

PRIVATE AND CONFIDENTIAL

Unique Hotel & Resorts Ltd.

Borak Mehnur (Level-15), 51/B Kemal Ataturk Avenue,
Banani, Dhaka-1213, Bangladesh

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Financial Statements & Auditor's Report
For the year ended June 30, 2022



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS

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Independent Auditor's Report To the Shareholders of UNIQUE HOTEL & RESORTS LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UNIQUE HOTEL & RESORTS LTD (the 'Company'), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

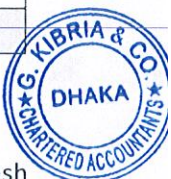
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	How our audit addresses the Key Audit Matter
<p>Recognition of Subsidiary from Consolidated Financial Statements</p> <p>For the year ended 30 June 2021, the Company had recognized an asset worth BDT 2,289,981,825 in subsidiary Unique Meghnaghat Power Limited which represented 62.76% ownership in the subsidiary. Management concluded that investment met the requirements of IFRS 10 and prepared consolidated financial statements to present the assets, liabilities, income and expense of the subsidiary.</p> <p>During the current year, due to a reduction in ordinary shareholder, as well amendments to the article of association, Management concluded that the Company no longer had control of the subsidiary and did not meet the requirements of IFRS 10. As a result, the Company derecognized the subsidiary from the financial statements and is no longer preparing consolidated financial statements.</p> <p>This was a complex transaction requiring significant judgement from Management. There are also impacts on prior year financial statements due to the Company's change in policy from Consolidation to using the Equity Method to recognize the asset on the Company's financial statements. Considering these reasons, we concluded this asset class and transaction to be a Key Audit Matter for this Audit.</p>	<p>Our audit procedures to mitigate the risk include:</p> <ul style="list-style-type: none"> ▶ We performed discussions with management to understand their procedures and processes to perform the de-recognition of assets and liabilities of the subsidiary from the consolidated statement of financial position ▶ We reviewed supporting documentation to ensure that the subsidiary met the criteria for de-recognition and that parent had lost control of the subsidiary. ▶ We reviewed the de-recognition procedures performed by Management. We reviewed management's calculations regarding the gain or loss incurred due to loss of control as well as calculation of the fair value of the investment retained in the subsidiary. ▶ We reviewed the estimates and judgements made from Management as well as discussions performed with other external stakeholders and consultants to determine whether Management's assumptions were reliable and appropriate. ▶ Management's restatement of prior year financial information was reviewed and assessed. We reviewed all changes made and obtained supporting evidence to substantiate the correction or adjustment that management has made. We reviewed these changes also for clerical accuracy to ensure there were no clerical or mathematical mistakes. ▶ We reviewed management disclosures and notes to the financial statements to ensure they were accurate and adequate in regard to the requirements of IFRS 10 and IAS 8.
<p>Management has presented details of the nature of the transaction in Note 6.02 to the financial statements.</p>	

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Property, Plant & Equipment ["PPE"]

The Company's PPE balance as at 30 June 2022 was BDT 20,287,756,275 (BDT 18,560,845,669 as at 30 June 2021). This represents 50.9% of Total Assets of the Company (49.33% of the Company as at 30 June 2021). There is estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter.

Our audit procedures included:

- ▶ Obtain an understanding of Company's internal controls, systems and processes around PPE.
- ▶ Performed discussions with management to understand their process of determining asset useful life.
- ▶ We performed PPE additions procedures by obtaining supporting documentation, invoices, and delivery information as well payments support.
- ▶ We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence.
- ▶ We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable.
- ▶ For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset and then reviewed management's calculations to ensure no clerical errors took place to calculate any related gains or losses.

Detailed notes regarding Property, Plant & Equipment has been included in Note 5.00 in the Financial Statements

Revenue and Accounts Receivables

During the year, the Company has recognized revenue of BDT 1,685,094,953 for the year ended 30 June 2022 (BDT 675,400,089 for the year ended 30 June 2021). The Company's revenue recognition process are complex as they have high volume and low value transactions. This account is also a significant driver of Company performance and has major impact on financial statement user's decision making. Finally this account always has risk of management over-ride of internal controls.

