

Sea Pearl Beach Resort & Spa Limited
Financial Statements (Un-Audited)
As at 30 September 2019

SEA PEARL BEACH RESORT & SPA LIMITED
Statement of Financial Position (Un-Audited)
As at 30 September 2019

ASSETS	Notes	Amount in Taka	
		30 Sep 2019	30 Jun 2019
NON-CURRENT ASSETS		4,926,757,141	4,785,825,908
Property, Plant and Equipment	6	2,786,759,471	2,792,735,668
Capital Work in Progress	7	2,139,997,670	1,993,090,240
CURRENT ASSETS		411,075,775	427,680,181
Stock of Construction Material	8	25,209,265	20,977,580
Inventories	9	26,565,593	23,738,936
Investment	10	29,588,533	32,369,108
Trade and Other Receivables	11	65,517,233	141,325,684
Advances, Deposits and Prepayments	12	106,664,707	99,443,690
Cash and Cash Equivalents	13	157,530,444	109,825,183
TOTAL ASSETS		5,337,832,916	5,213,506,089
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY		1,239,139,840	1,225,567,748
Share Capital	14	1,150,000,000	1,150,000,000
Retained Earnings	15	89,139,840	75,567,748
NON-CURRENT LIABILITIES		3,370,140,466	3,436,000,894
Non-current portion of long term secured borrowings	16	3,937,338	8,059,350
SPBRS 20% Convertible Secured Bond	16	3,326,384,928	3,393,506,700
Deferred Tax Liabilities	17	39,818,200	34,434,844
CURRENT LIABILITIES		728,552,610	551,937,447
Current portion of long term secured borrowings	16	14,477,215	13,888,862
SPBRS 20% Convertible Secured Bond	16	604,692,591	439,613,308
Short term borrowings	18	17,577,556	13,722,116
Accounts and other Payables	19	34,045,607	31,001,114
Accruals and Provisions	20	57,759,641	53,712,047
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		5,337,832,916	5,213,506,089
NET ASSET VALUE PER SHARE (NAVPS)		10.78	10.66

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

 Chief Financial Officer
  Company Secretary
  Director
  Chairperson
  Managing Director

Dated, Dhaka;
12 November 2019



SEA PEARL BEACH RESORT & SPA LIMITED
Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the period ended 30 September 2019

	Notes	Amount in Taka	
		01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018
Operating Revenues	21	150,062,844	139,101,936
Costs of sales	22	(29,949,798)	(28,511,534)
Gross profit		120,113,046	110,590,402
Administrative and Other Expenses	23	(45,777,760)	(44,492,692)
Distribution & Selling Expenses	24	(2,807,691)	(2,014,412)
Operating profit		71,527,595	64,083,298
Other Income/(Loss)		(2,780,575)	1,246,687
Net Finance Cost	25	(47,888,692)	(43,168,601)
Profit Before Tax & WPPF		20,858,328	22,161,384
Workers Profit Participation Fund		(993,254)	(1,055,304)
Profit before Tax		19,865,074	21,106,080
Income Tax Expenses	26	(6,292,982)	(7,437,334)
Net Profit for the period		13,572,092	13,668,746
Basic Earnings Per Share (EPS)	27	0.12	0.14
Diluted earnings per share	27	-	-

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

 Chief Financial Officer
  Company Secretary
  Director
  Chairperson
  Managing Director

Dated, Dhaka;
 12 November 2019



SEA PEARL BEACH RESORT & SPA LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended 30 September 2019

Particulars	Ordinary Share Capital	Retained Earnings	Amount in Taka
			Total
For 2019:			
Balance at 01 July 2019	1,150,000,000	75,567,748	1,225,567,748
Net Profit for the period	-	13,572,092	13,572,092
Balance as at 30 September 2019	1,150,000,000	89,139,840	1,239,139,840

Statement of Changes in Equity
For the period ended 30 September 2018

Particulars	Ordinary Share Capital	Retained Earnings	Amount in Taka
			Total
For 2018:			
Balance at 1 July 2018	1,000,000,000	47,657,095	1,047,657,095
Net Profit for the period	-	13,668,746	13,668,746
Balance as at 30 September 2018	1,000,000,000	61,325,841	1,061,325,841


Chief Financial Officer


Company Secretary


Director


Chairperson


Managing Director

Dated, Dhaka;
12 November 2019



SEA PEARL BEACH RESORT & SPA LIMITED
Statement of Cash Flows (Un-Audited)
For the period ended 30 September 2019

	Notes	Amount in Taka	
		30-Sep-19	30-Sep-18
Cash Flow from Operating Activities:			
Collection from turnover & other receipts	28	153,514,253	148,422,439
Payment for operating costs & other expenses	29	(55,202,524)	(54,065,086)
Income tax paid	30	(1,124,925)	(694,933)
Net Cash (used in)/generated by operating activities		97,186,804	93,662,420
Cash Flow from Investing Activities			
Acquisition of Property, Plant and Equipment	31	(9,629,869)	(16,715,254)
Capital Work in progress	32	(112,393,403)	(134,165,478)
Investment in share		(1,909,878)	(43,486,313)
Advances, Deposits and Prepayments	33	(134,325)	(6,942,445)
Net Cash (used in)/generated by investing activities		(124,067,475)	(201,309,490)
Cash Flow from Financing Activities			
Short Term borrowing Received/(Repaid)-Net		3,855,440	3,622,044
Net Finance (Cost)/Income	34	(735,849)	(41,466,961)
Secured Term Loans Received/(Repaid)-Net	35	(3,533,659)	84,172,156
Proceeds from fresh issuance of share capital	37	75,000,000	-
Total Cash used in Financing Activities		74,585,932	46,327,239
Net changes increase /(decrease) in cash and cash equivalents		47,705,261	(61,319,832)
Opening cash and cash equivalents		109,825,183	230,964,572
Closing Cash and Cash Equivalents		157,530,444	169,644,740
Operating cash inflow/(outflow) per share		0.85	0.94

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

 Chief Financial Officer
 Company Secretary
 Director
 Chairperson
 Managing Director

Dated, Dhaka;
12 November 2019



SEA PEARL BEACH RESORT & SPA LIMITED
Notes to the Financial Statements (Un-Audited)
For the period ended 30 September 2019

1. Legal status of the Company

1.1 Reporting entity

Sea Pearl Beach Resort & Spa Limited ("the Company") is a Public Limited Company by shares. The Company was incorporated on 26 May 2009 having registration no. C-77653/09/2009 under the Companies Act 1994 as a Private Limited Company in Bangladesh and subsequently the Company was converted into a Public Limited Company by special resolution dated 14 November 2017. The Company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

1.2 Registered office

The registered office of the company is located at 4 K. B., Ismail Road, Mymensingh.

