28. Costs of sales (COS)

Cost of sales of The Westin Dhaka

Particulars	1 July 2020 to 30 June 2021				01 July 2019 to 30 June 2020
	Rooms	Food & beverage	Minor operating dept	Total	
Salary, wages, bonus and benefits	7,293,632	24,708,849	3,717,495	35,719,976	71,387,128
Cost of materials & other related expenses	-	125,344,292	61,965	125,406,257	200,982,907
Operating supplies	5,298,563	11,058,178	414,345	16,771,086	22,897,096
Laundry, dry cleaning and uniforms	1,753,422	3,557,229	816,289	6,126,940	16,849,702
Complementary guest services	11,675,822	-	14,704	11,690,526	19,275,267
Linen, china, glass etc.	2,418,388	7,266,888	-	9,685,276	4,026,806
In-house TV , video, movies, music etc.	300,000	352,107	-	652,107	4,854,652
Travel agents commission	637,822	1,381,517	-	2,019,339	2,951,448
Traveling and communication	80,820	63,692	47,117	191,629	321,687
Airport counter charge	175,308	-	-	175,308	1,460,365
Fees and purchase	6,225	63,619	-	69,844	111,645
Third party reservation & amenities	2,052,200	906,722	166,285	3,125,207	4,283,306
Decoration & training	73,820	251,744	2,208	327,772	814,878
Rent, relocation & Loss	-	6,900	-	6,900	-
Postage	140	-	-	140	211,470
Promotion & others	1,405	94,187	6,600	102,192	55,295
Others	770,978	29,009	514	800,501	2,674,427
<b>Subtotal</b>	<b>32,538,545</b>	<b>175,084,933</b>	<b>5,247,522</b>	<b>212,871,000</b>	<b>353,158,079</b>

Cost of sales of HANSA by UHRL

Particulars	1 July 2020 to 30 June 2021				01 July 2019 to 30 June 2020
	Rooms	Food & beverage	Minor operating dept	Total	
Cost of sales	7,995,214	13,139,820	527,405	21,662,439	22,916,821
<b>Total</b>	<b>40,533,759</b>	<b>188,224,753</b>	<b>5,774,927</b>	<b>234,533,439</b>	<b>376,074,900</b>

Amount in Taka

01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
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29. Administrative and other expenses

Administrative and other expenses of The Westin Dhaka

Operators and its affiliated company fees (29.1)

Administrative and general expenses (29.2)

Repairs and maintenance (29.3)

Advertising, promotion and public relations (29.4)

Information and Telecommunications systems (29.5)

13,008,615	79,472,671
75,040,166	83,554,576
104,707,625	133,396,221
41,362,943	67,111,803
12,524,987	13,020,795
<b>246,644,336</b>	<b>376,556,066</b>



**Administrative and other expenses of HANSA by UHRL**

Salary and allowances	5,987,246	7,058,620
Administrative and general expenses	16,734,343	13,338,873
Repairs and maintenance	15,504,426	10,645,199
Advertising, promotion and public relations	517,177	1,069,482
Information and Telecommunications systems	843,504	1,388,234
	<b>39,586,696</b>	<b>33,500,408</b>

**Administrative and other preopening expenses of the Sheraton Dhaka**

Administrative and other preopening expenses	10,295,776	-
Less: Share of Borak Real Estate (50%)	5,147,888	-
	<b>5,147,888</b>	<b>-</b>

**Total administrative and other expenses**

	<b>291,378,920</b>	<b>410,056,474</b>
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**29.1 Operators and its affiliated company fees**

License fee (29.1.1)	12,004,896	29,758,480
Incentive fee (29.1.2)	1,003,719	49,714,191
	<b>13,008,615</b>	<b>79,472,671</b>

**29.1.1 License fee**

Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd. (now Marriott International)	<b>12,004,896</b>	<b>29,758,480</b>
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**29.1.2 Incentive fee**

Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd. (now Marriott International)		
Gross operating profit (GOP)	16,728,650	828,569,850
Incentive fee @ 6% on GOP	<b>1,003,719</b>	<b>49,714,191</b>

**29.2 Administrative and general expenses**

Legal and professional charges	1,248,794	1,208,385
Salaries, wages, bonus and benefits	41,018,862	49,465,506
Operating supplies	1,999,327	1,969,646
Postage	91,740	14,909
Travel and communication	5,273,797	731,555
Entertainment	80,508	5,339,060
Internal audit fee	1,733,000	1,630,000
Fee and purchased services	32,459	50,725
Uniforms	144,464	193,572
Subscriptions	327,001	57,500
Bank charges	892,048	45,696
Credit card commission	5,489,976	15,605,613
Recruitment and training	5,116,242	3,691,770
Travel click expenses	636,055	-
Cover fee expenses for Karim Associates	975,600	-
Permits and license fee	3,869,422	3,076,793
Other expenses	6,110,871	473,846
	<b>75,040,166</b>	<b>83,554,576</b>



**29.3 Repairs and maintenance**

Salaries, wages, bonus and benefits  
 Electric bulbs  
 Painting and decorations  
 Travel and communication  
 Laundry equipments  
 Electricity expenses  
 Fuel expenses  
 Repair and maintenance  
 Locks and keys  
 Operating supplies  
 Plumbing charge  
 Propine gas  
 Waste removal expenses  
 Water treatment and pest control  
 Insurance Premium  
 Uniforms  
 Other expenses

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
4,044,227	7,633,431
1,001,339	620,720
507,448	940,180
21,208	37,490
30,234	117,225
65,036,084	86,286,958
1,074,997	193,256
11,703,531	11,942,361
48,840	99,264
1,440,187	1,667,949
457,361	725,928
9,240,108	10,359,382
190,185	496,354
6,640,501	8,615,056
2,201,135	2,954,307
4,100	107,711
1,066,140	598,649
<b>104,707,625</b>	<b>133,396,221</b>

**29.4 Advertising, promotion and public relation**

Salaries, wages, bonus and benefits  
 Operating supplies  
 Travel and communication  
 Entertainment  
 Marriott Bonvoy expenses  
 Institutional marketing fee  
 Reservation fee/Program service fund  
 Uniforms  
 Other expenses  
 Digital Marketing fee  
 Food festival & promotion for guests  
 Complementary guest service

7,439,911	10,225,111
598,743	692,137
253,051	843,656
84,912	2,946,286
7,896,848	14,180,674
14,256,492	23,959,923
6,034,021	9,496,457
-	58,310
2,903,383	1,425,164
813,898	1,873,130
1,081,684	1,381,955
-	29,000
<b>41,362,943</b>	<b>67,111,803</b>

**29.5 Information and Telecommunications Systems**

Salaries, wages, bonus and benefits  
 Uniforms  
 Operating supplies  
 Travel and communication  
 Data processing and maintenance  
 Other expenses

