

**RACE SPECIAL OPPORTUNITIES UNIT FUND
INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**



**INDEPENDENT AUDITORS REPORT
TO THE UNIT HOLDERS
OF
RACE SPECIAL OPPORTUNITIES UNIT FUND**

Opinion

We have audited the financial statements of RACE Special Opportunities Unit Fund, which comprise the statement of financial position as at 30 June 2022, 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, the accompanying financial statements present fairly in all material respects of the statement of financial position of RACE Special Opportunities Unit Fund as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Key Audit Matters:

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

Risk	Our response to the risk
Valuation of Investments: The Fund's investment portfolio presented in the Statement of Financial Position at market value Tk. 386,904,888 represents 94.03% of the total assets Tk. 411,478,698 as at June 30, 2022. Unrealized loss in Securities Tk. 20,648,845. This is considered to be the key driver of the Fund's capital and revenue	<ul style="list-style-type: none"> • Testing the key controls over identification, Measurement and management of valuation risk as well as evaluating the methodologies and input parameters used by the Fund in determining fair values. • Obtained year-end share holding positions from the fund and through directional testing assessed the completeness of the report;



<p>Performance.</p> <p>The market value of financial instruments that are traded in an active market is determined based on quoted market prices.</p> <p>Due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<ul style="list-style-type: none">• Obtained the CDBL report and share portfolio and cross checked against each other to confirm status of financial instruments;• The market value per share of investment made in each company has been checked against the DSE website.• Assessing the adequacy of the disclosures in the financial statements against relevant accounting standards, the security and exchange Rules 1987, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.
Note no. 5.00 & 6.00 to the financial statements	
<p>Dividend from investment:</p> <p>Dividend from investment Tk.24,419,983 constitutes the majority portion 28.33% of the income generated from the fund.</p>	<p>We have tested the design and operating effectiveness of controls around the due and receivable recording process</p> <ul style="list-style-type: none">• Comparing observable inputs against independent sources and externally available market data.• Re-performing the calculations used to check Accuracy and correctness of information.• Assessing the adequacy revenue recognition, measurement and disclosures made in relation to the income in the financial statements
Note no. 16.00 to the financial statements	
<p>Liabilities for expenses:</p> <p>This account represents the Liabilities for expense Tk.3,036,700 balance payable to third parties throughout the next fiscal year. Some provisions, such as management fee and other fee, have lent to the fund. The rest are accounted for as vendors/suppliers and accrued liabilities.</p>	<p>We have tested the design and operating effectiveness of controls around the due and provisions recording process. We carried out the following audit procedures:</p> <ul style="list-style-type: none">• Obtained the provisions register and tested for completeness of credits recorded in the register on a sample basis.• Obtained a sample of bill payable recording process and cross check it with ledger.• Obtained a sample of provision create process and cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.• Obtained and discussed with management about their basis for provision and challenged their provision creation where appropriate.• Reviewed on a sample basis payment calculations owed to regulatory bodies. <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
Note no. 11.00 to the financial statements	
<p>Advance, Deposit & Prepayments:</p> <p>The fund has types of advance, deposit & prepayments Tk.909,381 such as BSEC, DSE, CSE, AIT, Advance trustee fee-ICB & CDBL annual fees.</p>	<p>We have tested the maintaining effectiveness of the advance deposit and assets position held by the Fund from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none">• Obtain BSEC, DSE, CSE, AIT, Advance trustee fee-ICB & CDBL annual fees and went through the terms and conditions of the agreement and assess imply able amount for advances.• Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards, the security and exchange

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	Rules 1987, security exchange commission (Mutual Fund) Rules 2001 and other applicable laws and regulations.
Note no. 10.00 to the financial statements	

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 2001, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the (consolidated) financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirements

In accordance with the Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 2001, 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 the Fund so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- d) the investment was made as per Rule 56 of Bangladesh Securities & Exchange Commission (Mutual Fund) Rule, 2001;
- e) the expenditure incurred and payments made were for the purpose of the Fund Business, and
- f) the information and explanation required by us have been received and found satisfactory.