1.3 Corporate office

Corporate office of the Company is located at UTC Tower (Level-14), 8 panthapath, Karwanbazar, Dhaka-1215.

1.4 Operation office

Operation office of the Company is located at Jaliapolog, Inani, Ukhia, Cox's Bazar-4750, Bangladesh.

2. Nature of business activities

Sea Pearl Beach Resort & Spa Limited (the owner of "Royal Tulip Cox's Bazar") a Five Star Resort & hotel in Bangladesh, started its commercial operation from 17 September 2015. The principal activities of the Company throughout the period were carrying on Resort & Hotel business. The business activities connected with the Resort & Hotel business are carried out through a Franchise Agreement between Sea Pearl Beach Resort & Spa Limited (Franchisee") and GT Investments BV (the "Franchisor"), a limited liability company organized under the laws of the Netherlands, having its registered office at Arnhemseweg 2, 387 CH Amersfoort, the Netherlands dated 01 June 2014. Franchisor are knowledgeable and experienced in managing and promoting five star hotels and resorts and has (and/or its Affiliates have) performed such services throughout the world.

3 Basis of preparation

3.1 Statement of compliance

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

Applicable International Accounting Standards (IASs) are as follows:

SL. No	IAS Title	IAS No.	Compliance
1	Presentation of Financial Statements	1	Complied
2	Inventories	2	Complied
3	Statement of Cash Flows	7	Complied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
5	Events After the Reporting Period	10	Complied
6	Income Taxes	12	Complied
7	Property, Plant and Equipment	16	Complied
8	Leases	17	Complied
9	Employee Benefits	19	Complied
10	Accounting for Government Grants and Disclosure of Government Assistance	20	Not Applicable
11	The Effects of Changes in Foreign Exchange Rates	21	Complied
12	Borrowing Costs	23	Complied
13	Related Party Disclosures	24	Complied
14	Accounting and Reporting by Retirement Benefit Plans	26	Not Applicable
15	Separate Financial Statements	27	Not Applicable
16	Investments in Associates and Joint Ventures	28	Not Applicable
17	Financial Reporting in Hyperinflationary Economies	29	Not Applicable
18	Financial Instruments: Presentation	32	Complied



SL. No	IAS Title	IAS No.	Compliance
19	Earnings Per Share	33	Complied
20	Interim Financial Reporting	34	Complied
21	Impairment of Assets	36	Complied
22	Provisions, Contingent Liabilities and Contingent Assets	37	Complied
23	Intangible Assets	38	Complied
24	Financial Instruments: Recognition and Measurement	39	Complied
25	Investment Property	40	Not Applicable
26	Agriculture	41	Not Applicable

Applicable International Financial Reporting Standards (IFRSs) are as follows:

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

3.2 Other regulatory compliances

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

The Securities & Exchange Rules 1987,
The Securities & Exchange Ordinance 1969,
The Regulation of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited,
The Income Tax Ordinance 1984,
The Income Tax Rules 1984,
The Value Added Tax Act 1991,
The Value Added Tax Rules 1991,
The Customs Act 1969.

3.3 Structure, content and presentation of financial statements

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

- Statement of Financial Position as at 30 September 2019,
- Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 September 2019,
- Statement of Changes in Equity for the period ended 30 September 2019,
- Statement of Cash Flows for the period ended 30 September 2019,
- Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements for the period ended 30 September 2019.



3.4 Basis of Measurement of Elements of Financial Statements

The financial statements have been prepared on the Historical Cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous period.

3.5 Functional and presentation currency

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

3.6 Risk and uncertainty for use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards and 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.

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

3.7 Going concern

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

3.8 Accrual basis

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

3.9 Reporting period

The financial statements of the company covers three months from 01 July 2019 to 30 September 2019.

4 Significant accounting policies

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

4.1 Foreign currency transactions

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

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

4.2 Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.



Subsequent costs

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

Depreciation on fixed assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, Plant & Equipment. Depreciation is charged when the related assets are available for use as per management's intention. No depreciation is charged after the date of disposal of an asset. Depreciation is charged on all fixed assets after assessing useful life on **reducing balance method** as follows:

Particular of Assets	Rate of Depreciation
Land & Land Development	0.00%
Building & Other Civil Works	1.25%
Furniture & Fixture	10.00%
Computer Accessories & Equipment	10.00%
Machineries	5.00%
Equipments	5.00%
Vehicle	10.00%

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

4.3 Capital works in-progress

Property, plant and equipment under construction or which are not available for use as per managements intention are accounted for as capital works in progress and are measured at cost until completion of construction or installation or available for use as per managements intention. In conformity with IAS 16: property, plant & equipment no depreciation is charged on Capital work in progress as it is not available for use.

4.4 Inventories

Inventories (Stock and Stores) are measured at the lower of cost and net realizable value. The Cost of Inventory is assigned by using average cost formula. The costs of inventories consist of purchase, costs of conversion, import duties and other non-refundable taxes and other costs if any incurred in bringing the inventories to their present location and condition.

4.5 Cash and cash equivalents

Cash and cash equivalents consists of cash in hand and with banks on current and deposit accounts and short-term investments which are held and available for use by the company without any restriction.

4.6 Trade and other receivable

Trade and other receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectible of any amount so recognized. No impairment of trade and other receivables occurred during the period under review.

4.7 Earnings per share (EPS)

Basic earnings:

Earnings per share (EPS) is calculated in accordance with International Accounting Standard IAS-33 "Earnings per Share" by dividing the profit or loss attributable to ordinary equity holder of the entity by the number of ordinary shares outstanding during the period. For the purpose of basic earnings per share, the amount attributable to the ordinary equity holders of the entity in respect of profit or loss from continuing operations attributable to the entity is adjusted for the after tax amount of preference dividend.



