

***Auditors' Report &
Audited Financial Statements
Of
PHP First Mutual Fund***

42, Dilkusha Commercial Area
Dhaka-1000

For the year ended June 30, 2017

AUDITORS' REPORT TO THE TRUSTEE

We have audited the accompanying financial statements of **PHP First Mutual Fund** (the Fund), which comprise the Statement of Financial Position (Balance Sheet) as at 30th June 2017, Statement of Comprehensive Income (Profit and Loss Statement), Statement of Changes In Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain a reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) give a true and fair view of the state of the Fund's affairs as of 30th June 2017 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala 2001, Trust Deed and other applicable laws and regulations.

Emphasis of matters

Without modifying our opinion above, we draw attention to the following matters

- As stated in note-3.06, the fund has not made VAT expense provision for the year ended June 30, 2017.
- The Auditee (RACE Management) used to enjoy a Tax deduction rate @ 4% on its management fees as per letter under ref no.-8(49) D: S-17(Kh:a:-2)/2010/1424. The terms of reduced rate of TDS has expired on June 30, 2015. On July 21, 2015, The Auditee applied for renewal to NBR but the respond from NBR is still pending as on August 08, 2017. In this case, the Auditee continued to comply with TDS @ 4% on management fees, as it was practiced by it before as per NBR approval.



We also report that:

- a. we have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of accounts as required by law have been kept by the Fund so far as it appeared from our examination of those books;
- c. the Statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit and Loss Statement) dealt with in this report are in agreement with the books of accounts;
- d. the investment was made as per Rule 56 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001; and
- e. the expenditure incurred and payments made were for the purpose of the Fund's business.

Place: Dhaka
August 09, 2017


(Masih Muhith Haque & Co.)
Chartered Accountants

PHP First Mutual Fund

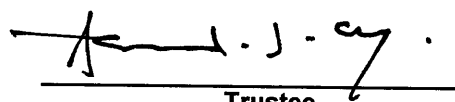
Statement of Financial Position (Balance Sheet) As at June 30, 2017

Particulars	Notes	Amount in BDT	
		30.06.2017	30.06.2016
A Assets			
Investment in marketable securities-at fair value	5	2,114,921,773	1,729,470,147
Investment in non-listed securities-at fair value	6	707,928,224	416,042,293
Cash and cash equivalents	7	63,406,197	343,886,695
Preliminary and issue expenses	8	22,540,991	29,138,796
Other receivables	9	48,185,074	35,517,673
Advance, deposits and prepayments	10	6,194,736	5,802,676
Total asset		2,963,176,994	2,559,858,279
B Liabilities			
Liabilities for expenses	11	16,583,184	14,244,501
Other liabilities	12	3,380,601	4,363,359
Total liability		19,963,785	18,607,860
C Net assets (A-B)		2,943,213,209	2,541,250,419
D Equity			
Capital fund	13	2,481,071,880	2,331,352,030
Unit premium		46,180,869	32,706,077
Unrealized Gain		99,556,297	
Retained earnings		316,404,163	177,192,312
Total equity		2,943,213,209	2,541,250,419
Net asset value (NAV) per unit			
At cost		11.46	11.39
At market price (Adjusted)	14	11.86	10.90

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



Asset Manager
Bangladesh RACE Management PCL



Trustee
Bangladesh General Insurance Company Limited
See annexed report of the date

Dated: Dhaka
August 09, 2017


(Masih Muhith Haque & Co.)
Chartered Accountants

PHP First Mutual Fund

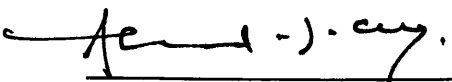
Statement of Comprehensive Income (Profit & loss statement)
For the year ended June 30, 2017

Particulars	Notes	Amount in BDT	
		2016-2017	2015-2016
A Income			
Financial income	15	45,084,918	56,007,203
Net Profit on sale of investment	16	123,492,014	45,791,528
Dividend from investment	17	66,334,875	56,703,349
Other Income		-	21,672
Total income		234,911,807	158,523,753
B Expenditure			
Management fees	18	31,335,728	28,601,048
Amortisation of preliminary expenses	8	6,597,805	6,615,882
Trustee fees	19	2,542,111	2,334,349
BSEC annual fee	20	2,681,055	2,187,441
Custodian fees	21	1,551,479	1,325,390
CDBL charges	22	316,935	192,860
DSE annual fee		599,174	348,361
CSE annual fee		573,506	322,971
Listing fees expense	23	700,060	735,258
Bank charges		67,436	73,996
Printing & publication expenses		527,184	954,946
Audit fee		57,500	57,500
Other operating expenses		62,000	-
Total expenditure		47,611,973	43,750,001
C Profit before provision (A-B)		187,299,835	114,773,752
(Provision) or written back for unrealised loss	24	115,106,658	54,157,009
D Net profit for the year		302,406,493	168,930,761
E Earnings per unit for the year	25	1.22	0.68