Place: Dhaka,
Dated: 14 August, 2022

Md. Iqbal Hossain FCA
Partner, Enrolment No. (596) ICAB
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants
DVC No.: 2208240596AS515025



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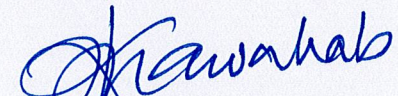


RACE SPECIAL OPPORTUNITIES UNIT FUND
Statement of Financial Position
As at June 30, 2022

Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
A Assets			
Investment in marketable securities-at fair value	5.00	386,904,888	304,116,310
Investment in non-listed securities-at fair value	6.00	-	80,794,400
Cash & Cash Equivalents	7.00	13,277,088	155,468,395
Preliminary & Issue Expenses	8.00	5,533,960	6,599,305
Other Receivables	9.00	4,853,382	20,144,922
Advance, Deposit & Prepayments	10.00	909,381	633,712
Total Asset		411,478,698	567,757,044
B Liabilities			
Liabilities for Expenses	11.00	3,036,700	2,921,600
Unclaimed Dividend	7.01	27,148	-
Other Liabilities	12.00	235,806	1,401,358
Total Liabilities		3,299,654	4,322,958
C Net Asset (A-B)		408,179,045	563,434,086
D Equity			
Capital Fund	13.00	341,660,510	430,538,180
Unit Premium & TRR Reserve		11,845,550	28,466,820
Dividend Equalization Reserve		4,305,382	4,305,382
Unrealized Gain		-	35,333,800
Retained Earnings		50,367,603	64,789,905
Total Equity		408,179,045	563,434,086
Net Asset Value (NAV)-At Cost	14.00	428,827,889	528,100,286
No. of Units		34,166,051	43,053,818
		12.55	12.27
Net Asset Value (NAV)-at Fair Value	14.00	408,179,045	563,434,086
No. of Units		34,166,051	43,053,818
		11.95	13.09

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

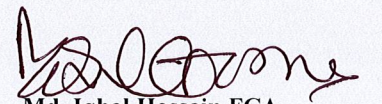

Asset Manager
Bangladesh RACE Management PCL


Chairman, Trustee
SENTINEL Trustee & Custodial Services Limited

See annexed report of the date

Dhaka,
Date: August 14, 2022



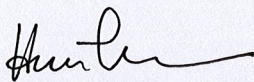

Md. Iqbal Hossain FCA
Partner, Enrolment no. 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants



RACE SPECIAL OPPORTUNITIES UNIT FUND
Statement of Profit or Loss & other Comprehensive Income
For the year ended June 30, 2022

Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
A Operational Income			
Net Profit on sale of Investment	15.00	55,278,429	53,610,685
Dividend from Investment	16.00	24,419,983	7,249,206
Financial Income	17.00	6,495,714	10,532,237
Other Income	18.00	-	7,064,076
Total Operational Income		86,194,127	78,456,203
B Expenditure			
Management Fee	19.00	10,824,150	6,547,819
Amortization of Preliminary & Issue Exp.	8.00	1,065,346	861,033
Trustee Fee	20.00	701,815	474,725
BSEC Annual Fee		339,005	-
CDBL Charge		61,651	-
Bank Charge		44,745	43,168
Audit Fee		40,250	35,000
Printing Publication & IPO expenses		581,000	417,000
Total Expenditure		13,657,962	8,378,744
C Net Profit before Provision (A-B)		72,536,165	70,077,459
(Total Provision for VAT, Tax & write off)/ write back against erosion of fair value		(22,377,739)	(982,173)
D Net Profit after Provision transferred to retained earnings		50,158,425	69,095,286
E Earnings Per Unit (EPU) for the year	21.00	1.47	1.60

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



Asset Manager

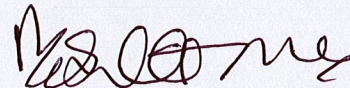
Bangladesh RACE Management PCL



Chairman, Trustee

SENTINEL Trustee & Custodial Services Limited

See annexed report of the date



Md. Iqbal Hossain FCA

Partner, Enrolment no. 596 (ICAB)

Zoha Zaman Kabir Rashid & Co.