525,183	850,688
8,321	1,942
521,745	190,883
-	565,178
9,676,465	9,377,808
1,793,273	2,034,296
<b>12,524,987</b>	<b>13,020,795</b>



Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020

**29.A Consolidated administrative and other expenses**

Operators and its affiliated company fees  
Administrative and general expenses  
Repairs and maintenance  
Advertising, promotion and public relations  
Information and Telecommunications systems

13,008,615	79,472,671
165,055,039	134,209,448
120,212,051	144,041,420
41,880,120	68,181,285
13,368,491	14,409,029
<b>353,524,316</b>	<b>440,313,853</b>

**30. Corporate office expenses**

Managing Director's remuneration  
Salary, wages and allowances  
Festival allowance  
Provident fund- employer part  
Travelling, conveyance and allowances  
Printing, stationary and papers  
Computer expenses  
Food and entertainment  
Office repairs and maintenance  
Telephone, mobile and internet  
Advertisement and publicity for BSEC compliance  
Trade license, renewal fees, duty and taxes  
Utility expenses  
AGM expenses  
Board meeting fees  
Insurance premium  
Audit fees  
Car repairs and maintenance  
Bank charge  
Loan processing fees  
Depreciation  
Consultancy expenses  
Other expenses  
Renewal of bank guarantee  
Uniform  
Donation and subscriptions  
Holding tax for the Westin Dhaka  
VAT expenses  
Paper, books and periodicals

-	5,400,000
27,189,799	35,997,144
1,050,885	2,266,452
886,858	2,558,324
528,142	476,013
492,452	1,135,496
42,314	598,482
84,338	1,229,685
2,505,283	2,501,977
534,842	664,099
738,063	705,405
423,860	216,600
2,351,930	1,215,234
862,223	1,755,662
944,000	702,000
14,005,447	7,932,667
550,000	1,771,926
1,230,350	872,654
1,044,685	324,038
1,000,000	-
224,810,684	228,620,969
2,502,507	385,175
5,535,930	1,956,498
851,866	898,134
1,389,088	1,238,926
5,605,000	1,600,000
8,771,140	-
3,320,599	-
8,263	15,350
<b>309,260,548</b>	<b>303,038,910</b>

**31. Capital gain**

Capital gain on sale of land

476,390,779	-
<b>476,390,779</b>	<b>-</b>

During the year, Unique Hotel & Resorts Limited (UHRL) sold and transferred 1032.61 decimel land to Unique Meghnaghat Power Limited in exchange of 9,44,83,815 number of fully convertible irredeemable preference shares of Tk. 10.00 each in the name of Unique Hotel & Resorts Limited resulting in a total transfer value of Tk. 944,838,150. The cost of land was Tk. 473,367,691. It is to be mentioned that the said land was purchased for setting up 584 MW (Net) Gas/RLNG based Power Plant. As a result, capital gain of Tk. 471,470,459 has been recorded. Tax @4% of Tk. 37,793,526 on transfer of land u/s 53H of the Income Tax Ordinance, 1984 has already been paid at the time of transfer. Therefore, no further tax will be required to pay for the above capital gain as per section 82C of the Income Tax Ordinance, 1984.



During the year, Unique Hotel & Resorts Limited sold and transferred 118.33 decimel undeveloped land to Strategic Finance Limited. The cost of land was Tk. 54,244,680. However, the above land was transferred at the value of Tk. 59,165,000. As a result capital gain of Tk. 4,920,320 has been recorded. Tax @4% of Tk. 2,366,600 on transfer of land u/s 53H of the Income Tax Ordinance, 1984 has already been paid at the time of transfer. Therefore, no further tax will be required to pay for the above capital gain as per section 82C of the Income Tax Ordinance, 1984.

	Amount in Taka	
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
<b>31.A Capital gain</b>		
Capital gain on sale of land	476,390,779	-
Intragroup transaction	(471,470,459)	-
	<b>4,920,320</b>	<b>-</b>
<b>32. Other income/(expenses)</b>		
Dividend income	10,613,505	4,463,151
Tower rent	1,879,880	2,604,000
Hotel service charge	6,777,267	27,250,978
Receipts from Westin for limousine service	3,136,160	6,675,179
Receipts from Westin for Security service	-	549,508
Receipts from Westin for electricity	23,463,838	35,806,286
Forfeiture balance from Provident Fund	1,859,939	-
Fluctuation gain/ (loss)	530,840	725,296
Others	12,432,505	2,000,933
	<b>60,693,934</b>	<b>80,075,331</b>
<b>33. Gain/(loss) on investment in shares</b>		
Realized gain from sale of shares	30,572,966	349,070
Unrealized gain/(loss) on shares	108,321,531	(66,642,364)
	<b>138,894,497</b>	<b>(66,293,294)</b>
Unrealized gain/ (loss) is recognized due to difference between the cost and the market price of corresponding investment in shares which have not been sold yet.		
<b>34. Interest income/(expense)</b>		
Interest income from FDR and bank deposits	53,596,097	88,831,796
Interest expenses	(96,267,611)	(107,870,943)
	<b>(42,671,514)</b>	<b>(19,039,147)</b>
<b>34.A Consolidated interest income/(expense)</b>		
Interest income from FDR and bank deposits	53,632,593	88,831,796
Interest expenses	(104,075,598)	(116,080,938)
	<b>(50,443,005)</b>	<b>(27,249,142)</b>
	Amount in Taka	
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
<b>35. Provision for bad debts</b>		
Provision for bad debts (The Westin Dhaka)	142,707,454	2,023,458





Provision for bad debts is made at the rate of 3% of rolling three months of average receivables in compliance with the policy of Marriott International. Moreover, total accounts receivable of The Westin Dhaka is Tk. 220,385,010 and out of that, receivable from Karim Associates (customer) is Tk. 141,579,465 (invoices belongs to FY 2019-2020 pre COVID-19 period). Due to COVID-19, the Govt. restricted international flight operations and the customer stopped their operations from March 2020. Customer entered an agreement in September 30, 2020 with Unique Hotel & Resorts Limited, indicating they will restore the operations effective from October 2020 and repay the dues in three equal installments through post-dated cheques of Tk. 47,193,155 each payable in December 2020, March 2021, and June 2021. However, these scheduled cheques bounced due to insufficient funds. As per our legal department recommendation, we proceeded with the service of statutorily mandated demand notice and subsequently, we filed separate Negotiable Instruments Act cases on February 28, 2021; June 16, 2021 and September 13, 2021 for the abovementioned cheques against Karim Associates which is subjudice now.

Considering the above situation, UHRL management decided making specific provision of Tk. 141,579,465 for the total receivable from Karim Associates.

