

THE ACCOUNTS

OF

ENVOY TEXTILES LIMITED

FOR THE PERIOD ENDED 31ST DECEMBER, 2013

ENVOY TEXTILES LIMITED
STATEMENT OF FINACIAL POSITION
AS AT DECEMBER 31, 2013

Particulars	TAKA 31st Dec 13	TAKA 30th Sep 13
ASSETS		
Non Current Assets	6,639,823,175	6,427,128,721
Property, Plant & Equipments (Net of depreciation)	3,966,348,346	3,998,700,636
Deferred Expenses	24,263,193	24,885,326
Capital work in Process	2,649,211,637	2,403,542,759
Current Assets	2,566,325,329	2,474,208,172
Inventories & Stores	844,728,932	681,629,585
Material in Transit	49,497,829	42,006,091
Accounts Receivable	1,001,141,394	1,052,840,269
Export Incentive Receivable	392,262,776	394,985,136
Advance , Deposits & Prepayments	154,141,826	195,472,902
Investment	77,266,942	76,069,430
Cash and Cash Equivalents	47,285,629	31,204,759
Total Assets	9,206,148,505	8,901,336,893
EQUITY & LIABILITIES		
Shareholders Equity		
Authorised Capital	2,750,000,000	2,750,000,000
150,000,000 ordinary shares of Tk.10/= each.	1,500,000,000	1,500,000,000
125,000,000 Redeemable Preference Shares of Tk.10/= each.	1,250,000,000	1,250,000,000
Shareholders Equity	5,130,968,801	5,323,657,885
Paid up Share Capital	1,405,950,000	1,365,000,000
Share Premium	1,120,000,000	1,120,000,000
Revaluation Surplus	1,747,188,909	1,749,817,068
Retained Earnings	529,907,702	760,918,627
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liability	1,141,355,363	780,800,065
Secured Loan	1,141,355,363	780,800,065
Current Liabilites	2,933,824,341	2,796,878,943
Secured Loan (Current Portion)	95,956,575	134,795,636
Accounts Payable	1,632,952,451	2,011,589,300
Short Term Liabilities	830,562,641	530,263,825
Provision for Expenses	291,101,499	40,319,214
Provision for Current and Deferred Tax	83,251,174	79,910,967
Total Liabilities & Shareholders' Equity	9,206,148,505	8,901,336,893

The annexed notes form an integral part of these financial statements.

sd/-

Saiful Islam FCMA
CFO

sd/-

Abdus Salam Murshedy
Managing Director

sd/-

Kutubuddin Ahmed
Chairman

Dated: 06 February 2014
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31st DECEMBER 2013

Particulars	TAKA 31st Dec, 13	TAKA 31st Dec, 12
Revenue	739,653,542	916,908,029
Less: Cost of Goods Sold	598,718,519	717,257,186
Gross Profit	140,935,023	199,650,843
Less: Operating Expenses	54,003,038	51,354,135
Administrative & General Expenses	44,612,804	42,779,224
Selling & Distribution Expenses	9,390,234	8,574,910
Profit/ (Loss) from Operation	86,931,985	148,296,708
Less: Financial Expenses	45,414,326	50,088,161
Profit/ (Loss) after Financial Expenses	41,517,659	98,208,547
Add: Other Income / Expenses	3,318,520	27,265,691
Net Profit/ (Loss) before WPPF	44,836,179	125,474,238
Less: Provision for Workers Profit Participation Fund	2,135,056	5,974,964
Net Profit before Tax	42,701,123	119,499,274
Less: Provision for Current Tax	-	5,547,730
Less: Provision for Deferred Tax	3,340,207	8,321,595
Profit after Tax	39,360,916	105,629,949
Earning Per Shares (EPS)	0.29	0.77

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Abdus Salam Murshedy
Managing Director

sd/-
Kutubuddin Ahmed
Chairman

Dated: 06 February 2014
Dhaka

ENVOY TEXTILES LIMITED
STATEMENTS OF COST OF GOODS SOLD
FOR THE FIRST QUARTER ENDED 31ST DECEMBER 2013

Particulars	Schedule-F	
	31 Dec 2013 Taka	31 Dec 2012 Taka
Direct Material Consumed:		
Opening Stock of Raw Material:	316,241,462	314,309,834
a) Yarn	224,572,862	221,698,110
b) Chemical	91,078,652	91,921,809
c) Packaging Material	589,948	689,915
Add: Purchase during the year:	625,780,459	653,524,062
a) Yarn	527,468,136	582,607,794
b) Chemical	95,735,673	67,439,897
c) Packaging Material	2,576,650	3,476,371
Raw Material Available for use	942,021,921	967,833,896
Less: Closing Stock of Raw Material:	416,579,615	318,025,603
a) Yarn	295,198,075	231,765,718
b) Chemical	120,791,592	85,622,470
c) Packaging Material	589,948	637,415
Direct Material Consumed	525,442,306	649,808,293
Add: Direct Labour/ Wages	20,314,424	12,490,926
Prime Cost	545,756,730	662,299,219
Factory/ Manufacturing Overhead:		
Total Factory Overhead	113,023,269	91,467,907
Cost of production	658,779,999	753,767,126
Add: Opening Work in process	74,908,654	56,497,553
Less: Closing Work in process	58,558,222	58,626,332
Cost of Goods Manufactured	675,130,431	751,638,347
Add: Opening Stock Finished Goods	242,594,842	93,696,997
Total Cost of Goods available for sale	917,725,273	845,335,344
Less: Closing Stock of Finished Goods	319,006,754	128,078,158
Total Cost of Goods Sold	598,718,519	717,257,186

