

SINGER BANGLADESH LIMITED

Notes to financial statements as at and for the half year ended 30 June 2013

1. Company and its activities

1.1 The Company

Singer Bangladesh Limited was incorporated as a private limited company on 04 September 1979 under Companies Act 1913. It was converted into a public limited company in 1983 when it offered its shares to the public with the requisite permission from the Government. The shares of the Company are publicly traded in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

1.2 Nature of business

Principal activities of the Company through out the year we remanufacturing and marketing of televisions, motorcycles, electric cables and marketing of televisions, refrigerators, air-conditioners, sewingmachines and other consumer electronics and household appliances.

2. Significant accounting policies

2.1 Accounting basis and statements

The financial statements of the Company have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs) applicable to the Company as adopted by the Institute of Chartered Accountants of Bangladesh. Wherever appropriate, such principles are explained in the succeeding notes.

No adjustments have been made for inflationary factors affecting the financial statements. No changes in the basis of accounting like valuation of stocks, method of charging depreciation, etc were made during the half year ended 30 June 2013.

2.2 Compliance with local law

The financial statements have been prepared in compliance with the requirement of Bangladesh Accounting Standard 34 "Interim Financial Reporting" and the Securities and Exchange Rules 1987.

2.3 Revenue recognition

Sales under hire purchase system are recorded at the date of sale. The charge to cover interest on unrealised instalments are taken to income as earned carrying charges after the instalments are received.

	Amounts in Taka	
	30 June 2013	31 Dec 2012
Property, plant and equipment at cost	1,397,645,604	1,363,351,723
Accumulated Depreciation	(519,559,384)	(485,879,466)
	<u>878,086,220</u>	<u>877,472,257</u>

3. Property, plant and equipment

Property, plant and equipment at cost	1,397,645,604	1,363,351,723
Accumulated Depreciation	(519,559,384)	(485,879,466)
	<u>878,086,220</u>	<u>877,472,257</u>

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	Amounts in Taka	
	30 June 2013	31 Dec 2012

4. Investments

Investment In Central Depository Bangladesh Ltd (CDBL)	3,199,450	3,199,450
	<u>3,199,450</u>	<u>3,199,450</u>

5. Inventories

Finished goods	1,344,610,401	2,047,864,255
Raw materials		
In hand	89,866,643	114,978,663
In transit	565,345,252	92,960,404
	655,211,895	207,939,067
Work-in process	270,289	17,436,442
	2,000,092,585	2,273,239,764
Less: Provision for obsolescence of inventories	35,839,494	61,839,494
	<u>1,964,253,091</u>	<u>2,211,400,270</u>

6. Trade and other receivables

Hire receivable from customers	979,441,688	1,258,751,495
Unearned carrying charges	(198,560,830)	(288,547,076)
	780,880,858	970,204,419
Provision for doubtful debts	(37,762,354)	(41,690,479)
	743,118,504	928,513,940
Add Receivable from dealers	74,969,939	66,976,702
Trade receivables	11,135,946	9,621,595
Provision for doubtful debts	(15,821,927)	(33,213,164)
	70,283,958	43,385,133
Receivable from employees	6,755,289	7,452,889
Other receivables	7,910,167	6,830,602
Provision for doubtful debts	(2,672,308)	(13,338,869)
	<u>825,395,610</u>	<u>972,843,695</u>

7. Advances, deposits and prepayments

Advances to		
Third parties	28,731,383	2,258,436
Current accounts with shops	19,897,988	27,150,890
Car loan-employees	20,000	80,000
Employees-against expenses	1,864,057	749,037
Postage-franking machine	28,772	8,772
	50,542,200	30,247,135
Prepayments	200,190,228	280,411,535
Deposits-security deposits	10,302,844	10,331,594
	<u>261,035,272</u>	<u>320,990,264</u>

8. Cash and cash equivalents

In hand	885,498	534,002
At banks - on current accounts	192,375,660	32,797,730
- Short term deposit	182,633,789	8,000,000
- in transit	45,357,761	54,005,012
	<u>421,252,708</u>	<u>95,336,744</u>

9. Trade and other payables

Royalty	100,340,278	71,737,393
For supplies	343,896,159	92,579,109
For expenses	133,900,742	333,136,372
For other finance	268,740,654	165,329,318
	<u>846,877,833</u>	<u>662,782,192</u>

HALF YEARLY REPORT 2013

Dear Shareholders,

We are pleased to present the un-audited Financial Statements of the Company for the half-year ended 30 June 2013 as per Rule-13 of the Securities and Exchange Rules 1987 as amended to date.

Sd/-

Mohammad Sanaullah

Director & Company Secretary

Dhaka, July 25, 2013

SINGER®
AT HOME WORLDWIDE

SINGER BANGLADESH LIMITED
Statement of Financial Position (Un-audited)
As at 30 June 2013