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

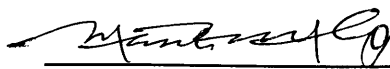


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Bangladesh RACE Management PCL



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Bangladesh General Insurance Company Limited
See annexed report of the date

Dated: Dhaka
August 09, 2017



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Chartered Accountants

PHP First Mutual Fund

Statement of Changes in Equity
For the year ended June 30, 2017

Amount in BDT

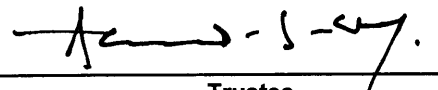
Particulars	Capital fund	Unit premium	Unrealized gain	Retained Earnings	Total Equity
Balance at 01 July 2016 (Opening)	2,331,352,030	32,706,077	-	177,192,312	2,541,250,419
Dividend paid (Re-investment)	149,719,850	13,474,792	-	(163,194,642)	-
Unrealized Gain	-	-	99,556,297	-	99,556,297
Net profit for the year	-	-	-	302,406,493	302,406,493
Balance at 30 June 2017	2,481,071,880	46,180,869	99,556,297	316,404,163	2,943,213,209

Statement of Changes in Equity
For the year ended June 30, 2016


Amount in BDT

Particulars	Capital fund	Unit premium	Unrealized gain	Retained Earnings	Total Equity
Balance at 01 July 2015 (Opening)	2,187,441,420	12,558,580	-	172,319,658	2,372,319,658
Dividend paid (Re-investment)	143,910,610	20,147,497	-	(164,058,107)	-
Unrealized Gain	-	-	-	-	-
Net profit for the year	-	-	-	168,930,761	168,930,761
Balance at 30 June 2016	2,331,352,030	32,706,077	-	177,192,312	2,541,250,419


Asset Manager
Bangladesh RACE Management PCL


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August 09, 2017


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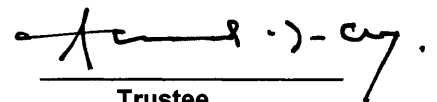
PHP First Mutual Fund

Statement of Cash Flows
For the year ended June 30, 2017

Particulars	Amount in BDT	
	2016-2017	2015-2016
A Cash flows from operating activities		
Dividend income	60,185,223	61,066,184
Financial income	47,345,309	54,759,935
Net profit from sale of investment	123,492,014	45,791,528
Other income	-	21,672
Advance, deposits and prepayments	(392,061)	(1,195,622)
Other operating expense	(39,658,243)	(35,760,070)
Net cash from operating activities	190,972,242	124,683,627
B Cash flows from investing activities		
Listed securities	(182,968,801)	(159,183,805)
Received from sundry securities	(8,778,138)	(27,145,846)
Non-listed securities	(279,705,801)	(177,507,813)
Net cash used in investing activities	(471,452,740)	(363,837,464)
C Cash flows from financing activities		
Capital contribution		
Net cash from financing activities		
D Net decrease in cash and cash equivalents (A+B+C)	(280,480,498)	(239,153,837)
E Opening cash and cash equivalents	343,886,695	583,040,532
F Closing cash and cash equivalents (D+E)	63,406,197	343,886,695
Net Operating Cash Flow Per Unit (NOCFPU)	0.77	0.50




Asset Manager
Bangladesh RACE Management PCL



Trustee
Bangladesh General Insurance Company Limited
See annexed report of the date

Dated: Dhaka
August 09, 2017


(Masih Muhith Haque & Co.)
Chartered Accountants

PHP First Mutual Fund

Notes to the Accounts

For the year ended 30th June 2017.

1. The fund and legal status

PHP First Mutual Fund (hereinafter called as "Fund") was established under a Trust Deed signed on 20 May 2010 between PHP Power Generation Plant Limited as a 'Sponsor' and the Bangladesh General Insurance Company Limited (BGICL) as a "Trustee". The Fund was registered under the Trust Act, 1882 (Act II of 1882) as well as under the Bangladesh Securities and Exchange Commission (BSEC) on 17th June 2010 vide registration code no. SEC/Mutual Fund/2010/25 under the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001. The operation of the Fund was commenced on 29 November 2010 by listing with Dhaka and Chittagong Stock Exchanges.