### 36. Provision for income tax

Current tax expenses	(9,451,198)	161,660,191
Deferred tax expenses/(benefit)	(89,541,949)	13,821,404
	<u>(98,993,147)</u>	<u>175,481,595</u>

Detailed calculation of current tax has been presented in Annexure- B and calculation of average effective tax rate has been presented in Annexure- C.

Amount in Taka	
30 June 2021	30 June 2020

### 37 Net Asset Value per share, Earnings per share and Net Operating Cash Flow per share

#### 37.1.1 Consolidated Net Asset Value (NAV) per share

Net Asset Value	25,915,557,745	24,162,681,746
Number of ordinary shares	294,400,000	294,400,000
<b>Net Asset Value (NAV) per share</b>	<b>88.03</b>	<b>82.07</b>

#### 37.1.2 Net Asset Value (NAV) per share

Net Asset Value	A	23,973,347,492	23,455,645,315
Number of ordinary shares	B	294,400,000	294,400,000
<b>Net Asset Value (NAV) per share (Restated)</b>	<b>C= (A/B)</b>	<b>81.43</b>	<b>79.67</b>
<b>Net Asset Value (NAV) per share (Published)</b>		<b>81.43</b>	<b>79.68</b>

#### 37.2.1 Consolidated Earnings per share (EPS) on Net Profit after tax before other Comprehensive Income: (Par Value of Tk.10)

Earnings attributable to ordinary shareholders	A	(97,078,727)	260,164,642
Number of ordinary shares	B	294,400,000	294,400,000
<b>Basic and Diluted Earnings Per Share</b>	<b>C= (A/B)</b>	<b>(0.33)</b>	<b>0.88</b>

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

Due to COVID-19 impact, the domestic, inbound and outbound tourism sector in Bangladesh is facing enormous economic losses and job cuts. With restricted travel and cancellation of business flights, the luxury hotel industry has also been facing the domino effect of economic fallout. The occupancy rates of luxury hotels have declined by staggering amounts from end of February 2020 onwards. While the hotels would have witnessed occupancy rates of 75% to 80% in usual times, the current rates have plunged to an average 25% to 30%. Due to maintain the social distances, foreign travel band and restrictions for corporate social elements, the overall revenue dropped significantly by 57%.

Furthermore, Unique Hotel & Resorts Limited (UHRL) is consolidating the financial results of Unique Meghnaghat Power Limited (UMPL). As UMPL has not started its operations, it has suffered loss during the year. The loss of Unique Meghnaghat Power Limited which is attributable to Unique Hotel & Resorts Limited has reduced the consolidated earnings per share of the Group. Moreover, the intragroup capital gain of Tk. 471,470,459 of UHRL on sale of land to UMPL which has been eliminated according to IFRS 10: Consolidated Financial Statements have further reduced the consolidated earnings per share of the Group.



**37.2.2 Earnings per share (EPS) on Net Profit after tax before other Comprehensive Income: (Par Value of Tk.10)**

Earnings attributable to ordinary shareholders	A	413,670,890	279,783,003
Number of ordinary shares	B	294,400,000	294,400,000
<b>Basic and Diluted Earnings Per Share</b>	<b>C= (A/B)</b>	<b>1.41</b>	<b>0.95</b>

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

**37.3.1 Consolidated Net Operating cash inflow/(outflow) per share**

Amount in Taka			
		01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Net cash from operating activities	A	276,741,405	1,112,813,801
Number of ordinary shares	B	294,400,000	294,400,000
<b>Consolidated Net Operating cash inflow/(outflow) per share</b>	<b>C= (A/B)</b>	<b>0.94</b>	<b>3.78</b>

**37.3.2 Net Operating cash inflow/(outflow) per share**

Amount in Taka			
		01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Net cash from operating activities	A	322,561,106	1,130,314,600
Number of ordinary shares	B	294,400,000	294,400,000
<b>Net Operating cash inflow/(outflow) per share</b>	<b>C= (A/B)</b>	<b>1.10</b>	<b>3.84</b>

Due to impact of COVID 19, Unique Hotel & Resorts Limited has lost its revenue almost 57% for an amount of Tk. 899,490,352 compared to previous year. As a result, net operating cashflow has radically impacted and declined from 3.84 to only 1.10 per share, hence we are looking forward to overcome the situation at the earliest possible time.

**37.4.1 Reconciliation of consolidated net operating cash flow with net profit**

Amount in Taka		
	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
<b>Profit after tax (PAT)</b>	(127,716,456)	241,315,629
Income tax expense	(98,993,147)	175,481,595
<b>Profit before tax (PBT)</b>	<b>(226,709,603)</b>	<b>416,797,224</b>
<b>Adjustment for:</b>		
Depreciation	240,973,657	242,302,267
Amortisation	34,368	34,368
Interest expense	104,075,598	116,080,938
Interest income	(36,496)	-
Unrealized foreign exchange loss	(471,287)	365,567
Capital gain on sale of land	(4,920,320)	66,293,294
Dividend received	(10,613,505)	-
Share of profit/(loss) on equity accounted investee	395,994	392,153
(Gain)/loss from investment in shares	(138,894,497)	(4,463,151)
	<b>(36,166,091)</b>	<b>837,802,660</b>
<b>Changes in:</b>		
Decrease/ (Increase) in inventory	(16,813,709)	4,176,087
Decrease/ (Increase) in accounts and other receivables	145,317,889	23,243,849
Decrease/ (Increase) in advances, deposits and prepayments	(66,408,224)	19,721,271
(Decrease)/Increase in accounts payable	(863,313)	(19,975,119)
Increase in accruals and payables	448,114,481	269,258,249
Increase in due to operator and its affiliates	(148,014,556)	117,687,303
<b>Cash generated from operating activities</b>	<b>325,166,477</b>	<b>1,251,914,299</b>
Tax paid during the year	(48,425,072)	(139,100,498)
<b>Net cash generated by operating activities</b>	<b>276,741,405</b>	<b>1,112,813,801</b>



37.4.2 Reconciliation of net operating cash flow with net profit

Profit after tax (PAT)

Income tax expense

Profit before tax (PBT)

Adjustment for:

Depreciation

Interest expense

Unrealized foreign exchange loss

Capital gain on sale of land

Dividend received

(Gain)/loss from investment in shares

Changes in:

Decrease/ (Increase) in inventory

Decrease/ (Increase) in accounts and other receivables

Decrease/ (Increase) in advances, deposits and prepayments

(Decrease)/Increase in accounts payable

(Decrease)/Increase in accruals and payables

(Decrease)/Increase in due to operator and its affiliates

Cash generated from operating activities

Tax paid during the year

Net cash generated by operating activities

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
414,066,884	280,175,156
(98,993,147)	175,481,595
315,073,737	455,656,751
224,810,684	228,620,969
96,267,611	107,870,943
(466,530)	365,567
(476,390,779)	-
(10,613,505)	(4,463,151)
(138,894,497)	66,293,294
9,786,721	854,344,374
(16,813,709)	4,176,087
145,317,889	23,243,849
(66,541,335)	20,680,356
(863,313)	(19,975,119)
448,114,481	269,258,249
(148,014,556)	117,687,304
370,986,178	1,269,415,098
(48,425,072)	(139,100,498)
322,561,106	1,130,314,600