		Amounts in Taka	
		At	At
ASSETS	Notes	30 June 2013	31 Dec 2012
Non-current assets			
Property, plant and equipment	3	878,086,220	877,472,257
Investments	4	3,199,450	3,199,450
Total non-current assets		881,285,670	880,671,707
Current assets			
Inventories	5	1,964,253,091	2,211,400,270
Trade and other receivables	6	825,395,610	972,843,695
Advances, deposits and prepayments	7	261,035,272	320,990,264
Investment in short term deposits		8,000,000	8,000,000
Cash and cash equivalents	8	421,252,708	95,336,744
Total current assets		3,479,936,681	3,608,570,973
Total assets		4,361,222,351	4,489,242,680
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		490,844,750	392,675,800
Reserves		417,679,009	426,168,818
Retained earnings		1,547,469,074	1,720,744,177
Total equity		2,455,992,833	2,539,588,795
Non-current liabilities			
Deferred tax liabilities		21,677,046	20,380,285
Retirement benefit obligations		72,808,928	70,000,000
Other liabilities		723,369,138	652,407,573
Total non-current liabilities		817,855,112	742,787,858
Current liabilities			
Trade and other payables	9	846,877,833	662,782,192
Short-term borrowings (secured)		174,775,148	494,195,655
Income tax payable, net		65,721,425	49,888,180
Total current liabilities		1,087,374,406	1,206,866,027
Total liabilities		1,905,229,518	1,949,653,885
Total equity and liabilities		4,361,222,351	4,489,242,680

for and on behalf of the Board of Directors of Singer Bangladesh Limited

Sd/-	Sd/-	Sd/-
A. M. Hamim Rahmatullah	Akhtar Imam	Mohammad Sanaullah
Managing Director	Director	Director & Company Secretary

Dhaka, July 25, 2013

SINGER BANGLADESH LIMITED
Statement of Comprehensive Income (Un-audited)
For the half year ended 30 June 2013

	Amounts in Taka		Amounts in Taka	
	Jan - June 2013	Jan - June 2012	Apr - June 2013	Apr - June 2012
Turnover				
Sales	2,684,667,636	2,576,163,284	1,510,334,897	1,445,961,229
Earned Carrying Charges	90,620,893	85,872,832	43,655,721	43,179,778
	2,775,288,529	2,662,036,116	1,553,990,618	1,489,141,007
Cost of sales	(2,015,668,125)	(1,937,065,332)	(1,124,357,779)	(1,080,177,096)
Gross Profit	759,620,404	724,970,784	429,632,839	408,963,911
Operating expenses	(474,852,065)	(434,648,590)	(258,111,807)	(237,907,000)
Operating profit	284,768,339	290,322,194	171,521,032	171,056,911
Interest income/(expenses)	(14,043,733)	10,633,489	(898,603)	6,790,438
	270,724,606	300,955,683	170,622,429	177,847,349
Non-operating income	4,668,551	3,519,236	126,780	1,071,806
	275,393,157	304,474,919	170,749,209	178,919,155
Contribution to Workers' Profit Participation and Welfare Funds (WPPF)	(13,769,658)	(15,223,746)	(8,537,461)	(8,945,958)
Profit before taxation	261,623,499	289,251,173	162,211,748	169,973,197
Provision for taxation	(53,504,940)	(78,519,665)	(30,269,425)	(50,595,242)
Profit after taxation	208,118,559	210,731,508	131,942,323	119,377,955
Earnings per share (EPS)	4.24	4.29	2.69	2.43

for and on behalf of the Board of Directors of Singer Bangladesh Limited

Sd/-	Sd/-	Sd/-
A. M. Hamim Rahmatullah	Akhtar Imam	Mohammad Sanaullah
Managing Director	Director	Director & Company Secretary

Dhaka, July 25, 2013

SINGER BANGLADESH LIMITED
Statement of Cash Flows (Un-audited)
For the half year ended 30 June 2013

	Amounts in Taka	
	30 June 2013	30 June 2012
Cash flows from operating activities		
Collections from turnover & other income	2,840,598,183	2,612,378,962
Payment for cost & expenses	(1,853,611,736)	(2,828,219,535)
Interest received/(paid) on deposits/borrowings	(13,769,225)	14,833,489
Payments to workers' profit participation fund	(35,163,382)	(27,721,140)
Income tax paid	(33,582,605)	(67,384,018)
	904,471,235	(296,112,242)
Cash flows from investing activities		
Purchase of property, plant & equipment	(34,714,833)	(37,594,049)
Proceeds from sales of property, plant & equipment	27,400	3,589,360
	(34,687,433)	(34,004,689)
Cash flows from financing activities		
Short term loan received/(repaid)	(319,420,507)	52,054,650
Dividend paid	(224,447,331)	(94,968,243)
	(543,867,838)	(42,913,593)
Net increase/(decrease) in cash during the year	325,915,964	(373,030,524)
Opening cash and cash equivalents	95,336,744	713,989,139
Closing cash and cash equivalents	421,252,708	340,958,615

Statement of Changes in Equity (Un-audited)
For the half year ended 30 June 2013

Particulars	Amounts in Taka					
	Share Capital	Revaluation Reserve	Capital Reserve	Other Reserves	Retained Earnings	Total
Year 2012						
Balance at 01 January 2012	392,675,800	259,021,571	18,190,942	603,025	1,528,251,089	2,198,742,427
Profit for the period	-	-	-	-	210,731,508	210,731,508
Adjustment of deferred tax arising out of revaluation	-	-	-	-	2,012,258	2,012,258
Payment of Dividend - 2011	-	-	-	-	(117,802,740)	(117,802,740)
Transfer	-	(6,117,927)	-	-	6,117,927	-
Balance at 30 June 2012	392,675,800	252,903,644	18,190,942	603,025	1,629,310,042	2,293,683,453
Year 2013						
Balance at 01 January 2013	392,675,800	407,374,851	18,190,942	603,025	1,720,744,177	2,539,588,795
Profit for the period	-	-	-	-	208,118,559	208,118,559
Adjustment of deferred tax arising out of revaluation	-	-	-	-	2,792,329	2,792,329
Payment of Dividend - 2012	98,168,950	-	-	-	(392,675,800)	(294,506,850)
Transfer	-	(8,489,809)	-	-	8,489,809	-
Balance at 30 June 2013	490,844,750	398,885,042	18,190,942	603,025	1,547,469,074	2,455,992,833