As provided in Trust Deed, Bangladesh RACE Management PCL, an asset management company, is the Fund Manager. Bangladesh RACE Management PCL was incorporated as a private limited company vide registration number C-70159 (2668)/08 dated 3rd March 2008 under The Companies Act, 1994.

PHP First Mutual Fund is a close-end Mutual Fund of ten years' tenure. The objective of the Fund is to provide regular dividend to the investors by investing the Fund both in capital and money market instruments. The Fund consists of 233,135,203 units of BDT 10 each. The units of the Fund are transferable.

2. Objectives

The objective of PHP First Mutual Fund is to provide attractive dividends to its unit-holders by investing the proceeds in the various instruments in Bangladeshi Capital Market (CM) and Money Market (MM).

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and as per requirements of the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001 Trust Deed and other applicable laws and regulations.

3.2 Basis of measurement

These financial statements have been prepared on a going concern basis under historical cost convention in accordance with generally accepted accounting principles.

3.3 Functional and presentational currency

These financial statements are presented in BDT, which is also the Fund's functional and presentational currency.

3.4 Use of estimates and judgments

The preparation of financial statements 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

3.5 Reporting period

These financial statements are prepared for the period from 01 July 2016 to 30 June 2017.

3.6 Taxation

The income of the Fund is exempted from income tax as per SRO No. 333-Act/Income Tax/2011 dated 10 November 2011, under Section 44 (4) clause (b) of Income Tax Ordinance, 1984 hence no provision for tax is required.

However, as per the letter under ref. BSEC/REG./3.1/G-56/MUSUK/2016/96; date-May 17, 2016 and subsequent clarification by the primary regulator of the fund, Bangladesh Securities and Exchange Commission, the fund has not made any VAT expense provision during the reporting year.

4. Significant accounting policies

The accounting policies set out below have been applied throughout the period presented in these financial statements.

4.1 Investment policy

The investment policy of the Fund as summarized below has been set in accordance with Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001 as amended and any other authorities as required:

- (i) As per Rule 55 (02) of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001 as amended, at least 60% of total assets of the Fund is to be invested in capital market out of which at least 50% will be in listed securities;
- (ii) Not more than 25% of total asset of the Fund shall be invested in fixed income securities;
- (iii) Not more than 15% of total asset of the Fund shall be invested in pre-IPOs at a time.
- (iv) All amounts collected for the Fund then invested only in cashable/transferable instruments, securities either in money market or capital market or privately placed pre-IPO equity, preference shares, debentures or securitized debts;
- (v) The fund shall have get the securities purchased or transferred in the name of the Fund;
- (vi) Asset management company will make the investment decisions and place orders for securities to be purchased for or sale of those from Fund's portfolio only, etc.

4.2 Investment Valuation

Valuation of various investments of the Fund is made as under:

- (i) The basis of calculation of net asset value (NAV) of listed securities of portfolio of the Fund is the average quoted market price prevailing on stock exchanges at the date of valuation;
- (ii) For securities debts, debentures, margin or fixed deposits, accrued interest on such instruments on the date of valuation has taken into account in calculating NAV of such securities in the portfolio of the Fund;
- (iii) The valuation of non-listed securities has been made by the asset management company with their reasonable value as referred by Bangladesh Securities and Exchange Commission.

Investments were valued at fair value measurement as per BFRS 13 and 7 the techniques are as follows:

Financial instrument	Methodology
Non-listed equity	Market comparable
Non-listed debt	Yield to maturity (Present value techniques)
Mutual Fund	Fair values of listed mutual funds are valued at intrinsic value as per BSEC directive No. SEC/CMRRCD/2009-193/172 dated: June 30, 2015

4.3 Dividend policy

As per Rule 66 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001 as amended on 18th August 2013, the Fund is required to distribute its profit in the form of dividend either in cash or reinvestment (bonus unit) or both to its unit holders an amount which shall not be less than 70% of annual profit during the year.

4.4 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and fixed deposits.

4.5 Net asset value calculation

NAV per unit is being calculated using the following formula:

$$\text{Total NAV} = \text{VA} - \text{LT}$$

$$\text{NAV per unit} = \text{Total NAV} / \text{No. of units outstanding.}$$

VA: Value of all securities in vault + value of all securities placed in lien + cash in hand and bank balances + value of all securities receivables + receivables of proceeds of sale of investments + dividend receivable (net of tax) + interest receivable (net of tax) + issue expense has been amortized on that date + printing, publication and stationery expense has been amortized on that date.