Diluted earnings per share:

For the purpose of calculating diluted earnings per shares , an entity adjust profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding for the effects of all dilutive, potential ordinary shares. During the period the company has issued SPBRS 20% Convertible Secured Bond and therefore there are dilutive potential ordinary shares for which diluted earning per share has been calculated and disclosed in note (27)

Retrospective adjustment in earnings per Share:

The basic and diluted earnings per share for all periods presented is adjusted retrospectively for any increase in the number of ordinary or potential ordinary shares outstanding as a result of capitalization, bonus issues or share split. The per share calculations for those and any prior period financial statements presented is based on the new number of shares.

4.8 Revenue

Revenue (Room rent, Sales proceeds of beverage, income from laundry and shop rental & other revenues) is recognized at fair value of the consideration received or receivable in the period during which the services are provided. Revenue is recognized the parties to the contract have approved the contract, the entity can identify each party's rights and payment terms for the goods or services to be transferred, the contract has commercial substance, the entitled in exchange for services that will be transferred to the customer, net of value added tax, supplementary duty and service charge collectible from clients as well as rebate and discount allowed to customers in compliance with the requirements of IFRS 15: "Revenue from contracts with customers".

4.9 Impairment of assets

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

An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease.

No such assets have been impaired during the period and for this reason no provision has been made for impairment of assets.

4.10 Borrowing cost

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are recognized as a part of the qualifying assets. Other borrowing costs are recognized as an expense in the period in which it incurs in accordance with IAS-23 "Borrowing Cost".

The company capitalizes borrowing cost on the ratio of total rooms and rooms which are not available for use as per managements intention.

4.11 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 28 October 2019 for issue after completion of review.

4.12 Provisions, accrued expenses and other payables

Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

· the company has a legal or constructive obligation as a result of past event.



- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

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

4.13 Financial Instruments

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

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

4.14 Segment Reporting

No segment reporting is applicable for the Company as required by IFRS 8: "Segment reporting", as the Company operates in a single industry segment.

4.15 Statement of Cash Flow

The statements of cash flows has been prepared in accordance with requirements of IAS 7: Statement of cash flows. The cash generated from operating activities has been prepared using the "Direct Method" in accordance with IAS 7.

4.16 Related Party Disclosures

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

4.17 Taxation:

Current Tax Liability :

Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. The Provision for Current Tax on the profit for the period/period ended 30 September 2019 has been made in the Financial Statements.

Deferred Tax:

Deferred Tax Liability:

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

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

Deferred Tax Assets:

A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- (a) is not a business combination; and
- (b) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

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

Unused tax losses and unused tax credits

A deferred tax assets shall be recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.



4.18 Contingent Assets and Liabilities

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

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

A contingent assets is disclosed as per IAS 37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

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

4.19 Events after the reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and

(b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period)

4.20 Employee Benefits

The Company has accounted for employee benefits in compliance with the provision of IAS 19: Employee Benefits.

During the period the Company has recognized Workers' Profit Participation and Welfare Funds @ 5% on net profit before tax after charging such expenses as per Bangladesh Labour Act 2006 as amended in 2013.

4.21 Comparative Information

Comparative information has been disclosed in respect of the previous period for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. Previous period has been re-arranged/re-stated whenever considered necessary to ensure comparability with the current period presentation as per IAS-1: Presentation of Financial Statements and IAS-8: Accounting Policies, Changes in Accounting Estimates and Errors in notes wherever applicable.

5. Risk Exposure

5.1 Interest Rate Risk

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

Management Perception:

Since the Sea Pearl Beach Resort & Spa Limited has not borrowed funds at flexible interest rate, hence, not involved in the interest rate risk. The company has been repaying borrowed funds on a continuous basis.

5.2 Exchange Rate Risk

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

Management Perception:

Sea Pearl Beach Resort & Spa Limited management changes the price of their services to cope with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.



5.3 Industry Risks

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

Management Perception:

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

5.4 Market Risks

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

Management Perception:

The company's brand "Royal Tulip Cox'sbazar" has a very strong image in the local and international market. GT Investments BV also have the reputation of providing quality hotel management services. Moreover, the demand for five star hotels in the country is increasing while there are very few five star hotels to meet the demand. Strong brand management and quality service has enabled the company to capture significant market share in the sector. And the company is continuously penetrating into the market and upgrading the quality of their service to minimize the risk.

5.5 Operational Risks

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

Management Perception:

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



6 Property Plant and Equipment

A. Cost:

Opening Balance
Addition during the period
Disposal during the period

Amount in Taka	
As at 30-Sep-19	As at 30-Jun-19

2,981,284,498	2,950,532,112
9,355,820	30,752,386
-	-
2,990,640,318	2,981,284,498

B. Less: Accumulated Depreciation

Opening Balance
Charged during the period
Disposal during the period

188,548,830	124,816,963
15,332,017	63,731,867
-	-
203,880,847	188,548,830

Written down value (A-B)

2,786,759,471	2,792,735,668
----------------------	----------------------

The PPE includes leased Car which have been recognised as per IFRS -16, "Leases". A detailed schedule on property, plant & equipment has been given in Annexure-A.

7 Capital Work in Progress

2,139,997,670	1,993,090,240
----------------------	----------------------

Break-up of above as under :

Sl. No.	Particulars	Opening Balance as on 01-07-2019	Addition for the period	Balance as on 30-09-2019	Transfer to Property Plant & Equipments	Closing Balance as on 30-09-2019
01.	Building & Other Civil Works	1,683,620,310	146,907,430	1,830,527,740	-	1,830,527,740
02.	Furniture & Fixture	123,944,298	-	123,944,298	-	123,944,298
03.	Machineries	104,887,587	-	104,887,587	-	104,887,587
04.	Equipments	80,638,045	-	80,638,045	-	80,638,045
Total		1,993,090,240	146,907,430	2,139,997,670	-	2,139,997,670

The above balance represents cost incurred up to the Statement of Financial Position date for property, plant and equipments (PPE) under progress which are not available for use as per management intention. These amount shall be transferred to Property Plant, & Equipments when the construction/installation of PPE will be completed and also available for use as per management's intention.

The Company has capitalized of Taka Tk. 50,668,039 out of total finance cost of Taka 99,124,378 on the ratio of total rooms and rooms which are not available for use as per managements intention to building & other civil works during the period.