Our audit procedures included:

- ▶ We performed detailed discussions with Management of necessary departments to gain understanding of revenue recognition and daily reconciliation procedures. We performed walkthroughs of daily reconciliation and journal entry posting procedures. From there, we designed our substantive procedures to perform testing of revenue.
- ▶ For our revenue testing, we had already communicated to Management that we will revamp the way testing is performed in order to obtain greater audit coverage. Since the Company's revenue is based on high volume micro transactions, we utilized Data Analytics and Audit CAATs to map the flow of data from inception (customer sale) to final settlement (deposit into the bank).
- ▶ By analyzing the flow of Journal Entries from revenue to bank and substantively testing the deposit of receipts of revenue to the bank, we were able to obtain the highest levels of audit assurance.
- ▶ We obtained Accounts Receivable Sub Ledgers and Ageing List from Management for Year-End. We selected customers with material receivable balances for operating hotels and obtained year-end confirmation. In addition, we obtained subsequent receipt evidence from management to authenticate recoverability of these balances.
- ▶ We reviewed Management's Allowance for Doubtful debt provisions to determine their appropriateness and completeness of the provision recognized.

Details of Revenue Recognition are included in Note 25.00 and Accounts Receivable are included in Note 9.00 to the Financial Statements

Deferred Taxes and Current Taxes

Deferred Taxes is an area of complexity and has significant scope for management estimates and judgement. For the current year, the Deferred tax liability was BDT 2,257,394,602 (BDT 2,536,077,319 as at 30 June 2021).

Current Tax liability recognized as at 30 June 2022 was BDT 46,897,302 (BDT 10,051,535 as at 30 June 2021).

Our audit procedures included:

- ▶ We obtained management's calculation of deferred taxes and reviewed the calculation to ensure appropriateness of liability calculated. We tested mathematical accuracy of calculations performed to ensure absence of clerical errors.
- ▶ To confirm tax values of fixed assets, we obtained the Income Tax Assessments for the last two completed years from Management. We noted that Management's calculations of asset tax bases were appropriate.
- ▶ We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and tax loss carry forwards to ensure the deferred tax liability calculated was appropriate. We assessed the presentation and disclosures and determined their accuracy in accordance with IAS 12.
- ▶ We obtained management's calculation of current taxes and review the calculation to ensure appropriateness of liability calculated. We tested mathematical accuracy of calculations performed to ensure absence of clerical errors.
- ▶ We reviewed the Income Tax Act and Ordinances to ensure management's calculations of income taxes were in line with applicable rules and laws set out within the Income Tax Act and Finance Act and other applicable SROs and Rules published.
- ▶ For Income Taxes paid at source or additional taxes paid, we obtained supporting documentation and traced the payments to the bank.

Details of Deferred Taxes and Current Taxes are included in Note 18.00, Note 24.03 and Annexure B respectively to the Financial Statements



Fixed Deposits	
<p>The Company has recognized Current and non-current assets of Fixed Deposits worth BDT 1,357,502,613 as at 30 June 2022 (BDT 1,387,262,035 as at 30 June 2021). This account is not complex and does not involve high volume of transactions. However, there is scope for judgement on Management's part in regards to impairment of assets.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ We obtained balance confirmation of FDR Statements to ensure existence, accuracy and valuation of Fixed Deposits. We also reviewed original FDR instruments to obtain additional assurance over their existence. ▶ We reviewed management's interest income calculations to ensure accuracy and occurrence of interest income recognized on the financial statements. ▶ We obtained management's assertions on impairment and also communicated in detail with the Company's legal counsel. We corroborated management's assertions with other available information to determine the overall reasonability of management's assumptions around impairment of assets. ▶ We reviewed management's disclosures and assessed their adequateness and completeness.
<p>Details of Fixed Deposits are included in Note 12.00 to the Financial Statements</p>	

Other Matter

We draw your attention to Note 4.18 to the financial statements which provide details on the restatement of prior year financial information. Our auditor's opinion is not qualified on this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.



- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- ▶ We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ▶ In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- ▶ The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- ▶ The expenditures incurred were for the purpose of the Company's business.