### 38. Risk exposure

#### 38.1 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:**

Unique Hotel & Resorts Limited has a foreign currency loan that is affixed with a fixed interest rate 4.5% + 3 months LIBOR interest rate as detailed in note 18. LIBOR interest rate is flexible and sometimes varies with the international financial market conditions. Considering the materiality and the cost of fixing the interest rate the Company rather chooses not to go for hedging for the said risk exposure. The income period from 01 July 2019 to 30 June 2020 and 01 July 2020 to 30 June 2021 has an average interest rate for foreign currency loan were 6.69% and 4.87% respectively. Therefore libor rate has been decreased by 1.82% due to the changes in international financial market condition. As a result, it provides impact on the overall cash flow position in current and upcoming years for the Company. Furthermore, the interest rate on local currency term loan from Standard Chartered Bank Limited is T-Bill+6.76% until 30th August 2021 which has further been revised to T-Bill+3.68% p.a. with a floor of 6% p.a. with effect from September 2021. Moreover, the interest rate of other loans remain 9% as per Banking Regulation & Policy Department Circular No. 03/2020 dated: February 24, 2020 except for the term loan from Dutch Bangla Bank Limited (DBBL). The Bank has reduced the interest rate from 9% to 8.75% with effect from October 9, 2020 and further reduction in interest rate has been @7.75% with effect from August 2021.

#### 38.2 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 has well organized plan to always record the up-to-date currency conversion rate whenever it gets paid for services in foreign currencies from overseas guests. The Company changes the price of its products and services to cope with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

#### 38.3 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 and follow up the market trend to keep pace with the customer choices and fashions. Compliance and implementation of COVID-19 safety protocols are primary focus for the company to ensure guest and associate safety, resulting increased footfalls for dine-in experience and room stay. Cost contingency measures are continuing to minimize the profit margin gap.



#### 38.4 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. Starwood Asia Pacific Hotels & Resorts Pte. Ltd. (now Marriott International) 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. Due to the high demand we are going to open another five star hotel "Sheraton Dhaka" in the year 2021. The 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. Addition of Sheraton Dhaka operations to the portfolio will provide synergies to cater MICE segment business, larger events, accommodate larger group business and improve operational efficiency with resource optimization.

#### 38.5 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 24/7 security surveillance (CCTV) systems, protected with armor guards, incompliance with global safety and security standard, which reduce security 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. Continuous trainings of company associates make them equipped to address the situations due to natural disasters and unforeseen events. Company is associated with multiple domestic and international vendors to ensure smooth functioning of supply chain along with AMC's for key equipments to ensure consistency in supplies and smooth operations.

#### 38.6 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

##### **Management perception:**

The Company is sufficiently liquid and highly able to meet its obligation on time. The continuous positive operating cash flow proves the strong liquidity position of the Company. Apart from this, the Company can meet any short term obligation with the support of the other concerns of the group, if needed. Due to COVID- 19 impact from March onwards foreign travel has been restricted as a result guest flow significantly lower than normal flow which negatively impact on cash flow. However, we are trying to increase our revenue through F&B service in local market and some fund is arranging from sister concerns. Please see the note 3.8 and 4.20 for more information on liquidity risk.



39. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most pertinent in evaluating the results of the respective segments relative to other entities that operate in the same industries.

For the year ended 30 June 2021

In Taka	Reportable segments							Sub total	Power	Elimination	Total
	Hotel			HANSA	Sheraton	Power	Elimination				
	Head office	Westin	Sheraton								
External revenue	-	607,846,101	-	67,553,988	-	675,400,089	-	-	-	675,400,089	
Interest income	41,436,353	11,491,209	-	668,535	-	53,596,097	36,496	-	-	53,632,593	
Operating expenses	(227,157,318)	(459,515,336)	-	(61,249,135)	(5,147,888)	(753,069,677)	(45,948,055)	-	-	(799,017,733)	
Depreciation and amortisation	(9,736,515)	(199,779,678)	-	(15,294,491)	-	(224,810,684)	(16,197,341)	-	-	(241,008,025)	
Interest expenses	(96,267,611)	-	-	-	-	(96,267,611)	(7,807,987)	-	-	(104,075,598)	
Other income	675,979,210	-	-	-	-	675,979,210	-	(471,470,459)	-	204,508,751	
Inter segment revenue/(expenses)	-	-	-	-	-	-	-	-	-	-	
<b>Segment profit/(loss) before tax</b>	<b>384,254,119</b>	<b>(39,957,704)</b>	<b>(8,321,103)</b>	<b>(8,321,103)</b>	<b>(5,147,888)</b>	<b>330,827,424</b>	<b>(69,916,887)</b>	<b>(471,470,459)</b>	<b>(471,470,459)</b>	<b>(210,559,922)</b>	
Segment assets	12,908,623,064	15,298,069,041	935,924,198	8,543,269,771	8,543,269,771	37,685,886,074	8,218,481,485	(2,753,263,839)	-	43,151,103,720	
Segment liabilities	8,037,406,765	484,654,452	21,979,502	5,168,497,862	5,168,497,862	13,712,538,582	3,523,818,950	(811,557)	-	17,235,545,975	

For the year ended 30 June 2020

In Taka	Reportable segments							Sub total	Power	Elimination	Total
	Hotel			HANSA	Sheraton	Power	Elimination				
	Head office	Westin	Sheraton								
External revenue	-	1,498,877,982	-	76,012,459	-	1,574,890,441	-	-	-	1,574,890,441	
Interest income	70,890,948	17,940,848	-	-	-	88,831,796	-	-	-	88,831,796	
Operating expenses	(76,441,399)	(729,714,145)	-	(56,417,229)	-	(862,572,773)	(16,541,715)	-	-	(879,114,486)	
Depreciation and amortisation	(10,064,449)	(202,837,077)	-	(15,719,443)	-	(228,620,969)	(13,715,666)	-	-	(242,336,635)	
Interest expenses	(107,870,943)	-	-	-	-	(107,870,943)	(8,209,995)	-	-	(116,080,938)	
Other income	13,782,037	-	-	-	-	13,782,037	-	-	-	13,782,037	
Inter segment revenue/(expenses)	-	-	-	-	-	-	-	-	-	-	
<b>Segment profit/(loss) before tax</b>	<b>(109,703,806)</b>	<b>584,267,608</b>	<b>3,875,787</b>	<b>3,875,787</b>	<b>-</b>	<b>478,439,589</b>	<b>(38,467,374)</b>	<b>-</b>	<b>-</b>	<b>439,972,215</b>	
Segment assets	10,799,731,378	16,669,367,476	910,940,974	7,486,405,302	7,486,405,302	35,866,445,129	4,513,494,624	(501,872,265)	-	39,878,067,488	
Segment liabilities	7,827,659,150	651,638,978	14,808,920	3,916,692,766	3,916,692,766	12,410,799,814	3,304,585,928	-	-	15,715,385,742	



40. Related party disclosure

40.1 Related party transactions

During the year Unique Hotel & Resorts Limited 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 IAS-24 "Related Party Disclosure".

