

Hoda Vasi Chowdhury & Co

Chartered Accountants

AUDITORS' REPORT TO THE SHAREHOLDERS OF REGENT TEXTILE MILLS LIMITED

We have audited the accompanying financial statements of **REGENT TEXTILE MILLS LIMITED**, which comprises the Statement of Financial Position as at 30 June 2018 and the related 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 a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

In our opinion, the Financial Statements prepared in accordance with Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2018 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Further to our opinion in the above paragraph, we state that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by **REGENT TEXTILE MILLS LIMITED** so far as it appeared from our examination of those books;
- (iii) the Company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred was for the purpose of the Company's business.

Chattogram, 11 NOV 2010

Hoda Vasi Chowdhury
Chartered Accountants
Hoda

**REGENT TEXTILE MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Note(s)	30-Jun-2018 Taka	30-Jun-2017 Taka
ASSETS			
NON CURRENT ASSETS		3,146,034,181	2,222,538,689
Property, Plant and Equipment	4	1,988,871,774	1,954,612,056
Capital Work In Progress	5	1,157,162,407	267,926,633
CURRENT ASSETS		3,492,111,737	3,211,296,858
Investment	6	1,424,040,136	1,427,298,081
Inventories	7	639,945,426	399,684,058
Accounts & Other Receivable	8	599,713,184	600,712,291
Interest Receivables	9	32,102,696	3,296,553
Advances, Deposits and Prepayments	10	471,103,773	607,329,420
Due from Affiliated Companies	11	317,687,585	167,695,056
Cash and Cash Equivalents	12	7,518,937	5,281,399
TOTAL ASSETS		6,638,145,918	5,433,835,547
SHAREHOLDERS' EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY		3,545,810,677	3,478,466,042
Share Capital	13	1,155,000,000	1,155,000,000
Revaluation Surplus	14	982,609,733	986,342,088
Share Premium Account	15	724,782,034	724,782,034
Retained Earnings	16	683,418,910	612,341,920
NON CURRENT LIABILITIES		895,297,473	855,634,904
Non-current Portion of Long Term Loan	17.1	841,541,876	785,745,277
Deferred Tax Liabilities	22.2	53,755,597	69,889,627
CURRENT LIABILITIES		2,197,037,768	1,099,734,601
Current Portion of Long Term Loan	17.1	60,891,457	14,254,723
Accounts Payable	18	445,815,172	252,225,046
Other Payables	19	720,057,068	61,525,568
Short Term Loan	20	942,161,925	687,690,657
Directors'/Sponsors' Current Account	21	-	51,405,915
Provision for Current Tax	22.1	28,112,146	32,632,692
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		6,638,145,918	5,433,835,547
NAV Per Share	30.2	30.70	30.12
Contingent Liabilities and Commitments	31		

These financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on *03 November 2018*
and were signed on its behalf by:


COMPANY SECRETARY


DIRECTOR


MANAGING DIRECTOR

Signed in terms of our separate report of even date annexed

Chattogram, *11 NOV 2018*

Hoda Vasi Chowdhury & Co
CHARTERED ACCOUNTANTS
Hoda

REGENT TEXTILE MILLS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note(s)	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
Revenue	23	1,215,257,968	1,058,204,192
Cost of Goods Sold	24	(973,930,016)	(840,578,244)
Gross Profit		241,327,952	217,625,948
Operating Expenses:			
Administrative Expenses	25	(56,622,989)	(46,601,911)
Selling and Distribution Expenses	26	(28,592,831)	(32,320,854)
		(85,215,820)	(78,922,765)
Operating Profit		156,112,132	138,703,183
Financial Expenses	27	(110,770,210)	(68,675,093)
Profit before Other Non-operating Income		45,341,922	70,028,090
Other Non-operating Income	28	103,281,670	99,924,103
Profit before Distribution of WPP & WF		148,623,592	169,952,193
Contribution to WPP & WF	19.2	(7,431,180)	(8,497,610)
Profit before Income Tax		141,192,412	161,454,583
Income Tax Expenses:			
Current	22.1.1	(27,624,316)	(13,359,965)
Deferred	22.2	16,134,030	(11,093,936)
		(11,490,286)	(24,453,901)
Profit after Income Tax		129,702,126	137,000,682
Other Comprehensive Income/(Loss)			
Net Gain/(Loss) on Available-for-sale Financial Assets	6.2.2	(6,862,702)	745,622
Unrealized Gain/(Loss) on Foreign Currency Fluctuation	8.1 & 18.1	(2,994,785)	-
		(9,857,487)	745,622
Total Comprehensive Income/(Loss)		119,844,639	137,746,304
Earnings Per Share (Basic)	30.1.1	1.12	1.21

These financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on **03 November 2018**
and were signed on its behalf by:


COMPANY SECRETARY


DIRECTOR


MANAGING DIRECTOR

Signed in terms of our separate report of even date annexed

Chattogram, **11 NOV 2018**

Hoda Vasi Chowdhury & Co
CHARTERED ACCOUNTANTS
Hoda Vasi

**REGENT TEXTILE MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note(s)	1-Jul-2017 to 30-Jun-2018 Taka	1-Jul-2016 to 30-Jun-2017 Taka
Cash flows from operating activities			
Cash received from customers	29.1	1,179,766,072	1,058,761,629
Cash paid to suppliers	29.2	(714,047,586)	(644,517,855)
Cash paid to employees	29.3	(281,429,336)	(241,243,892)
Cash paid for operating expenses	29.4	150,809,805	(378,185,762)
Payment of income tax	29.6	(30,290,008)	(29,829,347)
Payment for WPP & WF	19.2	(13,813,217)	-
Net cash inflow/(outflow) from operating activities (A)		290,995,730	(235,015,227)
Cash flows from investing activities			
Acquisition of property, plant and equipment	4	(71,829,060)	(135,943,435)
Capital Work In Progress	5	(179,435,429)	(267,926,633)
Investment in fixed deposit receipt	6.1	(4,173,105)	(78,662,039)
Changes in financial instruments available for sale	6.2.2 & 28	-	(3,745,843)
Interest/Dividend received	29.7	74,475,527	104,580,191
Net cash inflow/(outflow) from investing activities (B)		(180,962,067)	(381,697,759)
Cash flows from financing activities			
Proceeds from long term loan	17	-	656,698,251
Proceeds from short term loan	20	231,818,164	87,683,932
Cash paid to affiliated companies	29.5	(149,992,529)	(14,001,760)
Cash received/(Payment) from directors/sponsors	21	(51,405,915)	51,405,915
Dividend paid		(48,207,353)	(107,150,141)
Cash payment for financial expenses	29.8	(88,117,406)	(68,675,093)
Net cash inflow/(outflow) from financing activities (C)		(105,904,739)	605,961,104
Net increase of cash and cash equivalents for the year (A+B+C)		4,128,924	(10,751,882)
Cash and cash equivalents at the beginning of the year	12	5,281,399	16,033,281
Unrealized foreign currency fluctuation gain/(loss)		(1,891,386)	-
Cash and cash equivalents at the end of the year	12	7,518,937	5,281,399
Net Operating Cash Flow Per Share (Basic)	30.3.1	2.52	(2.08)

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

and were approved by the Board of Directors on *03 November 2018*

and were signed on its behalf by:



COMPANY SECRETARY



DIRECTOR



MANAGING DIRECTOR

REGENT TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as at 01 July 2017	1,155,000,000	724,782,034	986,342,088	612,341,920	3,478,466,042
Dividend for the period from 01 July 2016 to 30 June 2017	-	-	-	(52,500,004)	(52,500,004)
Profit after Income Tax	-	-	-	129,702,126	129,702,126
Revaluation Surplus Realized	-	-	(3,732,355)	3,732,355	-
Other Comprehensive Income/(Loss)	-	-	-	(9,857,487)	(9,857,487)
Balance as at 30 June 2018	1,155,000,000	724,782,034	982,609,733	683,418,910	3,545,810,677
Balance as on 01 July 2016	1,100,000,000	724,782,034	990,266,215	635,671,489	3,450,719,738
Dividend for the period from 01 January 2015 to 30 June 2016	55,000,000	-	-	(165,000,000)	(110,000,000)
Profit after Income Tax	-	-	-	137,000,682	137,000,682
Revaluation Surplus Realized	-	-	(3,924,127)	3,924,127	-
Unrealized Gain/(Loss) on Available-for-sale Financial Assets	55,000,000	-	(3,924,127)	745,622	745,622
Balance as at 30 June 2017	1,155,000,000	724,782,034	986,342,088	612,341,920	3,478,466,042

These financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors on **03 November 2018**
and were signed on its behalf by:


COMPANY SECRETARY


DIRECTOR


MANAGING DIRECTOR