

bKash Limited

Financial statements as at and
for the period ended 30 September 2017

bKash Limited
Statement of financial position

In Taka	Note	30 September 2017	31 December 2016
Assets			
Property, plant and equipment	1	750,053,668	708,337,120
Intangible assets	2	432,001,292	269,453,715
Deferred tax assets	3	138,626	1,338,020
Non-current assets		1,182,193,586	979,128,855
Operational and other receivables	4	851,751,673	219,966,379
Advances, deposits and prepayments	5	297,002,208	218,267,016
Advance income tax	6	437,670,154	366,946,533
Airtime balance	7	698,410,212	797,587,267
Restricted cash and cash equivalents	8	19,422,116,552	17,506,568,895
Investment in Fixed deposits	9	1,571,800,000	1,620,000,000
Cash and cash equivalents	10	233,642,274	299,582,196
Current assets		23,512,393,073	21,028,918,286
Total assets		24,694,586,658	22,008,047,141
Equity			
Ordinary shares	11	38,194,900	38,194,900
Convertible preference shares	12	4,097,000	4,097,000
Share premium	13	2,133,618,396	2,133,618,396
Share money deposit	14	505,162	505,162
Retained earnings		780,105,035	415,549,081
Total equity		2,956,520,493	2,591,964,539
Liabilities			
Employee benefits	15	150,265,120	118,480,000
Other non-current liabilities	19	7,145,802	7,145,802
Finance lease liabilities - non-current	20	45,281,260	18,519,200
Non-current liabilities		202,692,182	144,145,002
Customer deposits	16	13,659,495,643	11,487,721,167
Other deposits	17	5,652,393,743	5,800,892,990
Operational and other payables	18	633,040,006	672,970,358
Finance lease liabilities - current	20	17,097,265	6,206,558
Grant funds	21	35,508,405	49,464,389
Accrued expenses	22	961,119,936	902,986,476
Provision for tax	23	576,718,985	351,695,662
Current liabilities		21,535,373,983	19,271,937,600
Total liabilities		21,738,066,164	19,416,082,602
Total equity and liabilities		24,694,586,658	22,008,047,141

The notes 1 to 30 are an integral part of these financial statements.

Dhaka, 18 October 2017


Chief Executive Officer

Kamal S Quadir
Chief Executive Officer
bKash Limited


Chief Financial Officer

Molnuddin Mohammed Rahgir
Chief Financial Officer
bKash Limited

bKash Limited
Statement of profit or loss and other comprehensive income

For the period ended 30 September 2017

In Taka	Note	January - September 2017	January - September 2016	July - September 2017	July - September 2016
Gross revenue		12,020,462,205	10,040,856,576	3,852,633,466	3,371,572,630
Less: VAT		1,525,797,806	1,275,548,605	487,423,146	427,441,276
Net revenue	24	10,494,664,399	8,765,307,971	3,365,210,319	2,944,131,355
Cost of services	25	(8,322,534,496)	(7,119,645,074)	(2,655,980,211)	(2,367,869,475)
Gross profit		2,172,129,903	1,645,662,897	709,230,108	576,261,880
Other income	26	1,002,801,080	808,425,435	355,363,293	296,795,693
Donor grants	29	15,651,552	28,388,209	13,583,707	-
Operating and administrative expenses	27	(1,766,850,815)	(1,339,195,764)	(649,042,814)	(544,336,432)
Marketing and promotional expenses	28	(783,190,787)	(676,348,067)	(230,568,024)	(216,969,992)
Utilisation of donor grants	29	(15,651,552)	(28,388,209)	(13,583,707)	-
Foreign exchange loss		(4,571,775)	(265,074)	(1,742,946)	(16,603)
Profit before contribution to WPPF		620,317,605	438,279,427	183,239,617	111,734,546
Contribution to WPPF		(29,538,934)	(20,870,449)	(8,725,696)	(5,320,693)
Profit before tax		590,778,671	417,408,978	174,513,921	106,413,853
Income tax expenses	30	(226,222,717)	(164,716,945)	(69,835,889)	(41,970,549)
Net profit		364,555,954	252,692,033	104,678,032	64,443,304

The notes 1 to 30 are an integral part of these financial statements.

