

Summit Power Limited

Un-audited financial statements
as at and for the period ended
31 December 2018

Summit Power Limited
Statement of financial position

In BDT	Note	Consolidated		Separate	
		31 December 2018	30 June 2018	31 December 2018	30 June 2018
Assets					
Property, plant and equipment	4	39,380,858,454	39,052,567,510	11,757,706,540	11,966,100,432
Intangible assets	5	51,323,328	48,826,947	20,542,911	18,046,530
Investment in subsidiaries	6	-	-	2,299,502,270	2,126,981,380
Investment in associates	7	5,892,205,863	5,708,245,782	3,801,772,452	3,801,772,452
Deferred tax asset	8	31,974,453	34,821,425	26,849,121	30,092,575
Available-for-sale financial assets	9	4,165,982,812	4,320,803,275	4,165,982,812	4,320,803,275
Non-current assets		49,522,344,910	49,165,264,939	22,072,356,106	22,263,796,644
Inventories	10	686,494,001	616,243,162	427,439,572	468,718,263
Trade receivables	11	17,833,550,882	9,177,390,005	7,091,992,440	5,369,750,911
Other receivables	12	252,936,838	60,253,599	249,504,288	54,442,524
Intercompany receivables	13	-	-	397,458,913	249,516,371
Advances, deposits and prepayments	14	773,000,684	444,480,918	152,206,361	145,890,327
Cash and cash equivalents	15	7,388,592,972	4,881,992,406	3,687,888,084	3,070,864,147
Current assets		26,934,575,377	15,180,360,090	12,005,889,658	9,359,182,543
Total assets		76,456,920,287	64,345,625,029	34,078,245,764	31,622,979,187
Equity					
Share capital	16	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	17	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	18	973,403,863	982,964,725	973,403,863	982,964,725
Fair value reserve		531,821,161	686,641,624	531,821,161	686,641,624
Capital reserve		1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Currency translation reserve		36,432,801	33,270,616	-	-
Retained earnings		12,357,002,999	12,849,427,782	8,840,156,675	10,094,055,565
Equity attributable to owners of the Company		32,724,624,058	33,378,267,981	29,171,344,933	30,589,625,148
Non-controlling interest	19	4,784,702,883	3,521,273,883	-	-
Total equity		37,509,326,941	36,899,541,864	29,171,344,933	30,589,625,148
Liabilities					
Redeemable preference shares - non-current	20	1,627,831,651	826,398,267	-	-
Loans and borrowings - non current	21	10,762,953,303	5,401,218,269	-	-
Deferred liabilities	22	191,966,122	202,256,860	177,322,323	188,745,860
Non-current liabilities		12,582,751,076	6,429,873,396	177,322,323	188,745,860
Unclaimed dividends	23	3,261,567,631	58,429,846	3,261,567,631	58,429,846
Redeemable preference shares - current	20	157,602,279	157,279,653	-	-
Loans and borrowings - current	21	11,771,839,474	15,948,932,217	-	-
Trade payables	24	9,543,517,466	3,610,508,096	1,394,873,878	658,031,052
Other payables and accruals	25	401,089,968	363,059,957	71,911,547	128,147,281
Intercompany payables	26	1,229,225,452	878,000,000	1,225,452	-
Current liabilities		26,364,842,270	21,016,209,769	4,729,578,508	844,608,179
Total liabilities		38,947,593,346	27,446,083,165	4,906,900,831	1,033,354,039
Total equity and liabilities		76,456,920,287	64,345,625,029	34,078,245,764	31,622,979,187
Net asset value per share (NAVPS)	34	30.64	31.26	27.32	28.65

The accompanying notes are an integral part of these financial statements.



Chairman



Director



Managing Director



Chief Financial Officer



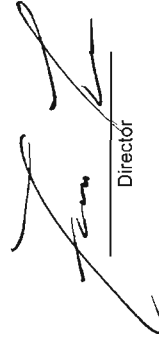
Company Secretary

Dated, Dhaka
27 January 2019


In BDT	Note	Consolidated				Separate			
		July 2017 to		October 2018 to		July 2017 to		October 2018 to	
		December 2018	December 2017	December 2018	December 2017	December 2017	December 2018	December 2017	December 2018
		[Restated]	[Restated]			[Restated]	[Restated]		
Profit attributable to:									
Owners of the company		2,710,791,446	2,519,635,338	1,278,718,229	1,383,333,471	-	-	-	-
Non-controlling interests		1,121,547,317	117,777,879	517,262,388	33,595,550	-	-	-	-
		<u>3,832,338,763</u>	<u>2,637,413,217</u>	<u>1,795,980,617</u>	<u>1,416,929,021</u>	-	-	-	-
Other comprehensive income attributable to:									
Owners of the Company		(160,803,651)	(42,993,340)	(3,416,121,014)	(306,068,604)	-	-	-	-
Non-controlling interests		4,213,683	(265,098)	4,169,414	(19,280,109)	-	-	-	-
		<u>(156,589,968)</u>	<u>(43,258,438)</u>	<u>(3,411,951,600)</u>	<u>(325,348,713)</u>	-	-	-	-
Total comprehensive income attributable to:									
Owners of the company		2,549,987,795	2,476,641,997	(2,137,402,785)	1,077,264,867	-	-	-	-
Non-controlling interests		1,125,761,000	117,512,781	521,431,802	14,315,441	-	-	-	-
		<u>3,675,748,795</u>	<u>2,594,154,778</u>	<u>(1,615,970,983)</u>	<u>1,091,580,308</u>	-	-	-	-
Earnings per share									
Basic earnings per share (face value BDT 10)	33.1	2.54	2.36	1.20	1.30	1.82	2.00	0.96	1.19

The accompanying notes are an integral part of these financial statements.


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dated, Dhaka
27 January 2019

Summit Power Limited
Statement of profit or loss and other comprehensive income

In BDT	Note	Consolidated				Separate			
		July 2017 to		October 2017 to		July 2017 to		October 2017 to	
		December 2018	December 2017	December 2018	December 2017	December 2018	December 2017	December 2018	December 2017
		[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]
Revenue	27	19,535,520,361	8,570,937,774	7,237,874,719	3,755,859,799	4,895,235,698	4,348,138,301	2,099,351,682	2,042,796,270
Cost of sales	28	(15,460,197,191)	(6,043,119,870)	(5,292,823,108)	(2,472,365,376)	(3,075,388,156)	(2,448,742,928)	(1,231,859,108)	(1,076,767,485)
Gross profit		4,075,323,170	2,527,817,904	1,945,051,611	1,283,494,423	1,819,847,542	1,899,395,373	867,492,574	966,028,785
Other income	29	207,694,446	356,462,711	201,558,457	355,864,978	221,565,506	351,623,250	217,647,070	351,287,636
General and administrative expenses	30	(263,837,319)	(226,257,792)	(139,749,164)	(101,282,478)	(205,614,561)	(204,638,753)	(111,438,237)	(86,625,339)
Operating profit		4,019,180,297	2,658,022,823	2,006,860,903	1,538,076,923	1,835,798,487	2,046,379,870	973,701,407	1,230,691,082
Net finance income/(cost)	31	(376,955,633)	(278,788,245)	(250,860,992)	(194,501,138)	118,355,432	91,330,431	58,328,800	41,800,534
Share of profit of equity-accounted investees		209,460,081	268,978,260	47,900,416	85,839,187	-	-	-	-
Profit before tax		3,851,684,745	2,648,212,838	1,803,900,328	1,429,414,972	1,954,153,919	2,137,710,301	1,032,030,207	1,272,491,616
Income tax expenses		(19,345,982)	(10,799,621)	(7,919,711)	(12,485,951)	(5,928,079)	1,471,255	(6,928,517)	1,471,255
Profit after income tax		3,832,338,763	2,637,413,217	1,795,980,617	1,416,929,021	1,948,225,840	2,139,181,556	1,025,101,690	1,273,962,871
Other comprehensive income									
Items that will not be reclassified to profit or loss									
Actuarial gain/(loss) on gratuity valuation		(14,165,500)	568,000	(7,082,750)	568,000	(10,738,500)	1,242,500	(5,369,250)	1,242,500
Related tax on gain/(loss) on gratuity valuation		3,884,078	(74,550)	1,942,039	(74,550)	2,684,625	(310,625)	1,342,313	(310,625)
		(10,281,422)	493,450	(5,140,711)	493,450	(8,053,875)	931,875	(4,026,937)	931,875
Items that may be reclassified subsequently to profit or loss									
Available-for-sale financial assets-net change in fair value	9	(154,820,463)	(43,637,805)	(3,414,323,962)	(306,712,871)	(154,820,463)	(43,637,805)	(3,414,323,962)	(306,712,871)
Related tax on available-for-sale financial assets		-	-	-	-	-	-	-	-
Effects of currency translation		8,511,917	(114,083)	7,513,073	(19,129,292)	-	-	-	-
		8,511,917	(114,083)	7,513,073	(19,129,292)	-	-	-	-
Other comprehensive income		(156,589,968)	(43,258,438)	(3,411,951,600)	(325,348,713)	(162,874,338)	(42,705,930)	(3,418,350,899)	(305,780,996)
Total comprehensive income		3,675,748,795	2,594,154,778	(1,615,970,983)	1,091,580,308	1,785,351,502	2,096,475,626	(2,393,249,209)	968,181,875

Summit Power Limited

Consolidated statement of changes in equity

In BDT	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Currency translation reserve	Retained earnings			
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	33,270,616	12,849,427,782	33,378,267,981	3,521,273,883	36,899,541,864
Total comprehensive income	-	-	-	-	-	-	2,710,791,446	2,710,791,446	1,121,547,317	3,832,338,763
Profit	-	-	-	-	-	-	2,710,791,446	2,710,791,446	1,121,547,317	3,832,338,763
Other comprehensive income	-	-	-	(154,820,463)	-	3,162,185	(9,145,374)	(160,803,652)	4,213,683	(156,689,969)
Total comprehensive income	-	-	-	(154,820,463)	-	3,162,185	2,701,646,072	2,549,987,794	1,125,761,000	3,675,748,794
Transaction with owners of the Company	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	-	(3,203,631,717)
Cash dividend	-	-	-	-	-	-	-	-	137,668,000	137,668,000
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	137,668,000	137,668,000
Total transactions with owners of the Company	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	137,668,000	(3,065,963,717)
Transactions recognised directly in equity	-	-	-	-	-	-	-	-	-	-
Expense on account of amalgamation	-	-	-	-	-	-	-	-	-	-
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	-	-	-
Transfer from revaluation reserve to retained earnings	-	-	(9,560,862)	-	-	-	9,560,862	-	-	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	-	9,560,862	-	-	-
Balance at 31 December 2018	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	36,432,801	12,357,002,999	32,724,624,058	4,784,702,883	37,509,326,941

In BDT	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Currency translation reserve	Retained earnings	Total				
Balance at 1 July 2017	10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	1,668,093,205	-	11,341,109,707	31,321,731,425	1,755,013,645	33,076,745,070		
Total comprehensive income												
Cash dividend	-	-	-	-	-	-	-	2,519,635,338	117,777,879	2,637,413,217		
Other comprehensive income	-	-	-	(43,637,805)	-	(72,582)	717,047	(42,993,340)	(265,098)	(43,258,438)		
Total comprehensive income	-	-	-	(43,637,805)	-	(72,582)	2,520,352,385	2,476,641,998	117,512,781	2,594,154,779		
Transaction with owners of the Company												
Cash dividend	-	-	-	-	-	-	-	(3,203,631,717)	-	(3,203,631,717)		
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	80,000,000	80,000,000		
Total transactions with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	80,000,000	(3,123,631,717)		
Transactions recognised directly in equity												
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	15,034,387	8,456,842	23,491,229		
Transfer from revaluation reserve to retained earnings	-	-	(4,780,431)	-	-	-	4,780,431	-	-	-		
Total transactions recognised directly in equity	-	-	(4,780,431)	-	-	-	19,814,818	15,034,387	8,456,842	23,491,229		
Balance at 31 December 2017	10,678,772,390	6,479,097,639	997,306,018	108,934,230	1,668,093,205	(72,582)	10,677,645,193	30,609,776,093	1,960,983,268	32,570,759,361		
Balance at 1 January 2018	10,678,772,390	6,479,097,639	997,306,018	108,934,230	1,668,093,205	(72,582)	10,677,645,193	30,609,776,093	1,960,983,268	32,570,759,361		
Total comprehensive income												
Profit	-	-	-	-	-	-	2,176,449,092	2,176,449,092	460,510,156	2,636,959,248		
Other comprehensive income	-	-	-	577,707,394	-	33,343,198	(19,007,796)	592,042,796	29,780,459	621,823,255		
Total comprehensive income	-	-	-	577,707,394	-	33,343,198	2,157,441,296	2,768,491,888	490,290,615	3,258,782,503		
Transaction with owners of the Company												
Cash dividend	-	-	-	-	-	-	-	-	-	-		
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	1,070,000,000	1,070,000,000		
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	1,070,000,000	1,070,000,000		
Transactions recognised directly in equity												
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	-	-	-		
Transfer from revaluation reserve to retained earnings	-	-	(14,341,293)	-	-	-	14,341,293	-	-	-		
Total transactions recognised directly in equity	-	-	(14,341,293)	-	-	-	14,341,293	-	-	-		
Balance at 30 June 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	33,270,616	12,849,427,782	33,378,267,981	3,521,273,883	36,899,541,864		

The accompanying notes are an integral part of these financial statements.

Summit Power Limited
Separate statement of changes in equity

<i>In BDT</i>	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total Equity
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	10,094,055,565	30,589,625,148
Total comprehensive income							
Profit	-	-	-	-	-	1,948,225,840	1,948,225,840
Other comprehensive income	-	-	-	(154,820,463)	-	(8,053,875)	(162,874,338)
Total comprehensive income	-	-	-	(154,820,463)	-	1,940,171,965	1,785,351,502
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Total transactions with owners of the company	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(9,560,862)	-	-	9,560,862	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	9,560,862	-
Balance at 31 December 2018	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	8,840,156,675	29,171,344,933
<i>In BDT</i>							
Balance at 1 July 2017	10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	1,668,093,205	9,382,924,582	29,363,546,300
Total comprehensive income							
Profit	-	-	-	-	-	2,139,181,556	2,139,181,556
Other comprehensive income	-	-	-	(43,637,805)	-	931,875	(42,705,930)
Total comprehensive income	-	-	-	(43,637,805)	-	2,140,113,431	2,096,475,626
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Total transactions with owners of the company	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(8,126,724)	-	-	8,126,724	-
Total transactions recognised directly in equity	-	-	(8,126,724)	-	-	8,126,724	-
Balance at 31 December 2017	10,678,772,390	6,479,097,639	993,959,725	108,934,230	1,668,093,205	8,327,533,020	28,256,390,209

<i>In BDT</i>	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total Equity
Balance at 1 January 2018	10,678,772,390	6,479,097,639	993,959,725	108,934,230	1,668,093,205	8,327,533,020	28,256,390,209
Total comprehensive income							
Profit	-	-	-	-	-	1,772,567,170	1,772,567,170
Other comprehensive income	-	-	-	577,707,394	-	(17,039,625)	560,667,769
Total comprehensive income				577,707,394	-	1,755,527,545	2,333,234,939
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	-	-
Total transactions with owners of the company							
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(10,995,000)	-	-	10,995,000	-
Total transactions recognised directly in equity			(10,995,000)	-	-	10,995,000	-
Balance at 30 June 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	10,094,055,565	30,589,625,148

The accompanying notes are an integral part of these financial statements.