Date: 31 October, 2022
Dhaka, Bangladesh
DVC: 2211010392 RS 290360


A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants



Unique Hotel & Resorts Ltd.
Statement of Financial Position
As at 30 June 2022

	Notes	Amount in Taka	
		30 June 2022	30 June 2021 Restated*
ASSETS			
Non-current Assets			
		31,272,936,411	30,289,469,128
Property, plant and equipment, net	5	20,284,756,275	18,560,845,669
Construction work in progress	6	8,212,999,062	9,101,322,628
Fixed deposit receipts	12	132,971,754	274,679,385
Investment in Joint Venture	8.02	2,522,254,465	2,232,377,961
Investment in unquoted shares	8.03	112,737,000	112,737,000
Investment in Associate	8.04	7,217,855	7,506,485
		8,588,815,701	7,339,592,073
Current Assets			
Inventories	7	74,876,027	59,170,465
Investment in quoted share	8.01	179,302,697	186,506,292
Accounts receivable	9	177,172,414	84,429,542
Other receivables	10	12,714,372	11,040,732
Advances, deposits and prepayments	11	5,971,021,193	5,722,688,344
Fixed deposit receipts	12	1,224,530,859	1,112,582,650
Cash and cash equivalents	13	949,198,139	163,174,048
		39,861,752,112	37,629,061,201
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Shareholders' Equity			
		24,945,740,188	23,924,743,628
Share capital	14	2,944,000,000	2,944,000,000
Share premium	15	6,181,931,836	6,181,931,836
Revaluation reserve	16	10,412,304,207	10,292,740,021
Retained earnings		5,407,504,145	4,506,071,771
Non-current Liabilities			
		7,000,178,928	6,471,854,900
Term loan- non-current portion	17	4,742,784,326	3,935,777,581
Deferred tax liability	18	2,257,394,602	2,536,077,319
Current Liabilities			
		7,915,832,996	7,232,462,673
Term loan- current portion	17	503,227,018	757,418,831
Short term loans	19	2,772,496,174	1,722,539,454
Due to operator and its affiliates	20	267,282,288	238,264,830
Accounts payable	21	88,801,243	33,251,137
Undistributed/unclaimed dividend	22	3,170,269	12,841,987
Liabilities to intercompanies	23	2,656,995,061	2,759,745,537
Other accruals and payables	24	1,623,860,943	1,708,400,897
		39,861,752,112	37,629,061,201
TOTAL EQUITY AND LIABILITIES			
*Details of restatement are disclosed in note-4.18.			
Net Asset Value (NAV) per share (Restated)	36.01	84.73	81.27
Net Asset Value (NAV) per share (Published)	36.01	84.73	81.43

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer Company Secretary Director Independent Director Managing Director Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;
31 October 2022
DVC: 2211010392 AS290360




A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants





Unique Hotel & Resorts Ltd.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

	Notes	Amount in Taka	
		01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021 Restated*
Revenue	25	1,685,094,953	675,400,089
Cost of sales	26	(462,754,082)	(234,533,439)
Gross profit		1,222,340,871	440,866,650
Administrative and other general expenses	27	(641,568,202)	(296,526,808)
Operating profit		580,772,669	144,339,842
Corporate office expenses	28	(332,992,936)	(309,260,548)
Other income	29	339,733,566	101,111,338
Other expenses	30	(157,510,488)	(40,417,404)
Capital Gain on sale of land		-	476,390,779
Gain on sale of share of Unique Meghnaghat Power Limited	31.01	836,027,162	-
Gain on investment in quoted shares	31.02	6,029,770	138,894,497
Interest income	32	45,128,555	53,596,097
Interest expenses	32	(151,292,502)	(96,267,611)
Impairment of financial asset	12	(141,707,631)	-
Provision for bad & doubtful debts	33	(2,997,623)	(142,707,454)
Profit/(loss) before WPPF, Sheraton profit share and tax		1,021,190,542	325,679,536
Provision for WPPF	24.04	(48,382,984)	(15,753,687)
Profit/(loss) before Sheraton profit share and tax		972,807,558	309,925,849
Share of net profit/loss before tax of Sheraton Dhaka	34	52,510	5,147,888
Profit/(loss) before tax of UHRL		972,860,068	315,073,737
Current tax	35	(55,925,186)	9,451,198
Deferred tax	35	40,290,580	89,541,949
Net profit/(loss) after tax of UHRL		957,225,462	414,066,884
Share of net profit/(loss) after tax of UMPL (Joint Venture)	8.02.02	(14,700,880)	(26,037,049)
Share of net profit/(loss) after tax of SEZL (Associate)	8.04.02	(288,630)	(395,994)
Total net profit/(loss) after tax for the year (Restated)		942,235,952	387,633,841
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year (Restated)		942,235,952	387,633,841

*Details of restatement are disclosed in note-4.18.