Amount in Taka

Name of the Party	Relationship	Nature of Transaction	Balance as on 30 June 2021			
			Opening balance	Addition	Adjustment/Received	Closing balance
Borak Real Estate Ltd.	Common Director	Balance with current account	(1,854,568,758)	(481,110,347)	427,438,312	(1,908,240,793)
Unique Group of Companies Ltd.	Common Director	Balance with current account	6,746,062	7,314	6,753,376	-
Unique Vocational Training Centre Ltd.	Common Director	Balance with current account	(15,656,289)	(1,420,000)	1,378	(17,074,911)
Ms. Salina Ali	Chairperson	Balance with current account	(145,558,447)	-	-	(145,558,447)
Mr. Mohd. Noor Ali	Managing Director	Balance with current account	(91,065,560)	(6,800,000)	-	(97,865,560)
Chartered Life Insurance Company Ltd.	Common Director	Balance with current account	(1,278,195)	-	-	(1,278,195)
		Equity investment	18,000,000	4,500,000	-	22,500,000
Star Infrastructure Development Consortium Ltd.	Common Director	Advance payment	1,100,000	-	1,100,000	-
		Investment in preference shares	-	2,239,388,900	-	2,239,388,900
		Equity investment	634,950	146,410	-	781,360
Unique Meghnaghat Power Ltd.	Subsidiary	Advance for share	707,503,115	674,125,000	1,340,816,550	40,811,565
		Other payables	-	(811,557)	-	(811,557)
		Advance against land****	823,368,133	8,021,060	2,314,510	829,074,683
Sonargoan Economic Zone Ltd.	Associate	Equity investment	10,500,000	-	-	10,500,000
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	3,804,880	-	-	3,804,880
Unique Eastern (Pvt.) Ltd.	Common Director	Balance with current account	(365,392,213)	(39,409,457)	9,667,426	(395,134,245)
Unique Ceramics Industries (Pvt.) Ltd.	Common Director	Balance with current account	142,872	(288,221,752)	141,508,484	(146,570,396)
Borak Travels (Pvt.) Ltd.	Common Director	Balance with current account	(172,725,510)	(120,000,000)	318	(292,725,192)
	<b>Total</b>		<b>1,525,555,040</b>	<b>1,988,415,571</b>	<b>1,929,600,353</b>	<b>1,584,370,257</b>



\*During the year, Unique Hotel & Resorts Limited sold and transferred 1032.61 decimal land to Unique Meghnaghat Power Limited in exchange of 9,44,83,815 number of fully convertible irredeemable preference shares of Tk. 10.00 each in the name of Unique Hotel & Resorts Limited resulting in a total transfer value of Tk. 944,838,150. The cost of land was Tk. 473,367,691. It is to be mentioned that the said land was purchased for setting up 584 MW (Net) Gas/RLNG based Power Plant. As a result, capital gain of Tk. 471,470,459 has been recorded. Details are disclosed in note 31.

\*\*Unique Hotel & Resorts Limited sold and transferred 118.33 decimal undeveloped land to Strategic Finance Limited during the year. The cost of land was Tk. 54,244,680. However, the above land was transferred at the value of Tk. 59,165,000. As a result capital gain of Tk. 4,920,320 has been recorded. Details are disclosed in note 31.

\*\*\*The advance against land of Tk. 2,600,000,000 was given to Borak Real Estate Limited for the purchase of 23.9375 katha of land at Gulshan Avenue, Gulshan-2, Dhaka-1213 to be used by the Company as Seven Star International Chain Hotel as per shareholders approval in 12th AGM, dated 24 June 2013. The advance shall be accounted for land as soon as the registration is completed.





#### 40.2 Transactions with key management personnel:

Key management personnel includes Board of Directors who have the authority and responsibility for planning, directing and controlling the activities of the entity whether directly or indirectly. The transactions with key management personnel are disclosed below:

During the year, no loan was given to the directors of the Company.

The Group's key management personnel compensation in total and for each of the following categories are stated below:

a) **Short Term Employee Benefits** - Employee benefits (other than termination benefits) which fall due wholly within twelve months during the period in which the employees render service. Such as -

Salaries and bonuses (if payable within twelve months of the end of the year):

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
<b>Unique Hotel &amp; Resorts Limited</b>	
Salary and other allowances	-
Honorarium for attending meetings	5,400,000
	702,000
<b>Unique Meghnaghat Power Limited</b>	
Salary and other allowances	16,534,000
Honorarium for attending meetings	278,667
	-
<b>Total</b>	<b>17,756,667</b>
	<b>21,837,000</b>

Hotel business has been impacted significantly due to the pandemic of COVID-19, considering the overall scenario, the Company's honourable Managing Director himself voluntarily regrets to receive his remuneration till the situation seems positive.

b) **Post Employment Benefits** - Employee benefits such as Gratuity, provident fund and leave encashment.

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Unique Hotel & Resorts Limited	
	-
Unique Meghnaghat Power Limited	
3,193,048	-
<b>3,193,048</b>	<b>-</b>

The Company's managing director does not avail any post employment benefits.

c) **Other Long Term Employee Benefits**

Employee benefits that is not due to be paid wholly within twelve months after the end of the period in which the employees render the related service. Such as - long service benefits or sabbatical leave, jubilee or other long service benefits, long term disability benefits.

No such benefits are available in the Company hence, it is not applicable.

d) **Termination Benefits**

Employee benefits payable as result of either: (i) an entity's decision to terminate an employee's employment before normal retirement date; or (ii) an entity's decision to accept voluntary redundancy in exchange for those benefits.

Amount in Taka	
01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Termination benefits	
-	-

e) **Share based payments**

No such benefits are available in the Company hence, it is not applicable.



