

# Auditors' Report and Financial Statements of

## **BEACH HATCHERY LIMITED**

Concord Tower (9th floor), 113,  
Kazi Nazrul Islam Avenue, Bangla Motor,  
Dhaka-1000, Bangladesh.

For the year ended June 30, 2023

Audited By :



**AHMED ZAKER & Co.**  
CHARTERED ACCOUNTANTS

**IGGGI**  
INDEPENDENT MEMBER



**Independent auditor's report to the shareholders of BEACH HATCHERY LIMITED**  
**Report on the Audit of the Financial Statements**

**Adverse Opinion**

We have audited the financial statements of **BEACH HATCHERY LIMITED** (the 'Company'), which comprise of the statement of financial position as at 30 June, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not give a true and fair view of the financial position of the Company as at June 30, 2023, and of its financial position and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Adverse Opinion**

1. In the Statement of Financial Position note-5.00 Property, plant & equipment has shown amount of Tk. 222,077,267 but management of the company didn't provide us Assets register & Books of accounts against property, plant & equipment. Moreover, the company has not conducted any impairment test as per IAS-36. Therefore, the recoverability of the recorded amount of Property, Plant & Equipment were not verified. The management of the company has not provided asset register against Property, Plant & Equipment.
2. In the Statement of Financial Position note-6.00 Trade Receivables has shown amount of Tk. 268,284,819 but management of the company neither maintain books of accounts properly nor provide us any supporting documents against aforesaid amounts. In course of our audit, we found those amounts remain unadjusted for more than six years. We feel that in the event of non-adjustment/ nonpayment of the shown amount the management should come into a decision to made provision for the required amount as per IFRS-9 with a view to reflect the liability and net profit shown in the financial statement correctly. Moreover, we sought permission for sending balance confirmation to the parties relating to Trade Receivables but the management of the company did not allow permission for sending balance confirmation.
3. In the Statement of Financial Position note-7.00 Inventories have shown amount of Tk. 6,127,080 but the management of the company didn't provide us Inventory ledger or any supporting documents against the above-mentioned Inventory amount. At the time of physical Inventory counting, we didn't find any Inventories at the factory premises of the company. Management has not stated Inventories at the lower of cost and net realizable value instead stated them solely at saleable value, which constitutes a departure from IAS 2 Inventories.
4. As per Statement of Financial Position & Statement of profit or loss and other comprehensive income, note no. 8.00 shows adjustment of Bad Debts of Tk. 2,499,791, note no. 16.00 shows adjustment for Liabilities relief of Tk. 1,213,357 & note no. 22.00 shows Bad debts of Tk. 6,545,391 respectively but the company has not given any details explanation in the board minutes against the bad debt expenses.
5. In the Statement of Financial Position note-9.00 Cash & Cash Equivalents has shown amount of Tk. 24,572,838 which comprised of Cash in hand Tk. 24,342,803 & Cash at bank Tk. 230,034. The company has maintained six bank accounts but the management of the company neither provided us bank statements except Agrani Bank Ltd. (A/C: 0200015807944) nor bank book and for cash in hand the management of the company didn't provide us cash books. Also, we sought permission for sending balance confirmation to the bank but the management of the company did not permit us to carry out such audit procedure.
6. In the Statement of Financial Position note-13.00 Secured Loan has been shown amount of Tk. 21,168,685 but the management of the company didn't provide us ledger, agreement, purpose of obtaining loan amount or any other supporting documents against the aforesaid amount. Related



Party transactions should be made in the banking channel but we are unable to confirm the loan amount received and paid during the year in the bank statements for non-providing of all bank statements. In absence of sufficient and appropriate audit evidence, the completeness and accuracy of the recorded amount could not be verified.

7. In the Statement of Financial Position note-14.00 the company recorded closing balance of Short-Term Liabilities which was borrowed from Bangladesh Krishi Bank Limited for Tk. 24,272,471 and opening balance shows Tk. 57,023,590. But as per loan statements provided to us, opening balance shows Tk. 25,557,471. Management of the company could not give any satisfactory explanation against those mismatches of opening balances. Also, in the Financial Statements the company didn't present the Bank loan in the separate line terming noncurrent portion under the head of non-current liabilities and the current portion in the current liabilities as per IAS- 1. In absence of audit evidence, the completeness and accuracy of the Loan amount and financial expenses could not be verified.
8. In the Statement of Financial Position note-15.00 Liabilities for expenses has shown amount of Tk. 10,100,707 but management of the company neither maintained books of accounts properly nor provide us any supporting documents to confirm the Liabilities for expenses. In absence of audit evidence, the completeness and accuracy of the recorded amount were not verified.
9. As per Statement of Financial Position note-16.00 Liabilities for Goods & Services has been adjusted for an amount of Tk. 1,213,357 during the year but management of the company did not provide us any supporting documents against the Liabilities for Goods & Services. In absence of audit evidence, the completeness and accuracy of the recorded amount were not verified.
10. In the Statement of Financial Position note-17.00 Unclaimed Dividend shown Tk. 2,006,164 which has been carry forwarded from previous years but management of the company didn't maintain books of accounts properly.
11. In the statement of profit or loss and other comprehensive income, note- 20.00 Sales shown Tk. 118,507,107 but as per bank statements (Agrani Bank Ltd., A/C: 0200015807944) total deposited in bank is Tk. 16,182,372. The management of the company neither provide us any explanation against those deposits amount nor provide us any supporting documents except one bank statements (Agrani Bank Ltd., A/C: 0200015807944) as evidences corroborating the aforesaid balances of Tk. 118,507,107. Due to lack of sufficient evidence and in the absence of completeness, accuracy, occurrence and existence, we could not fully verify the sales amount.
12. In the statement of profit or loss and other comprehensive income, note- 21.00 Cost of Goods Sold shows Tk. 47,287,044 but management of the company did not provide us any supporting documents against the aforesaid balances. Due to lack of sufficient evidence and in the absence of completeness, accuracy, occurrence and existence, we could not verify the cost of goods sold amount.
13. In the Statement of profit or loss & other comprehensive income note-22.00 & 24.00 Office & Administrative Expenses and Financial Expenses shown amount of Tk. 12,080,347 & Tk. 7,181,529 respectively but management of the company neither maintain books of accounts properly nor provide us any supporting documents to confirm the aforesaid balances. In the absence of audit evidence, the completeness and accuracy of the recorded amounts could not be verified.
14. As per Income Tax authority letter dated 04.02.2015, Income Tax authority has been demanded a claim of Tk. 19,335,561 as outstanding tax up to the assessment year 2012-2013 but the company didn't make any sufficient provision as to meet the said claim.
15. As per paragraph 58 of IAS-12 "Income Taxes" the company has not recognized deferred tax expense/income in the statement of profit or loss and other comprehensive income.
16. The company has not provided required disclosure regarding compensation package of key management personnel, who is the related parties of the company which is non-compliance of paragraph 17 of IAS-24 "Related Party Disclosures".