8 Stock of Construction Materials

Bricks
Rod
Sand
Stone chips
Sanitary material
Other materials

1,925,468	2,119,027
4,321,865	6,997,387
1,452,856	2,275,229
1,953,214	2,224,080
3,523,680	4,474,213
12,032,182	2,887,644
25,209,265	20,977,580

Total

The above balance represents cost of sundry construction materials in hand as on Statement of Financial Position date.

9 Inventories

These consist of the following :

Food
Beverage
General store

8,552,364	5,926,828
8,056,842	6,498,583
9,956,387	11,313,525
26,565,593	23,738,936

Total

Quantity wise breakup of Food, Beverage and General Stores could not be given as it was difficult to quantify each item separately and distinct category due to variety of items.



		Amount in Taka	
		As at 30-Sep-19	As at 30-Jun-19

11 Trade and Other Receivables

The break-up of the amount is given below;

Trade receivable -net	64,784,153	66,325,684
Bank Interest Receivable	733,080	-
Receivable from Dhaka Stock Exchange Limited	-	75,000,000
Total	65,517,233	141,325,684

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

Sl.	Particulars	Amount in	Amount in
I	Debts considered good and in respect of which the company is fully secured	733,080	75,000,000
II	Debts considered good for which the company holds no security other than the debtor personal security	64,784,153	66,325,684
III	Debts considered doubtful or bad	-	-
IV	Debts due by any director or other officer of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated	-	-
V	Debts due by companies under the same management to be disclosed with the names of the companies	-	-
VI	The maximum amount due by directors or other officer of the company at the time during the year to be shown by way of a note	-	-
	Total	65,517,233	141,325,684

The aging of above trade receivable is as follows:

Less than three months	32,152,958	112,380,951
Above three months but less than six months	26,578,954	23,512,578
Above six months	6,785,321	5,432,155
	65,517,233	141,325,684

12 Advances, Deposits and Prepayments

The break-up of the amount is given below;

Advances (Note-12.1)	92,714,767	84,286,030
Deposits (Note-12.2)	10,563,900	10,563,900
Prepayments	3,386,040	4,593,760
Total	106,664,707	99,443,690

12.1 Advances:

Advance Income Tax (Note-12.1.1)	15,368,576	14,243,651
Parties/ suppliers	53,865,870	46,636,883
Advance to Employees	147,559	171,059
Advance against land	5,250,000	5,250,000
Advance to Bandarban Project	16,213,985	16,079,660
Others	1,868,777	1,904,777
Sub-Total	92,714,767	84,286,030

12.1.1 Advance Income Tax

Opening	14,243,651	8,206,823
Add: Income tax during the period	1,124,925	6,036,828
Less: Income tax paid/adjustment during the period	-	-
	15,368,576	14,243,651



12.2 Deposits:

Security Deposit-REB
T & T
Ansar Guard
Gawsia Traders
Cox's Bazar Pally Bidyut Samity
Central Depository Bangladesh Limited

Sub-Total

Amount in Taka	
As at 30-Sep-19	As at 30-Jun-19

9,580,000	9,580,000
3,500	3,500
455,400	455,400
10,000	10,000
15,000	15,000
500,000	500,000
10,563,900	10,563,900

13 Cash & Cash Equivalents

This consists of as follows:

Cash in Hand
Cash in transits
Cash at Bank

335,810	343,069
388,853	478,370
156,805,781	109,003,744
157,530,444	109,825,183

A. GENERAL**Cash in hand:**

135,425	138,530
135,425	138,530

Bank Name & Account Number:

Prime Bank Ltd A/C CD - 17411060002770
Prime Bank Ltd A/C CD - 13211060017092
Prime Bank Ltd A/C CD - 8730
Prime Bank Ltd A/C CD - 33826
Prime Bank Ltd A/C SND - 9630
Prime Bank Ltd A/C SND - 9537
Prime Bank Ltd-IPO A/C-BDT-30420
Prime Bank Ltd-IPO A/C-USD-30422
Prime Bank Ltd-IPO A/C-EURO-30423
Eastern Bank Ltd A/C CD -1161360084794
Marchantile A/C CD - 96205
UCB A/C CD- 0828
Islami Bank Ltd A/C CD - 306
Modhumoti Bank Ltd. A/c RCD-225
Alpha Capital Management Limited
The Premier Bank Ltd A/c CD-79023
The Premier Bank Ltd A/c SND-2959

3,287,307	39,050
1,149,013	409,223
9,235	9,256
527,261	689,998
236,477	236,477
65,170	65,170
114,743,350	60,402,838
-	15,031,409
-	30,777
67,438	67,438
581,618	581,618
19,546	19,546
184,756	184,756
2,210	6,410
11,524,250	11,524,700
119,922	119,922
13,099	81,643
132,530,652	89,500,231

B. The Royal Tulip Cox'sbazar**Cash in hand :**

Local currency

200,385	204,539
200,385	204,539

Cash in transits:

City Bank Ltd.
DBBL
Brac Bank Ltd.

250,640	90,259
22,283	2,273
115,930	385,838
388,853	478,370

Bank Name & Account Number:

Prime Bank Ltd, A/C-12017
Prime Bank Ltd, A/C-22433
National Credit & Commerce Bank Ltd-A/C-26465
Dutch Bangla Bank Ltd-A/C-32500
City Bank Ltd-A/C-4001
City Bank Ltd-Gulshan-A/C-3001
Bank Asia Ltd - A/C-0018
Agrani Bank Ltd -A/C-4459
The Premier Bank Ltd A/c SND-164

4,411,723	5,614,393
425,065	302,039
3,150,402	929,366
1,269,954	85,412
5,111,949	5,169,213
2,267,904	5,046,086
99,060	99,260
637,874	571,234
6,901,198	1,686,510
24,275,129	19,503,513
24,864,367	20,186,422
157,530,444	109,825,183

Total : (A+B)

		Amount in Taka	
		As at 30-Sep-19	As at 30-Jun-19
14	Share Capital		
A.	Authorized Share Capital		
	200,000,000 Ordinary Shares of Tk. 10 each	2,000,000,000	2,000,000,000
		<u>2,000,000,000</u>	<u>2,000,000,000</u>
B.	Issued, Subscribed and paid- up capital		
	115,000,000 Ordinary shares of Tk. 10 each fully paid	1,150,000,000	1,150,000,000
		<u>1,150,000,000</u>	<u>1,150,000,000</u>

The company got consent from BSEC to raise its paid up capital by Tk. 150,000,000 through IPO by issuing 15,000,000 shares of Tk. 10/= each vide BSEC letter # BSEC/CI/IPO-281/2018/231 dated 25 March 2019. The subscription of such IPO was closed on 06 May 2019. The Company has allotted 15,000,000 shares on 23 May 2019.