Disclosures in compliance with the Companies Act, 1994 regarding transactions with key management personnel:

No.	Particulars	Value in Tk.
(a)	Managerial remuneration paid or payable during the year from 01 July 2020 to 30 June 2021 to the directors, including managing directors, a managing agent or manager	Nil
(b)	Expenses reimbursed to the managing agent.	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of concerns entered into by such concerns with the company	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 provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office	Nil
(i)	Share based payments	Nil



**41. Contingent liability disclosure**

- 41.1** Large Tax Payer Unit (LTU), VAT Authority raised a demand U/S 55 of the VAT Act, 1991 Tk. 71,295,948 for Supplementary Duty (SD) and VAT on SD for the period from July 2007 to January 2009 through letter no. 4/LTU(Mushak)25/The Westin Dhaka/Demand/Cricle-3/09/2111, dated 20 April 2009.

Subsequently, The Westin Dhaka submitted a writ petition through writ petition no. 3910/2009 and the Honorable High Court Division of the Supreme Court discharged the previous issued rule on 10/10/2015.

The Westin Dhaka submitted application to the Customs, Exercise and VAT Appellate Tribunal through nothi no. CEVT/Case/(VAT)-16/2018 dated 28/05/2019. Based on our application and ground of appeal the Honorable Appellate Tribunal reduce the demand from Tk. 71,295,948 to Tk. 11,420,622 on 05/09/2019 for SD and VAT on SD.

Since, hotel was exempted from SD through SRO, as a result, under no circumstances the aforesaid demand will be applicable for the Westin Dhaka. Hence, we submitted further VAT Revision to the Honorable High Court Division of the Supreme Court of Bangladesh through VAT Revision no. 29/2019 which is under subjudice.

It is primarily established that VAT Appellate Tribunal reduced the original demand of LTU and the said Tribunal was pleased to pay UHRL Tk. 1,14,20,622 as SD vide memo dated 05/09/2019 and against that order and new demand, UHRL filed VAT Revision No. 29 of 2019 before the High Court Division. But after 2 years, NBR authority filed VAT Revision before the High Court Division in 2021 against the order of Tribunal for reducing the said amount. Now, both of the VAT Revisions filed by UHRL and NBR will be heard by High Court Division. During Pandemic situation, it is not possible to get hearing and/or the result of the hearing. So, outcome of the final verdict of High Court and if needs Appellate Division will be final for any of the parties.

- 41.2** Large Tax Payer Unit (LTU), VAT raised a demand of Tk. 5,353,916 u/s 73(2) of the VAT and SD Act 2012, through letter no. 08.01.0000.006.01.028.19/102 dated 3 February 2020 due to non-submission of Input-output co-efficient (Mushak 4.3) for the period from July 2019 to August 2019. Subsequently we applied to the Customs, Exercise and VAT Appellate Tribunal for fair judgement after depositing 10% of the said demand amount on August 31, 2020. The Learned Tribunal rejected the Appeal by its order dated September 19, 2021 and we have submitted the copy of the Order to our Advocate for filing an Appeal before the Honorable High Court Division. Moreover, the Learned Advocate informed us that we have some strong grounds and he has been preparing for filing the Appeal before the Honorable High Court Division.

It is worthy to mention that, the NBR issued an SRO 117-Aian/2020/100 Mushak date 14/05/2020 and revise the Input-output co-efficient form and exempted service industries to provide any input output co-efficient. Subsequently, the VAT Act and Rules Department clarify the matter and issued a further explanation through letter no. 08/Mushok/2020 Dated 14/10/20 that service industry need not to submit any Input output co-efficient. In the prevailing circumstances we strongly believe that the Customs Exercise and VAT Appellate Tribunal will consider the fact and provide the fair judgement towards Unique Hotel and Resorts Ltd.

- 41.3** Large Tax Payer Unit (LTU), VAT raised another demand of Tk. 1,862,207 u/s 37(3) of the Value Added Tax (VAT) Act 1991, through nothi no. 4/LTU, Mushak/Sa:2/73/Audit Program/Unique Hotel and Resorts Limited/2018/601 dated March 11, 2021 as interest due for non-payment of unpaid VAT Tk. 2,056,673 in due time for the period from July 2015 to December 2017. Followed by the said nothi LTU, VAT Authority urge for why such interest can not be charged and request to reply in written within May 03, 2021.

Unique Hotel & Resorts Limited has replied in writing and appeared before the Honorable Commissioner of LTU, VAT for hearing on June 03, 2021. Subsequently, LTU, VAT raised revised demand notice of Tk. 1,766,000 through nothi no. 4/LTU, VAT/Sa:2/73/Audit Programme/Unique Hotel & Resorts Ltd./2018/1967 dated July 26, 2021 and considering the pandemic situation LTU, VAT has allowed Unique Hotel & Resorts Limited to settle the said amount in twelve (12) equal installments starting from August 30, 2021 to July 30, 2022.



#### 41.4 Letters of guarantee

##### Bank guarantee

	Amount in Taka	
	30 June 2021	30 June 2020
Southeast Bank Limited	13,298,371	13,298,371
City Bank Limited	37,165,674	37,165,674
Premier Bank Limited	1,304,925	1,304,925
Prime Bank Limited	27,007,097	27,007,097
Agrani Bank Limited	1,766,016,000	1,766,016,000
	<u>1,844,792,068</u>	<u>1,844,792,068</u>

Customs authority imposed customs duties and taxes without considering concessionary rate of duty at 5% on imported capital machinery for setting up "the Westin Dhaka" during the years from 2004 to 2007. Unique Hotel & Resorts Limited made writ petitions in the Honorable High Court Division of the Supreme Court of Bangladesh. The Court discharged the order directing the release of imported capital machineries on payment of duty, tax and other charges to be assessed on the basis of concessionary rate in terms of SRO No. 114/2006 dated 08.06.2006 subject to furnishing bank guarantee for the remaining customs duty. As directed by the Court, Unique Hotel & Resorts Limited made the payments and Bank Guarantees for a total of Tk. 69,903,883 were issued by Southeast Bank Limited, City Bank Limited, Prime Bank Limited and Premier Bank Limited on behalf of Unique Hotel & Resorts Limited. However, according to the legal opinion, there is remote possibility of any outflow in settlement of these bank guarantees as the cases are under subjudice now.

Furthermore, another bank guarantee of Tk. 8,872,185 was issued by Prime Bank Limited on behalf of Unique Hotel & Resorts Limited in 2017 on recommendation of Customs authority for the customs duties to be paid on the import of capital machinery for the Sheraton Dhaka, imposing condition to submit certificate by the Bangladesh University of Engineering and Technology (BUET) within six (06) months of receiving the final consignment of the machinery for releasing the bank guarantee. The BUET team visited our premises and submitted a complete report to Commissioner of Customs, Customs House, Chittagong on January 07, 2019. However, Customs House, Chittagong has not made any reply yet with regard to the application, which is delaying the release of our bank guarantee.

Bank guarantee has been provided to Bangladesh Power Development Board (BPDB) for sum of Tk. 1,766,016,000 (in equivalent USD \$ 21,024,000) issued from Agrani Bank Limited as Performance Security Deposit as per Power Purchase Agreement (PPA) between Bangladesh Power Development Board and Unique Meghnaghat Power Limited. Currently the PG has validity upto December 26, 2021.