17. The management of the company didn't provide us Trial Balance as at June 30, 2023, 12 Monthly VAT return, Tax return, Assessment order, 23B Acknowledgement and also did not provide Updated Schedule X, Form XII & XV of RJSC&F.

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

#### **Emphasis of Matter**

1. As referred to the note-2.12 to the financial statements which disclosed that the factory building and hatchery equipment of the company have been dismantled by the Government to construct marine drive road and some portion of the land constituting of hatchery plant was also acquired by government authority. Hence, the entire operation of the company has been discontinued at that point since 24th April 2016. However, the company has continued their operation and shown net profit for the year ended June 30, 2023.

#### **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 year. 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.

<b>Key Audit Matter</b>	
<b>Revenue recognition</b>	<b>How the matter was addressed in our audit</b>
Revenue recognition has significant and wide influence on financial statements. Revenue is recognized when the amounts and the related costs are reliably measured, and the performance obligation is complete through passing of control to the customers. Revenue from the sale of goods is recognized when the Company has delivered products to the customers and control has passed. To obtain sufficient audit evidence, magnitude audit work and resource is required. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.	Our audit procedures in this area included, among others: <ul style="list-style-type: none"><li>- We understood, evaluated and validated the key controls related to the Company's sales process from end to end, from contracts approval and sign-off, recording of sales and customers' outstanding balances.</li><li>- We tested the completeness of journal entries compared to financial statements; as well as if there any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable or advances from customers.</li><li>- We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers' receivable balances at the balance sheet date, selected on a sample basis by considering the amounts outstanding with those customers.</li></ul>
<b>Inventory Valuation</b>	<b>How the matter was addressed in our audit</b>
As at 30 June 2023 Fish Fry & Fish Feed to the value of Tk. 6,127,080 shown as on the financial position. Inventory is disclosed in Notes:7.00.	Our procedures included the following to assess inventory provisions: <ul style="list-style-type: none"><li>- Assessing the reasonableness of the methodologies applied by management</li></ul>



<p>The measurements of the inventories involve significant management judgments and estimates as it involves the consideration of a number of factors, including, future sales and estimated selling costs, using factors existing at the reporting date.</p>	<p>for consistency with prior years and using the information obtained as evidence for evaluating the appropriateness of the assumptions made in the current year.</p> <ul style="list-style-type: none"><li>- Understanding, evaluating and testing key internal controls with particular focus on management's monitoring and review of provision for inventories.</li><li>- Evaluating the assumptions and estimates applied to the methodologies for slow moving, obsolete and damaged inventories</li><li>- Testing the estimated future sales values, less estimated costs to sell, against the carrying value of the inventories.</li><li>- Recalculating the arithmetical accuracy of the computations.</li></ul>
<b>Property, plant and equipment (PPE)</b>	<b>How the matter was addressed in our audit</b>
<p>PPE includes the Company's long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost or revaluation less accumulated depreciation. The carrying value of PPE represents significant portion of total assets, which is amounting to Tk. 222,077,267 for the Company at the reporting date. PPE is disclosed in Notes-5.00 &amp; Annexure- A.</p> <p>The carrying value of PPE is represents asset addition during the year is Tk. Nil the function of depreciation charges on cost/revaluated that involved estimation. Therefore, it has been considered as significant area of auditor's judgment and require special attention.</p>	<p>We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others. Followings are our audit procedures on the carrying value of PPE</p> <ul style="list-style-type: none"><li>- Reviewing basis of recognition, measurement of assets;</li><li>- Observing procedures of assets acquisition, depreciation and disposal;</li><li>- Checking ownership of the asset's addition;</li><li>- Checking the Capital-Work-in-Progress (CWIP) and its transfer to PPE as well as capital expenditure commitment;</li><li>- Performing due physical asset verification on sample basis at the year-end;</li><li>- Checking estimated rates of depreciation being used and assessed its fairness;</li><li>- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.</li><li>- The company has not maintained the asset register properly.</li></ul>

#### **Other Matter**

The financial statements of the company as at and for the year ended June 30, 2022 were audited by another auditor who express a modified opinion on those statements.

#### **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 International Financial Reporting Standards (IFRS), where practicable Companies Act 1994 and other applicable rules & 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 **BEACH HATCHERY LIMITED** 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 **BEACH HATCHERY LIMITED** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing **BEACH HATCHERY LIMITED** 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 scepticism throughout the audit. We also:

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



**AHMED ZAKER & Co.**  
CHARTERED ACCOUNTANTS

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other legal and regulatory requirements**

We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by **BEACH HATCHERY LIMITED** so far as it appeared from our examination of those books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Location: Dhaka

Dated: **18 NOV 2023**

DVC- **2311180209AS722167**

**Ahmed Zaker & Co.**  
Chartered Accountants

**Zaker Ahmed FCA**  
Managing Partner  
Enroll: 0209



**BEACH HATCHERY LIMITED**  
**Statement of Financial Position**  
As at June 30, 2023

Particulars	Notes	Amount in Taka	
		June 30, 2023	June 30, 2022
<b>ASSETS:</b>			
<b>Non-Current Assets</b>		<b>222,077,267</b>	<b>226,145,058</b>
Property, Plant & Equipment	5.00	222,077,267	226,145,058
<b>Current Assets</b>		<b>299,284,736</b>	<b>275,379,313</b>
Trade Receivables	6.00	268,284,819	269,943,798
Inventories	7.00	6,127,080	2,363,300
Advances, Deposits & Pre-Payments	8.00	300,000	2,799,791
Cash & Cash Equivalents	9.00	24,572,838	272,424
<b>TOTAL ASSETS</b>		<b>521,362,004</b>	<b>501,524,371</b>
<b>SHAREHOLDER'S EQUITY &amp; LIABILITIES:</b>			
<b>Shareholders Equity</b>		<b>438,155,687</b>	<b>402,630,665</b>
Share Capital	10.00	414,010,210	414,010,210
Retained Earnings	11.00	7,771,673	(27,753,349)
Tax Holiday Reserve	12.00	16,373,804	16,373,804
<b>Non-Current Liabilities</b>		<b>21,168,685</b>	<b>20,007,121</b>
Secured Loan	13.00	21,168,685	20,007,121
<b>Current Liabilities</b>		<b>62,037,631</b>	<b>78,886,585</b>
Short Term Liabilities	14.00	24,272,471	57,023,590
Liability for Expenses	15.00	10,100,707	5,672,191
Liabilities for Goods & Services	16.00	-	1,213,357
Unclaimed Dividend	17.00	2,006,164	2,927,254
Provision for WPPF	18.00	2,474,200	-
Provision for Income Tax	19.00	23,184,090	12,050,193
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>521,362,004</b>	<b>501,524,371</b>
<b>Net Asset Value per Share (NAVPS)</b>	<b>32.00</b>	<b>10.58</b>	<b>9.73</b>