Summit Power Limited
Statement of cash flows

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Dec 2018	July 2017 to Dec 2017	July 2018 to Dec 2018	July 2017 to Dec 2017
Cash flows from operating activities				
Cash receipts from customers	10,878,070,492	8,210,406,487	3,173,548,964	3,054,540,025
Cash paid to suppliers and employees	(9,166,354,610)	(5,809,533,027)	(2,142,179,863)	(1,616,480,892)
Receipts from other sources	15,996,563	(74,241,908)	4,227,158	9,771,145
Tax paid	(16,585,458)	-	(3,379,796)	-
Net cash from operating activities	1,711,126,987	2,326,631,552	1,032,216,463	1,447,830,278
Cash flows from investing activities				
Interest received	182,046,761	149,976,771	118,985,011	119,142,084
Dividend received	25,733,122	-	25,733,122	350,917,048
Acquisition of property, plant and equipment	(1,373,318,934)	(10,412,981,677)	(240,879,747)	(223,725,103)
Disposal of property, plant and equipment	401,000	-	401,000	-
Investment in subsidiaries	-	-	(172,520,890)	(760,000,000)
Proceeds from related party receivables	-	-	-	141,165,250
Payment of related party loans	-	-	(146,417,090)	-
Net cash used in investing activities	(1,165,138,051)	(10,263,004,906)	(414,698,594)	(372,500,721)
Cash flows from financing activities				
Interest paid	(354,052,158)	(178,950,682)	-	-
Proceeds from issue of share capital (NCI)	137,370,981	549,164,953	-	-
Proceeds from share money deposit -	-	411,470,133	-	-
Proceeds from issue of redeemable preference shares	798,914,617	-	-	-
Repayment of loans and borrowings	(4,615,203,159)	-	-	-
Proceeds from loans and borrowings	5,640,896,541	7,547,318,532	-	-
Proceeds from/(repayment of) intercompany financing	351,225,452	1,117,699,020	-	27,964,958
Dividends paid	(493,932)	(3,075,584,464)	(493,932)	(3,075,584,464)
Net cash used in financing activities	1,958,658,342	6,371,117,492	(493,932)	(3,047,619,506)
Net changes in cash and cash equivalents	2,504,647,278	(1,565,255,862)	617,023,937	(1,972,289,949)
Effects of currency translation	1,953,288	28,246,516	-	-
Opening cash and cash equivalents	4,881,992,406	4,913,073,317	3,070,864,147	3,530,471,298
Closing cash and cash equivalents	7,388,592,972	3,376,063,971	3,687,888,084	1,558,181,349
Net operating cash flow per share (NOCFPS)	1.60	2.18	0.97	1.36

The accompanying notes are an integral part of these financial statements.

Notes to the interim financial statements

1 Reporting entity

1.1 Company profile

Summit Power Limited (hereinafter referred to as "the Company"/"SPL") was incorporated in Bangladesh on 30 March 1997 as a private limited company under the Companies Act 1994 under registration no. C 32630(1751)/97 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company was subsequently converted into a public limited company on 7 June 2004. During October-November 2005, the Company listed its shares with both Dhaka and Chittagong Stock Exchanges. The Company took majority interest of Summit Purbanchol Power Company Limited ("SPPCL") in 2007, of Summit Uttaranchol Power Company Limited ("SUPCL") in 2007 and of Summit Narayanganj Power Limited ("SNPL") in 2010. SPPCL, SUPCL and SNPL have been amalgamated with their parent company Summit Power Limited with effect from 31 December 2015. The operation of the following companies are directly controlled by the management of Summit Power Limited:

Summit Narayanganj Power Unit II Limited ("SNPL II") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18 November 2013 the name of Summit Shantahar Power Limited was changed as Summit Narayanganj Power Unit II Limited.

Summit Barisal Power Limited ("SBPL") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18 November 2013 the name of Summit Saidpur Power Limited was changed as Summit Barisal Power Limited.

Summit Chittagong Power Limited ("SCPL") was incorporated on 27 October 2015 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh.

Ace Alliance Power Limited ("AAPL") was incorporated on 5 September 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. Initially, 64% of its shares were owned by Aitken Spence Plc, Sri Lanka and 36% by Alliance Holdings Limited, Bangladesh. In June 2016, Summit Power Limited took 64% of shares from Aitken Spence Plc, Sri Lanka and Summit Corporation Limited took 36% of shares from Alliance Holdings Limited, Bangladesh.

Summit Gazipur II Power Limited ("SGIIPL") was incorporated on 3 July 2017 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. 80% of its shares are owned by Summit Corporation Limited ("SCL") and 20% by Summit Power Limited ("SPL").

1.2 Nature of business

The principal activity of the Company/Group is to generate and supply of electricity. Operational details of the Company/ Group are as under:

Name of Company	Name of plant	Location	Plant capacity (MW)	Operation starting date	Period of PPA (Year)
Summit Power Limited	Ashulia Power Plant (Unit-1)**	Savar, Dhaka	11	1 Sep 2003	15
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	33.75	4 Dec 2007	15
	Madhabdi Power Plant (Unit-1)**	Narsingdi	11	1 Sep 2003	15
	Madhabdi Power Plant (Unit-2)	Narsingdi	24.3	16 Dec 2006	15
	Chandina Power Plant (Unit-1)**	Comilla	11	1 Sep 2003	15
	Chandina Power Plant (Unit-2)	Comilla	13.5	15 Nov 2006	15
	Rugganj Power Plant	Narayanganj	33	9 Jun 2009	15
	Jangalia Power Plant	Comilla	33	25 Jun 2009	15
	Maona Power Plant	Gazipur	33	12 May 2009	15
	Ulapara Power Plant	Sirajganj	11	3 Mar 2009	15
Madanganj Power Plant	Narayanganj	102	1 Apr 2011	10	
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-2)	Narayanganj	55	29 Feb 2016	15
Summit Barisal Power Limited	Rupatoli Power Plant	Barisal	110	5 Apr 2016	15
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	149	12 July 2018	15
Summit Gazipur II Power Limited	Kodda Power Plant (Unit-2)	Gazipur	300	10 May 2018	15
Summit Chittagong Power Limited*	-	-	-	-	-

All the above power plants are natural gas based, except Madanganj Power Plant, Rupatoli Power Plant, Madanganj Power Plant (Unit-2), Kodda Power Plant (Unit-1) and Kodda Power Plant (Unit-2), which are based on heavy furnace oil (HFO).

* Development of this power plant is yet to initiate.

Notes to the interim financial statements

** The Group contracted with Bangladesh Rural Electrification Board ("BREB") for Power Purchase Agreement ("PPA") on 10 February 2000 to supply electricity from Ashulia power plant, Madhabdi power plant and Chandina power plant ("the plants") for 15 years to 31 August 2018 subject to extension the term of contract on the basis of mutual agreement. Under these provisions, on 17 August 2015 Management had applied to BREB for extension of the PPA for 15 years. Subsequently, BREB has recommended to Power Division of Ministry of Power, Energy and Mineral Resources of Bangladesh for an extension of only 5 years. On the basis of the recommended 5-year extension, Management is currently in negotiations with BREB over the tariff to be incorporated into the PPA from 1 September 2018. BREB has also consented to the Group to continue supplying power to it until the negotiation is completed.

2 Basis of accounting

2.1 Statement of compliance

The financial statements (consolidated and separate financial statements) have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. The titles and format of these financial statements follow the requirements of BFRS which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and in the view of management BFRS titles and format give better presentation to the shareholders.

2.2 Authorisation for issue

The financial statements (both consolidated and separate financial statements) were authorised by the Board of Directors on 27 January 2019 for publication.

2.3 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the Company/Group, except for Ace Alliance Power Limited and Summit Gazipur II Power Limited. For these two companies, United States Dollar (USD) is the functional currency and BDT is the presentation currency. All amounts have been rounded to the nearest integer, unless otherwise indicated.

2.5 Reporting period

The financial period of the Company/Group covers six months from 1 July 2018 to 31 December 2018 and is followed consistently.

Statement	Current	Comparative
Financial position	As at 31 December 2018	As at 30 June 2018
Profit or loss and other comprehensive income	1 July 2018 to 31 December 2018	1 July 2017 to 31 December 2017
Changes in equity	1 July 2018 to 31 December 2018	1 July 2017 to 31 December 2017
Cash flows	1 July 2018 to 31 December 2018	1 July 2017 to 31 December 2017

Details of the Group's accounting policies are included in note 38.

3 Use of estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ended 31 December 2018 is included in the following notes:

Note 4.1 and 38.B(v)	Depreciation
Note 5 and 38.C(iii)	Amortisation
Note 22	Deferred liabilities
Note 25	Other payables and accruals

Notes to the financial statements (Continued)

4 Property, plant and equipment

In BDT	Cost/Revaluation				Rate %	Depreciation				Written down value at 31 Dec 2018	
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Movement of exchange rate		Balance at 31 Dec 2018	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out		Movement of exchange rate
a) Own assets : i) Cost											
Land and land development	953,405,952	99,568,549	-	494,800	-	-	-	-	-	-	1,053,469,301
Furniture and fixtures	31,508,708	3,273,285	-	5,855	10	13,369,598	1,844,048	-	375	15,014,021	19,771,827
Office and electrical equipment	73,359,209	14,441,668	(571,772)	32,145	20	40,622,553	5,778,155	(483,232)	2,559	45,920,035	41,341,215
Office decoration	29,704,028	-	-	29,704,028	20	27,251,039	417,314	-	-	27,668,353	2,035,675
Motor vehicles	164,003,784	-	(838,300)	33,367	20	88,226,912	10,074,714	(838,300)	5,828	97,469,954	65,729,897
Maintenance equipment	32,885,578	-	-	32,885,578	20	21,240,754	1,385,224	-	-	22,625,977	10,259,601
Civil works and others	224,889,004	265,000	-	-	20	177,549,339	11,806,145	-	-	189,355,984	35,798,020
Plant and machineries:											
Ashulia Power Plant (Unit-1)	457,956,738	968,957	-	-	3.33 - 10	255,045,875	13,570,033	-	-	268,615,908	190,309,787
Ashulia Power Plant (Unit-2)	1,480,456,849	25,046,714	-	-	3.33 - 16.67	532,101,053	40,574,267	-	-	572,675,321	932,828,243
Madhabadi Power Plant (Unit-1)	421,741,065	724,531	-	-	3.33 - 10	293,481,030	12,323,079	-	-	305,804,108	116,661,487
Madhabadi Power Plant (Unit-2)	1,005,495,201	40,876,207	-	-	3.33 - 16.67	425,994,874	26,234,125	-	-	452,228,999	594,142,409
Chandina Power Plant (Unit-1)	468,388,956	976,851	-	-	3.33 - 10	283,207,909	13,221,258	-	-	296,429,167	172,936,640
Chandina Power Plant (Unit-2)	624,809,281	20,533,058	-	-	3.33 - 16.67	260,824,491	16,078,480	-	-	276,902,951	368,439,389
Jangalia Power Plant	1,519,190,175	15,708,645	-	-	3.33 - 16.67	465,776,390	36,322,590	-	-	502,097,981	1,032,800,840
Rupganj Power Plant	1,512,653,345	41,874,157	-	-	3.33 - 16.67	474,028,243	35,486,050	-	-	509,494,293	1,045,033,209
Maona Power Plant	1,434,339,147	40,519,683	-	-	3.33 - 16.67	490,235,218	32,045,080	-	-	522,280,298	952,578,532
Ullapara Power Plant	542,984,339	102,712,710	-	-	3.33 - 16.67	197,227,856	15,842,433	-	-	213,070,289	432,626,760
Madanganj Power Plant	5,309,071,512	169,114,063	-	-	3.33 - 16.67	1,390,982,708	143,771,095	-	-	1,534,753,803	3,943,431,762
Rupatali Power Plant	5,250,372,185	37,910,986	-	-	3.33 - 5	407,000,090	105,782,354	-	-	512,782,444	4,775,500,727
Madanganj Power Plant (Unit-2)	2,767,035,373	24,473,387	-	-	3.33 - 5	215,608,244	52,998,959	-	-	268,607,203	2,522,901,558
Kodda Power Plant (Unit-1)	6,342,095,760	6,342,095,760	-	7,188,059	3.33 - 5	72,659,663	107,666,741	-	121,917	107,778,658	6,241,505,161
Kodda Power Plant (Unit-2)	12,780,322,851	9,652,412	-	26,713,317	3.33 - 5	6,132,433,339	902,327,827	(1,321,532)	399,208	292,394,574	12,524,294,006
Total (i)	37,084,571,281	6,990,736,614	(1,410,072)	34,467,543		6,132,433,339	902,327,827	(1,321,532)	523,687	7,033,969,321	37,074,395,045
a) Own assets : ii) Revaluation											
Land and land development	569,663,952	-	-	-	-	569,663,952	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	20	13,002,138	-	-	-	13,002,138	-
Plant and machineries:											
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	3.33 - 10	166,227,903	2,770,440	-	-	49,175,278	117,052,625
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3.33 - 16.67	924,165	55,176	-	-	979,341	2,331,081
Madhabadi Power Plant (Unit-1)	161,663,341	-	-	-	3.33 - 10	45,130,564	2,694,360	-	-	47,824,924	113,838,417
Madhabadi Power Plant (Unit-2)	79,752,991	-	-	-	3.33 - 16.67	22,264,158	1,329,210	-	-	23,593,368	56,159,623
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	3.33 - 10	40,865,340	2,439,720	-	-	43,305,060	103,079,682
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	3.33 - 16.67	4,655,252	271,956	-	-	4,927,208	11,490,258
Total (ii)	1,156,322,955	-	-	1,156,322,955		173,118,451	9,560,862	-	182,707,316	973,615,839	
Total assets (a)	38,240,894,236	6,990,736,614	(1,410,072)	34,467,543		6,305,579,793	911,888,689	(1,321,532)	529,687	7,216,676,637	38,048,011,684
b) Spare parts											
Stock in hand**	973,575,886	485,900,251	(519,398,918)	103,295	3.33 - 50	131,745,753	34,034,183	(28,663,682)	2,712	137,118,966	803,061,649
Stock in transit*	192,764,020	628,394,947	(661,427,750)	111,466	-	159,842,683	-	-	-	159,842,683	-
Total spare parts (b)	1,166,340,006	1,114,295,198	(1,180,826,668)	214,761		131,745,753	34,034,183	(28,663,682)	2,712	137,118,966	962,904,332
c) Capital work-in progress											
Capital work in progress	6,082,658,814	628,169,779	(6,341,085,481)	199,326	-	369,942,438	-	-	-	369,942,438	-
Total capital work-in progress (c)	6,082,658,814	628,169,779	(6,341,085,481)	199,326	-	369,942,438	-	-	-	369,942,438	-
Total (a+b+c)	45,489,893,057	8,733,201,591	(7,523,322,221)	34,881,630		6,437,325,546	945,922,872	(28,985,214)	532,399	7,353,795,603	39,380,855,454

Notes to the financial statements (Continued)