#### 42 Commitments

##### 42.1 Capital expenditure

- a) Supply Contract with EPC
- b) IEC Contract with EPC
- c) Contract for the supply of spare parts

	Amount in USD	
	30 June 2021	30 June 2020
a) Supply Contract with EPC	16,909,278	116,095,347
b) IEC Contract with EPC	24,050,000	33,300,000
c) Contract for the supply of spare parts	33,005,841	-
	<u>73,965,119</u>	<u>149,395,347</u>

- a) Supply Contract with EPC

	Amount in Euro	
	30 June 2021	30 June 2020
a) Supply Contract with EPC	2,477,733	68,034,817
	<u>2,477,733</u>	<u>68,034,817</u>

The abovementioned capital expenditure commitment of Unique Meghnaghat Power Limited is with EPC Contractor and GE Global Parts and Product GmbH (Sister concern of GE Global Energy Investments B.V.). Moreover, it also represents capital expenditure contracted but yet to be accounted for.



**43. Events after the reporting period**

In compliance with the requirements of IAS 10: Events After the Reporting Period, adjusting events that provide additional information about the Group's position at the end of the reporting period are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the notes when material. The Board of Directors at its meeting no. 149 held on 25 October 2021 recommended to the General shareholders (159,631,528 shares out of 294,000,000 shares) 10% cash dividend for the year ended 30 June 2021 which will be considered for approval by shareholders at the 20th Annual General Meeting. Please see note no. 4.20 for detail analysis of COVID-19 for subsequent event.

In compliance with the section 16G of the Income Tax Ordinance, 1984; the management of the Company declared dividend @10% of paid up capital for an amount of Tk. 159,631,528 which is 38.59% of current year net income after tax.

**44. Directors responsibility statements**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per the provision of "The Framework for the Preparation and Presentation of financial statements".

**45. General**

**45.1 Employee details:**

Total number of employees having annual salary and allowances of Tk. 96,000 or above each at the reporting date was as follows:

Particulars	30 June 2021	30 June 2020
Number of employees of Unique Hotel & Resorts Limited	715	801
Number of employees of Unique Meghnaghat Power Limited	28	23

None of the employees were in receipt of remuneration which in aggregate was less than Tk. 8,000 per month

**45.2 Remittance of dividend**

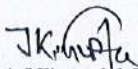
No dividend has been remitted during the year.

**45.3 Rounding off**

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

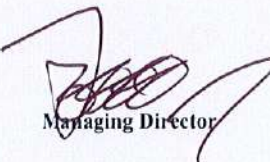
**45.4 Rearrangement of last year figures**

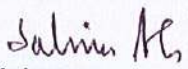
To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

  
Chief Financial Officer

  
Company Secretary

  
Director

  
Managing Director

  
Chairperson

Dated, Dhaka;  
25 October 2021



## Annexure-A

**Unique Hotel & Resorts Limited**  
Schedule of Property, Plant and Equipment  
As at 30 June 2021

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

Sl. No.	Assets	Cost/Revaluation				Rate (%)	Depreciation				Written down value as on 30 June 2021
		Balance as at 01 July 2020	Additions during the year	Disposal during the year	Balance as at 30 June 2021		Balance as at 01 July 2020	Charged during the year	Accumulated depreciation for disposal	Balance as at 30 June 2021	
1	Land and land developments	6,914,503,519	5,438,643	527,612,371	6,392,329,791	-	-	-	-	-	6,392,329,791
2	Building and other Civil constructions	11,919,350,282	7,828,016	-	11,927,178,298	1.25%	131,618,548	-	1,529,312,996	-	10,397,865,302
3	Office furniture and equipments	38,535,549	887,216	-	39,422,765	5%	1,327,835	-	14,193,914	-	25,228,851
4	Hotel furniture	423,463,937	2,112,455	-	425,576,392	5%	13,035,926	-	177,893,798	-	247,682,594
5	Motor vehicles	178,960,611	-	-	178,960,611	5%	6,478,303	-	55,872,849	-	123,087,762
6	Hotel equipments	2,287,905,294	47,569,448	-	2,335,474,742	5%	72,350,072	-	960,823,373	-	1,374,651,369
<b>Total as at 30 June 2021</b>		<b>21,762,719,192</b>	<b>63,835,778</b>	<b>527,612,371</b>	<b>21,298,942,599</b>	<b>-</b>	<b>224,810,684</b>	<b>-</b>	<b>2,513,286,246</b>	<b>-</b>	<b>18,560,845,669</b>
<b>Total as at 30 June 2020</b>		<b>21,156,450,158</b>	<b>606,269,035</b>	<b>-</b>	<b>21,762,719,192</b>	<b>-</b>	<b>228,620,969</b>	<b>-</b>	<b>2,513,286,246</b>	<b>-</b>	<b>19,249,432,947</b>

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.

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.



**Unique Hotel & Resorts Limited**  
**Schedule of Property, Plant and Equipment**  
**As at 30 June 2021**

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

**A Unique Hotel & Resorts Limited**

Sl. No.	Assets	Cost/Revaluation			Rate (%)	Depreciation			Written down value as on 30 June 2021
		Balance as at 1 July 2020	Additions during the year	Disposal during the year		Balance as at 30 June 2021	Charged during the year	Accumulated depreciation for disposal	
1	Land and land developments	6,914,503,519	5,438,643	527,612,371	-	-	-	-	6,392,329,791
2	Building and other Civil constructions	11,919,350,282	7,828,016	-	1.25%	131,618,548	-	1,529,312,996	10,397,865,302
3	Office furniture and equipments	38,535,549	887,216	-	5%	39,422,765	-	14,193,914	25,228,851
4	Hotel furniture	423,463,937	2,112,455	-	5%	164,857,872	-	177,893,798	247,682,594
5	Motor vehicles	178,960,611	-	-	5%	49,394,546	-	55,872,849	123,087,762
6	Hotel equipments	2,287,905,294	47,569,448	-	5%	888,473,301	-	960,823,373	1,374,651,369
	<b>Total as at 30 June 2021</b>	<b>21,762,719,192</b>	<b>63,835,778</b>	<b>527,612,371</b>	<b>-</b>	<b>2,513,286,246</b>	<b>-</b>	<b>2,738,096,930</b>	<b>18,560,845,669</b>
	<b>Total as at 30 June 2020</b>	<b>21,156,450,158</b>	<b>606,269,035</b>	<b>-</b>	<b>-</b>	<b>2,284,665,277</b>	<b>228,620,969</b>	<b>-</b>	<b>19,249,432,947</b>