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

  
Company Secretary

  
Chief Financial Officer

  
Director

  
CEO

  
Chairman

Date: **18 NOV 2023**

Place: Dhaka

DVC: **2311180209AS722167**

  
Ahmed Zaker & Co.  
Chartered Accountants  
**Zaker Ahmed FCA**  
Managing Partner  
Enroll: 0209



**BEACH HATCHERY LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended June 30, 2023

Particulars	Notes	Amount in Taka	
		June 30, 2023	June 30, 2022
Sales	20.00	118,507,107	42,221,880
Less: Cost of Goods Sold	21.00	47,287,044	17,603,788
<b>Gross Profit</b>		<b>71,220,063</b>	<b>24,618,092</b>
Less: Office & Administrative Expenses	22.00	12,080,347	5,853,248
<b>Operating Profit/(Loss)</b>		<b>59,139,717</b>	<b>18,764,844</b>
Add: Other Income	23.00	-	-
		<b>59,139,717</b>	<b>18,764,844</b>
Less: Financial Expenses	24.00	7,181,529	7,182,543
<b>Profit/(Loss) before Income Tax and contribution to WPPF</b>		<b>51,958,188</b>	<b>11,582,300</b>
Less: Contribution to WPPF		2,474,199	-
<b>Net Profit/(Loss) Before Tax</b>		<b>49,483,988</b>	<b>11,582,300</b>
Less: Income Tax Expenses	25.00	11,133,897	2,606,018
<b>Net Profit/(Loss) After Tax</b>		<b>38,350,091</b>	<b>8,976,283</b>
Add: Other Comprehensive Income		-	-
<b>Total other Comprehensive Income for the year</b>		<b>38,350,091</b>	<b>8,976,283</b>
<b>Earning per share (EPS)</b>	<b>31.00</b>	<b>0.93</b>	<b>0.22</b>

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

  
Company Secretary

  
Chief Financial Officer

  
Director

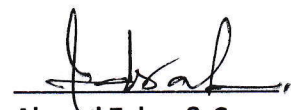
  
CEO

  
Chairman

Date: **18 NOV 2023**

Place: Dhaka

DVC: **2311180209AS722167**

  
Ahmed Zaker & Co.  
Chartered Accountants  
**Zaker Ahmed FCA**  
Managing Partner  
Enroll: 0209



**BEACH HATCHERY LIMITED**  
**Statement of Changes in Equity**  
For the year ended June 30, 2023

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance at 1 July 2022	414,010,210	16,373,804	(27,753,349)	402,630,665
Cash Dividend-2022	-		(4,038,425)	(4,038,425)
Adjustment for Liabilities relief			1,213,357	1,213,357
Net Profit/(Loss) during the period		-	38,350,091	38,350,091
<b>Balance at 30 June, 2023</b>	<b>414,010,210</b>	<b>16,373,804</b>	<b>7,771,673</b>	<b>438,155,687</b>

**Statement of Changes in Equity**  
For the year ended June 30, 2022


Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance at 1 July 2021	414,010,210	16,373,804	(34,037,348)	396,346,666
Cash Dividend-2021	-	-	(2,692,284)	(2,692,284)
Net Profit/(Loss) during the year			8,976,283	8,976,283
<b>Balance at 30 June, 2022</b>	<b>414,010,210</b>	<b>16,373,804</b>	<b>(27,753,349)</b>	<b>402,630,665</b>

  
Company Secretary

  
Chief Financial Officer

  
Director

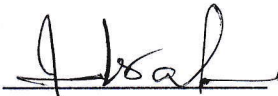
  
CEO

  
Chairman

Date: **18 NOV 2023**

Place: Dhaka

DVC: **2311180209AS722167**

  
**Ahmed Zaker & Co.**  
Chartered Accountants  
**Zaker Ahmed FCA**  
Managing Partner  
Enroll: 0209




**BEACH HATCHERY LIMITED**  
**Statement of Cash Flows**  
For the year ended June 30, 2023

Particulars	Amount in Taka	
	June 30, 2023	June 30, 2022
<b>Cash flows from Operating Activities:</b>	<b>27,177,275</b>	<b>15,126,832</b>
Collection from Customers	120,166,086	41,458,651
Cash Paid to Suppliers, Employees and Others	(73,808,756)	(22,231,751)
Operating Exp. Cash Paid	(11,998,526)	(4,100,068)
Finance Expense	(7,181,529)	-
Income Tax Paid	-	-
<b>Cash flows from Investing Activities:</b>	<b>-</b>	<b>(14,925,630)</b>
Acquisition of Fixed Assets	-	(14,925,630)
<b>Cash Flows from Financing Activities:</b>	<b>(2,876,861)</b>	<b>-</b>
Secured loan (paid)/received	1,161,564	-
Dividend Paid	(4,038,425)	-
<b>Net Decrease in Cash and Cash Equivalents (A+B+C+D)</b>	<b>24,300,414</b>	<b>201,202</b>
Cash and Cash Equivalents at Beginning of the Year	272,424	71,222
<b>Cash &amp; Cash Equivalents at the End of Year</b>	<b>24,572,838</b>	<b>272,424</b>
<b>Net Operating Cash Flow per Share (on the Equity Share of Taka 10 each)</b>	<b>0.66</b>	<b>0.37</b>

  
Company Secretary

  
Chief Financial Officer

  
Director

  
CEO

  
Chairman

Date: **18 NOV 2023**

Place: Dhaka

DVC: **2311180209AS722167**

  
**Ahmed Zaker & Co.**  
Chartered Accountants  
**Zaker Ahmed FCA**  
Managing Partner  
Enroll: 0209

## **BEACH HATCHERY LTD.**

Notes to the Financial Statements  
For the year ended 30 June, 2023

### **1.0 THE COMPANY AND ITS OPERATION:**

#### **1.1 Status and Legal form of the Enterprise:**

The Beach Hatchery Limited was incorporated with the Registrar of Joint Stock Companies, Dhaka, Bangladesh on 9th August, 1994 as Private Limited Company vide incorporation no. C-26397(241)/94 under the Companies Act, 1913 and subsequently been converted as a Public Limited Company on 15th November 1995 under the Companies Act, 1994. The Shares of the Company are publicly traded of the floors of the Dhaka and Chittagong Stock Exchanges.

#### **1.2 Nature of Business Activities:**

The Beach Hatchery Limited Produces Shrimp Fry to sell in the local market. It has gone into commercial production from 1st January, 1997.