C.	Shareholding position	No. of shares	Percentage		
	Sponsors and Directors	53,858,000	46.83%	538,580,000	538,580,000
	Companies and Financial Institutions	34,833,500	30.29%	348,335,000	319,355,000
	Foreign Individual and Companies	-	0.00%	-	345,000
	General Public	26,308,500	22.88%	263,085,000	291,720,000
		<u>115,000,000</u>	<u>100.00%</u>	<u>1,150,000,000</u>	<u>1,150,000,000</u>

15	Retained Earnings		
	Opening Balance	75,567,748	47,657,095
	Add: Net profit during the period	13,572,092	44,423,353
	Less: IPO Expenses	-	(16,512,700)
		<u>89,139,840</u>	<u>75,567,748</u>

16	Non-current portion of long term secured borrowings	3,937,338	8,059,350
	The loan was taken from following banks.		

Premier Leasing & Finance Limited	18,414,553	21,948,212
	<u>18,414,553</u>	<u>21,948,212</u>

Current and non current distinction

Non Current Liabilities	3,937,338	8,059,350
Current Liabilities	14,477,215	13,888,862
Total	<u>18,414,553</u>	<u>21,948,212</u>

SPBRS 20% Convertible Secured Bond

Non-current portion of convertible secured bond	3,931,077,519	3,833,120,008
Total	<u>3,931,077,519</u>	<u>3,833,120,008</u>

SPBRS 20% Convertible Secured Bond

Non Current Liabilities	3,326,384,928	3,393,506,700
Current Liabilities	604,692,591	439,613,308
Total	<u>3,931,077,519</u>	<u>3,833,120,008</u>

The company has been accorded consent for raising of capital from Bangladesh Securities and Exchange Commission vide letter # BSEC/CI/DS-70/2017/444 dated 29 August 2017 and accordingly raised fund by issuing of 325 units of SPBRS 20% Convertible Secured Bond @ Tk. 10,000,000 each totaling Taka 3,250,000,000 on 31 October 2017. The main features of the said bond are as follows:

Particulars	Details
Nature:	SPBRS 20% Convertible Secured Bond
Face Value	Tk. 10,000,000 per unit
Purpose:	To refinance the existing debts, as well as to finance completion of the ROYAL TULIP SEA PEARL BEACH RESORT & SPA, COX'S BAZAR of Sea Pearl Beach Resort & Spa Ltd.
Tenure:	8 Years from the date of issue, including 2 years moratorium period for both principal and interest payment (From 31.10.2017).
Repayment:	The bond will be redeemed semi-annually, at the end of 30th, 36th, 42nd, 48th, 54th, 60th, 66th, 72nd, 78th, 84th, 90th and 96th month from the date of Issue (From 31.10.2017).
Coupon Rate:	10.00% per annum
Trustee	Green Delta Insurance Company Ltd.
Investors	Investment Corporation of Bangladesh
Security:	First right registered mortgage of Hotel properties, i.e. floor space, proportionate land and machinery & equipment of ROYAL TULIP SEA PEARL BEACH RESORT & SPA, COX'S BAZAR



The balance of the bond includes accrued interest of Taka 681,077,519 for moratorium period for the Period from 31 October 2017 to 30 Sep 2019.

Main features of finance from Premier Leasing & Finance Limited:

Nature:	Term finance
Purpose:	For smooth running of business
Tenure:	Five years
Repayment:	From Hotel Revenue
Rate of Interest:	15.50%
Security:	40 decimals land in the name of Aminul Haque Shamim & 43 decimals land in the name of Shamim Enterprise (pvt.), Personal guarantee All directors of SPBRL and Corporate guarantee of Shamim Enterprise pvt. Ltd.

17 Deferred Tax Liabilities

This has been arrived as under:

30-Sep-19

Particulars	Carrying Amount	Tax Base	Taxable / (Deductible) Temporary Difference	Tax Rate	Deferred Tax (Assets)/Liabilities
Property, Plant and Equipment	2,640,986,892	1,902,253,693	738,733,199	25.00%	184,683,300
WPPF	3,672,928	-	(3,672,928)	25.00%	(918,232)
Fair Value (Gain)/Loss on investment in share	29,588,533	34,278,986	(4,690,453)	10.00%	(469,045)
Unused tax loss (Note-26.1)	-	573,911,292	(573,911,292)	25.00%	(143,477,823)
Deferred Tax (Assets)/Liability at the end of the period					39,818,200

30-Jun-19

Particulars	Carrying Amount	Tax Base	Taxable / (Deductible) Temporary Difference	Tax Rate	Deferred Tax (Assets)/Liabilities
Property, Plant and Equipment	2,655,742,979	1,956,549,619	699,193,360	25.00%	174,798,340
WPPF	2,679,674	-	(2,679,674)	25.00%	(669,919)
Fair Value (Gain)/Loss on investment	32,369,108	34,278,986	(1,909,878)	10.00%	(190,988)
Unused tax loss (Note-26.1)	-	558,010,355	(558,010,355)	25.00%	(139,502,589)
Deferred Tax (Assets)/Liability at the end of the period/year					34,434,844

Deferred Tax Expenses/(Benefit) during the period:

Closing Deferred Tax (Assets)/Liabilities
Opening Deferred Tax (Assets)/Liabilities

Amount in Taka	
As at 30-Sep-19	As at 30-Jun-19

39,818,200	34,434,844
34,434,844	28,579,971
5,383,356	5,854,873

18 Short term borrowings

This consists of as follows:

Premier Bank Ltd. Banani Branch, SOD Account

Total

17,577,556	13,722,116
17,577,556	13,722,116

Premier Bank Ltd	
Nature:	Short term loan
Purpose:	Working capital Investment.
Tenure:	One year
Repayment:	From Hotel revenue
Rate of Interest:	12.00%
Security:	Corporate Guarantee & 2898 sft flat at Gulshan, Dhaka.