Chartered Accountants

Dhaka

Date: August 14, 2022





RACE SPECIAL OPPORTUNITIES UNIT FUND
Statement of Changes in Equity
For the year ended June 30, 2022

Amount in Taka

Particulars	Capital Fund	Unit Premium & TRR Reserve	Unrealized Gain	Dividend Equalization Reserve	Retained Earnings	Total Equity
Balance at July 01, 2021	430,538,180	28,466,820	35,333,800	4,305,382	64,789,905	563,434,086
Fund Capital	(88,877,670)	-	-	-	-	(88,877,670)
Unit Premium & TRR Reserve	-	(16,621,270)	-	-	-	(16,621,270)
Unrealized Gain	-	-	(35,333,800)	-	-	(35,333,800)
Dividend Paid- (2020-2021)	-	-	-	-	(64,580,727)	(64,580,727)
Net profit for the year	-	-	-	-	50,158,425	50,158,425
Balance at June 30, 2022	341,660,510	11,845,550	-	4,305,382	50,367,603	408,179,045

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

Particulars	Capital Fund	Unit Premium & TRR Reserve	Unrealized Gain	Dividend Equalization Reserve	Retained Earnings	Total Equity
Fund Capital	430,538,180	-	-	-	-	430,538,180
Net profit for the year	-	-	-	-	69,095,286	69,095,286
Dividend Equalization Reserve	-	-	-	4,305,382	(4,305,382)	-
Unit Premium & TRR Reserve	-	28,466,820	-	-	-	28,466,820
Unrealized Gain	-	-	35,333,800	-	-	35,333,800
Balance at June 30, 2021	430,538,180	28,466,820	35,333,800	4,305,382	64,789,905	563,434,086

Asset Manager
Bangladesh RACE Management PCL

Chairman, Trustee
SENTINEL Trustee & Custodial Services Limited

See annexed report of the date

Md. Iqbal Hossain FCA
Partner, Enrolment no. 596 (ICAB)

Dhaka,
Date: August 14, 2022

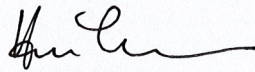
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants



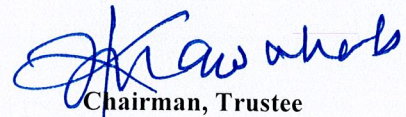


RACE SPECIAL OPPORTUNITIES UNIT FUND
Statement of Cash Flows
For the year ended June 30, 2022

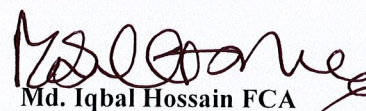
Particulars	Amount in Taka	
	30-Jun-22	30-Jun-21
A. Cash Flows from Operating Activities:		
Dividend Income	25,189,373	3,302,388
Financial Income	6,561,819	20,717,732
Net Profit on sale of Investment	55,278,429	53,610,685
Other Operating Expenses	(13,918,736)	(9,279,773)
Net Cash Flow from Operating Activities	73,110,884	68,351,032
B. Cash Flows from Investing Activities:		
Net Investment In Securities	(45,249,671)	(367,106,764)
Preliminary & Issue Expenses	-	(4,780,873)
Net Cash used in Investing Activities	(45,249,671)	(371,887,637)
C. Cash Flows from Financing Activities:		
Fund Capital	(88,877,670)	430,538,180
Unit Premium	(16,621,270)	28,466,820
Dividend Paid (2020-2021)	(64,580,727)	-
Unclaimed Dividend	27,148	-
Net Cash from Financing Activities	(170,052,520)	459,005,000
D. Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	(142,191,307)	155,468,395
E. Opening Cash and Cash Equivalents	155,468,395	-
F. Closing Cash and Cash Equivalents (D+E)	13,277,088	155,468,395
Net Operating Cash Flow Per Unit (NOCFPU)	2.14	1.59