Consolidated

In BDT	Cost/Revaluation				Rate %	For the year ended 30 June 2018				
	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Movement of exchange rate		Balance at 30 June 2018	Depreciation/Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2018	Written down value at 30 June 2018
a) Own assets : i) Cost										
Land and land development	924,771,550	186,175,304	(161,061,325)	3,520,423	953,405,952	-	-	-	13,369,598	953,405,952
Furniture and fixtures	26,071,146	5,392,548	-	43,014	31,506,708	10	-	1,576	40,622,553	18,137,110
Office and electrical equipment	51,430,101	21,764,546	(47,000)	211,562	73,359,209	20	-	8,471	76,827,680	32,736,656
Office decoration	28,050,339	1,653,689	-	-	29,704,028	20	-	-	27,251,039	2,452,989
Motor vehicles	136,126,544	43,091,516	(15,596,500)	382,224	164,003,784	20	-	40,076	88,226,912	75,776,872
Maintenance equipment	27,180,353	5,705,225	-	-	32,885,578	20	-	-	21,240,754	11,644,824
Civil works and others	208,801,320	16,087,684	-	-	224,889,004	20	-	-	177,549,839	47,339,165
Plant and machineries:										
Ashulia Power Plant (Unit-1)	454,204,669	3,752,069	-	-	457,956,738	3.33 - 10	-	-	255,045,875	202,910,863
Ashulia Power Plant (Unit-2)	1,465,580,547	14,876,302	-	-	1,480,456,849	3.33 - 16.67	-	-	532,101,053	948,355,795
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	-	421,741,065	3.33 - 10	-	-	293,481,030	128,260,035
Madhabdi Power Plant (Unit-2)	988,239,163	17,256,038	-	-	1,005,495,201	3.33 - 16.67	-	-	425,994,874	579,500,327
Chandina Power Plant (Unit-1)	462,336,094	6,052,862	-	-	468,388,956	3.33 - 10	-	-	283,207,909	185,181,047
Chandina Power Plant (Unit-2)	608,371,334	16,437,947	-	-	624,809,281	3.33 - 16.67	-	-	260,824,491	363,984,790
Jangalia Power Plant	1,512,454,446	6,735,729	-	-	1,519,190,175	3.33 - 16.67	-	-	465,776,390	1,053,414,785
Rupganj Power Plant	1,457,317,703	55,335,642	-	-	1,512,653,345	3.33 - 16.67	-	-	474,028,243	1,038,625,102
Maona Power Plant	1,397,125,057	37,214,090	-	-	1,434,339,147	3.33 - 16.67	-	-	490,235,218	944,103,929
Ullapara Power Plant	511,740,411	31,243,928	-	-	542,984,339	3.33 - 16.67	-	-	197,227,856	345,756,483
Madanganj Power Plant	5,134,835,936	174,235,576	-	-	5,309,071,512	3.33 - 16.67	-	-	1,390,982,708	3,918,088,804
Rupatoli Power Plant	5,161,369,182	89,003,003	-	-	5,250,372,185	3.33 - 5	-	-	407,000,090	4,843,372,095
Madanganj Power Plant (Unit-2)	2,674,057,876	92,977,497	-	-	2,767,035,373	3.33 - 5	-	-	219,608,244	2,551,427,130
Kodda Power Plant (Unit-1)	-	-	-	-	-	-	-	-	-	-
Kodda Power Plant (Unit-2)	-	12,535,447,438	-	244,875,413	12,780,322,851	3.33 - 5	-	1,392,184	72,659,663	12,707,663,188
Total (i)	23,643,497,672	13,368,745,798	(176,704,825)	249,032,636	37,084,571,281			1,442,307	6,132,433,339	30,952,137,942
a) Own assets : ii) Revaluation										
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	-	-	13,002,138	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	-	-	46,404,838	119,823,065
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	-	-	924,165	2,386,257
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	-	-	45,130,564	116,532,777
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	-	-	22,264,158	57,488,833
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	-	-	40,865,340	105,519,402
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	-	-	4,555,252	11,762,214
Total (ii)	1,156,322,955	-	-	-	1,156,322,955			1,442,307	6,305,579,793	31,935,314,443
Total assets (a)	24,799,820,627	13,368,745,798	(176,704,825)	249,032,636	38,240,894,236			1,442,307	6,305,579,793	31,935,314,443
b) Spare parts										
Stock in hand**	749,005,147	678,726,057	(454,155,218)	-	973,575,986	3.33 - 50	-	-	131,745,753	841,830,233
Stock in transit*	113,220,869	984,219,064	(904,675,913)	-	192,764,020	-	-	-	-	192,764,020
Total spare parts (b)	862,226,016	1,662,945,121	(1,358,831,131)	-	1,166,340,006			-	131,745,753	1,034,594,253
c) Capital work-in progress										
Capital work-in progress	946,236,882	4,979,104,646	-	157,317,286	6,082,658,814	-	-	-	-	6,082,658,814
Total capital work-in progress (c)	946,236,882	4,979,104,646	-	157,317,286	6,082,658,814	-	-	-	-	6,082,658,814
Total (a+b+c)	26,608,283,526	20,010,795,565	(1,535,535,956)	406,349,922	45,489,893,057			1,442,307	6,437,325,546	39,052,567,510

Notes to the financial statements (Continued)

Separate In BDT	For the six-month period ended 31 December 2018						Written down value at 31 Dec 2018	
	Balance at 1 July 2018	Cost/Revaluation Addition/ transfer in	Disposal/ transfer out	Balance at 31 Dec 2018	Rate %	Depreciation/ Addition/ transfer in		Disposal/ transfer out
a) Own assets : i) Cost								
Land and land development	350,868,786	1,709,456	-	352,578,242	-	-	-	352,578,242
Furniture and fixtures	21,313,903	1,715,074	-	23,028,977	10	1,045,256	-	10,090,694
Office and electrical equipment	49,369,683	5,618,848	(445,500)	54,543,031	20	2,948,720	(445,500)	37,844,407
Office decoration	29,424,708	-	-	29,424,708	20	389,384	-	27,533,354
Motor vehicles	141,177,004	-	(838,300)	140,338,704	20	7,790,416	(838,300)	1,891,354
Maintenance equipment	31,492,590	-	-	31,492,590	20	1,227,552	-	49,291,244
Civil works and others	224,803,919	265,000	-	225,068,919	20	11,802,635	-	9,480,591
Plant and machineries:								35,719,370
Ashulia Power Plant (Unit-1)	457,956,738	968,957	-	458,925,695	3.33 - 10	13,570,033	-	190,309,789
Ashulia Power Plant (Unit-2)	1,480,456,849	25,046,714	-	1,505,503,563	3.33 - 16.67	40,574,267	-	932,828,244
Madhabdi Power Plant (Unit-1)	421,741,065	724,531	-	422,465,596	3.33 - 10	12,323,079	-	116,661,488
Madhabdi Power Plant (Unit-2)	1,005,495,201	40,876,207	-	1,046,371,408	3.33 - 16.67	26,234,125	-	594,142,410
Chandina Power Plant (Unit-1)	468,388,956	976,851	-	469,365,807	3.33 - 10	13,221,258	-	172,936,640
Chandina Power Plant (Unit-2)	624,809,281	20,533,058	-	645,342,339	3.33 - 16.67	16,078,460	-	368,439,389
Jangalia Power Plant	1,519,190,175	15,708,645	-	1,534,898,820	3.33 - 16.67	36,322,590	-	1,032,800,840
Rupganj Power Plant	1,512,653,345	41,874,157	-	1,554,527,501	3.33 - 16.67	35,466,050	-	1,045,033,209
Maona Power Plant	1,434,339,147	40,519,683	-	1,474,858,830	3.33 - 16.67	490,235,217	-	522,280,298
Uliapara Power Plant	542,984,339	102,712,710	-	645,697,049	3.33 - 16.67	197,227,855	-	432,626,761
Madanganj Power Plant	5,309,071,512	169,114,053	-	5,478,185,565	3.33 - 16.67	143,771,095	-	3,943,431,763
Total (i)	15,625,537,201	468,363,945	(1,283,800)	16,092,617,346		410,652,433	(1,283,800)	5,835,078,161
a) Own assets : ii) Revaluation								
Land and land development	569,663,952	-	-	569,663,952	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	-	-	13,002,138
Plant and machineries:								
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	2,770,440	-	117,052,626
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	924,163	-	2,331,083
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	2,694,360	-	113,838,418
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	1,329,210	-	23,593,668
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	2,439,720	-	103,079,683
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,555,253	-	11,490,257
Total (ii)	1,156,322,955	-	-	1,156,322,955		9,560,862	-	182,707,312
Total assets (i+ii)	16,781,860,156	468,363,945	(1,283,800)	17,248,940,301		5,598,855,978	(1,283,800)	6,017,785,473
b) Spare parts								
Stock in hand	714,673,701	327,328,351	(455,656,888)	586,345,163	3.33 - 50	26,217,331	(25,065,303)	116,775,627
Stock in transit	184,046,153	323,863,306	(450,927,283)	56,982,176	-	-	-	56,982,176
	898,719,854	651,191,657	(906,584,172)	643,327,339		26,217,331	(25,065,303)	116,775,627
Total (a+b)	17,680,580,010	1,119,555,602	(907,867,972)	17,892,267,640		446,430,626	(26,349,103)	6,134,561,101
								11,757,706,540

Notes to the financial statements (Continued)

Separate

In_BDT	Cost/Revaluation			Rate %	Depreciation			For the year ended 30 June 2018		Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out		Balance at 30 June 2018	Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2018	
a) Own assets : i) Cost										
Land and land development	511,930,111	-	(161,061,325)	-	-	-	-	-	-	350,868,786
Furniture and fixtures	19,811,280	1,502,623	-	21,313,903	10	1,819,349	-	11,893,027	-	9,420,876
Office and electrical equipment	40,835,379	8,581,304	(47,000)	49,369,683	20	4,734,011	(38,832)	35,341,187	-	14,028,496
Office decoration	27,771,019	1,653,689	-	29,424,708	20	26,549,792	-	27,143,970	-	2,280,738
Motor vehicles	129,950,544	26,822,960	(15,596,500)	141,177,004	20	87,536,362	(15,596,500)	84,095,344	-	57,081,660
Maintenance equipment	26,133,840	5,358,750	-	31,492,590	20	17,741,147	-	20,784,448	-	10,708,142
Civil works and others	208,751,320	16,052,599	-	224,803,919	20	145,923,882	-	177,546,914	-	47,257,005
Plant and machineries:										
Ashulia Power Plant (Unit-1)	454,204,669	3,752,069	-	457,956,738	3.33 - 10	228,291,221	-	255,045,874	-	202,910,865
Ashulia Power Plant (Unit-2)	1,465,580,547	14,876,302	-	1,480,456,849	3.33 - 16.67	454,870,732	-	532,101,052	-	948,355,797
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	421,741,065	3.33 - 10	267,923,365	-	293,481,029	-	128,260,036
Madhabdi Power Plant (Unit-2)	988,239,163	17,256,038	-	1,005,495,201	3.33 - 16.67	383,064,623	-	425,994,873	-	579,500,328
Chandina Power Plant (Unit-1)	462,336,094	6,052,862	-	468,388,956	3.33 - 10	257,836,089	-	283,207,909	-	185,181,047
Chandina Power Plant (Unit-2)	608,371,334	16,437,947	-	624,809,281	3.33 - 16.67	233,045,515	-	260,824,490	-	363,984,791
Jangalia Power Plant	1,512,454,446	6,735,729	-	1,519,190,175	3.33 - 16.67	396,316,930	-	465,775,390	-	1,053,414,785
Rupganj Power Plant	1,457,317,703	55,335,642	-	1,512,653,345	3.33 - 16.67	400,112,794	-	474,028,243	-	1,038,625,102
Maona Power Plant	1,397,125,057	37,214,980	-	1,434,339,147	3.33 - 16.67	426,860,119	-	490,235,217	-	944,103,930
Ullapara Power Plant	511,740,411	31,243,928	-	542,984,339	3.33 - 16.67	176,639,689	-	197,227,855	-	345,756,483
Madanganj Power Plant	5,134,835,936	174,235,576	-	5,309,071,512	3.33 - 16.67	1,131,215,578	-	1,390,982,707	-	3,918,088,805
Total (i)	15,370,822,754	431,419,272	(176,704,825)	15,625,537,201		4,674,647,523	(15,635,332)	5,425,709,528		10,199,827,673
a) Own assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	13,002,138	-	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	40,863,957	-	46,404,837	-	119,823,066
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	813,811	-	924,163	-	2,386,259
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	39,741,843	-	45,130,563	-	116,532,778
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	19,605,738	-	22,264,158	-	57,488,833
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	35,985,899	-	40,865,339	-	105,519,403
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,011,341	-	4,555,253	-	11,762,213
Total (ii)	1,156,322,955	-	-	1,156,322,955		154,024,726	-	173,146,450	-	983,176,505
Total assets (i+ii)	16,527,145,709	431,419,272	(176,704,825)	16,781,860,156		4,828,672,249	(15,635,332)	5,598,855,978		11,183,004,178
b) Spare parts										
Stock in hand	632,260,098	437,115,333	(354,701,730)	714,673,701	3.33 - 50	103,726,559	(30,225,205)	115,623,599	-	599,050,101
Stock in transit	104,133,106	648,007,630	(568,094,583)	184,046,153	-	-	-	-	-	184,046,153
	736,393,204	1,085,122,963	(922,796,313)	898,719,854		103,726,559	(30,225,205)	115,623,599	-	783,096,254
Total (a+b)	17,263,538,912	1,516,542,235	(1,099,501,138)	17,680,580,010		4,932,398,808	(45,960,537)	5,714,479,577		11,966,100,432

Notes to the financial statements (Continued)

4.1 Allocation of depreciation

In BDT	Consolidated			Separate		
	H1 FY 2018	H1 FY 2017	H1 FY 2018	H1 FY 2018	H1 FY 2017	H1 FY 2017
Cost of sales	886,163,690	244,030,375	396,161,361	173,284,220		
General and administrative expenses	31,105,600	14,536,660	25,203,963	13,427,764		
	917,269,190	258,567,035	421,365,324	186,711,984		

5 Intangible assets

In BDT	For the six-month period ended 31 December 2018											
	Cost/Revaluation		Balance at 31 Dec 2018	Rate %	Amortisation		Balance at 31 Dec 2018	Written down value at 31 Dec 2018	Amortisation		Balance at 31 Dec 2018	Written down value at 31 Dec 2018
	Balance at 1 July 2018	Additions			(Disposals)/ Transfers	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in		
Software	3,803,851	-	3,803,851	20	179,964	-	2,184,202	1,619,649				
Brand	10,000,000	-	10,000,000	3.3333	166,668	-	3,333,326	6,666,674				
Licence*	30,780,417	-	30,780,417	15	-	-	-	30,780,417				
Software in development	9,413,575	2,843,013	12,256,588	-	-	-	-	12,256,588				
Total	53,997,843	2,843,013	56,840,856	-	346,632	-	5,517,528	51,323,328				

In BDT	For the year ended 30 June 2018											
	Cost		Balance at 30 June 2018	Rate %	Amortisation		Balance at 30 June 2018	Written down value at 30 June 2018	Amortisation		Balance at 30 June 2018	Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in		
Software	2,004,238	1,799,613	3,803,851	20	-	-	2,004,238	1,799,613				
Brand	10,000,000	-	10,000,000	3.3333	333,335	-	3,166,658	6,833,342				
Licence*	30,780,417	-	30,780,417	15	-	-	-	30,780,417				
Software in development	9,413,575	9,413,575	9,413,575	-	-	-	-	9,413,575				
Total	42,784,655	11,213,188	53,997,843	-	333,335	-	5,170,896	48,826,947				

Separate

In BDT	For the six-month period ended 31 December 2018											
	Cost/Revaluation		Balance at 31 Dec 2018	Rate %	Amortisation		Balance at 31 Dec 2018	Written down value at 31 Dec 2018	Amortisation		Balance at 31 Dec 2018	Written down value at 31 Dec 2018
	Balance at 1 July 2018	Additions			(Disposals)/ Transfers	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in		
Software	3,803,851	-	3,803,851	20	179,964	-	2,184,202	1,619,649				
Brand	10,000,000	-	10,000,000	3.3333	166,666	-	3,333,326	6,666,674				
Software in development	9,413,575	2,843,013	12,256,588	-	-	-	-	12,256,588				
Total	23,217,426	2,843,013	26,060,439	-	346,632	-	5,517,528	20,542,911				

In BDT	For the year ended 30 June 2018											
	Cost		Balance at 30 June 2018	Rate %	Amortisation		Balance at 30 June 2018	Written down value at 30 June 2018	Amortisation		Balance at 30 June 2018	Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in			Disposal/ transfer out	Addition/ transfer in		
Software	2,004,238	1,799,613	3,803,851	20	-	-	2,004,238	1,799,613				
Brand	10,000,000	-	10,000,000	3.3333	333,335	-	3,166,658	6,833,342				
Software in development	9,413,575	9,413,575	9,413,575	-	-	-	-	9,413,575				
Total	12,004,238	11,213,188	23,217,426	-	333,335	-	5,170,896	18,046,530				

* This licence has been acquired due to purchase of 64% shares in Ace Alliance Power Limited.