LT: Value of all securities payable + payable against purchase of investments + payable as brokerage and custodial charges + payable as trustee fee + all other payable related to printing, publication and stationery + accrued deferred expenses with regard to management fee, annual fee, audit fee and safe keeping fee.

4.6 Provisions

A provision is recognized if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting period.

4.7 Revenue recognition

Gains/losses arising on sale of investment are included in the Profit and loss Statement on the date on which the transaction takes place. Dividend and interest income are recognized as per BAS-18 and Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala, 2001.

4.8 Statement of cash flows

Cash flows from operating activities have been presented under direct method.

		Amount in BDT	
		2016-2017	2015-2016
5.00	Investment in marketable securities-at fair value : Tk.2,114,921,773		
	Investment at fair value	2,114,921,773	1,729,470,147
	Annex A	<u>2,114,921,773</u>	<u>1,729,470,147</u>
6.00	Investment in non listed security-at fair value :Tk.707,928,224		
	Bonds	329,965,164	274,952,665
	6.01		
	ICB AMCL converted first unit fund	1,420,449	1,464,380
	First ICB Unit Fund	7,988,765	8,069,460
	Second ICB Unit Fund	1,416,730	1,431,040
	Third ICB Unit Fund	4,884,505	4,788,730
	Fourth ICB Unit Fund	4,086,280	4,086,280
	Fifth ICB Unit Fund	5,375,145	5,269,750
	Sixth ICB Unit Fund	1,758,236	-
	Seventh ICB Unit Fund	10,019,541	-
	Eighth ICB Unit Fund	9,585,824	-
	Shares of Farmers Bank Limited	25,555,556	25,555,556
	Multi Securities & Services Ltd.	95,872,029	90,424,432
	Bangladesh Fixed Income Special Purpose Vehicle	210,000,000	-
		<u>707,928,224</u>	<u>416,042,293</u>
6.01	Bonds : Tk.329,965,164		
	Regent Spinning Mills Corporate Bond -2015	-	23,504,897
	The Premier Bank Ltd. Non-Convertible Subordinated Bond -2016 Tranche -1	139,192,956	-
	The Premier Bank Ltd. Non-Convertible Subordinated Bond -2015 Tranche -2	12,541,616	11,911,091
	Trust Bank Ltd- unsecured subordinated bonds	45,878,816	66,207,582
	The Premier Bank Non-Convertible Variable Coupon Rated Bond	132,351,776	173,329,095
		<u>329,965,164</u>	<u>274,952,665</u>
7.00	Cash and cash equivalents :Tk. 63,406,197		
	Fixed deposit receipts (FDR):		
	First security islami Bank (17724400000021)	13,145,995	12,291,810
	United Commercial Bank Ltd.(0841402000000657)	-	153,375,000
	Short notice deposit (SND) with:		
	The Farmers Bank Ltd. (A/C- 0113000164458)	1,905,710	-
	Short term deposits (STD) with:		
	Operational accounts:		
	ONE Bank Ltd (A/C-0123000000700)	43,671,812	126,909,375
	Southeast Bank Ltd (A/C-008313100000006)	4,190,863	50,959,227
	BRAC Bank Ltd (A/C-1501101738427001)	92,918	7,168
	Eastern Bank Ltd (A/C-1011220139908)	5,446	6,924
	The Farmers Bank Ltd. (A/C- 0113000082178)	364,768	322,285
	The Premier Bank (A/C-1041360000008)	-	-
	IPO and dividend account:		
	One Bank Ltd (A/C-0013000001302)	12,787	6,408
	Southeast Bank Ltd (A/C-008313100000192)	296	-
	Southeast Bank Ltd (A/C-008313100000135)	7,426	3,073
	BRAC Bank Ltd (A/C-1501101738427003)	8,175	5,424
		<u>63,406,197</u>	<u>343,886,695</u>