#### **1.3 Registered Office:**

The registered office of the company is situated at Concord Tower (9th floor), 113, Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000, Bangladesh.

#### **1.4 Factory:**

The factory of the Company was situated at Moheshkhalipara, Teknaf Sea beach, Teknaf, Cox's Bazar, Bangladesh. The factory was dismantled by the Bangladesh Army to construct the marine drive road.

### **2.0 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS:**

#### **2.1 Statement of Compliance**

The Financial Statements have been prepared on a going concern basis in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by Financial Reporting Council (FRC), Companies Act 1994 and other relevant laws and regulations applicable in Bangladesh.

#### **2.2 Other regulatory compliances**

The Company is also required to comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations in Bangladesh:

- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- The Value Added Tax Act 1991
- The Value Added Tax Rules 1991
- The Value Added Tax (Amendment) Act, 2012
- The Value Added Tax (Amendment) Rules, 2012
- The Customs Act 1969
- The Stamp Act 1899
- The Bangladesh Securities and Exchange Commission Act 1993
- The Bangladesh Securities and Exchange Commission Rules 2020
- DSE/CSE Rules
- DSE Listing Regulations, 2015
- Bangladesh Labor Act, 2006(as amended to 2013)
- Bangladesh Labor Rules 2015.

### 2.3 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on October 25, 2023.

### 2.4 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention.

### 2.5 Accrual basis of accounting

Beach Hatchery 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 company 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 IAS or IFRS conceptual Framework.

### 2.6 Presentations of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements. The financial statements comprise of:

- (a) Statement of Financial Position as at 30 June 2023;
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023;
- (c) Statement of Changes in Equity for the year ended 30 June 2023;
- (d) Statement of Cash Flows for the year ended 30 June 2023;
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

### 2.7 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 company 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.

### 2.8 Comparative information

Comparative information has been disclosed in respect of 2021-2022 in accordance with **IAS 1: Presentation of Financial Statements** for all numeric information in the financial statements and the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure may have been re-arranged if considered necessary to ensure comparability with the current year.

### 2.9 Accounting convention and basis of preparation of the financial statements:

The Financial statements of the Company consistently cover one calendar year from 1st July 2022 to 30 June 2023, and are prepared under the historical cost convention in accordance with the applicable International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) which do not vary from the requirements of the Companies Act 1994 and other laws and rules applicable in Bangladesh.

### 2.10 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by **IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors**.



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

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company 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.

### **2.12 Going concern assumption**

As the factory has been dismantled by the Government to construct marine drive road and entire operation has stopped and the management is trying to run the production as soon as possible.

### **2.13 Reporting period**

The reporting period of the company covers 12 (twelve) months from 1 July 2022 to 30<sup>th</sup> June 2023.

## **3.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The specific accounting policies selected and applied by the Company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial Statements have been consistently applied throughout the year and were also consistent with those used in earlier years. For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendation of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

### **3.1 Consistency:**

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year under audit are consistent with those policies and methods adopted in preparing the Financial Statements for the previous year.

### **3.2 Property, Plant and Equipment**

#### **i) Recognition and Measurement:**

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of an asset and bringing it to working condition. The cost of self-constructed / installed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located. When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, Plant and Equipment.

## ii) Subsequent Costs:

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of Property, Plant and Equipment are recognized in profit and loss as incurred.

## iii) Depreciation:

Land is held on a freehold basis and is not depreciated considering the unlimited life. Depreciation on all other fixed assets is computed to be charged on diminishing balance method sufficient to write off depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any loss on such disposal is reflected in operations for the year. No depreciation is charged for the year during which an asset is disposed of.

Category of Assets	Rate of Dep.	Allocated to
Land & Land Development	Nil	
Factory Building & Civil Const.	20%	Factory overhead
Hatchery Equipment & Machinery	20%	Factory overhead
Generator	15%	Factory overhead
Electric Installation	20%	Factory overhead
Fact. Office & Elec. Equipment	20%	Factory overhead
Lab. Equipment	20%	Factory overhead
Factory Furniture & Fixture	10%	Factory overhead
Water Installation	20%	Factory overhead
Motor Vehicle	20%	Factory overhead
Factory Office Furniture & Fixture	20%	Factory overhead
Fry Delivery Box	10%	Factory overhead
Aerator	20%	Factory overhead
Fencing Wire	10%	Factory overhead
Office Furniture & Fixture	10%	Administrative overhead
Vehicle	20%	Administrative overhead
Office & Electric Equipment	20%	Administrative overhead
Office Decoration	15%	Administrative overhead

## 3.3 Impairment

All fixed assets have been reviewed as per ISA 36 and it was confirmed that no such fixed assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

## 3.4 Interest income

Interest on bank deposits has been accounted for on accrual basis.

## 3.6 Borrowing costs

Interest and other expenses incurred by the Company in respect of borrowing of fund and recognized as expense in the year in which they are incurred as per IAS 23 Borrowing Cost.

### 3.7 Taxation:

The applicable rate of income tax for the Fish Farming income of the Company as per SRO No. 255-Law/Income Tax/2015 dated 26 August, 2015 is at the following rate with effects for the assessment year 2018-2019.

Income Range	Reduced Tax rate
Up to Tk. 10,00,000	Nil
On Next Tk. 10,00,000	5%
On Next Tk. 10,00,000	10%
On remaining income	15%

and applicable rate of Income Tax for the other income of the Company is 22.5%.

### 3.8 Trade Receivable:

The receivables at the Balance Sheet date are stated at amounts which are considered good and realizable.

### 3.9 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and with banks on current accounts, deposit accounts and short-term investments (FDR- maturity less than 3 months) which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

### 3.10 Statement of cash flows

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

### 3.11 Related party disclosures

As per International Accounting Standards IAS 24: Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosure has been disclosed in a separate note to the financial statements.

### 3.12 Employee benefits (ISA 19)

The company maintains 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 plan is funded and recognized/approved under Income Tax Ordinance 1984.

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

The Company recognizes a provision for workers' profit participation and welfare fund (WPPF) @ 5% of income before tax and it has been managing, disbursing and investing as per provisions of the Bangladesh Labor (Amendment) Act, 2013. The Company is making the payment within nine months at the end of the relevant financial year. 80% of the Fund is being paid to eligible employees, 10% to Government Workers Welfare Foundation and remaining 10% to Beach Hatchery Limited Employees Welfare Fund as per provision of Bangladesh Labor (Amendment) Act, 2013.

#### **4.0 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:**

##### **4.1 Responsibility for preparation and presentation of financial statements:**

The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act 1994 and as per provision of IAS 1, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

##### **4.2 Employees Separation Plan:**

The Company has not yet introduced any separation plan for its employees.