Prime Bank Ltd	
Nature:	Short term loan
Purpose:	Working capital Investment.
Tenure:	One year
Repayment:	From Hotel revenue
Rate of Interest:	12.00%
Security:	Corporate Guarantee & 2898 sft flat at Gulshan, Dhaka.

19 Accounts and other Payables

This consists of as follows:

Payable for goods and services
Payable for Property, Plant & Equipment's

Amount in Taka	
As at 30-Sep-19	As at 30-Jun-19
9,837,594	5,407,225
24,208,013	25,593,889
34,045,607	31,001,114

20 Accruals and Provisions

This consists of as follows:

TDS, VAT, Duty & Service charge Payable
Provision for income tax (Note-20.1)
Workers Profit Participation Fund (Note-20.2)
Franchise fee (Note-20.3)
Accrued Expenses and Liabilities
Audit Fees
IPO Expenses
Others

9,942,412	9,902,074
13,310,702	12,401,076
3,672,928	2,679,674
14,372,943	12,916,392
15,440,175	8,066,282
439,875	345,000
-	6,579,175
580,606	822,374
57,759,641	53,712,047

Total

20.1 Provision for income tax

Opening Balance
Add: provided during the period
Add : Prior years short provision

Less: Paid / Adjusted during the period

12,401,076	9,085,820
909,626	3,315,256
-	-
13,310,702	12,401,076
-	-
13,310,702	12,401,076

Total

20.2 Workers Profit Participation Fund

Opening Balance
Add: provided during the period

Less: Paid during the period

2,679,674	4,186,702
993,254	2,679,674
3,672,928	6,866,376
-	(4,186,702)
3,672,928	2,679,674

Total

20.3 Franchise fee

Opening Balance
Add: provided during the period

Less: Paid during the period

12,916,392	7,953,195
1,456,551	4,963,197
14,372,943	12,916,392
-	-
14,372,943	12,916,392

Total



		Amount in Taka	
		01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018
21 Operating Revenues			
Room Revenue		83,231,463	82,983,450
Food & Beverage Revenue		53,217,259	46,723,151
Minor Operating department		6,420,704	9,220,116
Space rent and Other revenue		7,193,418	175,219
Total		150,062,844	139,101,936
22 Costs of sales			
Salary & wages		9,304,922	10,065,997
Cost of materials & other related exp		13,156,501	11,557,395
Operating and quest supplies		1,783,931	1,605,321
Laundry, dry cleaning and uniforms		1,289,421	1,103,066
Kitchen fuel & Gas		1,263,569	1,233,302
Complementary quest services		628,964	607,401
Linen, china, glass & silver		586,486	587,978
In-house TV, video, movies, music		108,200	108,200
Travel agents' commission		279,812	256,946
Travelling and communication		618,472	519,768
Pest control		255,000	270,000
Postage		22,531	44,718
Spa Cost		112,598	90,206
Others		539,391	461,236
Total		29,949,798	28,511,534
23 Administrative and Other Expenses			
This consist of the followings;			
Administrative and general expenses (23.1)		27,728,070	25,091,988
Repairs & maintenance and property operation (23.2)		18,049,690	19,400,704
Total		45,777,760	44,492,692
23.1 Administrative and general expenses			
This consist of the followings;			
Salaries, wages, bonus & benefits		5,844,138	3,179,834
Postage		22,531	1,250
Rent		600,000	600,000
Travel & communication		255,726	59,654
Entertainment		92,935	52,854
Security services		39,728	36,000
Internet Expenses		362,394	327,596
Licenses & Taxes		475,137	710,424
Donation		161,641	51,449
Telephone Expenses		246,560	245,797
Credit card commission		718,545	667,029
Statutory Audit Fees		94,875	86,250
Legal & Profession		201,820	263,000
Insurance		1,032,552	838,694
Franchise fee		1,456,551	1,452,210
Board Meeting fees		56,000	70,000
Trustee fee		151,233	151,233
Depreciation		15,332,017	15,904,323
Other expenses		583,687	394,391
Sub-Total		27,728,070	25,091,988



23.2 Repairs & maintenance and property operation

This consist of the followings;

Salaries, wages, bonus & benefits

Travel & communication

Electricity expenses

Fuel - Oil

Repair & maintenance

Laundry equipments

Water treatment

Other expenses

Amount in Taka	
01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018

2,427,248	4,200,043
61,772	66,236
9,050,228	8,684,753
2,651,953	2,524,658
2,953,260	2,780,794
523,272	651,120
91,390	493,100
290,567	-
Sub-Total	
18,049,690	19,400,704

24 Distribution & Selling Expenses

This consist of the followings;

Salaries, wages, bonus & benefits

Rent

Advertising & Promotion

Signs, events & functions

1,748,111	1,037,000
566,704	512,689
92,876	253,229
400,000	211,494
Total	
2,807,691	2,014,412

25 Net Finance Cost

This consist of the followings;

Bank Charges & Commission

Interest on short and long term secured borrowings

Less: FDR & Bank Interest

165,433	45,706
48,456,339	45,064,622
48,621,772	45,110,328
(733,080)	(1,941,727)
47,888,692	43,168,601

26 Income Tax Expenses/(Benefit)

This has been arrived as under;

Current Tax Expenses (Note: 26.1)

Prior periods short provision

Deferred Tax Expenses/(Benefit)

909,626	890,535
-	124,669
5,383,356	6,422,130
Total	
6,292,982	7,437,334

26.1 Current Tax Expenses

This has been arrived as under;

Net Profit/(Loss) before Tax

Other Income

Workers Profit Participation Fund

Add: Accounting Depreciation

Less: Tax Depreciation

Current Profit/(Loss)

19,865,074	21,106,080
2,780,575	(1,246,687)
993,254	1,055,304
15,332,017	15,904,323
(54,871,857)	(62,227,041)
(15,900,937)	(25,408,021)

Income Tax Rate**25%****35%****Current Tax Expenses****-****-****But Minimum tax@ 0.6% on gross receipts****909,626****890,535**