		Amount in BDT	
		2016-2017	2015-2016
8.00	Preliminary and issue expenses : Tk.22,540,991		
	Opening balance	29,138,796	35,754,678
	Less: Amortization during the year	6,597,805	6,615,882
	Closing balance	22,540,991	29,138,796
9.00	Other receivables : Tk.48,185,074		
	Interest receivable	3,103,036	5,363,426
	Dividend receivable	9,129,682	2,980,028
	Receivable from Brokerage house	35,952,356	27,174,218
		48,185,074	35,517,673
9.01	Interest receivables : Tk. 3,103,036		
	Corporate bond	2,797,392	3,678,818
	Short term deposit (STD) account		177,283
	Fixed deposit receipts (FDR) account	305,644	1,507,326
		3,103,036	5,363,426
10.00	Advance deposit and prepayment : Tk.6,194,736		
	Advance income tax deducted at source	972,523	749,228
	Security Deposit- CDBL	500,000	500,000
	Prepayments	4,722,213	4,553,448
		6,194,736	5,802,676
10.01	Prepayments : Tk.4,722,213		
	Annual fee-BSEC	2,580,315	2,681,055
	Trustee fee- BGIC	1,445,116	1,244,490
	Annual fee - DSE	326,465	301,639
	Annual fee - CSE	326,465	275,971
	CDBL Charge	43,852	50,292
		4,722,213	4,553,448
11.00	Liability for expenses : Tk.16,583,184		
	Management fee	15,741,421	13,595,307
	Custodian fee	684,263	491,694
	Audit fee	57,500	57,500
	Other payable	100,000	100,000
		16,583,184	14,244,501
12.00	Other liabilities : Tk.3,380,601		
	Other finance	2,827,676	2,651,632
	Preliminary expenses	402,925	1,441,799
	Publication expenses	150,000	269,928
		3,380,601	4,363,359

13.00 Capital fund : Tk.2,481,071,880

Size of capital fund

233,135,203 units of Taka 10 each

Add: 7% re-investment unit

13.01

Amount in BDT	
2016-2017	2015-2016
2,331,352,030	2,187,441,420
149,719,850	143,910,610
2,481,071,880	2,331,352,030

13.01 Re-investment Unit

The Trustee of the Fund approved the audited accounts of the fund for the year ended on 30 June 2016. The Fund has reported net profit of BDT 168,930,761 and earnings per unit of BDT 0.72 Accordingly the Trustee declared a dividend of 7% for the year 2016 in the form of re-investment units to be issued at a valuation of the last published NAV per unit before the record date was at September 06, 2016.

14.00 Net asset value (NAV) per unit

At cost :11.46

Total Asset

Less: Accounts Payable

Other liabilities and provisions

Total net asset value at cost (numerator)

Number of units (denominator)

NAV per unit at cost

2,863,620,696	2,674,964,936
16,583,184	14,904,854
3,380,601	3,703,006
2,843,656,911	2,656,357,076
248,107,188	233,135,203
11.46	11.39

At market value (adjusted) :11.86

Total net asset at market value (numerator)

Number of units (denominator)

NAV per unit at market value (adjusted)

2,943,213,209	2,541,250,419
248,107,188	233,135,203
11.86	10.90

15.00 Financial income :Tk.45,084,918

Short term deposit (STD) account

Corporate bonds

Fixed deposit receipts (FDR) account

12,644,042	19,296,396
30,530,756	24,757,292
1,910,120	11,953,516
45,084,918	56,007,203

16.00 Net Profit on sale of investment :Tk.123,492,014

Profit on sale of Investment

Less: Loss on sale of Investment

Net Profit on sale of Investment

153,653,678	47,465,860
30,161,664	1,674,332
123,492,014	45,791,528

17.00 Dividend from investment :Tk.66,334,875

Listed securities

Listed bond

Non-listed securities

61,565,272	53,606,132
2,814,121	2,967,217
1,955,482	130,000
66,334,875	56,703,349

Amount in BDT	
2016-2017	2015-2016

18.00 Management fees :Tk.31,335,728

31,335,728 **28,601,048**

Bangladesh RACE Management PCL the Fund Manager, is to be paid an annual management fees on weekly average net asset value (NAV) as per Rule 65 of Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001 and as per Trust Deed at the following rates

Slab	Rate of fee	NAV amount	Fee amount
On weekly average NAV up to BDT 5 crore	2.50%	50,000,000	1,250,000
On next 20 crore of weekly average NAV	2.00%	200,000,000	4,000,000
On next 25 crore of weekly average NAV	1.50%	250,000,000	3,750,000
On rest of weekly average NAV	1.00%	2,233,572,782	22,335,728
Total		2,733,572,782	31,335,728

19.00 Trustee fees :Tk.2,542,111

2,542,111 **2,334,349**

Bangladesh General Insurance Company Limited (BGIC) the trustee of the fund is entitled to get an annual trusteeship fee @ 0.10% of the net asset value per annum, payable semi-annually in advance basis during the entire life of the Fund as per Trust Deed.