##### **4.3 Earning per Share (EPS):**

The Company calculates Earning per Share (EPS) in accordance with International Accounting Standard (IAS)-33 "Earning per Share" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). This has been calculated by dividing net profit/loss for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

##### **4.4 Net Asset Value (NAV) per Share:**

This has been calculated by dividing Net Assets for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

##### **4.5 Net Operating Cash Flow (NOCFPS) per Share:**

This has been calculated by dividing net cash flows from operating activities by the weighted average number of shares outstanding during the year.

##### **4.6 Events after the reporting period**

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

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.

Also inform that as per Price Sensitive Information (PSI) dated 27.06.2021 the company has already started the alternative production of white fish culture dated 28.06.2021.

#### 4.7 Compliance with financial reporting standards as applicable in Bangladesh:

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Not Applicable
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	17	Leases	Complied
9	19	Employee Benefits	Complied
10	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
11	21	The Effects of Changes in Foreign Exchange Rates	Not Applicable
12	23	Borrowing Cost	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plans	Complied
15	27	Separate Financial Statements	Not Applicable
16	28	Investments in Associates and joint ventures	Not Applicable
17	29	Financial Reporting in Hyper Inflationary Economics	Not Applicable
18	31	Interest in Joint Ventures	Not Applicable
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Not Applicable
25	39	Financial Instruments: Recognition and Measurement	Not Applicable
26	41	Agriculture	Not Applicable



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



**5.00 Property, Plant & Equipment**

Balance as on 01.07.2022 (Cost)

Add: Addition during the Period

Less: Accumulated Dep. on 01.07.2022

Less: Depreciation charged during the Period

**Balance (W.D.V) :**

Amount in Taka	
June 30, 2023	June 30, 2022
497,186,265	482,260,635
-	14,925,630
<b>497,186,265</b>	<b>497,186,265</b>
271,041,207	268,775,491
<b>226,145,059</b>	<b>228,410,774</b>
4,067,791	2,265,715
<b>222,077,267</b>	<b>226,145,059</b>

The details of fixed assets and depreciation charged thereon are shown in **Annexure - A**.

**6.00 Trade Receivables**

Balance as on 01.07.2022

Add : Addition during the year

Less : Realised/Adjusted during the year

**Age analysis of the above balance of Debtors is as follows:**

Less than one year

More than one year

269,943,798	269,180,569
118,507,107	42,221,880
<b>388,450,905</b>	<b>311,402,449</b>
120,166,086	41,458,651
<b>268,284,819</b>	<b>269,943,798</b>
-	5,106,198
268,284,819	264,837,600
<b>268,284,819</b>	<b>269,943,798</b>

The management of the Company considered above mentioned balances of trade debtors are good for realisation and hence provision for bad and doubtful debts are not made.

**7.00 Inventories**

Fish Fry (Note-21.01)

Fish Feed (Note-21.02)

1,564,650	1,239,650
4,562,430	1,123,650
<b>6,127,080</b>	<b>2,363,300</b>

**8.00 Advances, Deposits & Pre-Payments**

**a) ADVANCE:**

Advance against Purchase (Note- 8.01)

Less: Bad Debts

**Total Advance**

2,499,791	2,499,791
(2,499,791)	-
<b>-</b>	<b>2,499,791</b>

**b) DEPOSIT:**

Sundry Deposits (Note- 8.02)

**Grand Total of Advance and**

**Deposits(a+b):**

300,000	300,000
<b>300,000</b>	<b>2,799,791</b>

**ii) More than one Period**

Advance against Purchase

Advance against Expenses

**Sub Total (ii):**

**Grand Total (i+ii):**

2,499,791	2,499,791
-	-
<b>2,499,791</b>	<b>2,499,791</b>
<b>2,499,791</b>	<b>2,499,791</b>

The management of the Company considered above mentioned unadjusted balances of advance are fully realizable/adjustable.



		Amount in Taka	
		June 30, 2023	June 30, 2022
<b>8.01</b>	<b>Advance Against Purchase</b>		
<b>a)</b>	<b>Head Office :</b>		
1.00	Agrocare Ltd. (H/O)	98,235	98,235
2.00	M/S. Enam Brother	85,153	85,153
3.00	M/S. Fair Trade Center	77,400	77,400
4.00	M/S. Fakrul Anower & Brothers	75,530	75,530
5.00	M/S. Golden Deer Enterprise	65,485	65,485
	<b>Total (Head office) (a):</b>	<b>401,803</b>	<b>401,803</b>
<b>b)</b>	<b>Teknaf Office :</b>		
1.00	Air Cargo Association Cox's	211,000	211,000
2.00	Allwells Marketing	82,500	82,500
3.00	Alvin Trade International	125,740	125,740
4.00	Aman Enge.	144,934	144,934
5.00	Bay Gold Enterprise	225,364	225,364
6.00	Bangla Enterprise	84,400	84,400
7.00	Global International	76,593	76,593
8.00	Holly Enterprise	68,950	68,950
9.00	Inve Shop	58,572	58,572
10.00	Khulla Mia (Transportation)	165,500	165,500
11.00	M/s B S P Enterprise	155,273	155,273
12.00	M/S, Titu Engr. Works	76,450	76,450
13.00	M/S. Baban Desh	145,000	145,000
15.00	M/S. Momtag & Brothers	70,178	70,178
16.00	N.k. Enterprise	45,000	45,000
17.00	Mr. Azam&Hanif(Mother)	35,500	35,500
18.00	Mr. Sabed Ali (Mother)	48,000	48,000
19.00	Mr. Shagahan	85,400	85,400
20.00	Mr. Shrifuddin Roni	49,334	49,334
21.00	Ocean Aqua Tech	76,300	76,300
22.00	Saiful Hoque & Brothers	68,000	68,000
	<b>Total (Teknaf) (b):</b>	<b>2,097,988</b>	<b>2,097,988</b>
	<b>Grand Total of Adv. Against Purchase : (a+b)</b>	<b>2,499,791</b>	<b>2,499,791</b>
<b>8.02</b>	<b>Deposits : Tk.</b>	<b>300,000</b>	<b>300,000</b>
The above balance has been brought down from last Period account without any changes and the said balance represents amount deposited with CDBL.			
<b>9.00</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash in Hand (Note- 9.01)	24,342,803	243,145
	Cash at Bank (Note - 9.02)	230,034	29,279
		<b>24,572,838</b>	<b>272,424</b>
<b>9.01</b>	<b>Cash in Hand</b>		
	Cash in Head Office	209,460	228,785
	Cash in Teknaf	24,133,344	14,360
		<b>24,342,804</b>	<b>243,145</b>
<b>9.02</b>	<b>Cash at Bank : Tk.</b>		
	<b>a) Cash at Bank (Head office)</b>		
	Bangladesh Krishi Bank-2465	488	488
	IFIC Bank-1017124081-001	12,140	12,140
	Prime Bank Ltd. 12811050018053	1,383	1,383
	Bangladesh Krishi Bank STD 2172	131	131
	Bangladesh Krishi Bank-1116 (Satkhira)	3,559	3,559
	Agrani Bank Ltd. 0200015807944	212,333	11,578
		<b>230,034</b>	<b>29,279</b>

Note: The management of the company has been declared that except Agrani Bank Ltd.- 0200015807944, Principal Branch Motijheel all bank account are dormant. No statement found from



Amount in Taka	
June 30, 2023	June 30, 2022

## 10.00 Share Capital

### Authorized Capital:

200,000,000 Ordinary Shares of Tk. 10/- each.