Basic and Diluted Earnings Per Share (EPS) (Restated)	36.02	3.20	1.32
Basic and Diluted Earnings Per Share (EPS) (Published)	36.02	3.20	1.41

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

 Chief Financial Officer
  Company Secretary
  Director
  Independent Director
  Managing Director
  Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka:
 31 October 2022
 DVC: 22 11010392 AS 290360




 A.K. Gulam Kibria, FCA (#392)
 Engagement Partner
 G. KIBRIA & CO.
 Chartered Accountants

Unique Hotel & Resorts Ltd.
Statement of Changes in Equity
For the year ended 30 June 2022

Particulars	Amount in Taka				
	Ordinary Share Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total
For 2020-2021:					
Balance as on 01 July 2020 (Restated)	2,944,000,000	6,181,931,836	4,160,890,647	10,168,822,832	23,455,645,315
Less: Adjustment for the share of retained earnings of U MPL in equity method	-	-	(22,566,816)	-	(22,566,816)
Adjusted balance as on 01 July 2020 (Restated)	2,944,000,000	6,181,931,836	4,138,323,831	10,168,822,832	23,433,078,499
Net profit/(loss) during the year	-	-	387,633,841	-	387,633,841
Cash dividend @ 10% for 2019-20	-	-	(140,831,710)	-	(140,831,710)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	120,945,809	123,917,189	244,862,998
Balance as on 30 June 2021 (Restated)	2,944,000,000	6,181,931,836	4,506,071,771	10,292,740,021	23,924,743,628
For 2021-2022:					
Balance as on 01 July 2021 (Restated)	2,944,000,000	6,181,931,836	4,506,071,771	10,292,740,021	23,924,743,628
Net profit/(loss) during the year	-	-	942,235,952	-	942,235,952
Cash dividend @ 10% for 2020-21	-	-	(159,631,528)	-	(159,631,528)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	118,827,951	119,564,186	238,392,137
Balance as on 30 June 2022	2,944,000,000	6,181,931,836	5,407,504,145	10,412,304,207	24,945,740,188

*Details of restatement are disclosed in note-4.18.

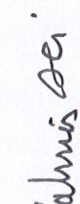

Chief Financial Officer


Company Secretary


Director


Independent Director


Managing Director


Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka:
31 October 2022
DVC: 7211010392 A S 290360

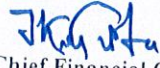
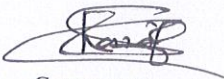






A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants

Unique Hotel & Resorts Ltd.
Statement of Cash Flows
For the year ended 30 June 2022

Notes	Amount in Taka	
	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
Cash flows from operating activities		
Collections from turnover and other sources	1,968,515,960	923,927,975
Payment for operating costs and other expenses	(1,749,876,330)	(552,941,797)
Income tax paid during the year	(41,334,825)	(48,425,072)
Net cash from operating activities (A)	36.04	322,561,106
Cash flows from investing activities		
Purchase of property, plant and equipment	(53,515,971)	(63,835,778)
Disposal of property, plant and equipment	457,110	59,165,000
Increase in construction work in progress	(1,101,758,640)	(1,408,497,299)
Decrease in investment and construction advances	215,264,928	373,384,690
Receipts from sale of shares of Unique Meghnaghat Power Ltd.	836,027,162	-
Gain/ (loss) on investment in shares	(9,542,196)	30,572,966
Dividend received during the year	7,147,229	10,613,505
Decrease/ (Increase) in payment to UMPL	(304,577,385)	(674,125,000)
Increase in investment in land and SEZL	(48,137,543)	(64,720,548)
Decrease/ (Increase) in fixed deposit receipts	(111,948,209)	138,874,665
Net cash used in investing activities (B)	(570,583,516)	(1,598,567,797)
Cash flows from financing activities		
Increase in term loan	807,006,745	670,676,410
Increase in short term financing	693,014,431	799,428,511
Interest paid during the year	(151,292,503)	(96,267,612)
Dividend paid during the year	(169,303,246)	(140,601,107)
Net Cash provided by/(used in) financing activities (C)	1,179,425,427	1,233,236,202
Net cash inflow/(outflow) for the year (A+B+C)	786,146,715	(42,770,490)
Add: Cash and cash equivalents at the beginning of the year	163,174,048	205,478,009
Foreign currency translation difference	(122,626)	466,530
Cash and cash equivalents at the end of the year	949,198,139	163,174,048
Operating cash inflow/(outflow) per share	36.03	1.10

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


 Chief Financial Officer
  Company Secretary
  Director
  Independent Director
  Managing Director
  Chairperson

Signed in terms of our report of even date annexed.