Notes to the financial statements (Continued)

6 Investment in subsidiaries

<i>In BDT</i>	<i>Note</i>	<i>No. of shares</i>	<i>% of holding</i>	<i>Value</i>
31 December 2018				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	2,000,000	20.00%	420,000,000
		187,160,227		2,299,502,270
30 June 2018				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		86,400,000	64.00%	917,964,000
Summit Gazipur II Power Limited	6.1	2,000,000	20.00%	420,000,000
		167,301,738		2,126,981,380

6.1 Summit Power Limited (SPL) hold 49% shares in Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPL-II), Summit Chittagong Power Limited (SCPL) and 20% shares in Summit Gazipur II Power Limited (SGIPL). BFRS 10: *Consolidated Financial Statements* requires presentation and preparation of consolidated financial statements when an entity controls one or more other entities unless falls within the scope of exceptions. According to control procedures as detailed in paragraph 7 of the said BFRS under reference, SBPL, SNPL-II, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/ operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore SPL is in compliance with BFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPL-II, SCPL and SGIPL.

6.2 In accordance with paragraph 10 of BAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 36.A.i.

7 Investment in associates

<i>In BDT</i>	<i>Note</i>	<i>% of holding</i>	<i>31 Dec 2018</i>	<i>30 June 2018</i>
Consolidated				
Summit Meghnaghat Power Company Limited				
Value of investment under equity method	7.1	30%	5,708,245,782	5,257,490,254
Share of profit			209,460,081	450,755,528
Dividend received			(25,500,000)	-
			5,892,205,863	5,708,245,782
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	7.1		3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

7.1 Summit Power Limited has acquired 203,971,500 shares @ BDT 18.64 (at fair value), including share premium of BDT 8.64, of Summit Meghnaghat Power Company Limited from Summit Corporation Limited by issuing 106,791,361 shares each @ BDT 35.60 (at fair value), including share premium of BDT 25.60, of its own in 2014.

Notes to the financial statements (Continued)

8 Deferred tax asset

In BDT	Note	Consolidated		Separate		Taxable/ (deductible) temporary difference	Taxable/ (deductible) temporary difference
		Carrying amount	Tax base	Carrying amount	Tax base		
		122,040,280	-	107,396,482	-	(107,396,482)	(107,396,482)
		122,040,280	-	107,396,482	-	(107,396,482)	(107,396,482)
						25% to 35%	25%
						(31,974,453)	(26,849,121)
		133,881,298	-	120,370,298	-	(120,370,298)	(120,370,298)
		133,881,298	-	120,370,298	-	(120,370,298)	(120,370,298)
						25% to 35%	25%
						(34,821,425)	(30,092,575)

9 Available-for-sale financial assets

In BDT	No. of shares	Rate per share	Market value at		Change in fair value at		Cost price	
			30 June 2018	31 Dec 2017	30 June 2017	31 Dec 2017		
	70,108,200	59.30	4,308,467,612	3,728,481,588	3,773,095,898	(151,051,352)	(44,614,310)	3,625,296,384
	408,160	5.60	2,285,696	5,591,792	4,244,864	(1,755,088)	1,346,928	20,500,000
	1,495,442	4.20	6,280,856	9,022,500	9,392,924	(2,014,023)	(370,424)	10,000,000
	72,011,802		4,165,982,812	3,743,095,880	3,786,733,686	(154,820,463)	(43,637,805)	3,655,796,384

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,326 shares of Khulna Power Company Limited (KPCL) at Taka 67 each from Summit Corporation Limited (SCL) amounting to Taka 3,625,296,384 including other transaction costs. Now the SPL's ownership in KPCL is below the threshold limit of 20% to recognise KPCL as an associate, management classified such investment as Available-for-Sale (AFS) financial asset.

10 Inventories

In BDT	Consolidated		Separate	
	30 June 2018	31 Dec 2018	31 Dec 2018	30 June 2018
Consumable-others	531,213,931	398,765,323	398,765,323	433,464,556
Lubricant oil, chemicals and general consumables	85,029,231	28,384,249	28,384,249	35,253,707
Closing Balance	616,243,162	427,139,572	427,139,572	468,718,263

Notes to the financial statements (Continued)

Consumable - others

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening Balance	531,213,931	475,210,008	433,464,556	414,353,758
Purchase/transfer	195,558,869	253,831,172	120,965,509	183,652,605
Consumption/transfer	(183,077,899)	(197,827,249)	(155,674,742)	(164,541,807)
Exchange rate movement	50,817	-	-	-
Closing Balance	543,745,719	531,213,931	398,755,323	433,464,556

Lubricant oil, chemicals and general consumables

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening Balance	85,029,231	52,147,511	35,253,707	36,926,038
Purchase/transfer	338,194,616	328,321,841	83,058,711	144,821,497
Consumption/transfer	(280,592,720)	(296,049,015)	(89,928,169)	(146,493,828)
Exchange rate movement	117,154	608,894	-	-
Closing Balance	142,748,281	85,029,231	28,384,249	35,253,707

11 Trade receivables

In BDT	Note	Consolidated		Separate	
		31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Bangladesh Rural Electrification Board (BREB):					
Ashulia Power Plant		59,219,503	15,074,305	59,219,503	15,074,305
Ashulia Power Plant (expansion)	11.1	2,097,758,348	1,921,347,885	2,097,758,348	1,921,347,885
Madhabdi Power Plant		64,661,360	16,391,475	64,661,360	16,391,475
Madhabdi Power Plant (expansion)	11.1	1,574,487,942	1,443,998,643	1,574,487,942	1,443,998,643
Chandina Power Plant		58,927,605	15,638,986	58,927,605	15,638,986
Chandina Power Plant (expansion)	11.1	861,873,394	791,032,373	861,873,394	791,032,373
Rugganj Power Plant		141,648,425	63,449,005	141,648,425	63,449,005
Maona Power Plant		157,833,739	156,053,075	157,833,739	156,053,075
Ullapara Power Plant		44,428,354	20,563,827	44,428,354	20,563,827
Bangladesh Power Development Board (BPDB):					
Jangalia Power Plant		273,024,158	233,391,125	273,024,158	233,391,125
Madanganj Power Plant	11.2	1,926,888,015	861,568,615	1,926,888,015	861,568,615
Barisal Power Plant		1,601,260,304	834,840,899	-	-
Narayanganj Unit II Power Plant		1,074,272,374	749,929,788	-	-
Kodda Power Plant (Unit I)		3,319,752,658	-	-	-
Kodda Power Plant (Unit II)		4,746,273,105	2,222,868,407	-	-
		18,002,309,285	9,346,148,408	7,260,750,843	5,538,509,314
Less: Provision for doubtful debt		(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		17,833,550,882	9,177,390,005	7,091,992,440	5,369,750,911

11.1 Out of total receivables from BREB, invoices amounting to BDT 4,426,667,510, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3.1141 per kWh from December 2011 to January 2012, for February 2012 at the rate of Taka 3.3741, from March to August 2012 at the rate of Taka 3.6216 per kWh, from September 2012 to August 2015 at the rate of Taka 4.2316 per kWh and September 2015 onward at the rate of Taka 4.4791 per kWh due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2.8333 per kWh. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. Later on, due to application by BREB, the verdict was reviewed by BERC and the reviewed verdict was so in favour of the Company. After this, BREB submitted a writ petition in the High Court Division of Supreme Court of Bangladesh on 8 September 2016. On 17 August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions. BREB then submitted civil petitions to the Appellate Division of Supreme Court of Bangladesh against the judgement of the High Court Division. The Appellate Division has granted leave to appeal to BREB on 31 October 2018. Both BREB and the Company are waiting for the issue of formal judgement regarding the grant of leave to appeal. Meanwhile, the Company has submitted execution case to the District Court which is under process. The management believes that the amount is recoverable and hence no provision has been made in this regard.

11.2 In accordance with the clause 26.1 of the previous Power Purchase Agreement (PPA), "Bangladesh Petroleum Corporation (BPC) will be the liquid fuel supplier (HFO) and BPDB will make payment for the fuel". But since the start of the operation of the plant, the quality and quantity of the supplied fuel were not as per given specifications in the PPA. For this reason, the actual fuel consumption was higher per unit of electricity generation. On account of the actual fuel consumption, BPDB started deduction from some of the Company's monthly invoices which amounted to BDT 164.30 million up to March 2013. The Company made a writ petition to the High Court Division for further non deduction on account of excess fuel consumption amounting to USD 1.96 million (approx.). The High Court granted an order of injunction from deducting any money from monthly invoices. On 6 July 2014, the High Court Division of Supreme Court of Bangladesh has extended the order of injunction granted earlier till disposal of the Rule. Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction. A few hearings have already taken place in BERC. Lately, BERC requested for additional information from Bangladesh Petroleum Corporation (BPC). Meanwhile, BERC has instructed BPDB, not to deduct the pending amount from the invoices of the power plant for next six months up to May 2019. The arbitration process is still ongoing. However, the Company has made a provision for doubtful debt on said amount of BDT 164.30 million.

Notes to the financial statements (Continued)

12 Other receivables

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Insurance claims		19,366,661	19,366,661	19,366,661	19,366,661
Dividend receivables		191,204,226	-	191,204,226	-
Interest on FDRs		42,365,951	40,886,938	38,933,401	35,075,863
		252,936,838	60,253,599	249,504,288	54,442,524

13 Intercompany receivables

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Summit Barisal Power Limited	-	-	95,721,871	63,229,669
Summit Narayanganj Power Unit II Limited	-	-	59,198,561	46,287,415
Ace Alliance Power Limited	-	-	2,618,791	117,498,947
Summit Gazipur II Power Limited	-	-	239,619,690	22,500,340
	-	-	397,158,913	249,516,371

14 Advances, deposits and prepayments

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Advances				
C&F agents	39,871,016	35,502,495	14,210,000	25,121,000
Energypac Engineering Limited	1,645,540	1,817,540	1,645,540	1,817,540
Tyser Risk Management (Bangladesh) Limited	-	400,000	-	400,000
Jakir Construction Limited	2,666,798	1,985,661	-	-
ABB Limited	488,000	-	488,000	-
ABB Pte Limited	7,057,464	-	7,057,464	-
Bangla Trac Limited	44,440	-	44,440	-
UDECO Limited	-	25,970,904	-	-
Corona International	410,626	-	60,000	-
Investment Corporation of Bangladesh (ICB)	331,400	-	100,000	-
Konecranes (Bangladesh) Ltd.	60,000	-	60,000	-
Linde Bangladesh Limited	344,800	-	344,800	-
Sunko BD	26,000	-	26,000	-
BRB Cable Industries Ltd.	133,316	-	133,316	-
Corporate Trading	50,000	-	50,000	-
Trust Filling Station	100,000	-	100,000	-
SBS International Business Limited	191,459,422	5,764,660	-	-
Hyundai Motors Bangladesh Limited	-	500,000	-	500,000
Ranks Petroleum Limited	26,841,900	26,785,913	-	-
Padma Oil Company Limited	46,871,283	28,298,720	-	-
Navana Petroleum Limited	43,719,401	43,628,211	-	-
Bangladesh Centre for Advanced Studies (BCAS)	450,358	300,000	-	-
M/s. R.M. Trade International	8,125,000	-	7,775,000	-
ABG Engineering Services (Pvt.) Ltd.	-	625,000	-	-
AEG Engineering Ltd.	-	180,600	-	-
Pulse Engineering Ltd.	1,173,900	-	1,173,900	-
Scienetech Engineering and Services	-	2,795,732	-	-
Center for Management Development	200,000	200,000	200,000	200,000
Bangladesh Economic Zones Authority (BEZA)	-	231,400	-	-
Land procurement	-	1,089,507	-	-
Otobi Limited	531,258	530,150	-	-
Securex (Pvt.) Ltd.	69,000	-	69,000	-
Ridgeben Holidays	166,500	-	166,500	-
Southern Soil	6,530,527	-	-	-
Land lord	220,000	220,000	220,000	220,000
Bureau Veritas Bangladesh Pvt. Ltd	691,000	-	691,000	-
Trazz Bd	120,000,000	-	-	-
Environmental consultancy	1,279,989	1,277,072	-	-
Tax advisor	305,000	405,000	100,000	200,000
Advance for loans and redeemable preference shares	4,275,105	3,965,443	-	-
Car purchase	1,100,857	1,385,851	1,100,857	1,385,851
Employees	50,472,416	63,436,670	3,888,914	3,369,597
Others	9,815,590	9,758,940	946,306	1,628,181
Advance income tax	91,403,845	74,818,387	55,544,243	52,164,447
	658,931,753	331,873,856	96,195,280	87,006,616
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	658,486,753	331,428,856	95,750,280	86,561,616

Notes to the financial statements (Continued)

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Deposits				
Security deposit (non-interest bearing)	3,336,875	3,072,307	1,389,045	1,389,045
Bank guarantee margin:	-	-	-	-
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Pashchimanchal Gas Co. Ltd.	823,441	823,441	823,441	823,441
Bakhrabad Gas System Ltd.	2,470,323	2,470,323	2,470,323	2,470,323
Bangladesh Power Development Board (BPDB)	1,968,412	1,968,412	1,968,412	1,968,412
Commissioner of Customs, Custom House	7,239,787	7,239,787	7,239,787	7,239,787
Bangladesh Rural Electrification Board (BREB)	4,630,179	4,630,179	4,630,179	4,630,179
Titas Gas Transmission and Distribution Co. Ltd.	4,940,646	4,940,646	4,940,646	4,940,646
	26,954,716	26,690,148	25,006,886	25,006,886
Prepayments				
Annual license fees	4,553,241	393,905	678,821	393,905
Standby letter of credit commission	10,974,852	1,213,088	10,974,852	1,213,088
Bank guarantee/operation bond commission	2,573,820	4,548,896	2,049,499	968,155
Insurance premium	56,003,661	69,414,561	14,878,920	26,213,025
Land lease rental	845,140	859,141	845,140	859,141
Annual agency fee	10,586,538	5,257,812	-	-
	85,537,252	81,687,403	29,427,232	29,647,314
Related party transactions				
Summit Corporation Limited	-	2,419,783	-	2,419,783
Summit Holdings Limited	2,021,963	2,254,728	2,021,963	2,254,728
	2,021,963	4,674,511	2,021,963	4,674,511
	773,000,684	444,480,918	152,206,361	145,890,327

Bank guarantee margin had been deposited with various scheduled banks in Bangladesh as security for compliance with the Company's/Group's operational obligation.