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sd/-
Kutubuddin Ahmed
Chairman

Dated: 06 February 2014
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ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31st DECEMBER 2013

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
As at 30.09.2013	1,365,000,000	1,120,000,000	1,749,817,068	327,922,190	626,863,179	5,189,602,437
Add: Issuence of Bonus Share	40,950,000					40,950,000
Add: Net Profit During the Period					39,360,916	39,360,916
Less: Declaration of Dividend					(273,000,000)	(273,000,000)
Depreciation on Revaluation Surplus			(2,628,159)		2,628,159	-
As at 31.12.2013	1,405,950,000	1,120,000,000	1,747,188,909	327,922,190	395,852,254	4,996,913,353

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total (Tk.)
Opening Balance at 30.09.2012	1,000,000,000	520,000,000	1,760,533,803	327,922,190	317,458,567	3,925,914,561
Add: Issuence of Bonus Share	65,000,000					65,000,000
Issuance of Share Capital	300,000,000	600,000,000				900,000,000
Add: Net Profit During the Period					105,629,949	105,629,949
Depreciation on Revaluation Surplus			(2,679,184)		2,679,184	-
As at 31.12.2012	1,365,000,000	1,120,000,000	1,757,854,619	327,922,190	425,767,701	4,996,544,510

The annexed notes form an integral part of this financial statements.

sd/-
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Dated: 06 February 2014
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED 31st DECEMBER 2013

Particulars	31 Dec 2013 Taka	31 Dec 2012 Taka
Cash Flow From Operating Activities: (A)		
Collection from Turnover and Others	797,393,299	926,477,414
Cash Payment to Creditors	(776,039,033)	(775,328,785)
Cash Payment for Operating Expenses	(3,316,913)	(92,898,162)
Income Tax Paid and Deducted at source	(10,722,773)	-
Financial Expenses	(27,444,514)	(49,572,615)
Net Cash Provided/(Used) by Operation activities	(20,129,935)	8,677,852
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(338,932,997)	(134,405,184)
Investment	(1,197,513)	-
Capital work in Process	(245,668,878)	(684,646,276)
Net Cash Used in Investing Activities	(585,799,388)	(819,051,460)
Cash Flows From Financing Activities: (C)		
Long Term Liabilities	360,555,298	(117,371)
Long Term Liabilities (Current Portion)	(38,839,062)	(33,272,286)
Short Term Liabilities	300,298,816	41,880,814
Payment of Dividend	(4,860)	-
Paid up Capital	-	365,000,000
Share Premium	-	600,000,000
Net Cash Provided by Financing Activities	622,010,192	973,491,158
Net Increase in Cash [A+B+C]	16,080,870	163,117,550
Add: Cash at the Opening	31,204,759	195,506,600
Cash at end year	47,285,629	358,624,149

sd/-
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Chairman

The annexed notes form an integral part of this financial statements.

Dated: 06 February 2014
Dhaka

Envoy Textiles Limited

Notes to the Interim Financial Statements
For the period of Three Month ended December 31, 2013

1. Activities of the Company

Envoy Textiles Limited incorporated in Bangladesh under the Companies Act, 1994 is a 100% Export Oriented Denims Fabric Manufacturer. It is the first Rope Denims Plant in Bangladesh with highly sophisticated machineries of USA and Japan and went into commercial operation on 01 March 2008.

2. Basis of preparation of the Interim Financial Statement

These are Interim Financial Statements of Envoy Textiles Limited for the First Quarter ended December 31, 2013 prepared in accordance with International Accounting Standard (IAS 34). These financial statements should read in conjunction with the Annual Financial Statements as of September 30, 2013. The accounting policies and presentation used are in consistent with those of the annual financial statements

The financial statements are prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

Fixed assets are stated at their historical cost / revalued amount less accumulated depreciation. Depreciation on fixed assets is charged on reducing balance method.

Inventories and stores are comprised of raw materials, packing materials, work in progress and finished goods. Inventories are valued at the lower of cost and net realizable value.

Transactions in foreign currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities in foreign currencies are translated into BDT at the rate of exchange ruling at the balance sheet date. Gains or losses resulting from foreign currency transactions are taken to the income statement.

3. Significant Events:

In the reporting period a significant variation of net operating profit has taken place compared to the corresponding period of the last year for reasons of unfavorable business situation prevailing for months together because of political instability and numbers of unprecedented incidents occurred in Garments Sector of the Country. Because of the above adverse situation the sales has gone down and resultantly operating profit has come down by Tk. 4.31 Crore in this period in compared to the same period of the last year.

Besides, an amount Tk. 2.73 Crore was earned during the last corresponding period on account of interest income from subscription of IPO.

4.1 Taxation

Income tax provision is made as per rate prevailing during that period specified by the Income Tax Ordinance 1984. Proper deferred tax assets / liabilities are calculated by the management in compliance with BAS-12.

4.2 Related Party Transactions

During the period the Company do not have any related party transaction with its sister concern.

4.3 Cash Flow Statement

Statement of Cash Flows is prepared in accordance with IAS-7. Cash Flow Statement and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Commissions Rules 1987.

4.4 Earnings per Share

Basic Earnings per Share (EPS) has been computed dividing the earnings attributable to the number of the ordinary shares outstanding as at balance sheet date. This has been calculated in compliance with the requirements of BAS-33: Earnings per share by dividing the basic earnings by the number of ordinary shares outstanding end of the period.

4.5 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference dividends, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.