Dated, Dhaka;
31 October 2022

DVC: 2211010392 AS290360

Ref: GKC/22-23/A/210


 A.K. Gulam Kibria, FCA (#392)
 Engagement Partner
 G. KIBRIA & CO.
 Chartered Accountants



Unique Hotel & Resorts Ltd.
Notes to the financial statements
For the year ended 30 June 2022

1. Legal status of the Company

1.01 Reporting entity

Unique Hotel & Resorts Ltd ("the Company") is a Public Limited Company in Bangladesh. The Company was incorporated on 28 November 2000 having registration no. C-41920(1279)/2000 under the Companies Act, 1994. The Company is listed with both Dhaka Stock Exchange Limited (DSEL) and Chittagong Stock Exchange Limited (CSEL).

1.02 Registered office

The registered office of the company is located at Plot no. 01 CWN (B), Road no. 45, Gulshan-2, Dhaka-1212.

1.03 Corporate office

Corporate office of the Company is located at 51/B, Borak Mehnur, Kemal Ataturk Avenue, Banani, Dhaka-1213.

2 Principal activities and nature of business

Unique Hotel & Resorts Ltd. started its commercial operation on 1st July 2007 with "The Westin Dhaka" which is a Five Star Hotel in Bangladesh. The principal activities of the Company over the period were carrying out hotel business through a Management Contract dated 20 December 1999 (renewed on 9 April 2015) executed between Unique Hotel & Resorts Ltd ("the Owner") and Starwood Asia Pacific Hotels & Resorts Pte. Ltd. ("the operator"), now Marriott International. The Operator is knowledgeable and experienced in managing and promoting five star hotels and resorts and has (and/or its Affiliates have) performed such services throughout the world.

In terms of Management Contract, the operator is entitled to receive base fee, license fee, incentive fee, program service fee and institutional marketing fee from the owner on account of operation of the Hotel only. In addition, under the contract, the operator is entitled to receive centralized service fees for developing, promoting, operating, maintaining and upgrading the centralized services and associated Starwood technology.

The Company owns an international standard hotel in the name and style of "HANSA, a premium residence by UHRL" which has started its operation from July 2018.

Considering the emerging business opportunity in this arena, Unique Hotel & Resorts Ltd. has constructed another Branded 5-Star Chain Hotel namely the "Sheraton Dhaka". Sheraton Dhaka has 248 rooms of different categories including Presidential and Chairman Suits, restaurants, Banquet Hall, Health Club, Spa, and Gym facilities. Two restaurants and banquet hall has been operating since February 2022 through obtaining restaurants license from District Commissioner Office. We are expecting to open the said hotel "Sheraton Dhaka" very soon.

3 Basis of preparation

3.01 Statement of compliance

The financial statements have been prepared in accordance with the applicable International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994 and other applicable laws and regulations.

3.02 Other regulatory compliances

The Company is also required to comply with the following major laws and regulations in addition to the Companies Act 1994:

The Securities & Exchange Rules, 1987;

The Securities & Exchange Ordinance, 1969;

The Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited;

The Income Tax Ordinance, 1984;

The Income Tax Rules, 1984;

The Value Added Tax and Supplementary Duty Act, 2012;

The Value Added Tax and Supplementary Duty Rules, 2016;

The Customs Act, 1969;

Dhaka Stock Exchange (Listing) Regulations, 2015;

Bangladesh Labour Act, 2006 (Amendment in 2013);

Bangladesh Labour Rules, 2015; and

Financial Reporting Act, 2015.

3.03 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

i) Statement of Financial Position;

ii) Statement of Profit or Loss and Other Comprehensive Income;

iii) Statement of Changes in Equity;

iv) Statement of Cash Flows;

v) Notes to the Financial Statements, comprising a summary of significant accounting policies and other explanatory information to the financial statements.



3.04 Investment in Associates and Joint Ventures

Associates are entities in which Unique Hotel & Resorts Limited holds 20% or more (directly or indirectly) of the investee and can exert significant influence through representation on the board of directors, power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. The Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in associates are initially recognised at cost.

Joint arrangements in the form of Joint Ventures are entities which Unique Hotel & Resorts Ltd. has established through joint control with other entities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing control (IFRS 11: paragraph 7).

The joint venturers must act together to direct the activities that significantly affect the returns of the joint venture company. Unique Hotel & Resorts Ltd. recognises a joint arrangement as investment in a joint venture company if the contractual arrangement provides the Company:

- rights to the net assets of the joint venture company (separate vehicle, i.e. a separately identifiable financial structure including separate legal entities or entities recognised by statute);
- no interests over the ownership/title of the joint venture;
- no liability for the debts and obligations of the joint venture;
- the Company's share in the profit or loss relating to the activities of the joint venture.