Asset Manager
Bangladesh RACE Management PCL



Chairman, Trustee
SENTINEL Trustee & Custodial Services Limited



Md. Iqbal Hossain FCA
Partner, Enrolment no. 596 (ICAB)

Dhaka,
Date: August 14, 2022

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants





RACE Special Opportunities Unit Fund
Notes to the Financial Statements
as at 30th June 2022

1. The fund and legal status

RACE Special Opportunities Unit Fund (hereinafter called as "Fund") was established under a Trust Deed signed on 30 December 2019 between The Premier Bank Limited as a 'Sponsor' and SENTINEL Trustee & Custodial Services Limited as a "Trustee". The Fund was registered under the Trust Act 1882 as well as under the Bangladesh Securities and Exchange Commission (BSEC) on 21 January 2020 vide registration code no. BSEC/Mutual Fund/2020/109 under the Bangladesh Securities and Exchange Commission (Mutual Fund) Bidhimala 2001.

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 under Companies Act 1994 on March 2008.

RACE Special Opportunities Unit Fund is a open-end Mutual Fund. The objectives of the Fund are to provide regular dividend to the investors by investing the Fund both in capital and money market instruments. The Fund consists of 34,166,051 units of BDT 10 each. The units of the Fund are transferable.

2. Objectives

The objective of RACE Special Opportunities Unit Fund is to provide attractive dividends to its unit-holders by earning superior risk adjusted return from a diversified investment portfolio.

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) 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 and accrual 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 recognised 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 2021 to 30 June 2022.





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.

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 summarised below has 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) as per fifth schedule, no term loan and advance shall give from mutual fund.
- (iii) as per fifth schedule not more than 10% of total assets of one scheme of a mutual fund shall invest in one company's share.
- (iv) as per fifth schedule not more than 15% of paid-up capital of a company's share shall be invested from all schemes of a mutual fund.
- (v) as per fifth schedule not more than 20% of one or group of companies' share, debenture or other securities shall be invested from all schemes of a mutual fund.
- (vi) as per fifth schedule not more than 25% in one sector/industry's share, debenture or other securities shall be invested from all scheme of a mutual fund.
- (vii) as per fifth schedule investment or loan from one scheme to another scheme shall not be made under one asset management company
- (viii) as per fifth schedule a mutual fund shall not make any loan for investment purpose
- (ix) as per fifth schedule, no expenses shall be charged in year more than 4% of weekly average NAV annually.
- (x) As per trust deed (clause: 3.2.22) In the event the weight-age of shares exceed the limits laid down in the Offer Document or in the Bidhimala for the relative movement in the market prices of the investments including subscription of right shares or through any disinvestments, the Asset Management Company shall make its best endeavors to bring the exposure within the prescribed limits within six months of the event. But in any case the Asset Management Company shall not invest further in such Securities or sectors while the deviation exists.

4.2 Valuation of Investment at Fair Value:

Fair Value is a market-based measurement. It is to estimate the price at which an orderly transaction to sell the assets or to transfer the liability would take place between market participants at the measurement date under current market condition. As per IFRS-13, RACE Special Opportunities Unit Fund (the fund) adopts the assumption the market participants would use when pricing the assets, including assumptions about risk (a) the risk inherent in a particular valuation technique used to measure fair value (such as pricing model); and (b) the risk inherent in quoted price/input to the valuation technique.

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(i) For Capital Market Securities-Listed:

The Capital Market Securities-Listed are valued at the closing quoted market price only on the Dhaka Stock Exchange on the date of Valuation i.e., on June 30, 2022 as per IFRS-13 Fair Value Measurement, Capital Market Securities-Listed (Mutual Fund) are valued considering the quoted market price and last disclosed NAV on June 30, 2022 by the methodology provided by BSEC vide 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, the Fund is required to distribute its profit in the form of dividend in cash to its unit holders an amount which shall not be less than 70% of annual profit during the year, net of provisions and net of negative retained earnings brought forward balance.