Dhaka, 18 October 2017



Chief Executive Officer

Kamal S Quadir
Chief Executive Officer
bKash Ltd



Chief Financial Officer

Moinuddin Mohammed Rahgir
Chief Financial Officer
bkash Limited

bKash Limited
Statement of changes in equity

In Taka	Ordinary shares	Convertible preference shares	Share premium	For the period ended 30 September 2017		Total equity
				Share money deposit	Retained earnings	
Balance at 1 January 2017	38,194,900	4,097,000	2,133,618,396	505,162	415,549,081	2,591,964,539
Total comprehensive income						
Profit for the period	-	-	-	-	364,555,954	364,555,954
Other comprehensive income/(expense) - net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	364,555,954	364,555,954
Balance at 30 September 2017	38,194,900	4,097,000	2,133,618,396	505,162	780,105,035	2,956,520,493

In Taka	Ordinary shares	Convertible preference shares	Share premium	For the year ended 31 December 2016		Total equity
				Share money deposit	Retained earnings	
Balance at 1 January 2016	38,194,900	4,097,000	2,133,618,396	505,162	80,396,610	2,256,812,068
Total comprehensive income						
Profit for the year	-	-	-	-	386,541,471	386,541,471
Other comprehensive income/(expense) - net of tax	-	-	-	-	(51,389,000)	(51,389,000)
Total comprehensive income	-	-	-	-	335,152,471	335,152,471
Balance at 31 December 2016	38,194,900	4,097,000	2,133,618,396	505,162	415,549,081	2,591,964,539

The notes 1 to 30 are an integral part of these financial statements.

bKash Limited
Statement of cash flows

For the period ended 30 September 2017

In Taka	2017	2016
Cash flows from operating activities		
Cash receipt from customers	12,529,712,137	12,662,239,187
Cash paid to suppliers, employees and others	(10,565,008,959)	(9,332,984,129)
Cash generated from operating activities	1,964,703,179	3,329,255,058
Interest received from deposits	360,938,844	266,739,038
Income taxes paid	(70,723,621)	(52,718,404)
Net cash flows from operating activities	2,254,918,402	3,543,275,692
Cash flows from investing activities		
Acquisition of property, plant and equipment	(277,299,309)	(100,167,710)
Acquisition of intangible assets	(167,972,122)	(13,936,069)
Encashment of fixed deposits	48,200,000	500,000,000
Net cash used in investing activities	(397,071,431)	385,896,221
Cash flows from financing activities		
Finance lease liabilities - non-current	(8,239,236)	(1,436,440)
Net cash used in financing activities	(8,239,236)	(1,436,440)
Net increase in cash and cash equivalents	1,849,607,735	3,927,735,473
Cash and cash equivalents (including restricted cash and cash equivalents) at 1 January	17,806,151,091	11,478,010,236
Cash and cash equivalents including restricted cash and cash equivalents as at 30 September	19,655,758,826	15,405,745,709
Less: Restricted cash and cash equivalents	19,422,116,552	14,973,196,820
Cash and cash equivalents as at 30 September	233,642,274	432,548,888

The notes 1 to 30 are an integral part of these financial statements.

Notes to the financial statements

1 Property, plant and equipment

In Taka	IT equipment	Laptop & Computer	Motor vehicles	Motor vehicles- Leased	Office furniture	Office equipment	Leasehold Improvements	Work in progress	Total
Cost									
Balance at 1 January 2016	243,769,882	67,530,023	2,000,000	-	37,410,361	25,465,214	56,546,802	92,991,260	525,713,542
Additions	53,358,421	16,507,925	-	31,137,444	8,173,443	14,586,302	22,842,009	276,113,531	422,719,075
Reclassification	-	-	-	-	-	-	(1,110,364)	(62,991)	(1,173,355)
Write off	(11,500)	(292,316)	-	-	(2,328,799)	(782,545)	-	-	(3,415,160)
Transfer from work in progress	92,928,269	-	-	-	-	-	-	(92,928,269)	-
Balance at 31 December 2016	390,045,072	83,745,632	2,000,000	31,137,444	43,255,005	39,268,971	78,278,447	276,113,531	943,844,102
Balance at 1 January 2017	390,045,072	83,745,632	2,000,000	31,137,444	43,255,005	39,268,971	78,278,447	276,113,531	943,844,102
Additions	68,162,894	6,247,032	-	50,511,159	5,544,453	6,427,510	1,595,073	50,778,280	189,266,400
Reclassification	-	-	-	-	-	-	-	(35,155,647)	(35,155,647)
Write off & adjustments	-	(1,617,395)	-	-	(245,000)	(141,000)	-	(3,170,058)	(5,173,453)
Transfer from work in progress	75,116,510	-	-	-	-	1,668,327	5,667,933	(82,452,770)	-
Balance at 30 September 2017	533,324,476	88,375,269	2,000,000	81,648,602	48,554,458	47,223,808	85,541,453	206,113,336	1,092,781,403
Accumulated depreciation									
Balance at 1 January 2016	78,923,884	23,968,343	1,999,999	-	3,768,486	8,903,914	3,137,234	-	120,701,860
Depreciation	60,523,691	28,177,238	-	3,130,833	4,257,394	6,290,203	13,831,869	-	116,211,228
Adjustments	-	-	-	-	-	-	(203,567)	-	(203,567)
Write off	(10,343)	(39,637)	-	-	(726,635)	(425,924)	-	-	(1,202,539)
Balance at 31 December 2016	139,437,232	52,105,944	1,999,999	3,130,833	7,299,245	14,768,193	16,765,535	-	235,506,982
Balance at 1 January 2017	139,437,232	52,105,944	1,999,999	3,130,833	7,299,245	14,768,193	16,765,535	-	235,506,982
Depreciation	61,895,899	15,772,235	-	8,641,819	3,464,302	6,560,318	12,599,554	-	108,934,127
Write off	-	(1,569,987)	-	-	(68,187)	(75,200)	-	-	(1,713,374)
Balance at 30 September 2017	201,333,131	66,308,192	1,999,999	11,772,653	10,695,360	21,253,311	29,365,089	-	342,727,735
Carrying amounts									
At 31 December 2016	250,607,840	31,639,688	1	28,006,610	35,955,760	24,500,778	61,512,912	276,113,531	708,337,120
At 30 September 2017	331,991,345	22,067,077	1	69,875,950	37,859,099	25,970,497	56,176,364	206,113,336	750,053,668