Unused Tax Loss-Opening Balance

558,010,355

426,727,962

Unused Tax Loss-during the period

15,900,937

25,408,021

Unused Tax Loss Carry forwarded to next period**573,911,292****452,135,983**

27 **Basic Earnings per share (EPS) on Net Profit after tax : (Par Value of Tk.10)**

Amount in Taka	
01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018

0.12 0.14

Earnings attributable to Ordinary Shares:

Net Profit after tax as per Statement of Profit or Loss

A

13,572,092 13,668,746

Number of Shares:

B

115,000,000 100,000,000

Weighted Average Number of shares:

No. of shares

Weight

Weighted
Average Number
of shares as at
30.09.2019

Weighted
Average Number
of shares as at
30.09.2018

Shares Outstanding

115,000,000

1.00

115,000,000

100,000,000

115,000,000

100,000,000

Basic Earnings Per Shares C=(A/B)

92

92

=

0.12

0.14

Dilutive Earnings par Share:

Net profit after tax

13,572,092

13,668,746

Interest save for conversion of shares (Net off tax)

14,693,627

11,343,082

Net profit after tax

28,265,719

25,011,828

Number of shares

Outstanding number of shares

115,000,000

100,000,000

Conversion of shares

38,690,476

65,000,000

153,690,476

165,000,000

Diluted earnings per share

-

-

Anti-diluted earnings per share

0.18

0.15

No diluted earning per shahe has been shown in the face of the Statement of Profit or Loss and Other Comprehensive Income as the result of the calculation is anti diluted.

Total face value of bond

3,250,000,000

3,250,000,000

Conversion option 20%

386,904,762

650,000,000

Number of shares under option

38,690,476

65,000,000

Face value

10.00

Market price as on

23.60

Total Price

33.60

Conversion Strike Price =(Face value + market value)/2

16.80

80.0% of the Principal amounts will be repaid in cash and the remaining 20.0% will be converted into ordinary equity shares (Investors Option) at the average value of the Market Price of SPBRS and the Face Value of the equity shares of the company.

28 **Received from Customers & Others:**

Revenue

150,062,844

139,101,936

Accounts Receivable Opening

66,325,684

67,161,187

Accounts Receivable Closing

(64,784,153)

(57,840,684)

Other revenue

1,909,878

-

Total

153,514,253

148,422,439



		Amount in Taka	
		01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018
29 Payment to Creditors, Suppliers, Employees & Others			
Costs of sales	(29,949,798)	(28,511,534)	
Administrative and Other Expenses	(45,777,760)	(44,492,692)	
Distribution & Selling Expenses	(2,807,691)	(2,014,412)	
Adjustment for Depreciation	15,332,017	15,904,323	
(Increase)/Decrease in inventory	(2,826,657)	(65,929)	
Adjustment for advance	4,252,282	1,549,449	
(Increase)/Decreases in Trade and Other Payables except payable for Property, Plant & Equipments and Payable to related party	4,430,369	3,882,636	
(Increase)/Decreases in Liabilities for expense except Provision for Income Tax and WPPF	2,144,714	(316,927)	
Total	(55,202,524)	(54,065,086)	
30 Income Tax paid			
Opening Advance income tax	14,243,651	8,206,823	
Closing advance income tax	(15,368,576)	(8,901,756)	
Closing provision for income tax	13,310,702	10,101,024	
Opening provision for income tax	(12,401,076)	(9,085,820)	
Current tax during the period	(909,626)	(1,015,204)	
Total	(1,124,925)	(694,933)	
31 Property, Plant and Equipment			
Purchased	(9,355,820)	(16,715,254)	
Increased advanced of assets	(274,049)	-	
Total	(9,629,869)	(16,715,254)	
32 Capital Work in progress			
Purchased	(146,907,430)	(135,838,955)	
(Increased)/Decreased Inventory of Construction Material	(4,231,685)	2,378,216	
Adjustment for Accounts Payable for PPE	(1,385,876)	(704,739)	
Adjustment for bond interest payable	50,071,588	-	
Adjustment for Advance	(9,940,000)	-	
Total	(112,393,403)	(134,165,478)	
33 Advances, Deposits and Prepayments			
Advances except income tax	(134,325)	(6,942,445)	
Total	(134,325)	(6,942,445)	
34 Finance Cost			
Net Finance Cost	(47,888,692)	(43,168,601)	
Adjustment for Interest payable on Convertible Bond	47,885,923	-	
FDR Interest receivable (increased)/decreased	(733,080)	1,701,640	
Total	(735,849)	(41,466,961)	
35 Secured Term Loans Received/(Repaid)-Net :			
Increased /(Decreased) Long term secured loan	(3,533,659)	84,172,156	
Total	(3,533,659)	84,172,156	
36 SPBRS 20% Convertible Secured Bond			
Increased /(Decreased) Convertible Bond	97,957,511	3,472,159,066	
Adjustment for Interest payable on Convertible Bond	(97,957,511)	(222,159,066)	
	-	3,250,000,000	
37 Proceeds from fresh Issuance of share capital			
Adjustment for share money deposit	75,000,000	-	
Total	75,000,000	-	



Amount in Taka	
01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018

38 Reconciliation of Net profit with cash flow from operating activities

Net Profit Before Tax and WPPF	20,858,328	22,161,384
Accounts Receivable Opening	66,325,684	67,161,187
Accounts Receivable Closing	(64,784,153)	(57,840,684)
Unrealised Gain/(Losses) on Investment	4,690,453	-
Adjustment for Reinvestment of Capital Gain on Investment	-	(1,246,687)
Adjustment for Depreciation	15,332,017	15,904,323
(Increase)/Decrease in Inventory	(2,826,657)	(65,929)
(Increase)/Decrease in Advances Deposits Prepayments	4,252,282	1,549,449
Increase/(Decrease) Trade and other payable	4,430,369	3,882,636
Increase/(Decrease) Liabilities for Expenses	2,144,714	(316,927)
Adjustment of Finance Cost shown in Financeing activites	48,621,772	43,168,601
FDR Interest receivable (increased)/decreased	(733,080)	-
Income Tax Paid	(1,124,925)	(694,933)
Cash Flow from operating activities	Total	Total
	97,186,804	93,662,420

39 Additional disclosure

Though Operating Profit has increased by Tk. 7,44,297.00 due to increased revenue but net profit and earning per share decreased due to increased financial expenses by Tk. 4,720,091.00 and increased weighted average number of shares in comparison to corresponding previous period. The company had to charge finance cost of 20% convertible bond during the financial period for refinance the existing debts, as well as to finance completion of the ROYAL TULIP SEA PEARL BEACH RESORT & SPA, COX'S BAZAR of Sea Pearl Beach Resort & Spa Limited due to which financial expenses increased substantially. The company is trying and hope to overcome the situation within a very short period of time.