2,000,000,000      2,000,000,000

### Issued, Subscribed and Paid-up-Capital

34,286,560 Ordinary Shares of Tk. 10/- each.

342,865,600      342,865,600

(Including Stock dividend up to 01-01-2014)

5,142,984 ordinary of tk 10 each fully paid-

51,429,840      51,429,840

up as stock dividend during 2014

19,71,477 ordinary of tk 10 each fully paid-

19,714,770      19,714,770

up as stock dividend during 2015

414,010,210      414,010,210

Ordinary Share holding position of the Company is as follows:

Sl.No.	Name of the Shareholders	Nos. of Shares	Per Share	30.06.2023	30.06.2022
1	Md. Shariful Islam	9,045,704	10	90,457,040	90,457,040
2	Mrs. Fahmida Islam	1,956,075	10	19,560,750	19,560,750
3	M/s Meghna Shrimp Culture Ltd.	1,856,660	10	18,566,600	18,566,600
4	Syed Nur Ahmed	1,619,746	10	16,197,460	16,197,460
5	ICB	1,242,031	10	12,420,310	25,188,350
6	Financial Institution	3,858,516	10	38,585,160	53,655,850
7	General Public	21,822,289	10	218,222,890	190,384,160
<b>Total</b>		<b>41,401,021</b>		<b>414,010,210</b>	<b>414,010,210</b>

## 11.00 Retained Earnings

Opening Balance

(27,753,349)      (34,037,348)

Less: Cash Dividend 2022

(4,038,425)      (2,692,284)

Add: Adjustment for Liabilities relief

1,213,357      -

Add: Transfer from Profit or Loss and Other Comprehensive Income during the period

38,350,091      8,976,283

7,771,673      (27,753,349)

## 12.00 Tax Holiday Reserve

16,373,804      16,373,804

The above balance was brought down from last Period account without any change.

## 13.00 Secured Loan

This represents the outstanding amount of principal and interest of project loan taken from Bangladesh Krishi Bank (BKB) Teknaf Branch, Teknaf. The loan is secured by all fixed assets of the Company. The above balance arrived as under :

Balance b/f

20,007,121      18,845,558

Less : Refund/adjusted during the year

-      -

20,007,121      18,845,558

Add : Interest charged for the year

1,161,564      1,161,563

21,168,685      20,007,121

## 14.00 Short Term Liabilities

24,272,471      57,023,590



Amount in Taka	
June 30, 2023	June 30, 2022

**15.00 Liability for Expenses**

Audit Fees	310,000	510,000
AGM Expenses	100,000	100,000
Professional fees	60,000	-
Provision for Bad Debts	4,045,600	-
<b>Prov. for Salary and Allowances :</b>		
Salary Head Office	1,082,090	1,877,999
Factory Wages	104,400	104,400
Salary Factory	1,234,136	1,234,136
Telex, Fax and Telephone	69,441	69,912
Utility & Electricity Exp	89,643	89,643
TDS Payable	895,296	-
Listing Fee & CDBL	2,110,101	1,686,101
<b>Total Liabilities for Expenses</b>	<b>10,100,707</b>	<b>5,672,191</b>

**16.00 Liabilities for Goods & Services**

M/s. B.S.P Enterprise	249,500	249,500
M/s. Alvin Trade Int.	219,500	219,500
M/s Khaja Electric Works	9,525	9,525
Monir Traders	159,270	159,270
M/s A. K. Enterprise	125,100	125,100
M/S Shrimp Mother Trade	84,400	84,400
M/S Global International	87,430	87,430
Mr. Jahangir	20,000	20,000
Technician Commission	215,000	215,000
M/S Enam Trading	15,000	15,000
M/s Aqua Shop	28,632	28,632
Adjustment for Liabilities relief	(1,213,357)	
<b>Total Liab.-Goods &amp; Serv./Acc.Paya</b>	<b>-</b>	<b>1,213,357</b>

**17.00 Unclaimed Dividend**

The below balance represents unclaimed dividend as on Balance Sheet date.Period wise break up of the balance is under.

**Dividend for thePeriod**

2003	7,220	7,220
2004	27,872	27,872
2005	152,392	152,392
2021	381,506	2,692,284
2022	1,389,688	-
Fraction of Stock Dividend	47,486	47,486
	<b>2,006,164</b>	<b>2,927,254</b>

**18.00 Provision for WPPF**

Opening Balance	-	-
Addition during the year	2,474,199	-
	<b>2,474,199</b>	-
Transfer During the year	-	-
	<b>2,474,199</b>	-

**19.00 Provision for Income Tax**

Balance b/f	12,050,193	9,444,176
Add : Provision for this Period (Note-25)	11,133,897	2,606,018
	<b>23,184,090</b>	<b>12,050,193</b>
Less : Tax adjustment	-	-



Amount in Taka	
June 30, 2023	June 30, 2022

**20.00 Sales**

Fish Sales	118,507,107	42,221,880
	<b>118,507,107</b>	<b>42,221,880</b>

**21.00 Cost of Goods Sold**

Cost of Fish Fry (Note-21.01)	13,767,507	5,166,632
Cost of Fish Feed (Note-21.02)	26,257,523	7,974,660
Depreciation (Factory)	3,985,970	2,165,843
Electricity Exp. (Factory)	27,452	686,116
Entertainment	48,088	45,356
Factory Salary	52,053	1,229,026
Factory Wages	2,028,133	-
General mess Expe.	813,093	52,762
Photostat Exp.	44,863	48,898
Office Exp.	18,008	22,914
Postage & Courier Exp.	21,760	915
Printing Stationery	13,792	31,114
Repair & Maintenance	3,860	74,590
Telex, Fax & Telephone	8,595	60,870
Trade License & Fees	106,667	3,145
Traveling & Conveyance	89,680	40,948
<b>Total Cost of Goods Sold</b>	<b>47,287,044</b>	<b>17,603,788</b>