20.00 BSEC annual Fee :Tk.2,681,055

2,681,055 **2,187,441**

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

21.00 Custodian fees :Tk.1,551,479

1,551,479 **1,325,390**

BRAC Bank Limited, the custodian of the fund is entitled to receive a safekeeping fee @ 0.07% on the balance of securities calculated on average month end value per annum as per Trust Deed.

22.00 CDBL Charges :Tk.316,935

316,935 **192,860**

CDBL charge was paid to Central Depository Bangladesh Limited (CDBL) as per Annex A 1 of CDBL Bye Laws (3.7).

23.00 Listing fees expenses :Tk.700,060

Dhaka Stock Exchange Ltd.	345,090	336,763
Chittagong Stock Exchange Ltd.	345,089	387,821
Central Depository Bangladesh Limited	9,881	10,674
	700,060	735,258

24.00 (Provision) or written back : Tk.115,106,658

Provision for previous year b/f	115,106,658	169,263,667
Less: Provision required for the year		115,106,658
(Provision) or written back to P/L account	115,106,658	54,157,009

Correspondent Firm of RSM International Network

Amount in BDT	
2016-2017	2015-2016

25.00 Earnings per unit for the year

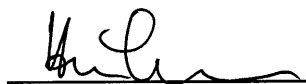
Net profit for the year (numerator)	302,406,493	168,930,761
Number of units (denominator)	248,107,188	248,107,188
Earnings per unit	<u>1.22</u>	<u>0.68</u>

26.00 Events after the reporting period

The Trustee Board of the fund has approved 2.5% cash dividend and Re-Investment Units (RIU) of 10% on the Capital Fund of Tk. 2,48,10,71,880.00 for the year ended on June 30, 2017 to be issued at a valuation based on last published NAV per unit before Record date and at the meeting held on August 09, 2017.

27.00 Others

- (i) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- (ii) Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.
- (iii) Figures of previous year have been rearranged wherever considered necessary, to conform with the current year's presentation.



Asset Manager
Bangladesh RACE Management PCL



Trustee
Bangladesh General Insurance Company Limited

Dated: Dhaka
August 09, 2017

Annex A

PHP First Mutual Fund

Amount in BDT

List of the total investment and aggregate required provision

Particulars	Cost value	Market value	Required (provision) / Gain
Investment in marketable securities (Note-5)	2,064,032,269	2,114,921,773	50,889,504
Listed Securities (Annex-A1)	2,064,032,269	2,114,921,773	50,889,504
Investment in Non-listed securities (Note-6)	659,261,430	707,928,224	48,666,794
Non listed equity Securities	121,427,585	121,427,585	-
Non listed debt Securities	537,833,845	586,500,639	48,666,794
Total amount as at 30.06.2017	2,723,293,699	2,822,849,997	99,556,297

Annex- A1

Sector-wise break up of investment in Listed securities

Particulars	Number of shares	Cost value	Market value	Required (provision) / Gain
Bank	36,068,945	678,495,775	698,577,319	20,081,544
Cement	267,098	56,902,982	58,881,530	1,978,548
Ceramic	10,455	766,980	602,209	(164,771)
Corporate Bond	23,055	23,014,648	24,163,907	1,149,259
Engineering	390,620	34,100,132	29,701,427	(4,398,705)
Food and Allied	56,682	14,898,303	15,785,943	887,640
Fuel and Power	4,002,455	284,553,498	214,384,419	(70,169,079)
Insurance	509,178	44,028,845	24,566,483	(19,462,362)
Mutual Funds	18,128,677	197,133,632	157,319,535	(39,814,098)
NBFI	2,884,601	326,480,041	322,644,835	(3,835,206)
Pharmaceuticals	989,137	284,704,692	441,879,016	157,174,324
Services and Real Estate	25,477	1,709,509	1,047,107	(662,402)
Tannery	36,209	18,634,771	25,177,955	6,543,185
Telecommunication	223,213	65,457,235	76,874,580	11,417,346
Textile	23,685	341,763	545,387	203,625
Travel & Leisure	270,020	24,809,465	14,770,121	(10,039,344)
IPO	800,000	8,000,000	8,000,000	-
Total value of listed securities	64,709,507	2,064,032,269	2,114,921,773	50,889,504