**B Unique Meghnaghat Power Limited**

Sl. No.	Assets	Cost/Revaluation			Rate (%)	Depreciation			Written down value as on 30 June 2021
		Balance as at 1 July 2020	Additions during the year	Disposal during the year		Balance as at 30 June 2021	Charged during the year	Accumulated depreciation for disposal	
1	Land	-	1,652,279,541	-	-	-	-	-	1,652,279,541
2	Right of use asset (Head office floor)**	101,205,039	-	-	10%	17,710,882	10,120,504	27,831,386	73,373,653
3	Furniture, fittings and furnishing	1,467,636	381,815	-	10%	71,063	156,354	227,417	1,622,034
4	Office and electrical equipment	3,303,823	2,021,101	-	20%	534,061	737,415	1,271,476	4,053,448
5	Motor vehicles	16,593,000	8,763,109	-	20%	4,912,330	5,148,700	10,061,230	15,296,879
	<b>Total as at 30 June 2021</b>	<b>122,569,498</b>	<b>1,663,447,566</b>	<b>-</b>	<b>-</b>	<b>23,228,537</b>	<b>16,162,973</b>	<b>39,391,509</b>	<b>1,746,625,555</b>
	<b>Total as at 30 June 2020</b>	<b>117,635,797</b>	<b>4,933,701</b>	<b>-</b>	<b>-</b>	<b>9,547,238</b>	<b>13,681,298</b>	<b>-</b>	<b>99,340,962</b>

\*\*A lease agreement was signed between Unique Meghnaghat Power Limited (UMPL) and Borak Real Estate Limited on 01 October 2018 for a period of ten (10) years. The area of Premises is 5,674 sq. ft. and the rent value of the lease is @Tk.150 per sq. ft. The lease hold office floor (ROU) is to be depreciated over the period of the rent agreement. The lease rental will increase by 5% each year.

**A+B Consolidated total Property, plant & equipment**

<b>Total as at 30 June 2021</b>	<b>21,885,288,690</b>	<b>1,727,283,344</b>	<b>527,612,371</b>	<b>-</b>	<b>2,536,514,783</b>	<b>240,973,657</b>	<b>-</b>	<b>2,777,488,439</b>	<b>20,307,471,224</b>
<b>Total as at 30 June 2020</b>	<b>21,274,085,955</b>	<b>611,202,736</b>	<b>-</b>	<b>-</b>	<b>2,294,212,515</b>	<b>242,302,267</b>	<b>-</b>	<b>2,536,514,782</b>	<b>19,348,773,908</b>



**Unique Hotel & Resorts Limited**  
**Calculation of Current Tax Provision**  
**For the year ended 30 June 2021**

	Notes	Amount <u>Taka</u>	Amount <u>Taka</u>
<b>Net Profit before tax (as per profit and loss account)</b>			315,073,737
<b>Less: Non-business income for separate consideration:</b>			
Capital gain on sale of land	31	476,390,779	
Dividend income	32	10,613,505	
Realized capital gain from sale of shares	33	30,572,966	
Interest Income	34	53,596,097	
Unrealized gain on investment in share	33	108,321,531	
			679,494,878
			(364,421,141)
<b>Add: Inadmissible expenses (for separate consideration)</b>			
Accounting depreciation	30	224,810,684	
Entertainment expenses	28.2, 28.4 & 29	249,758	
			225,060,442
			(139,360,699)
<b>Add: Inadmissible expenses:</b>			
Provision for bad debts	35	142,707,454	
Provision for gratuity		835,829	
Provision for WPPF	26.4	15,753,687	
			159,296,970
			19,936,271
<b>Less: Admissible expenses:</b>			
Tax depreciation (3rd schedule para 2 & 3)			133,763,351
Payment for WPPF	26.4		35,125,472
Income/(loss) from business and profession (before allowing entertainment expenses)			(148,952,552)
Less: Entertainment expenses (as per section 30 and rule 65 of ITO 1984)			-
<b>Total income/(loss) from business and profession</b>			(148,952,552)
<b>Less: Set-off of income</b>			
Dividend income	32	10,613,505	
Interest income	34	53,596,097	
			64,209,602
<b>Taxable income/(loss) from business and profession (to be carried forward as per section-38)</b>			(84,742,950)
<b>Capital gain</b>			
Capital gain on sale of land	31	476,390,779	
Realised capital gain from sale of shares	33	30,572,966	
			506,963,745
<b>Total taxable income</b>			422,220,795
<b>Computation of tax liability:</b>			
(1) Business turnover tax @ 0.60%	675,400,089	@ 0.60%	4,052,401
(2) Tax payable on sale of share	30,572,966	@ 10%	3,057,297
(3) Tax on capital gain on sale of land (u/s 82C) & final (Deed value Tk. 944,838,150 * 4% U/S 53H)	944,838,150	@ 4%	37,793,526
(Deed value Tk. 59,165,000 * 4% U/S 53H)	59,165,000	@ 4%	2,366,600
(4) Tax on disallowance of entertainment expense U/S 30B	249,758	@ 22.5%	56,196
<b>Tax liability for the income year ended 30 June 2021</b>			7,165,893
Adjustment due to final settlement of tax liability for AY 2020-21			16,617,091
<b>Gross current tax for the income year ended on 30 June 2021</b>			(9,451,198)





**Unique Hotel & Resorts Limited**  
**Calculation of Average effective Tax Rate**  
**For the year ended 30 June 2021**

Amount in Taka

**Components of tax expense**

Current tax expense	(Note -36)	7,165,893
Deferred tax expense	(Note -36)	(89,541,949)
<b>Total income tax expense</b>		<u><u>(82,376,056)</u></u>

**Explanation of the relationship between tax expense & profit before tax**

**(i) a numerical reconciliation between tax expense & the profit before tax**

<b>Profit before tax</b>	<b>315,073,737</b>
<b>Current tax expense</b>	
Business income/(loss) - applicable tax rate @22.5%	56,196
Tax on gross receipts @0.6%	4,052,401
Dividend Income u/s 33 (Note 32) - applicable tax rate @20%	-
Income from transfer of land (Note-31) - applicable tax rate @4%	-
Income from sale of shares (Note 33) - applicable tax rate @10%	3,057,297
Interest income (Note 34) - applicable tax rate @22.5%	-
<b>Total current tax expense (A)</b>	<u><u>7,165,893</u></u>
<b>Total deferred tax expense (B)</b>	<u><u>(89,541,949)</u></u>
<b>Total income tax expense (A+B)</b>	<u><u>(82,376,056)</u></u>

**(ii) a numerical reconciliation between the average effective tax rate & applicable tax rate**

Tax effect on business	0.02%
Tax effect on gross receipts	1.29%
Tax effect on income from sale of share	0.97%
Tax effect on deferred tax	-28.42%
<b>Average effective tax rate</b>	<u><u>-6.54%</u></u>