**21.01 Cost of Fish Fry**

Opening Balance	1,239,650	-
Purchased during the period	14,092,507	6,406,282
	<b>15,332,157</b>	<b>6,406,282</b>
Closing Balance	1,564,650	1,239,650
<b>Cost of Fish fry available for Sales</b>	<b>13,767,507</b>	<b>5,166,632</b>

**21.02 Cost of Fish Feed**

Opening Balance	1,123,650	-
Purchased during the period	29,696,303	9,098,310
	<b>30,819,953</b>	<b>9,098,310</b>
Closing Balance	4,562,430	1,123,650
<b>Cost of Fish Feed consumed</b>	<b>26,257,523</b>	<b>7,974,660</b>



**22.00 Office & Administrative Expenses**

Amount in Taka		
	June 30, 2023	June 30, 2022
Advertisement & Publicity	-	-
AGM Expenses	100,000	100,000
Audit fees	230,000	230,000
Professional Fees & Others	60,000	
Regulatory Fees (DSE, CSE, CDBL, BSEC)	530,000	
Promotional Expenses	-	60,000
Computer Expenses	29,512	11,670
Cleaning Exp.	16,227	10,150
Deprecation (Head Office)	81,821	99,872
Electricity Expense	16,147	367,706
Entertainment	15,763	111,849
Bad Debts	6,545,391	-
Gas & Utility	32,000	40,000
Internet Exp.	79,167	97,500
Office Expenses	302,179	55,120
Photostat Expenses	114,892	30,316
Postage & Courier Expenses	38,301	22,152
Printing & Stationery	78,135	71,215
Rent, Rates & Taxes	421,435	512,500
Office Service Charges	50,229	60,000
Salary & Allowance	3,263,200	3,738,000
Telex. Fax & Telephone	36,829	125,375
Traveling & Conveyance	39,120	109,823
<b>Total Office &amp; Administrative Expenses</b>	<b>12,080,347</b>	<b>5,853,248</b>

**23.00 Other Income**

Land Lease	-	-
Bank Interest	-	-
Interest on STD-184	-	-
	-	-

**24.00 Financial Expenses**

Bank charge & Commission	4,565	5,580
Interest on Project Loan from B.K.B	1,161,564	1,161,563
Interest on C.C. Loan from B.K.B	6,015,400	6,015,401
	<b>7,181,529</b>	<b>7,182,543</b>

**25.00 Income Tax**

Minimum Tax (Notes- 25.01)	711,043	253,331
Regular Tax (Notes-25.02)	11,133,897	2,606,018
<b>Higher One</b>	<b>11,133,897</b>	<b>2,606,018</b>

**25.01 Minimum Tax**

Total Receipt	118,507,107	42,221,880
Tax @ 0.60%	0.60%	0.60%



Amount in Taka	
June 30, 2023	June 30, 2022

**25.02 Regular Tax Expenses**

Profit /(Loss) before Income Tax  
Tax payable @ 22.5%

49,483,988	11,582,301
22.50%	2,606,018
<b>11,133,897</b>	<b>2,606,018</b>

**26.00 CAPITAL EXPENDITURE COMMITMENT :**

There was no capital expenditure commitment as at 30 June, 2023.

**27.00 LIABILITY AGAINST CLAIM :**

There was no claim against the company acknowledged as debt as on 30.06.2023.

**28.00 RELATED PARTY TRANSACTION :**

The party is related to the company if the party cast significant influence over the subject matters and also holding the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith each term as related party transaction as per IAS: 24 "Related Party Disclosure". During the year under audit related party transactions were made that which has influenced the company's business. But the Company had no transaction with any related party that fall within the definition of related party contained in International Accounting Standard 24: Related Party Disclosures.

**29.00 CONTINGENT LIABILITY :**

There was no sum for which the Company is contingently liable as on 30.06.2023.

**30.00 PRODUCTION CAPACITY :**

- a) Available Production Capacity
- b) Actual Production

Shortfall in production was due to inherent risk and nature of the business.

**31.00 EARNING PER SHARE (EPS) BASIC :**

The computation of EPS is given below :

a) Net Profit/(Loss) after tax for the year	38,350,091	8,976,283
b) Weighted average number of ordinary shares outstanding during thePeriod	41,401,021	41,401,021
c) EPS Basic	<b>0.93</b>	<b>0.22</b>

**32.00 Net Asset Value (NAV) per Share:**

The computation of (NAV) is given below :

a) Net Assets as on 30 June 2023	438,155,687	402,630,665
b) Weighted average number of ordinary shares outstanding during thePeriod	41,401,021	41,401,021
c) NAV Per Share	<b>10.58</b>	<b>9.73</b>

**33.00 Events After the Reporting Period:**

According to IAS-10, Events after the reporting period are those events, favourable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issues. The Board of directors recommended 2% cash Dividend to all of the shareholders except sponsor director for the financial year 2022-2023 at the board meeting held on October 25, 2023. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company. However, the company has already in process for production of white fish and hence the situation may take better shape



Amount in Taka	
June 30, 2023	June 30, 2022

### 34.00 Discloser of Managerial Remuneration

#### 34.01 Total amount of remuneration paid to directors during the year:

No remuneration received by any director from the company during the financial year 2022-2023

#### 34.02 Aggregate amount of remuneration paid to all directors and officers during the financial year is as follows:

Particulars	Nature of Payment	June 30, 2023	June 30, 2022
Directors	Remuneration	-	-
Officer's & Executives	Salary, Bonus & Others Allowances	5,343,387	4,967,026

### 35.00 Net Operating Cash Flow (NOCFPS) per Share:

a) Cash flows from Operating Activities	27,177,275	15,126,832
b) Weighted average number of ordinary shares outstanding during the Period	41,401,021	41,401,021
c) NOCFPS	<u>0.6564</u>	<u>0.3654</u>

### 36.00 Reconciliation of Net Profit with Cash Flows from Operating Activities for the year ended 30 June 2023 as - Under Indirect Method is Given below:

Net Profit/(Loss) after tax	38,350,091	8,976,283
<b>Adjustments for non-cash items:</b>		
Adjustment for Liabilities relief	1,213,357	
Finance Expenses		7,176,963
Income Tax Expenses	11,133,897	2,606,018
WPPF	2,474,199	
Depreciation	4,067,791	2,265,715
<b>Net Profit/(Loss) before changes in working capital</b>	<b>57,239,336</b>	<b>21,024,979</b>
<b>Changes in working capital:</b>		
<b>Increase/(Decrease) of Current Assets</b>	<b>394,990</b>	<b>(3,126,529)</b>
Accounts Receivables	1,658,979	(763,229)
Inventories	(3,763,780)	(2,363,300)
Advances, Deposits & Pre-Payments	2,499,791	-
<b>Increase/(Decrease) of Liabilities</b>	<b>(30,457,051)</b>	<b>(2,771,617)</b>
Liability for Expenses	4,428,516	(2,771,617)
Unclaimed Dividend	(921,090)	-
Short Term Liabilities	(32,751,119)	-
Liabilities for Goods & Services	(1,213,357)	-
<b>Net increase/(decrease) in working capital</b>	<b>(30,062,060)</b>	<b>(5,898,146)</b>
<b>Net cash flows from operating activities</b>	<b>27,177,276</b>	<b>15,126,833</b>