15 Cash and cash equivalents

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Cash in hand	2,562,055	2,733,063	1,741,254	1,657,281
Cash at bank				
Bank Asia Limited	598,219,241	131,431,472	399,968,352	70,108,439
BRAC Bank Limited	1,925,105,286	138,379,918	1,601,290	138,379,918
Commercial Bank of Ceylon Limited	2,031,939	2,031,939	2,031,939	2,031,939
Dhaka Bank Limited	4,258,979	9,642,689	4,258,979	9,642,689
Dutch-Bangla Bank Limited	55,198,728	231,213,526	47,059,836	223,157,298
Exim Bank Limited	276,401	865,252	276,401	865,252
One Bank Limited	397,410	641,880	292,212	292,937
Premier Bank Limited	16,842,892	17,510,325	16,842,892	17,510,325
Rupali Bank Limited	240,565	754,557	240,565	754,557
Shahjalal Islami Bank Limited	885,405	1,166,231	885,405	1,166,231
Sonali Bank Limited	979,506	43,021	979,506	43,021
Southeast Bank Limited	246,952	246,952	246,952	246,952
Standard Chartered Bank	7,469,627	27,770,068	7,469,627	27,770,068
The City Bank Limited	155,578,591	205,533,827	15,874	15,874
Eastern Bank Limited	4,996,798	1,318,347	-	-
Jamuna Bank Limited	5,000	-	5,000	-
Mutual Trust Bank Limited	402,526,940	557,522	347,205,070	-
Prime Bank Limited	7,691,434	9,344,859	-	-
Trust Bank Limited	3,911	3,911	-	-
	3,182,955,605	778,456,296	829,379,900	491,985,500

Notes to the financial statements (Continued)

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Fixed deposit receipts (FDR)				
Al Arafah Islami Bank Limited	209,497,364	102,291,440	209,497,364	102,291,440
Bangladesh Commerce Bank Limited	100,000,000	-	100,000,000	-
Bank Asia Limited	57,426,886	71,968,402	5,176,000	766,000
Dhaka Bank Limited	50,675,000	-	50,675,000	-
Eastern Bank Limited	100,100,000	-	100,100,000	-
Exim Bank Limited	319,854,557	410,101,251	319,854,557	308,053,751
First Security Islami Bank Limited	52,402,500	50,000,000	52,402,500	50,000,000
IPDC Finance Limited	50,000,000	50,000,000	50,000,000	50,000,000
Lankabangla Finance Limited	50,000,000	100,000,000	50,000,000	100,000,000
Meghna Bank Limited	189,399,847	184,780,339	189,399,847	184,780,339
Mercantile Bank Limited	108,130,551	104,581,562	108,130,551	104,581,562
Modhumoti Bank Limited	392,110,705	373,869,236	392,110,705	373,869,236
Mutual Trust Bank Limited	55,531,021	154,969,717	55,531,021	154,969,717
NRB Global Bank Limited	-	53,352,773	-	53,352,773
One Bank Limited	312,446,258	408,275,828	312,446,258	408,275,828
Premier Bank Limited	603,874,276	531,851,617	603,874,276	531,851,617
South Bangla Agricultural & Commerce Bank Limited	-	52,166,809	-	52,166,809
Southeast Bank Limited	257,568,851	52,262,294	257,568,851	52,262,294
Standard Bank Limited	-	50,000,000	-	50,000,000
The City Bank Limited	1,294,057,496	1,350,331,779	-	-
	4,203,075,312	4,100,803,047	2,856,766,930	2,577,221,366
	7,388,592,972	4,881,992,406	3,687,888,084	3,070,864,147

16 Share capital

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Authorised				
300,000,000 Ordinary shares of BDT 10 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
400,000,000 Ordinary shares of BDT 10 each	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
500,000,000 Ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
30,000,000 Preference shares of BDT 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000
Issued, subscribed and paid-up				
65,000,000 Ordinary shares of BDT 10 each	650,000,000	650,000,000	650,000,000	650,000,000
6,500,000 Bonus shares of BDT 10 each in 2006	65,000,000	65,000,000	65,000,000	65,000,000
14,300,000 Bonus shares of BDT 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000
68,640,000 Right shares of BDT 10 each in 2008	686,400,000	686,400,000	686,400,000	686,400,000
30,888,000 Bonus shares of BDT 10 each in 2008	308,880,000	308,880,000	308,880,000	308,880,000
37,065,600 Bonus shares of BDT 10 each in 2009	370,656,000	370,656,000	370,656,000	370,656,000
55,598,400 Bonus shares of BDT 10 each in 2010	555,984,000	555,984,000	555,984,000	555,984,000
25,361,973 Ordinary shares of BDT 10 each in 2010	253,619,730	253,619,730	253,619,730	253,619,730
91,006,191 Bonus shares of BDT 10 each in 2011	910,061,910	910,061,910	910,061,910	910,061,910
98,590,041 Bonus shares of BDT 10 each in 2012	985,900,410	985,900,410	985,900,410	985,900,410
98,590,041 Bonus shares of BDT 10 each in 2013	985,900,410	985,900,410	985,900,410	985,900,410
88,731,037 Bonus shares of BDT 10 each in 2014	887,310,360	887,310,360	887,310,360	887,310,360
106,791,361 Ordinary shares of BDT 10 each in 2014*	1,067,913,610	1,067,913,610	1,067,913,610	1,067,913,610
39,353,132 Bonus shares of BDT 10 each in 2015	393,531,320	393,531,320	393,531,320	393,531,320
49,584,946 Bonus shares of BDT 10 each in 2016	495,849,460	495,849,460	495,849,460	495,849,460
191,876,518 ordinary shares of BDT 10 each in 2016**	1,918,765,180	1,918,765,180	1,918,765,180	1,918,765,180
	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390

* Details are given in the Note 7.1.

** This represents the amount of ordinary share capital issued to non-controlling shareholders of Summit Purbanchol Power Company Limited, Summit Uttaranchol Power Company Limited and Summit Narayanganj Power Limited as compensation for amalgamation with Summit Power Limited. On the basis of the approval of Bangladesh Securities and Exchange Commission for issue of 191,876,518 ordinary shares at BDT 10 each, these shares were issued on 4 October 2016.

16.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Summit Corporation Limited	63.19%	63.19%	674,792,926	674,792,926
Euro Hub Investments Ltd.	3.65%	3.65%	38,940,126	38,940,126
Institutional investors	19.19%	18.38%	204,902,186	196,294,119
General public	13.98%	14.78%	149,242,001	157,850,068
	100%	100%	1,067,877,239	1,067,877,239

Notes to the financial statements (Continued)

16.2 Classification of shareholders by holding:

	No. of holders		Ownership (%)	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Less than 500 shares	23,423	24,754	0.37%	0.40%
500 to 5,000 shares	11,440	12,844	1.93%	2.18%
5,001 to 10,000 shares	1,941	2,206	1.28%	1.45%
10,001 to 20,000 shares	789	918	1.06%	1.23%
20,001 to 30,000 shares	259	328	0.61%	0.76%
30,001 to 40,000 shares	124	137	0.41%	0.45%
40,001 to 50,000 shares	83	111	0.37%	0.49%
50,001 to 100,000 shares	173	212	1.22%	1.48%
100,001 to 1,000,000 shares	226	239	6.63%	7.16%
Over 1,000,000 shares	61	61	86.13%	84.41%
	38,519	41,810	100%	100%

17 Share premium

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	80,000,000	80,000,000
Share premium from issue of 6,864,000 shares in 2008	308,880,000	308,880,000	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,745,940,817	2,745,940,817	2,745,940,817	2,745,940,817
	3,134,820,817	3,134,820,817	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(234,123,160)	(234,123,160)
	2,900,697,657	2,900,697,657	2,900,697,657	2,900,697,657
Share premium on dilution of ownership in SPPCL	600,385,917	600,385,917	600,385,917	600,385,917
Share premium on issue of shares to SCL*	2,733,858,842	2,733,858,842	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	6,234,626,639	6,234,626,639
Share premium on amalgamation	244,471,000	244,471,000	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in the Note 7.1.

18 Revaluation reserve

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	982,964,725	1,002,086,449	982,964,725	1,002,086,449
Transfer to retained earnings for depreciation	(9,560,862)	(19,121,724)	(9,560,862)	(19,121,724)
Closing balance	973,403,863	982,964,725	973,403,863	982,964,725

Notes to the financial statements (Continued)

19 Non-controlling interests

<i>In BDT</i>	31 December 2018					Total
	SBPL	SNPL-II	SCPL	AAPL	SGIPL	
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	5,228,276,853	2,895,011,914	208,251	6,454,182,931	13,050,597,310	27,628,277,259
Current assets	2,661,611,492	1,754,954,858	9,664,799	5,615,534,509	5,345,247,251	15,387,012,909
Non-current liabilities	(3,803,755,138)	(2,160,956,820)	-	(6,440,716,795)	-	(12,405,428,753)
Current liabilities	(1,802,652,438)	(1,244,796,909)	(39,300)	(3,614,385,890)	(15,431,716,419)	(22,093,590,956)
Net assets	2,283,480,769	1,244,213,043	9,833,750	2,014,614,755	2,964,128,142	8,516,270,459
Net assets attributable to NCI	1,164,575,192	634,548,652	5,015,213	725,261,312	2,371,302,514	4,900,702,883
Less: Intra-group elimination	-	-	-	-	(116,000,000)	(116,000,000)
	1,164,575,192	634,548,652	5,015,213	725,261,312	2,255,302,514	4,784,702,883
Revenue	2,772,116,133	1,722,075,089	-	3,175,709,560	6,970,383,881	14,640,284,663
Profit	235,407,750	123,876,357	-	305,414,922	1,035,453,813	1,700,152,842
Other comprehensive income (OCI)	(1,546,025)	(681,524)	-	3,317,730	5,194,187	6,284,368
Total Comprehensive Income	233,861,725	123,194,833	-	308,732,652	1,040,648,000	1,706,437,210
Profit allocated to NCI	120,057,953	63,176,942	-	109,949,372	828,363,050	1,121,547,317
OCI allocated to NCI	(788,473)	(347,577)	-	1,194,383	4,155,350	4,213,683
Less: Intra-group elimination	-	-	-	-	-	-
						1,125,761,000

<i>In BDT</i>	30 June 2018					Total
	SBPL	SNPL Unit II	SCPL	AAPL	SGIPL	
NCI percentage	51.00%	51.00%	51.00%	36%	80%	
Non-current assets	5,204,904,240	2,885,508,284	290,915	6,122,880,135	12,877,612,368	27,091,195,942
Current assets	2,039,990,009	1,412,467,237	9,582,135	250,750,637	2,481,658,057	6,194,448,075
Non-current liabilities	(3,990,419,374)	(2,252,602,187)	-	-	-	(6,243,021,561)
Current liabilities	(1,204,855,831)	(924,355,125)	(39,300)	(4,977,937,558)	(13,435,790,282)	(20,542,978,096)
Net assets	2,049,619,044	1,121,018,209	9,833,750	1,395,693,214	1,923,480,143	6,499,644,360
Net assets attributable to NCI	1,045,305,712	571,719,287	5,015,213	502,449,557	1,538,784,114	3,663,273,883
Less: Intra-group elimination	-	-	-	(26,000,000)	(116,000,000)	(142,000,000)
	1,045,305,712	571,719,287	5,015,213	476,449,557	1,422,784,114	3,521,273,883

<i>In BDT</i>	31 December 2017					Total
	SBPL	SNPL-II	SCPL	AAPL	SGIPL	
NCI percentage	51%	51%	51%	36%	80%	
Revenue	2,823,060,301	1,399,739,172	-	-	-	4,222,799,473
Profit	161,007,855	74,117,681	-	(5,821,736)	(50,399)	229,253,401
Other comprehensive income (OCI)	(434,200)	(4,225)	-	(113,103)	(980)	(552,508)
Total Comprehensive Income	160,573,655	74,113,456	-	(5,934,839)	(51,379)	228,700,893
Profit allocated to NCI	82,114,006	37,800,017	-	(2,095,825)	(40,319)	117,777,879
OCI allocated to NCI	(221,442)	(2,155)	-	(40,717)	(784)	(265,098)
Less: Intra-group elimination	-	-	-	-	-	-
						117,512,781

Notes to the financial statements (Continued)

20 Redeemable preference shares

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	983,677,920	983,677,920	-	-
Addition	805,000,000	-	-	-
	1,788,677,920	983,677,920	-	-
Repayment	-	-	-	-
Transaction cost	(5,179,746)	-	-	-
Amortisation of transaction cost	1,935,756	-	-	-
	1,785,433,930	983,677,920	-	-
Non-current	1,627,831,651	826,398,267	-	-
Current	157,602,279	157,279,653	-	-
	1,785,433,930	983,677,920	-	-

In FY 2017, the redeemable preference shares were fully issued by Summit Barisal Power Limited and Summit Narayananj Power Unit II Limited and were subscribed and paid up by different institutional institutions on 29 June 2017 bearing dividend @ 8.25% per annum payable yearly commencing from June 2018. Preference shares will be redeemed over 7 years or by 6 instalments payable at the end of each year commencing from June 2019.

In FY 2019, the preference shares were issued by Ace Alliance Power Limited as fully subscribed and paid up on 11 December 2018 bearing dividend @ 9.5% to 10% per annum payable yearly commencing from December 2019. Preference shares are to be redeemed over 6/7 years or by 5/6 instalments payable at the end of each year commencing from December 2020.

21 Loans and borrowings

In BDT	Note	Consolidated		Separate	
		31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Non-current					
Project loan	21.1	10,762,953,303	5,401,218,269	-	-
		10,762,953,303	5,401,218,269	-	-
Current					
Project loan	21.1	590,980,776	594,496,003	-	-
Short term loan	21.2	250,000,000	350,000,000	-	-
Deferred letter of credit	21.3	10,930,858,698	15,004,436,214	-	-
		11,771,839,474	15,948,932,217	-	-

21.1 Project loan

In BDT	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	5,995,714,273	6,119,632,959	-	-
Drawdown				
Infrastructure Development Company Limited ("IDCOL")	2,038,770,000	-	-	-
Islamic Corporation for the Development of the Private Sector ("ICD")	2,038,770,000	-	-	-
OPEC Fund for International Development ("OFID")	1,678,000,000	-	-	-
	11,751,254,273	6,119,632,959	-	-
Repayment	(304,574,550)	(384,608,890)	-	-
Transaction cost	(114,643,459)	(2,012,067)	-	-
Amortisation of transaction cost	6,060,000	19,696,086	-	-
Exchange rate fluctuation effect	15,837,815	243,006,185	-	-
	11,353,934,079	5,995,714,273	-	-
Non-current	10,762,953,303	5,401,218,269	-	-
Current	590,980,776	594,496,003	-	-
	11,353,934,079	5,995,714,272	-	-

IDCOL provided USD 30,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and ICD also provided USD 20,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 10.5 years including 6 months grace period, repayable quarterly starting on 15 September 2017 for Summit Barisal Power Limited. On receipt of the loans, the Group/Company had incurred an amount of BDT 82,978,510 as transaction costs. Subsequently, an amount of BDT 1,094,783 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due.

IDCOL provided USD 15,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and OFID also provided USD 12,640,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018 for Summit Narayananj Power Unit II Limited. On receipt of the loans, the Group/Company had incurred an amount of Taka 60,961,468 as transaction costs. Subsequently, an amount of BDT 917,284 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due.