Unique Hotel & Resorts Ltd. accounts for its investment in associates and joint ventures using the equity method in accordance with IAS 28: Investments in Associates and Joint Ventures (paragraph 16). Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of the profit or loss of the associate and joint venture after the date of acquisition. The Company's share of profit or loss of associates and joint ventures is recognised in the Statement of profit or loss and other comprehensive income of the Company. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Company's proportionate interest in the associates and joint ventures arising from changes in the investee's other comprehensive income.

3.04.01 Unique Meghnaghat Power Limited

Unique Meghnaghat Power Limited (UMPL) was established in Bangladesh on 25 September 2018 as a Public Limited Company under Companies Act 1994 for "Power Generation". The principal activity of Unique Meghnaghat Power Limited is to set up and operate power plants for generation and supply of electricity. It has undertaken to set up 584MW capacity power plants at Meghnaghat, Narayanganj. Commercial production is planned to be started by June 2023. The registered office of Unique Meghnaghat Power Limited is at 22/A Financial square, Level 5,6,7 Building no. 22/A, Road 102 & 103 Block CEN(D), Gulshan-2, Dhaka-1212, Bangladesh.

Unique Hotel & Resorts Ltd. initially subscribed to 64.99% of the ordinary shares of the Unique Meghnaghat Power Limited. Subsequently new shares were issued on 8th August 2019 which reduces the ownership of Unique Hotel & Resorts Ltd. to 51%. Strategic Finance Limited further transferred 11.76% shares in the name of Unique Hotel & Resorts Ltd. on April 13, 2021 which further accumulates the shareholding of Unique Hotel & Resorts Ltd. to 62.76%.

Unique Meghnaghat Power Limited has issued ordinary share capital of Tk.12,45,000 as of 30 June 2022. Out of which Unique Hotel & Resorts Ltd. holds 53.94% of the ordinary shares of the Unique Meghnaghat Power Ltd. since 22 February 2022. However, the total project cost is approximately USD 520 million. The project cost is expected to be increased due to delay in the project period. The project will be financed in 25:75 equity:debt ratio. For equity financing, no further ordinary shares will be issued. Substantial equity finance will be determined by subscription of preference shares by lead parties namely Unique Hotel & Resorts Ltd., Strategic Finance Limited and Nebras Power Investment Management B.V., according to Shareholders Agreement.

Moreover, According to the aforesaid Shareholders Agreement (SHA) signed between Unique Hotel and Resorts Ltd. (UHRL), Strategic Finance Limited (SFL), Nebras Power Investment Management B.V.(Nebras), GE Capital Global Energy Investments B.V., Individual shareholders and Unique Meghnaghat Power Limited, from the date of signing SHA ; SFL, UHRL and Nebras will hold respectively 38.76%, 37.24% and 24% of the preference shares in issue of Unique Meghnaghat Power Limited.

3.04.02 Sonargaon Economic Zone Limited

Unique Hotel & Resorts Limited holds 35% of Sonargaon Economic Zone Limited (SEZL), a company which was incorporated on February 06, 2017 as a private limited company under the Companies Act 1994. The aim of Sonargaon Economic Zone Limited is to attract new categories of investment in addition to the conventional ones. These are: Textile & Garment, Food Processing, Power Plant, Automobile, Petrochemical, Plastic and other Consumer Goods, Electric & Electronics, Precision Machinery Parts, LPG Plant, a broad range of light, medium, and heavy industries is proposed for the site. The registered office of Sonargaon Economic Zone Limited is at Borak Mehnur, 51/B, Kemal Ataturk Avenue, Banani, Dhaka 1213, Bangladesh.

3.05 Basis of measurement of elements of financial statements

The financial statements have been prepared on historical cost basis and therefore, do not take into consideration the effect of inflation except that arising from revaluation of land, building and machineries as specified in note 5. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.