Notes to the financial statements (Continued)

2 Intangible assets

In Taka	Software	Work in progress	Total
Cost			
Balance at 1 January 2016	351,689,135	96,205,132	447,894,267
Additions	38,475,376	10,297,808	48,773,184
Reclassification, net	(6,452,003)	(9,989,415)	(16,441,419)
Transfer from work in progress	86,228,447	(86,228,447)	-
Balance at 31 December 2016	469,940,954	10,285,078	480,226,032
Balance at 1 January 2017	469,940,954	10,285,078	480,226,032
Additions	94,131,448	119,644,065	213,775,513
Reclassification	-	35,155,647	35,155,647
Writeoff	(110,516,999)	-	(110,516,999)
Transfer from work in progress	46,903,441	(46,903,441)	-
Balance at 30 September 2017	500,458,844	118,181,349	618,640,193
Accumulated amortisation			
Balance at 1 January 2016	112,997,031	-	112,997,031
Amortisation	97,775,287	-	97,775,287
Balance at 31 December 2016	210,772,318	-	210,772,318
Balance at 1 January 2017	210,772,318	-	210,772,318
Amortisation	86,383,582	-	86,383,582
Write Off	(110,516,999)	-	(110,516,999)
Balance at 30 September 2017	186,638,902	-	186,638,902
Carrying amounts			
At 31 December 2016	259,168,636	10,285,078	269,453,715
At 30 September 2017	313,819,943	118,181,349	432,001,292

Notes to the financial statements (Continued)

3 Deferred tax assets/(liabilities)

<i>In Taka</i>	<i>Note</i>	30 September 2017	31 December 2016
Balance at 1 January		1,338,020	(59,233,683)
Deferred tax income/(expense) for the year		(1,199,394)	60,571,703
Closing Balance		138,626	1,338,020

<i>In Taka</i>	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference
At 30 September 2017			
Property, plant and equipment	519,933,132	467,476,197	52,456,935
Intangible assets	313,819,943	206,180,621	107,639,321
Preliminary Expenses	-	10,227,211	(10,227,211)
Gratuity	150,265,120	-	(150,265,120)
Taxable/(deductible) temporary differences	984,018,195	683,884,029	(396,074)
Applicable tax rate			35%
Deferred tax assets			138,626
At 31 December 2016			
Property, plant and equipment	417,591,978	374,054,363	43,537,615
Intangible assets	259,168,637	176,992,723	82,175,915
Preliminary Expenses	-	11,056,445	(11,056,445)
Gratuity	118,480,000	-	(118,480,000)
Taxable/(deductible) temporary differences	795,240,615	562,103,531	(3,822,915)
Applicable tax rate			35%
Deferred tax assets			1,338,020

4 Operational and other receivables

<i>In Taka</i>	<i>Note</i>	30 September 2017	31 December 2016
Operational receivables			
Related party - BRAC Bank Limited		714,410	572,894
Other than related parties		675,852	12,589,877
		1,390,262	13,162,771
Less: Provision for doubtful debts		-	-
		1,390,262	13,162,771
Other receivables			
Accrued interest on fixed deposits		850,361,411	206,803,608
		851,751,673	219,966,379

5 Advances, deposits and prepayments

<i>In Taka</i>	<i>Note</i>	30 September 2017	31 December 2016
Advances			
Staffs		12,579,254	2,213,388
Suppliers		33,903,581	6,424,790
Office rent		102,420,574	94,900,273
VAT current account		1,533,881	1,127,271
		150,437,290	104,665,722
Deposits			
Deposit against rent		6,247,300	6,672,400
		6,247,300	6,672,400
Prepayments			
Expenses		78,709,634	55,116,195
Agent commission		61,607,984	51,812,699
		140,317,618	106,928,894
		297,002,208	218,267,016

6 Advance income tax

<i>In Taka</i>	<i>Note</i>	30 September 2017	31 December 2016
Balance at 1 January		366,946,533	225,305,584
Deducted at source		70,723,621	141,640,949
Closing Balance		437,670,154	366,946,533