


CHAPTER -11

VALUATION REPORT



মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস
৯-জি, মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

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VALUATION REPORT

"First ICB Mutual Fund"

INTRODUCTION

The First ICB Mutual Fund was established in April, 1980 under the regulation 29A of ICB (General) Regulations with a total capital of Tk. 7,500,000.00 divided into 750,000 certificates of Tk. 10. The management of the Fund is vested with ICB.

The First ICB Mutual Fund is a closed-end Mutual Fund under the regulation 29A of ICB (General) Regulations and suspended its trade on November 09, 2015. The objective of the Fund were accelerating Industrialization and economic development of the country through development of capital market by mobilizing savings and encouraging and improving the investment climate in the country with particular emphasis placed on broadening the base and scope of investments as well as tapping marginal investors. The objective also includes to provide regular dividend to the investors by investing the fund both in capital market and money market instrument. The fund was listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

OBJECTIVE OF THE ASSIGNMENT

The main objective of the assignment is to determine the net asset value of the Fund by applying Directives of conversion of closed-end mutual fund to open-end mutual issued by The Bangladesh Securities & Exchange Commission on 10 October 2013 & recognized accepted and realistic procedure of valuation methods on agreed date. The basic reason for valuation is to present a true and fair view of the assets and liability of the fund on the trade suspension date.

CUT-OFF-DATE

The cut-off date of this valuation is November 09, 2015, the trade suspension date, when the trustee of the fund has taken control over the fund as per Clause (5) of the Conversion Directives.

METHODS TO BE USED


Our investigation included review and analysis of those information as well as discussion with the fund manager concerning the history and nature of the economic status and prospects and personal inspection of the fund assets and liabilities, which also included a review and analysis of the pertinent investment, current asset & current liability information. For the purpose of valuation, we have carried out the following works:

INVESTMENT IN SECURITIES

In valuing the investment in quote securities, the closing quoted market price on both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on the date of valuation is considered as basis of determining the market value of the securities. Fund had also little investment in the unquoted securities and valued at cost. In case of bad and loss investments were excluded from valuation.

CASH AT BANK

The reconciled balance with the outstanding lodgments and payments of all bank accounts is considered.



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The reconciled balance with the outstanding lodgments and payments of all bank accounts is considered.

CURRENT ASSETS

Confirm all type of current assets' balances with the relevant supporting documents authenticated by the relevant authorities.

In valuing the current asset the subsequent probability of realization is also considered.

CURRENT LIABILITIES

Confirm all type of current liabilities' balances with the relevant supporting documents authenticated by the relevant authorities.

In valuing the current liabilities, confirm of the balance from the creditors is considered.

OPINION

In our opinion, based on our investigation, "First ICB Mutual Fund" has net asset of BDT 1,407,463,401 in total and BDT 1,876.62 per unit as on November 9, 2015. The detail calculation is presented in annexed valuation summary and notes 1 to 8.

Date: Dhaka
December 07, 2015



MALEK SIDDQUI WALI
Chartered Accountants