4.4 Cash & 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 tax + Interest receivable, net of tax + Issue expenses amortised on that date + Printing, publication and stationery expenses amortised on 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 recognised 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. Provision for market unrealised loss shall be made in accordance with the rule 3(d) of 6th schedule and in case of provision write back it shall be vice versa. As per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rule-2019, the BSEC has introduced concept of Risk Based Capital Adequacy to the capital market and in relation there is a requirement to build up Total Risk Requirement (TRR). As AMC, Bangladesh RACE Management PCL has built up adequate TRR on Balance Sheet as prudent risk management. Further in interest of unitholders the dividend equalization reserve may be used to enhance a period's dividend payout using this reserve built up in previous period.

4.7 Revenue recognition

Gains/losses arising on sale of investment are included in the Profit and Loss Statement on the date at which the transaction takes place. Dividend and interest income are recognised as per BAS-18 and IFRS-15 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.

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RACE SPECIAL OPPORTUNITIES UNIT FUND
Notes to the Financial Statements
For the year ended June 30, 2022

5.00 Investment in marketable securities-at fair value

Capital Market Securities-Listed	5.01	386,904,888	304,116,310
		<u>386,904,888</u>	<u>304,116,310</u>

5.01 Capital Market Securities-Listed

Sector/ Category	Amount in Taka				
	No. of Shares	Cost Value	Fair Value (30 June 2022)	Required (Provision)/ Excess	Fair Value (30 June 2021)
Bank	10,129,762	162,894,531	148,812,316	(14,082,215)	82,549,572
Corporate Bond	22,395	22,203,523	24,108,218	1,904,695	22,719,728
Food and Allied	60,255	31,168,715	32,922,008	1,753,292	41,219,436
Fuel and Power	298,646	14,096,016	12,108,470	(1,987,546)	13,141,800
Insurance	7,311	73,110	360,432	287,322	7,233,935
Miscellaneous	200	352,956	346,980	(5,976)	23,315,287
NBFI	425,556	12,277,291	7,745,119	(4,532,171)	18,649,789
Pharma	165,837	68,505,655	81,468,146	12,962,492	58,563,776
Telecommunication	268,729	95,981,937	79,033,199	(16,948,738)	36,722,988
Total	11,378,691	407,553,733	386,904,888	(20,648,845)	304,116,310

6.00 Investment in non-listed securities-at fair value

Non-Listed Private Equity-BSEC approved	6.01	-	80,794,400
		<u>-</u>	<u>80,794,400</u>

6.01 Investment in Non Listed Securities (Bond):

Particulars	Amount in Taka			
	Cost Value	Fair Value (30 June 2022)	Required (Provision)/ Excess	Fair Value (30 June 2021)
Corporate Bonds	-	-	-	80,794,400
Total of Bond	-	-	-	80,794,400

Net Provision Taken (5.01+6.01)	(20,648,845)	35,333,800
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7.00 Cash and Cash Equivalents :

Bank balance with Operational Account:

Dhaka Bank-2011520000092	508,503	-
Padma Bank-0113000359514	12,741,438	155,468,395

Bank balance with Dividend Account:

Padma Bank-0113000442818	27,148	-
	<u>13,277,088</u>	<u>155,468,395</u>

Less: Unclaimed Cash Dividend from Previous year	7.01	-	-
		<u>13,277,088</u>	<u>155,468,395</u>

7.01 Unclaimed Dividend:

Year 2020-2021	27,148	-
	<u>27,148</u>	<u>-</u>

(Signature)