Though Net Cash generated by operating activities has increased by Tk. 3,524,384.00 due to increased revenue but Operating cash inflow per share decreased due to increased weighted average number of shares in comparison to corresponding previous period.



40 Disclosure as per requirement of schedule XI, Part-II of companies Act, 1994

Commission , Brokerage or Discount against sales:

(a) There was no brokerage or discount against sales during the period.

(b) No commission was paid to sales against during the period.

41 Related party disclosure

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

Name of the Party	Relationship	Nature of Transaction	Amount in Taka		
			Balance as on 30 September 2019		
			Opening Balance Cr.	Transaction during the period (Dr.)/Cr.	Closing Balance
Bengal Vacation Club Limited	Common Management	Intercompany transaction	-	-	-
Total			-	-	-

Transaction with Key Management Personnel of the entity:

As per Company Act , 1994 part-II , Schedule-XI (4) The profit and loss account will give by way of a note detailed information , showing separately the following payments provided or made during the financial period to the directors , including managing director , the managing agents or manager , if any ,by the company , subsidiaries of the company and any other person

No.	Particulars	Value in Tk.
(a)	Managerial Remuneration paid or payable during the period from 1 July 2019 to 30 September 2019 to the directors, including managing directors, a managing agent or manager	Nil
(b)	Net cash inflow/(outflow) for the period (A+B+C)	Nil
(c)	Commission or Remuneration payable separately to a managing agent or his associate	Nil
(d)	Cash and Cash Equivalents at the end of the period	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(i)	Share Based payments	Nil

42 Service (Production) capacity & Utilization:

As per the nature of the industry, production quantity of service with the course of the period produce on the basis of service design as per market demand. Therefore , installed capacity in terms of multiple and frequently changeable service mix is not constant factor. During the period under review, actual service, the installed capacity in terms of the counts produced and the utilization rate in appended below:(for the period from 1 July 2019 to 30 September 2019)

Description	Available rooms	Utilize rooms	% of capacity utilization
Guest Rooms	22,172	13,535	61.05%

43 Value of Import at CIF basis:

Import during the period from 1 July 2019 to 30 September 2019.

Particulars:

Water Park Equipment's

Amount Tk.

44 Percentage of materials consumed to the total consumed:

Material consumed

N/A

Amount

Amount (BDT)

Percentage

Percentage

45 Payment in foreign currency:

N/A

Foreign Currency (US\$)

46 Number of Employees

All the employees receive salary /wages in excess of Tk. 6000 per month

Number of permanent staff 351

Number of permanent workers -

Number of temporary staff/worker -

Total 351



47 General

47.1 Directors Responsibility Statements

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

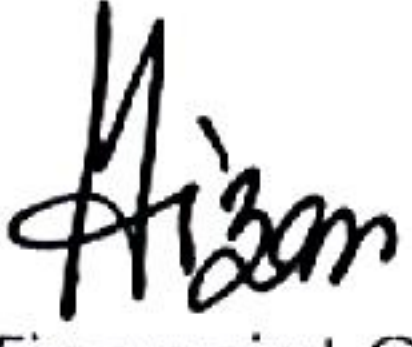


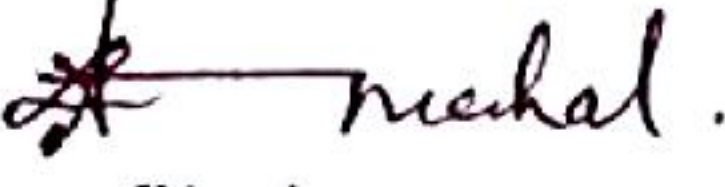

47.2 Employee Details:

i) Total number of employees at the end of the period was 351. Out of total employees, 303 numbers of employees employed throughout the period and 48 numbers of employees employed for a part of the period. None of the employees were in receipt of remuneration which in aggregate was less than Tk. 6,000 per month.

ii) At the end of the reporting period, there were 351 employees in the company.

47.3 Rounding off

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

				
Chief Financial Officer	Company Secretary	Director	Chairperson	Managing Director

Dated, Dhaka;
12 November 2019



Sea Pearl Beach Resort & Spa Limited
Property, Plant and Equipment Schedule
As at 30 September 2019

Annexure-A

Amount in Taka

Sl. No.	Assets	Cost			Dep. Rate (%)	Depreciation			Written Down Value as on 30.09.2019
		Balance as at 01.07.2019	Additions during the period	Disposal during the period		Balance as on 01.07.2019	Charged during the period	Accumulated Depreciation for Disposal	
1	Land & Land Development	136,992,689	8,779,890	-	0%	-	-	-	145,772,579
2	Building & Other Civil Works	2,141,954,893	-	-	1.25%	64,426,136	6,492,277	-	2,071,036,480
3	Furniture & Fixture	142,870,341	-	-	10%	27,549,388	2,883,024	-	112,437,929
4	Computer Accessories & Equipment	2,481,534	190,000	-	10%	449,372	55,554	-	2,166,608
5	Machineries	406,825,246	-	-	5%	70,490,831	4,204,180	-	332,130,235
6	Equipments	136,638,295	385,930	-	5%	22,957,513	1,425,834	-	112,640,878
7	Vehicle	13,521,500	-	-	10%	2,675,590	271,148	-	10,574,762
	Total as at 30 September 2019	2,981,284,498	9,355,820	-		188,548,830	15,332,017	-	2,786,759,471
	Total as at 30 June 2019	2,950,532,112	30,752,386	-		124,816,963	63,731,867	-	2,792,735,668

Vehicle includes a leased Car costing BDT 1,475,000/= acquired during the period ended June 30, 2018 which have been recognised as per IAS -17, Leases.