**BEACH HATCHERY LIMITED**  
**Schedule of Property, Plant & Equipment**  
 As at June 30, 2023

Annexure-A

PARTICULARS	COST			Rate of Dep. (%)	DEPRECIATION			Written Down Value (W.D.V.) As on 30.06.23
	Opening Balance As on 01.07.22	Addition during the year	Closing Balance As on 30.06.23		Opening Balance As on 01.07.22	Charged for the year	Closing Balance As on 30.06.23	
1	2	3	(2+3)=4	5	6	7	6+(7)=8	9
Factory : Land & Land Development Factory Building & Civil Const.** Hatchery Equipment & Machinery Generator Electric Installation Office & Elec. Equipment Equipment Factory Furniture & Fixture Water Installation Motor Vehicle Factory Office Furniture & Fixture Delivery Box Generator Fencing Wire Total	205,229,927 217,099,486 43,522,393 6,832,022 4,114,245 1,667,487 1,462,422 682,098 6,129,777 101,000 200,385 3,479,300 187,625 1,065,903 <b>491,774,070</b>	- - - - - - - - - - - - - - -	205,229,927 217,099,486 43,522,393 6,832,022 4,114,245 1,667,487 1,462,422 682,098 6,129,777 101,000 200,385 3,479,300 187,625 1,065,903 <b>491,774,070</b>	0% 20% 20% 15% 20% 20% 20% 10% 20% 20% 20% 10% 20% 10%	200,030,723 42,271,613 5,881,758 3,982,440 1,605,712 1,365,549 584,533 5,837,698 99,001 179,471 3,372,610 168,475 724,127 <b>266,103,709</b>	- 3,413,753 250,156 142,540 26,361 12,355 19,375 9,757 58,416 400 4,183 10,669 3,830 34,178 <b>3,985,970</b>	- 203,444,476 42,521,769 6,024,297 4,008,801 1,618,067 1,384,924 594,289 5,896,114 99,401 183,654 3,383,279 172,305 758,305 <b>270,089,680</b>	205,229,927 13,655,010 1,000,624 807,725 105,444 49,420 77,498 87,809 233,663 1,599 16,731 96,021 15,320 307,598 <b>221,684,390</b>
Office : Office Furniture & Fixture Motor Vehicle Office & Electric Equipment Office Decoration Total	333,270 3,255,000 616,540 1,207,385 <b>5,412,195</b> <b>497,186,265</b>	- - - - - -	333,270 3,255,000 616,540 1,207,385 <b>5,412,195</b> <b>497,186,265</b>	10% 20% 20% 15%	273,335 3,003,358 595,922 1,064,883 <b>4,937,497</b> <b>271,041,207</b>	5,993 50,328 4,124 21,375 <b>81,821</b> <b>4,067,791</b>	279,329 3,053,686 600,045 1,086,258 <b>5,019,318</b> <b>275,108,998</b>	53,941 201,314 16,495 121,127 <b>392,877</b> <b>222,077,267</b>

Depreciation has been apportioned as below :

Cost of goods Sold : 3,985,970  
 Administrative Overhead : 81,821  
**4,067,791**

Factory Building and Hatchery Equipment have been destroyed by Bangladesh Army to Construct Marine drive road and some portion of the land also Hatchery Plant acquired by them. Now it has become impossible to run a Hatchery.

As at June 30, 2022

As at June 30, 2022

## Annexure-A

PARTICULARS	COST			Rate of Dep.(%)	DEPRECIATION			Written Down Value (W.D.V.) As on 30.06.22
	Opening Balance As on 01.07.21	Addition during the year	Closing Balance As on 30.06.2022 (2+3)=4		Opening Balance As on 01-07-21	Charged for the year	Closing Balance As on 30.06.22	
1	2	3	(2+3)=4	5	6	7	6+(7)=8	9
Particulars:								
1. Land Development	205,229,927	-	205,229,927	0%	-	-	-	205,229,927
2. Building & Civil Const.**	202,173,856	14,925,630	217,099,486	20%	198,562,088	1,468,635	200,030,723	17,068,763
3. Machinery Equipment & Machinery	43,522,393	-	43,522,393	20%	41,958,918	312,695	42,271,613	1,250,780
4. Motor Vehicle	6,832,022	-	6,832,022	15%	5,714,064	167,694	5,881,758	950,264
5. Electric Installation	4,114,245	-	4,114,245	20%	3,949,489	32,951	3,982,440	131,805
6. Office & Elec. Equipment	1,667,487	-	1,667,487	20%	1,590,268	15,444	1,605,712	61,775
7. Furniture & Fixture	1,462,422	-	1,462,422	20%	1,341,330	24,218	1,365,549	96,873
8. Electrical Installation	682,098	-	682,098	10%	573,692	10,841	584,533	97,565
9. Motor Vehicle	6,129,777	-	6,129,777	20%	5,764,678	73,020	5,837,698	292,079
10. Office Furniture & Fixture	101,000	-	101,000	20%	98,501	500	99,001	1,999
11. Delivery Box	200,385	-	200,385	20%	174,243	5,228	179,471	20,914
12. Telephone	3,479,300	-	3,479,300	10%	3,360,756	11,854	3,372,610	106,690
13. Wiring Wire	187,625	-	187,625	20%	163,687	4,788	168,475	19,150
Total	476,848,440	14,925,630	491,774,070	10%	263,937,866	2,165,843	266,103,709	225,670,360
Particulars:								
1. Furniture & Fixture	333,270	-	333,270	10%	266,676	6,659	273,335	59,935
2. Electric Equipment	3,255,000	-	3,255,000	20%	2,940,447	62,911	3,003,358	251,642
3. Decoration	616,540	-	616,540	20%	590,767	5,155	595,922	20,618
Total	1,207,385	-	1,207,385	15%	1,039,735	25,148	1,064,883	142,503
Total	5,412,195	-	5,412,195		4,837,625	99,872	4,937,497	474,698
Total	482,260,635	14,925,630	497,186,265		268,775,491	2,265,715	271,041,207	226,145,058

recation has been apportioned as below :

2.165.843

99.872

2,265,715

Factory Building and Hatchery Equipment have been destroyed by Bangladesh Army to Construct Marine drive road and some portion of the land also hatchery equipment acquired by them. Now it has become impossible to run a Hatchery.