3.06 Functional and presentation currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). These financial statements are presented in Bangladeshi Taka ("BDT") which is also the functional currency of the Company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

3.07 Risk and uncertainty for use of estimates and judgment

The preparation of financial statements in conformity with International Accounting Standards requires management to make judgment, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses as well as the application of accounting policies. Uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amount of assets or liabilities affected in future period.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimates are revised as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

In particular, information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the reporting period is included in the following notes:

Note 3.04, 8.02 & 8.04	Basis for using Equity Method
Note - 4.01 & 5	Depreciation
Note - 4.11, 18 & 35	Deferred tax asset/liability
Note - 4.06, 4.08, 09 & 33	Provision for doubtful debt
Note - 4.11, 24.03 & 35	Provision for corporate tax
Note - 4.10 & 24	Provision for gratuity
Note - 40	Contingencies

Measurement of fair values:

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised at different levels of the fair value hierarchy, the overall fair value measurement is categorised at the same level as the lowest level input that is significant to the entire measurement.

3.08 Going concern without material uncertainties

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. The World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19 on 11 March 2020. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures, all business and economic activities were adversely affected which pretentious the Unique Hotel and Resorts Ltd. business as well. Business operation and profitability of the Company has been impacted due to COVID-19, but as the situation is constantly changing and there is no certainty at present as to how long the situation will be prevailed. potential impact of COVID-19 on the UHRL operation and financial results cannot reasonably be assessed. Though management has assessed the going concern issue and found no uncertainty regarding this for the upcoming 12 months due to COVID-19. Assessment of COVID-19 impact on the following areas have been made:

Implications of COVID-19 on our business

The pandemic has confronted the hospitality industry with an unprecedented challenge. Strategies to flatten the COVID-19 curve such as community lockdowns, social distancing, stay-at-home orders, travel and mobility restrictions have resulted in temporary closure of many hospitality businesses and significantly decreased the demand for businesses that were allowed to continue to operate. Almost all restaurants in Bangladesh were asked to limit their operations to only take-outs. Restrictions placed on travel and stay-at-home orders issued by the authorities led to sharp decline in hotel occupancies and revenues.

After a prolonged lockdown, hotel business has slightly improved amid the pandemic as business travel and flight operations have resumed. During the lockdown, there was negligible occupancy rate which was not viable for the business. However, the occupancy rate increased slowly after the lockdown was lifted. Guest flows from abroad increased significantly. The average occupancy rate for the year ended 30 June 2022 has been 58%. Also, food & beverage and banquet events increased with maintaining and ensuring distancing and cleanliness standards which further contributed to increase the revenue of the Company. Total revenue of the Company is Tk. 1,685.09 million during the period from 01 July 2021 to 30 June 2022 which is 149% higher compared to last year indicating positive inflow of business gradually.

Management have assessed other areas of operations and found no uncertainty about the entity's ability to continue as a going concern.

3.09 Accrual Basis

Unique Hotel & Resorts Ltd. prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.



3.10 Materiality, aggregation and off setting

Each material item, management considered significant, has been presented separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

3.11 Reporting period

The financial statements of the Company cover the financial period of twelve months from 01 July 2021 to 30 June 2022 with comparative figures for the period from 01 July 2020 to 30 June 2021.

3.12 Authorization date for issuing financial statements

The financial statements of the Company were authorized by the Board of Directors on 31 October 2022 for issue after completion of review.

3.13 Comparative information

Comparative information has been disclosed in respect of 01 July 2020 to 30 June 2021 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year financial statements. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed in accordance with the requirement of IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. Prior year figure has been re arranged wherever considered necessary to ensure comparability with the current year.

Moreover, Unique Hotel & Resorts Ltd. has lost control over Unique Meghnaghat Power Limited on February 22, 2022 (Details are disclosed in Note-8.02). As a result, the Company has not presented consolidated financial statements as primary set of financial statements as at 30 June 2022. Rather to ensure comparability of the financial statements and for better understanding of the users, the following has been disclosed:

- i. Consolidated statement of financial position (Annexure-D)
- ii. Consolidated statement of profit or loss and other comprehensive income (Annexure-E)
- iii. Consolidated statement of changes in equity (Annexure-F)
- iv. Consolidated statement of cash flows (Annexure-G)

3.14 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Assets and liabilities are classified as current when they are expected to be realized, settled, sold or consumed in a normal accounting cycle or within twelve months after the reporting period. Assets and liabilities that are held primarily for trading are also considered current.

4 Significant accounting policies

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

4.01 Property, plant and equipment

Initial recognition and measurement

An item shall be recognized as property, plant and equipment if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or revaluation less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/ implementation of the property, plant and equipment, if the recognition criteria are met.

The cost of self-constructed assets includes the cost of material and direct labor and other costs directly attributable to bringing the assets to a working condition inclusive of inward freight, duties and non-refundable taxes for their intended use.