Notes to the financial statements (Continued)

IDCOL, ICD and OFID provided USD 24,300,000, USD 24,300,000 and USD 20,000,000 respectively as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 6 months grace period, repayable quarterly starting on 15 June 2019, for *Ace Alliance Power Limited*. On receipt of the loans, the Group/Company had incurred an amount of Taka 114,643,459 as transaction costs. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due.

21.2 Short term loan

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
The City Bank Limited	-	250,000,000	-	-
Eastern Bank Limited	-	100,000,000	-	-
Mutual Trust Bank Limited	250,000,000	-	-	-
	250,000,000	350,000,000	-	-

21.3 Deferred letter of credit

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Bank Asia Limited	3,081,092,371	3,238,779,676	-	-
Eastern Bank Limited	345,026,463	299,500,130	-	-
One Bank Limited	149,368,135	153,015,575	-	-
The City Bank Limited	2,873,472,651	2,926,415,334	-	-
Mutual Trust Bank Limited	2,081,975,990	1,918,517,062	-	-
Prime Bank Limited	2,399,923,087	6,468,208,437	-	-
	10,930,858,698	15,004,436,214	-	-

22 Deferred liabilities

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Gratuity fund	22.1	122,040,280	133,881,298	107,396,481	120,370,298
Liability for assets retirement obligation	22.2	69,925,842	68,375,562	69,925,842	68,375,562
		191,966,122	202,256,860	177,322,323	188,745,860

22.1 Gratuity fund

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	133,881,298	91,189,000	120,370,298	86,674,000
Service cost				
- Included in profit or loss	9,074,500	18,149,000	8,003,500	16,007,000
- Included in other comprehensive income	14,165,500	28,331,000	10,738,500	21,477,000
Payment during the year/period	(35,081,018)	(3,787,702)	(31,715,817)	(3,787,702)
Closing balance	122,040,280	133,881,298	107,396,481	120,370,298

The Company, for its present eligible local employees, operates a gratuity scheme. This gratuity scheme is not recognised by the National Board of Revenue. Every eligible employee covered by this scheme is entitled to get benefit equal to one last basic salary for every year of service.

22.2 Liability for assets retirement obligation

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	68,375,562	65,275,000	68,375,562	65,275,000
Provision made during the year/period	1,550,280	3,100,562	1,550,280	3,100,562
Adjustment/payment made during the year/period	-	-	-	-
Closing balance	69,925,842	68,375,562	69,925,842	68,375,562

23 Unclaimed dividends

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Opening balance	58,429,846	43,380,882	58,429,846	43,380,882
Cash dividend declared during the period	3,203,631,717	3,203,631,717	3,203,631,717	3,203,631,717
Cash dividend paid during the period	(493,932)	(3,188,582,753)	(493,932)	(3,188,582,753)
Closing balance	3,261,567,631	58,429,846	3,261,567,631	58,429,846

These amounts represent dividends that remained unclaimed by/payable to the shareholders as at 31 December 2018. These amounts are deposited in a bank account and are payable on demand.

Notes to the financial statements (Continued)

24 Trade payables

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Gas:				
Titas Gas Transmission & Distribution Company Limited				
Ashulia Power Plant	18,555,097	4,319,436	18,555,097	4,319,436
Ashulia Power Plant (Expansion)	14,029,155	15,055,308	14,029,155	15,055,308
Madhabdi Power Plant	23,231,021	5,498,975	23,231,021	5,498,975
Madhabdi Power Plant (Expansion)	11,288,367	8,808,554	11,288,367	8,808,554
Rupganj Power Plant	29,244,673	36,808,531	29,244,673	36,808,531
Maona Power Plant	36,675,785	39,748,164	36,675,785	39,748,164
Bakhrabad Gas Distribution Company Limited				
Chandina Power Plant	18,295,907	5,440,250	18,295,907	5,440,250
Chandina Power Plant (Expansion)	5,924,375	4,968,213	5,924,375	4,968,213
Jangalia Power Plant	22,085,064	31,951,395	22,085,064	31,951,395
Pashchimanchal Gas Company Limited				
Ullapara Power Plant	8,340,617	9,538,122	8,340,617	9,538,122
Heavy furnace oil (HFO):				
Summit Oil & Shipping Company Limited				
Madanganj Power Plant	1,186,931,663	466,466,497	1,186,931,663	466,466,497
Barisal Power Plant	1,121,424,334	578,553,248	-	-
Madanganj Power Plant (Unit II)	835,398,319	573,552,211	-	-
Kodda Power Plant (Unit I)	2,748,581,962	-	-	-
Kodda Power Plant (Unit II)	3,380,047,079	1,753,805,733	-	-
Mobile Jamuna Lubricants Bangladesh Limited				
Navana Petroleum Limited	5,288,030	18,440,680	5,288,030	18,440,680
Ranks Petroleum Limited	15,825,937	5,479,680	-	-
Wartsila Bangladesh Limited	43,703,103	34,072,922	-	-
ABB Limited	12,996,429	14,990,377	9,893,611	10,344,127
Energypac Engineering Limited	2,693,024	-	2,693,024	-
Others	1,595,620	-	1,595,620	-
Others	1,361,905	3,009,800	801,869	642,800
	9,543,517,466	3,610,508,096	1,394,873,878	658,031,052

25 Other payables and accruals

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Provision for income tax	103,426,049	90,808,800	54,462,450	54,462,450
Liability for withholding tax and VAT	29,764,055	17,692,311	1,014,002	203,310
Summit Oil & Shipping Company Limited	47,671,102	25,893,660	4,811,766	2,425,065
Provision for C & F agents	2,274,811	2,170,000	-	-
Resources & Solutions Limited	486,653	858,612	486,653	858,612
Technology Simple	-	1,162,288	-	1,162,288
UDECO Limited	-	56,436,396	-	-
Navana Petroleum Limited	-	10,810,000	-	-
Lanka-Bangla Investments Limited	500,000	500,000	-	-
Credit Rating Information & Services Ltd.	-	230,000	-	-
Green Delta Insurance Company Limited	-	2,388,091	-	-
Pioneer Insurance Co. Ltd.	-	1,532,280	-	-
Mandate signing fee - The City Bank Limited	3,847,949	3,847,949	-	-
Aitken Spence Plc., Sri Lanka	16,979,306	16,979,306	-	-
Audit and certification fees	253,000	2,617,134	230,000	1,409,634
Cosmopolitan Communications Limited	153,300	167,900	111,300	121,900
Waterchem Technology	726,299	-	-	-
Snipro Limited	88,667	-	88,667	-
Security service expenses	2,440,823	2,603,737	1,357,303	1,198,688
Liability for earned leave encashment	7,267,383	69,938,376	5,943,630	63,316,737
Interest payable on loans and borrowings	108,954,020	17,914,190	-	-
Dividend on redeemable preference shares	41,476,027	226,027	-	-
Provision for bonus to employees	7,655,203	20,000,000	-	-
Asset purchase/construction	15,284,160	1,729,871	609,600	1,204,566
Land lord	50,000	-	50,000	-
Legal and professional fees payable	1,961,547	4,367,600	1,204,697	-
Security deposit retained from vendors	1,105,471	9,854,612	-	-
Others	8,724,143	2,330,817	1,541,478	1,784,031
	401,089,968	363,059,957	71,911,547	128,147,281

26 Intercompany payables

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Summit Corporation Limited	1,229,225,452	878,000,000	1,225,452	-
	1,229,225,452	878,000,000	1,225,452	-

Notes to the financial statements (Continued)

Revenue	Note	Consolidated			Separate				
		July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2018 to December 2018	October 2017 to December 2017 [Restated]	July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2018 to December 2018	October 2017 to December 2017 [Restated]
27	In BDT								
	Sales revenue - Electricity								
	Ashulia Power Plant	90,582,694	92,973,249	44,637,742	47,494,299	92,973,249	44,637,742	47,494,299	
	Ashulia Power Plant (expansion)	485,712,162	461,685,922	239,135,151	224,478,664	461,685,922	239,135,151	224,478,664	
	Madhabadi Power Plant	98,941,575	99,336,189	48,637,905	49,177,618	99,336,189	48,637,905	49,177,618	
	Madhabadi Power Plant (expansion)	338,078,690	353,994,788	170,854,141	185,723,972	353,994,788	170,854,141	185,723,972	
	Chandina Power Plant	92,021,656	95,908,523	43,789,418	47,138,133	95,908,523	43,789,418	47,138,133	
	Chandina Power Plant (expansion)	191,782,484	197,943,629	93,295,779	98,443,842	197,943,629	93,295,779	98,443,842	
	Rupganj Power Plant	403,703,066	403,266,330	193,535,847	201,326,394	403,266,330	193,535,847	201,326,394	
	Jangalia Power Plant	366,762,845	358,844,866	163,555,247	175,099,269	358,844,866	163,555,247	175,099,269	
	Maona Power Plant	411,257,289	401,873,131	206,010,608	205,630,177	401,873,131	206,010,608	205,630,177	
	Ullapara Power Plant	127,473,018	124,264,357	59,281,146	58,185,843	124,264,357	59,281,146	58,185,843	
	Madanganj Power Plant	693,108,221	670,030,110	340,573,759	333,525,455	670,030,110	340,573,759	333,525,455	
	Barisal Power Plant	637,918,670	636,742,005	304,349,320	309,507,554	636,742,005	304,349,320	309,507,554	
	Madanganj Power Plant (Unit II)	345,325,317	337,228,000	280,852,894	167,082,799	337,228,000	280,852,894	167,082,799	
	Kodda Power Plant (Unit I)	571,071,865	-	800,852,894	-	571,071,865	-	800,852,894	
	Kodda Power Plant (Unit II)	1,647,155,409	-	800,606,304	-	1,647,155,409	-	800,606,304	
		6,500,894,961	4,234,091,099	3,158,714,496	2,102,814,019	4,234,091,099	3,158,714,496	2,102,814,019	1,626,223,666
	Sales revenue - HFO								
	Madanganj Power Plant	1,595,811,998	1,088,017,207	496,044,939	416,572,604	1,088,017,207	496,044,939	416,572,604	
	Barisal Power Plant	2,134,197,463	2,186,318,296	561,752,719	789,735,850	2,186,318,296	561,752,719	789,735,850	
	Madanganj Power Plant (Unit II)	1,376,749,772	1,062,511,172	540,617,816	446,737,326	1,062,511,172	540,617,816	446,737,326	
	Kodda Power Plant (Unit I)	2,604,637,695	-	886,299,527	-	2,604,637,695	-	886,299,527	
	Kodda Power Plant (Unit II)	5,323,228,472	-	1,594,445,222	-	5,323,228,472	-	1,594,445,222	
		13,034,625,400	4,336,846,675	4,079,160,223	1,653,045,780	4,336,846,675	4,079,160,223	1,653,045,780	416,572,604
		19,535,520,361	8,570,937,774	7,237,874,719	3,755,859,799	8,570,937,774	7,237,874,719	3,755,859,799	2,042,796,270
28	Cost of sales								
	Gas consumption:								
	Ashulia Power Plant	27,866,030	29,771,324	13,690,147	15,201,154	29,771,324	13,690,147	15,201,154	
	Ashulia Power Plant (expansion)	89,909,350	86,135,883	43,842,924	41,931,995	86,135,883	43,842,924	41,931,995	
	Madhabadi Power Plant	34,782,490	32,469,851	17,328,296	15,791,835	32,469,851	17,328,296	15,791,835	
	Madhabadi Power Plant (expansion)	64,813,174	71,327,969	33,117,812	37,032,050	71,327,969	33,117,812	37,032,050	
	Chandina Power Plant	28,228,457	30,493,659	13,125,553	14,242,022	30,493,659	13,125,553	14,242,022	
	Chandina Power Plant (expansion)	35,102,522	37,140,184	16,971,524	18,308,046	37,140,184	16,971,524	18,308,046	
	Rupganj Power Plant	108,678,514	111,341,697	49,615,397	53,178,118	111,341,697	49,615,397	53,178,118	
	Jangalia Power Plant	93,754,190	91,133,419	37,664,436	41,837,844	91,133,419	37,664,436	41,837,844	
	Maona Power Plant	112,120,857	114,810,508	54,828,247	57,266,324	114,810,508	54,828,247	57,266,324	
	Ullapara Power Plant	33,437,837	34,305,846	13,983,703	15,178,783	34,305,846	13,983,703	15,178,783	
		1,595,811,998	1,088,017,207	496,044,939	416,572,604	1,088,017,207	496,044,939	416,572,604	
		2,134,197,463	2,186,318,296	561,752,719	789,735,850	2,186,318,296	561,752,719	789,735,850	

In BDT	Note	Consolidated			Separate		
		July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2018 to December 2018	July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2017 to December 2017 [Restated]
Madanganj Power Plant (Unit II)		1,376,749,772	1,062,511,172	540,617,816	-	-	-
Kodda Power Plant (Unit I)		2,604,637,695	-	886,299,527	-	-	-
Kodda Power Plant (Unit II)		5,323,228,472	-	1,594,445,222	-	-	-
Tanage handling charge		73,356,611	37,011,408	39,000,458	14,555,640	14,553,470	7,229,786
Depreciation on plant and machineries	4.1	886,153,590	493,563,110	480,164,471	396,161,361	353,188,541	202,915,269
General consumables		207,156,014	105,391,335	127,901,426	149,824,277	82,875,591	179,904,321
Lube oil and testing expenses		277,051,934	160,190,687	130,951,798	92,566,116	77,180,676	34,913,582
Salaries and allowances		175,678,673	133,902,276	80,507,082	107,486,815	101,382,782	40,026,207
Insurance premium		68,559,447	34,751,157	34,375,067	17,725,990	16,746,319	45,786,510
Daily labor charges		16,995,025	11,229,165	7,733,496	9,924,965	8,257,143	8,474,411
Lease land rental		2,569,501	2,536,106	1,284,503	2,569,501	2,536,106	4,141,586
Security service expenses		12,898,496	10,325,256	6,382,210	6,219,680	5,316,509	1,618,188
BERC license fees		752,384	999,887	110,365	476,384	434,087	1,828,294
Environmental compliance		729,809	554,445	319,999	479,660	434,385	247,031
ISO certification		159,333	604,240	91,833	112,500	604,240	247,955
Plant maintenance expenses		74,513,988	76,283,783	40,477,094	52,575,631	58,285,533	515,000
Employee welfare		303,565	304,044	195,044	204,216	-	25,293,840
		15,460,197,191	6,043,119,870	5,292,823,108	2,472,365,376	2,448,742,928	1,076,767,485

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Other income, net

Sale of empty lube oil drums and HFO sludge	15,883,978	706,202	10,196,969	108,469	4,179,158	706,202	709,722	370,588
Gain/(loss) from disposal of assets	325,120	-	(75,880)	-	401,000	-	-	-
Dividend income	191,437,348	350,917,048	191,437,348	350,917,048	216,937,348	350,917,048	216,937,348	350,917,048
Miscellaneous, net of expenses	48,000	4,839,461	-	4,839,461	48,000	-	-	-
	207,694,446	356,462,711	201,558,457	355,864,978	221,585,506	351,623,250	217,847,070	351,287,636

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General and administrative expenses