8.00 Preliminary and Issue Expenses :			
Opening Preliminary and Issue Expenses		6,599,305	7,460,338
Less: Amortization during the year		1,065,346	861,033
		5,533,960	6,599,305
9.00 Other Receivables :			
Interest Receivable	22.00	-	66,104
Dividend Receivable	09.01	3,177,428	3,946,818
Receivable from Brokerhouse		1,675,954	16,132,000
		4,853,382	20,144,922
9.01 Dividend Receivable :			
EXIM Bank Limited		2,745,192	2,122,092
PHOENIXFIN		227,977	-
Dutch-Bangla Bank Ltd.		30,091	-
Union Bank Limited		112,169	-
BERGERPBL		2,000	-
IBBLPBOND		-	1,764,726
MARICO (BD) Ltd.		60,000	60,000
		3,177,428	3,946,818
10.00 Advances, Deposits and Prepayments :			
Advance Income Tax		2,253	1,021
Prepayments	10.01	907,127	632,691
		909,381	633,712
10.01 Prepayments :			
Management Fee		29,560	-
Annual fee-BSEC		430,538	339,005
Advance CDBL Annual Fee		7,175	-
Trustee fee- SENTINEL		439,854	293,686
		907,127	632,691
11.00 Liabilities for expenses:			
Audit Fee		31,500	31,500
Preliminary Expenses payable		2,680,100	2,680,100
Printing & Publication Expenses		325,100	210,000
		3,036,700	2,921,600
12.00 Other Liabilities:			
Liabilities for Tax & VAT		235,806	1,401,358
		235,806	1,401,358
13.00 Capital Fund:			
Size of Fund Capital			
34,166,051 Units of Taka 10 each		341,660,510	430,538,180
		341,660,510	430,538,180
14.00 Net Asset Value (NAV):			
Total Net Assets Value at Cost		428,827,889	528,100,286
Number of unit		34,166,051	43,053,818
Per Unit NAV at Cost		12.55	12.27
a. Total Net Assets Value at Cost		428,827,889	528,100,286
b. (Unrealized loss) or Unrealized Gain		(20,648,845)	35,333,800
Total Net Assets Value at Fair Value (a+b)		408,179,045	563,434,086
Number of unit		34,166,051	43,053,818
Per Unit NAV at Fair Value		11.95	13.09





15.00 Net profit on sale of investment:		
Net profit on sale of investment	55,693,294	53,610,685
Less: Loss on sale of Investment	414,865	-
Total	55,278,429	53,610,685
16.00 Dividend from investment:		
Listed securities	24,419,983	7,249,206
	24,419,983	7,249,206
17.00 Financial Income:		
Interest Income from Corporate Bonds	3,246,948	4,897,360
Interest Income from Bank Accounts	3,248,767	5,634,877
	6,495,714	10,532,237
18.00 Pre-Operational Income:		
Income:		
Bank Interest	-	398,099
FDR Interest Received	-	9,853,501
Gross Income	-	10,251,600
Less: Expenses		
Management Fee		2,771,208
Bank Charge		635
Total Expenses	-	2,771,843
Net Pre-Operational Income before provision	-	7,479,757
VAT Provision		(415,681)
Net Pre-Operational Income after provision	-	7,064,076
19.00 Management fee:	10,824,150	6,547,819
20.00 Trustee fee:	701,815	474,725
SENTINEL Trustee & Custodial Services Limited the trustee of the fund is entitled to get an annual trusteeship fee @0.15% of the net asset value per annum, payable semi-annually in advance basis during the entire life of the Fund as per Trust Deed.		
21.00 Earnings Per Unit (EPU):		
Net profit after (provision)/writeback of unrealize loss	50,158,425	69,095,286
Number of unit	34,166,051	43,053,818
	1.47	1.60
22.00 Interest Receivable :		
Interest receivable from Corporate Bond	-	66,104
Interest receivable from accounts	-	-
	-	66,104
23.00 Events after the Reporting Period:		
The Trustee of the Fund has approved dividend for the year ended June 30, 2022 at the rate of 14.50% on the capital fund of Taka 341,660,510.00 in the form of cash and the record date will be on September 06, 2022, at the meeting held on August 14, 2022.		

22/8/22



24.00 Others:

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

Asset Manager
Bangladesh RACE Management PCL

Chairman, Trustee
SENTINEL Trustee & Custodial Services Limited

Dhaka

Date: August 14, 2022