Salaries and allowances	53,465,841	47,051,423	23,699,108	16,292,988	48,758,590	47,039,073	21,587,674	16,289,368
Gratuity	9,074,500	7,724,500	4,537,250	4,146,250	8,003,500	7,110,000	4,001,750	4,176,250
Directors and CEO's remuneration	21,426,068	20,470,275	11,731,946	13,646,950	21,426,068	20,470,275	11,731,946	13,646,850
Tax on directors remuneration	7,548,524	10,296,960	4,590,885	2,655,765	7,548,524	10,296,960	4,590,885	2,655,765
Security service and contractual workers	19,846,098	12,823,685	10,655,215	6,266,990	16,780,152	12,217,213	9,340,086	5,946,504
Education and training	812,554	283,043	515,415	149,778	745,169	283,043	510,580	149,778
Employee welfare	61,062	273,341	11,764	173,880	56,879	233,035	10,061	140,063
Annual General Meeting expenses	3,462,328	6,493,262	3,462,328	6,325,512	3,462,328	6,493,262	3,462,328	6,325,512
Extra-ordinary General Meeting expenses	-	489,700	-	489,700	-	489,700	-	489,700
Board meeting attendance fees	2,171,859	952,147	2,171,859	163,303	894,425	564,701	894,425	(24,710)
Board meeting other expenses	59,876	424,000	59,976	424,000	20,000	380,000	20,000	380,000
Audit committee meeting attendance fees	626,566	80,000	626,566	-	305,551	80,000	305,551	-
Communication	4,814,966	5,123,695	2,815,674	3,111,366	3,600,117	3,718,733	2,229,305	1,956,324
Travelling and conveyance	4,795,875	3,325,654	1,957,464	1,842,027	2,177,078	2,526,349	956,998	1,513,283
Vehicle fuel and maintenance	8,852,091	6,623,465	4,715,803	2,812,814	6,548,715	6,236,863	3,554,749	2,610,825
Entertainment	9,807,713	6,699,433	4,593,864	2,769,665	5,874,982	5,394,130	2,930,191	2,264,842
Food and lodging	1,736,871	683,514	574,916	360,749	464,214	431,447	210,838	228,375
Printing and stationery	1,638,671	2,004,167	925,440	982,163	1,247,514	1,737,876	685,255	884,581

In BDT	Note	Consolidated				Separate			
		July 2018 to	July 2017 to	October 2018 to	October 2017 to	July 2018 to	July 2017 to	October 2018 to	October 2017 to
		December 2018	December 2017	December 2018	December 2017	December 2018	December 2017	December 2018	December 2017
		[Restated]	[Restated]	[Restated]	[Restated]	[Restated]			[Restated]
Office expenses		1,152,577	754,140	760,954	374,122	962,415	664,457	589,590	341,819
General repair and maintenance		15,529,159	4,714,572	8,097,792	2,147,565	11,366,415	3,591,104	5,646,239	1,779,895
Land lease rental		15,367	-	7,683	-	15,367	-	7,683	-
Rent, rates and taxes		3,899,787	3,424,890	1,705,646	(726,744)	2,110,733	3,065,291	896,071	(1,223,944)
Utility expenses		2,167,961	1,409,036	1,105,654	(378,028)	1,535,194	1,175,894	723,508	(1,098,094)
Insurance premium		1,374,283	969,235	744,389	670,443	1,374,283	969,235	744,389	670,443
Advertisement and publicity		3,443,327	1,853,832	3,173,610	508,039	2,976,912	1,853,832	2,707,195	508,039
Gift and compliments		344,637	273,862	105,542	66,650	164,650	253,862	50,500	56,650
Donation and subscription		23,389,014	20,798,642	10,697,023	8,292,534	14,708,244	19,719,157	8,671,813	7,291,049
Audit fee		-	194,750	-	194,750	-	-	-	194,750
Legal and professional consultancy fees		10,402,702	13,402,746	6,157,807	8,030,386	6,551,286	11,300,304	3,878,514	7,342,344
Uniform and liveries		4,054,804	3,645,120	3,603,324	1,200,990	2,203,717	2,610,220	2,084,637	165,990
Credit rating fees		695,116	-	427,616	-	-	-	-	-
Depreciation	4.1	31,105,600	29,528,940	15,704,639	14,992,260	25,203,963	27,082,732	12,618,669	13,654,968
Amortisation	5	346,632	298,650	173,316	215,316	346,632	298,650	173,316	215,316
Annual fees		5,346,907	1,741,459	3,871,001	358,581	3,078,310	1,130,914	2,333,311	74,540
Bad debt expense		-	5,347,486	-	911,955	-	-	-	-
Business Development expenses		8,959,732	6,066,284	5,339,456	1,837,980	5,102,418	5,025,691	3,290,122	(4,435,531)
Inauguration Ceremony		1,376,942	-	400,188	-	-	-	-	1,484,200
Miscellaneous		31,409	11,884	28,051	(28,521)	116	-	58	-
		263,837,319	226,257,792	139,749,164	101,282,478	205,614,561	204,638,753	111,438,237	86,625,339
Net finance costs									
Finance Income									
Interest on FDR		167,768,423	89,781,020	73,629,968	33,101,679	114,159,082	89,781,020	51,888,370	33,101,679
Interest on STD		15,211,536	34,689,850	13,242,360	34,689,850	8,683,467	3,855,163	8,669,371	3,855,163
Foreign exchange gain/(loss)		46,594,255	(153,322,231)	(19,896,546)	(134,112,296)	554,795	9,959,969	700,271	12,603,704
		229,574,214	(28,851,361)	66,975,782	(66,320,767)	123,397,344	103,596,152	61,258,012	49,560,546
Finance expenses									
<i>Interest on loan</i>									
Bank loan and overdraft		227,963,314	-	110,612,216	-	-	-	-	-
Foreign project loan		217,025,979	180,722,551	112,022,587	91,754,751	-	-	-	-
Dividend on redeemable preference shares		41,250,000	41,937,500	20,625,000	20,854,167	-	-	-	-
		486,239,293	222,660,051	243,259,803	112,608,918	-	-	-	-
Others									
Bank charges and others		4,330,883	2,714,822	3,503,568	1,225,495	2,082,129	2,663,107	1,404,975	1,218,498
Bank guarantee commission		4,635,975	7,976,659	2,853,478	5,783,007	789,409	7,107,259	535,121	5,348,307
Amortisation on ARO		1,550,280	1,259,602	775,140	634,801	1,550,280	1,259,602	775,140	634,801
Operation and insurance bond commission		620,094	1,225,753	213,976	558,406	620,094	1,225,753	213,976	558,406
Amortisation of transaction costs		103,733,512	8,998,560	64,514,007	4,499,280	-	-	-	-
Agency fees		5,419,810	5,091,437	2,716,802	2,870,464	-	-	-	-
		120,290,554	27,276,833	74,576,971	15,571,453	5,041,912	12,265,721	2,929,212	7,760,012
Finance expenses		606,529,847	249,936,884	317,836,774	128,180,371	5,041,912	12,265,721	2,929,212	7,760,012
Net finance income/(costs)		(376,955,633)	(278,788,245)	(250,860,992)	(194,501,138)	118,355,432	91,330,431	58,328,800	41,800,534

In BDT	Note	Consolidated				Separate			
		July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2018 to December 2018	October 2017 to December 2017 [Restated]	July 2018 to December 2018	July 2017 to December 2017 [Restated]	October 2018 to December 2018	October 2017 to December 2017 [Restated]
32	Income tax expenses								
	Current tax expenses	12,614,932	12,485,951	800	12,485,951	-	-	-	-
	Deferred tax expense/(income) recognised directly in profit	32.1	6,731,050	7,918,911	-	5,928,079	(1,471,255)	6,928,517	(1,471,255)
		19,345,982	10,799,621	7,919,711	12,485,951	5,928,079	(1,471,255)	6,928,517	(1,471,255)
32.1	Deferred tax expense/(income)								
	Deferred tax assets/(liabilities)								
	Opening balance	34,821,425	23,248,750	37,951,325	23,248,750	30,092,575	21,668,500	32,435,325	21,668,500
	Closing balance	31,974,453	24,860,530	31,974,453	24,860,530	26,849,121	22,829,130	26,849,121	22,829,130
		2,846,972	(1,611,780)	5,976,872	(1,611,780)	3,243,454	(1,160,630)	5,586,204	(1,160,630)
	Deferred tax attributable to actuarial (gain)/loss recognised directly in equity	32.2	3,884,078	1,942,039	(74,550)	2,684,625	(310,625)	1,342,313	(310,625)
		6,731,050	(1,686,330)	7,918,911	(1,686,330)	5,928,079	(1,471,255)	6,928,517	(1,471,255)
32.2	Other comprehensive income - net of tax								
	Actuarial (gain)/loss on defined benefit plans	22.1	14,165,500	7,082,750	(568,000)	10,738,500	(1,242,500)	5,369,250	(1,242,500)
	Deferred tax expense/(income) for actuarial loss on defined benefit plans		(3,884,078)	(1,942,039)	74,550	(2,684,625)	310,625	(1,342,313)	310,625
		10,281,422	(493,450)	5,140,711	(493,450)	8,053,875	(931,875)	4,026,937	(931,875)
33	Earnings per share (EPS)								
33.1	Basic earnings per share								
	Profit attributable to the ordinary shareholders (basic)	2,710,791,446	2,519,635,338	1,278,718,229	1,383,333,471	1,948,225,840	2,139,181,556	1,025,101,690	1,273,962,871
	Weighted average number of shares outstanding (basic)								
	Ordinary shares fully outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
	Earnings per share (EPS)	2.54	2.36	1.20	1.30	1.82	2.00	0.96	1.19

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated in case of bonus share by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

Notes to the financial statements (Continued)

34 Net asset value per share (NAVPS)

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2018	30 June 2018	31 Dec 2018	30 June 2018
Net asset value	32,724,624,058	33,378,267,981	29,171,344,933	30,589,625,148
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)	30.64	31.26	27.32	28.65

35 Net operating cash flows per share (NOCFPS)

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Dec 2018	July 2017 to Dec 2017 [Restated]	July 2018 to Dec 2018	July 2017 to Dec 2017 [Restated]
Net cash from operating activities	1,711,126,987	2,326,631,552	1,032,216,463	1,447,830,278
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net operating cash flows per share (NOCFPS)	1.60	2.18	0.97	1.36

36 Reconciliation of profit after income tax with net cash from operating activities

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Sept 2018	July 2017 to Sept 2017 [Restated]	July 2018 to Sept 2018	July 2017 to Sept 2017 [Restated]
Profit after income tax	3,832,338,763	2,637,413,217	1,948,225,840	2,139,181,556
Adjustments for:				
Depreciation	917,259,190	258,567,055	421,365,324	186,711,984
Amortisation	346,632	298,650	346,632	298,650
Finance expenses - Unrealised forex (gain)/loss	(273,746,297)	(307,874,716)	(4,047,616)	(130,428,120)
Income tax expenses - Deferred tax income	6,731,050	(1,686,330)	5,928,079	(1,471,255)
Actuarial gain/(loss) on gratuity valuation	(14,165,500)	568,000	(10,738,500)	1,242,500
Share of profit of equity-accounted investees	209,460,081	268,978,260	-	-
	845,885,156	218,850,918	412,853,919	56,353,759
Adjustments for items that are reclassified to investing and financing activities:				
Other income - (Gain)/loss from disposal of assets	(325,120)	-	(401,000)	-
Finance income - Interest on FDRs and STDs	(182,979,959)	(124,470,870)	(122,842,549)	(93,636,183)
Finance expenses - Interest on loan	486,239,293	222,660,051	-	-
	302,934,214	98,189,181	(123,243,549)	(93,636,183)
Changes in:				
Inventories	(70,250,839)	(740,933)	41,578,691	9,991,293
Trade receivables	(8,656,160,877)	(674,827,361)	(1,722,241,529)	(1,309,493,302)
Other receivables (except interest on FDR)	(191,204,226)	20,451,372	(191,204,226)	15,000,000
Advances, deposits and prepayments (except AIT)	(311,934,308)	27,808,884	(2,936,238)	39,302,292
Deferred liabilities	(10,290,738)	7,769,120	(11,423,537)	7,154,620
Trade payables	5,933,009,370	(26,075,238)	736,842,826	592,755,408
Other payables and accruals	38,030,011	17,792,392	(56,235,734)	(8,779,165)
	(3,268,801,607)	(627,821,764)	(1,205,619,747)	(654,068,854)
Cash generated from operating activities	1,712,356,526	2,326,631,552	1,032,216,463	1,447,830,278
Income tax paid	-	-	-	-
Net cash from operating activities	1,712,356,526	2,326,631,552	1,032,216,463	1,447,830,278

Notes to the financial statements (Continued)

37 Related party transactions

The Group/Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of BAS 24: *Related party disclosures*.

In BDT	Nature of transaction	Group				Company			
		Transaction value		Balance outstanding at		Transaction value		Balance outstanding at	
		1 July 2018 to 31 Dec 2018	1 July 2017 to 30 June 2018	31 Dec 2018	30 June 2018	1 July 2018 to 31 Dec 2018	1 July 2017 to 30 June 2018	31 Dec 2018	30 June 2018
Parent									
SCL	Building maintenance	(6,645,235)	(4,892,106)	(1,225,452)	2,419,783	(6,645,235)	(4,892,106)	(1,225,452)	2,419,783
Subsidiary									
SBPL	Financial support	-	-	-	-	32,492,202	161,169,064	95,721,871	63,229,669
SNPUIL	Financial support	-	-	-	-	12,911,146	88,748,970	59,198,561	46,287,415
AAPL	Financial support	-	-	-	-	114,880,156	249,113,023	2,618,791	117,498,947
SGIPL	Financial support	-	-	-	-	217,119,350	263,719,258	239,619,690	22,500,340
Related parties									
SOSCL	HFO consumption	(13,034,625,400)	(9,511,301,016)	(9,272,383,357)	(3,372,377,689)	(1,595,811,998)	(2,259,887,777)	(1,186,931,663)	(466,466,497)
SOSCL	Tankage handling fee	(73,356,611)	(80,203,664)	(47,671,102)	(25,893,660)	(14,556,640)	(29,089,193)	(4,811,766)	(2,425,065)
Summit Holdings Limited	Lease rental	(116,383)	(232,765)	2,021,963	2,254,728	(232,765)	(232,765)	2,021,963	2,254,728
Cosmopolitan	Internet service provider	(919,800)	(1,007,400)	(153,300)	(167,900)	(667,800)	(731,400)	(111,300)	(121,900)
Communications Limited	Dividend	25,500,000	(1,007,400)	-	-	25,500,000	-	-	-
Summit Meghnaghat Power Company Limited	Dividend	191,204,226	350,541,004	191,204,226	-	191,204,226	350,541,004	191,204,226	-
Others									
KPCL	Dividend	191,204,226	350,541,004	191,204,226	-	191,204,226	350,541,004	191,204,226	-

Notes to the financial statements (Continued)

38 Significant accounting policies

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

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

A	Basis of consolidated and separate financial statements
B	Property, plant and equipment
C	Intangible assets
D	Leased assets
E	Inventories
F	Provisions
G	Contingencies
H	Employee benefits
I	Taxation
J	Revenue
K	Foreign currency translation
L	Finance income and expenses
M	Financial instruments
N	Impairment
O	Earnings per share (EPS)
P	Dividend
Q	Statement of cash flows
R	Materiality and aggregation
S	Events after the reporting period

A Basis of consolidated and separate financial statements

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Name of Subsidiaries	% of controlling interest	% of non- controlling interests
Summit Barisal Power Limited	49	51
Summit Narayananj Power Unit II Limited	49	51
Summit Chittagong Power Limited	49	51
Ace Alliance Power Limited	64	36
Summit Gazipur II Power Limited	20	80

Summit Power Limited ("SPL") holds 49% shares in each of Summit Barisal Power Limited ("SBPL"), Summit Narayananj Power Unit II Limited ("SNPL II") and Summit Chittagong Power Limited ("SCPL") and 20% shares in Summit Gazipur II Power Limited ("SGIPL"). However, according to control procedures outlined in BFRS 10: Consolidated Financial Statements, SBPL, SNPL-II, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore, on this ground SPL treats these entities as its subsidiaries and consolidates these entities financial statements to its financial statements.

SPL also holds 64% shares in Ace Alliance Power Limited.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Notes to the financial statements (Continued)

ii) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with BFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2018, the Company has no such investments.

iii) Basis of preparation of separate financial statements

The Group has presented separate financial statements in addition to consolidated financial statements.

iv) Disclosure of interests in other entities

As a result of BFRS 12: *Disclosure of Interests in Other Entities*, the Group has extended its disclosures about its interests in subsidiaries and equity-accounted investees.

v) Business combination of subsidiaries with the Group entity

When any of the subsidiaries of Summit Power Limited (SPL) is amalgamated with the Group entity, this implies that the amalgamating company is ultimately controlled by the same party (i.e. SPL) both before and after the amalgamation. According to BFRS 3: *Business Combinations*, this is a common control transaction where control is not transitory. BFRS is silent in case of common control transaction. Therefore, in such cases, all assets and liabilities from the amalgamating company are transferred to the books of the Group entity applying book value (carry-over basis) accounting instead of fair value under acquisition accounting approach as described in BFRS 3. Any difference between the consideration paid and interest acquired is recognised directly in equity.

B Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Applying the requirement of International Financial Reporting Interpretation Committee (IFRIC) 4: *Determining whether an Arrangement contains a Lease*, the Power Purchase Agreement (PPA) between the Company/Group units and BPDB/BREB can be said to contain a lease arrangement. This could be interpreted as resulting in the transfer of substantially all of the risks and rewards incidental to the ownership to the underlying assets (power plant) to the off taker (BPDB/BREB) who would effectively be the lessee. However, management concluded that the PPA does not transfer substantially all risks incidental to ownership as per the requirement of paragraph 17 of BAS 17. As such, all these lease arrangements are considered as an operating lease.

ii) Capitalisation of borrowing cost

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with BAS 23: *Borrowing Costs*. Capitalisation of borrowing costs ceases upon receipt of independent engineers' report which, in accordance with Power Purchase Agreement, confirms the availability of plants for use.

iii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company/Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

iv) Revaluation of land and plant and machinery

The Company and the Group units have revalued the plant and machinery, civil works and land of their own units on various dates. The Company/Group transfers the excess depreciation on revalued assets to retained earnings.

Notes to the financial statements (Continued)

v) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each item of property, plant and equipment including leased assets except land and land developments. Land and land developments are not depreciated.

Plant and machinery are depreciated from the month in which the asset comes into use or is capitalised other than revalued plant and machinery which are depreciated from the calendar year following the year of revaluation. According to the Power Purchase Agreement independent engineers' report confirms the availability of plants for use. Other items of property, plant and equipment continue to be depreciated from the month immediately following the month on which the asset comes into use or is capitalised. In case of disposals, depreciation is charged for full month in the month of disposal.

Depreciation of power plant has been charged considering 30 years useful life and residual value of 2% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 5 to 15 years as stated in the Power Purchase Agreement (PPA). According to PPA the management can apply for extension of the agreement two years before the expiry of the agreement and management has decided to exercise this option unless it would clearly be not in the interest of the Company/Group at that stage except Madanganj power plant.

The estimated useful lives of property, plant and equipment as determined have been shown below:

<i>In Years</i>	2018	2017
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Motor vehicles	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery:		
Main transformer	20	20
Genset	30	30
Electrical substation	20	20
Mechanical parts	30	30
Balance of plant (BOP)	30	30
Critical and capital spare parts	2 to 30	2 to 30

vi) Retirements and disposals

An asset is derecognised upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset under other income in statement of profit or loss and other comprehensive income.

vii) Asset retirement obligations

Asset retirement obligations are recognised when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related property, plant and equipment. The amount recognised is the estimated cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The periodic unwinding of the discount is recognised in statement of profit or loss and other comprehensive income as a finance cost as it occurs.

viii) Capital work in progress

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service. In case of import of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Company/Group, i.e. at the time shipment is confirmed by the supplier.

Notes to the financial statements (Continued)

ix) Spare parts

Spare parts consist of critical and capital spare parts. Critical and capital spare parts are those which are used particularly for scheduled and unscheduled maintenance and overhauling. These are depreciated over their estimated useful lives. For critical spare parts, depreciation starts from the date of acquisition. For capital spare parts, depreciation starts from the date of use as part of plant and machineries.

C Intangible assets

i) Recognition and measurement

Intangible assets that are acquired by the Company/Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per BAS 38: *Intangible assets* are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in statement of profit or loss and other comprehensive income as incurred.

iii) Amortisation

IT software and brand are amortised over 5 and 30 years respectively from the month immediately following the month in which the asset comes into use or is capitalised. In case of disposals, amortisation is charged for full month in the month of disposal. The brand represents a payment made by the Summit Power Limited in 2008 to Summit Corporation Limited to use name and other intellectual properties of Summit Corporation Limited.

D Leased assets

Finance lease

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Each lease payment is allocated to the principal amount and to the finance charges in a such a way to achieve a constant rate on the finance balance outstanding.

i) Recognition and measurement

Finance leases have been recognised as assets and liabilities in the statement of financial position at amounts equal at the inception of lease to the lower of fair value of leased property and present value of minimum lease payments. The interest implicit in the lease has been spread equally over the lease term.

ii) Depreciation

Finance leases give rise to depreciation expense for a depreciable asset as well as a finance expense for each accounting year. The depreciation policy for depreciable assets is consistent with that for depreciable assets which are owned.

Operating lease

All leases other than those which meet the definition of finance lease are treated as operating lease and are not recognised in the statement of financial position. Payments made under operating leases are charged to the statement of profit or loss and other comprehensive income.

E Inventories

Inventories include consumable-others, lubricant oil, chemicals and general consumables. These are for use in the operation and maintenance of power plants. Inventories are measured at lower of cost and net realisable value less allowance for obsolescence. Cost is calculated on First In First Out (FIFO) basis.

Notes to the financial statements (Continued)

F Provisions

A provision is recognised on the date of statement of financial position if, as a result of past events, the Company/Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation except the amount payable for letter of credit.

G Contingencies

i) Contingent liability

Contingent liability is a possible obligation that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company/Group.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

ii) Contingent asset

Contingent asset is a possible asset that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company/Group.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

H Employee benefits

The Company/Group maintains both defined benefit plan (gratuity), defined benefit plan (leave encashment) and defined contribution plan (Contributory Provident Fund) plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective employee benefit policies.

i) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company/ Group's net obligation in respect of defined benefit gratuity plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets are deducted. The Company/Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

The discount rate is the yield at the reporting date on that have maturity dates approximating the terms of the Company/Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company/Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Company/Group. An economic benefit is available to the Company/Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, The Company/Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Company/Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Company/Group in connection with the settlement.

Gratuity scheme operated by the Company/Group is not recognised by the National Board of Revenue.

Notes to the financial statements (Continued)

ii) Defined benefit plan (leave encashment)

The Company/Group accrues annual leave for each permanent employee, if one does not avail the leave, at 1.5 times of basic salary. The upper limit is 20 days accrual per year per employee.

iii) Defined contribution plan (provident fund)

The Company/Group operates Contributory Provident Fund (CPF) for all its permanent employees, which is a defined contribution plan. The provident fund is administered by the Board of Trustee and is funded by contributions from employees and from the Company/Group at 10% of the basic pay. These contributions are invested separately from the Company's/Group's business. This fund is recognised by National Board of Revenue.

iv) Workers' Profit Participation Fund (WPPF)

According to the Labour Act 2006 (amended in 2013) ("the Act"), any company that fulfills the prescribed criterion of this Act is required to set up a workers' profit participation and welfare fund. With effect from 1 January 2014 the management of the Company/Group underwent an internal human resource restructuring exercise. The Company/Group employs only managers and all of their employees are part of the management authority entrusted with managerial responsibilities and all other services are outsourced. As such, the Company/Group does not have any "beneficiary" for the purpose of the Act and therefore no such fund is required to be created. This is supported by opinion obtained by the Company/Group from external legal counsel.

Notes to the financial statements (Continued)

I Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income. However, no income tax is payable on gains from power companies share sale.

Qualifying power generation companies in the Group are given tax exemptions for certain years beginning with the month of Commercial Date of Operation ("COD"). The summary of tax exemptions for the power plants operated in the Group are as below:

Entity	Name of the plant/facility	Location	Tax provision status	Period	Expiry
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar, Dhaka	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	Tax exemption on all income	15 years since commercial operation date	3-Dec-2022
	Madhabdi Power Plant (Unit-1)	Narsingdi	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Madhabdi Power Plant (Unit-2)	Narsingdi	Tax exemption on all income	15 years since commercial operation date	15-Dec-2021
	Chandina Power Plant (Unit-1)	Comilla	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Chandina Power Plant (Unit-2)	Comilla	Tax exemption on all income	15 years since commercial operation date	14-Nov-2021
	Maona Power Plant	Gazipur	Tax exemption on all income	15 years since commercial operation date	11-May-2024
	Ullapara Power Plant	Sirajganj	Tax exemption on all income	15 years since commercial operation date	2-Mar-2024
	Jangalia Power Plant	Comilla	Tax exemption on all income	15 years since commercial operation date	8-Jun-2024
	Rupganj Power Plant	Narayanganj	Tax exemption on all income	15 years since commercial operation date	24-Jun-2024
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-1)	Narayanganj	Tax exemption on all income	10 years since commercial operation date	31-Mar-2021
	Madanganj Power Plant (Unit-2)	Narayanganj	Tax exemption on income from power generation only	15 years since commercial operation date	28-Feb-2031
Summit Barisal Power Company Limited	Barisal Power Plant	Barisal	Tax exemption on income from power generation only	15 years since commercial operation date	4-Apr-2031
Summit Gazipur II Power Limited	Gazipur Power Plant (Unit-2)	Kodda, Gazipur	Tax exemption on income from power generation only	15 years since commercial operation date	9-May-2033
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	Tax exemption on income from power generation only	15 years since commercial operation date	12-Jun-2033

* In case of Madanganj (Unit-1) Power Plant, no provision is required for income tax on the Company's profits as the BPDB is responsible for payment of income taxes, other taxes, VAT, duties, levies and all other charges imposed inside Bangladesh on any payments made by BPDB to the Company for a period of 5 years from start of its commercial operation, which has also been extended for further 5 years.

i) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous periods as per Income Tax Ordinance 1984.

ii) Deferred tax

Deferred tax is recognised in compliance with BAS 12: Income Taxes, providing temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company has examined precedents of tax assessments completed for a power company post its tax exemption period, which consistently show accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment. On that basis, the Company has not considered any deferred tax relating to its property, plant and equipment in the preparation of these financial statements.

Notes to the financial statements (Continued)

J Revenue

Revenue is recognised in the profit or loss upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprises capacity payments and energy payments. Capacity component of revenue is recognised according to the terms set out in the PPA. Energy component of revenue is calculated based on electricity delivered.

K Foreign currency translation

Foreign currency transactions are translated into functional currency at the rates ruling on the transaction date. All monetary assets and liabilities at the statement of financial position date are retranslated using rates prevailing on that day. Effects of currency translation are recognised in the statement of profit or loss and other comprehensive income and also presented as currency translation reserve in the statement of financial position.

L Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised on accrual basis.

Finance expenses comprise interest expense on loans, overdraft and finance lease, dividend on redeemable preference shares, forex gain/(loss) and all types of bank charges. All borrowing costs are recognised in profit or loss using effective interest method except to the extent that they are capitalised during construction period of the plants in accordance with BAS 23: *Borrowing costs*.

M Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:

i Financial assets

The Company/Group initially recognises receivables on the date that they are originated. All other financial assets are recognised initially on the date at which the Company/Group becomes a party to the contractual provisions of the transaction.

The Company/Group derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents except cash in hand, trade receivables, other receivables, available-for-sale financial assets and deposits.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and fixed deposits receipt which are held and available for use by the Company/Group without any restriction. For the purposes of statement of cash flow, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's/Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivables consists of unpaid bills receivable from Bangladesh Rural Electrification Board ("BREB") and Bangladesh Power Development Board ("BPDB"). Trade receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowances for doubtful receivables at the year-end.

Notes to the financial statements (Continued)

Other receivables

Other receivables are stated at amounts which are considered realisable.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale by management. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Deposits

Deposits are measured at payment value.

ii Financial liabilities

Financial liabilities are recognised initially on the transaction date at which the Company/Group becomes a party to the contractual provisions of the liability except the amount payable for letter of credit. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include project loan, redeemable preference shares, trade payables, intercompany payables and other current liabilities.

Project loan

Principal amounts of the loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

Trade and other payables

Trade payables consist of unpaid bills payable to different parties for heavy fuel oil, lubricant consumption and plant maintenance services. Other payables consist of payable for general & administrative transactions. The Company/Group recognises a payable when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The Company has not withheld any tax on its dividend paid to immediate parent company as it has been paid out from tax exempted power generation business. Any distribution received from tax exempted profit will be treated as tax free income in the hands of shareholders. This has been substantiated in the judgment of the Appellate Division of Honourable Supreme Court of Bangladesh in the reported case of Commissioner of Income Tax vs. Masuda Khatun (1982) 34 DLR (AD) 85 and legal opinions from prominent legal counsels.”

Redeemable preference shares

Formerly, Summit Purbanchol Power Company Limited and Summit Uttaranchol Power Company Limited (which have been amalgamated with Summit Power Limited) had issued redeemable preference shares in 2010. Later, Summit Barisal Power Limited and Summit Narayananj Power Unit II Limited also issued redeemable preference shares in 2017. As per BAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Offsetting financial asset and financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company/Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the financial statements (Continued)

N Impairment

i) Financial assets

Receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(ii) Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company/Group assesses at each reporting date whether there is any indication that an asset or a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company/Group estimates the recoverable amount of the asset or CGU. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in profit or loss and other comprehensive income, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease. As at 30 September 2018, the assessment of indicators of impairment reveals that impairment testing is not required for the Company/Group.

(iii) Inventories

Inventories are measured at the lower of cost and net realisable value. These are for use in the operation and maintenance of power plants. As inventories are for internal use, the value is unlikely to diminish.

O Earnings per share (EPS)

The Company/Group represents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company/Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by the adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares.

P Dividend

Final dividend distribution to the Company's/Group's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the Company's/Group's shareholders at the Annual General Meeting, while interim dividend distribution is recognised in the year in which the dividend is declared and paid.

Q Statement of cash flows

Cash flows from operating activities have been presented under direct method as per BAS 7: *Statement of Cash Flows*.

R Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

S Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

Notes to the financial statements (Continued)

39 Standards issued but not yet effective

In January 2018 the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted. However, the Company has not early applied the following new standards in preparing these financial statements.

(i) IFRS 9 Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of the financial instruments, a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact of IFRS 9 on its financial statements.

(ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRS 13 *Customer Loyalty Programmes*. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact of IFRS 15 on its financial statements.

(iii) IFRS 16 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance including IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases—Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16. The Company is assessing the potential impact of IFRS 16 on its financial statements.