Subsequent costs

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognized in the Statement of Profit or loss and Other Comprehensive Income as 'repair and maintenance' when it is incurred.

Depreciation of property, plant and equipment

Depreciation is provided to amortize the cost or revaluation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property, plant and equipment.

Unique Hotel & Resorts Ltd. charges depreciation from the date of acquisition until the date of disposal for the acquisitions from 01 January 2022. Previously the depreciation policy was to charge full year depreciation regardless of the date of acquisition and no depreciation was charged in the year of disposal. Depreciation of assets begins when it is available for use. Depreciation is charged on items of property, plant & equipment except land and land developments of Unique Hotel & Resorts Ltd. on reducing balance method.

<u>Category of Assets</u>	<u>Rate of depreciation</u>
Buildings and other civil constructions	1.25%
Hotel furniture	5%
Hotel equipment	5%
Office furniture and equipment	5%
Motor vehicles	5%



Revaluation of fixed assets

As per IAS 16: Property, Plant and Equipment (paragraph 31), after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount and revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

In conformity with paragraphs 31 and 34 of IAS 16: Property, plant and equipment, the land & land development and building owned by Unique Hotel & Resorts Ltd. have been revalued by an independent valuer on 30 September 2011 to reflect fair value (prevailing market price) thereof following "current cost method". As the fair value of the assets does not differ significantly from its carrying amount as of 30 June 2021, so no revaluation has been made during the year ended 30 June 2022.

Particulars of the assets	Name of the valuer	Qualification of the valuer	Date of revaluation	The carrying amount as on 30.09.2011	Value of assets after revaluation as on 30.09.2011	Revaluation surplus
Land & Land Development	Ata Khan & Co.	Chartered Accountants	30-Sep-11	3,388,296,912	5,664,596,600	2,276,299,688
Building			30-Sep-11	5,415,829,221	11,420,259,375	6,004,430,154
Total				8,804,126,133	17,084,855,975	8,280,729,842

Other fixed assets were kept outside the scope of the revaluation works in 2011.

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head of revaluation surplus. However, the increase is recognized in profit or loss account to the extent that it reverses a revaluation decrease of the same assets previously recognized in profit or loss account. A sum of revaluation surplus is transferred directly to equity each year in line with IAS 16: Property, plant and equipment (paragraph 41) as the asset is used by the company. The amount of the revaluation surplus transferred is the difference between the depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. Transfer from revaluation surplus to retained earnings is not made through profit or loss.

Disposal of property, plant and equipment

An item of property, plant and equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal or retirement of an item of property, plant and equipment is included in the statement of profit or loss and other comprehensive income in the period in which the de-recognition occurs.

Impairment of property, plant and equipment

According to IAS 36: Impairment of Assets the carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease.

4.02 Construction work in-progress

Property, plant and equipment under construction are accounted for as capital works in progress until completion of construction and are measured at cost. Capital work in progress consists of building construction costs, costs of construction materials, acquisition cost of plant, machinery, capital components of other equipment, related installation costs and directly attributable costs incurred until date the asset placed in service including the overhead during construction. In case of purchase of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Company. In conformity with IAS 16: Property, plant and equipment, no depreciation has been charged on capital work in progress as it is not ready for use as intended by management.

4.03 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

4.04 Inventories

Inventories (stock and stores) are measured at the lower of cost and net realizable value. The cost of inventory is assigned by using average cost formula. The cost of inventories consists of purchase, costs of conversion, import duties and other non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition.

4.05 Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, cash with banks on current and deposit accounts and cash with Brokerage house which are held and available for use by the Company without any restriction. There is insignificant risk of change in value of the same.

4.06 Accounts and other receivables

Accounts and other receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectible of any amount so recognized. Provision for doubtful debts are made where there is evidence of a risk of non payment, taking into account ageing, previous experience as well as general economic conditions and ultimately the prospects of realizability. Provision is made at the rate of 3% of rolling three months of average receivables. In specific cases, the Company makes provision based on circumstances prevailing at the reporting date regarding the recoverability of receivables.



4.07 Revenue

4.07.01 Revenue from contract with customers

The amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer is recognised as revenue by the Company. IFRS 15: Revenue from Contracts with Customers establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised service to a customer. Service is considered as transferred when (or as) the customer obtains control of that service. Revenue from room rent, sales proceeds of food & beverage, space rental and shop rental are recognized at fair value of the consideration received or receivable in the period during which the services are provided. Revenue is recognized net of value added tax, supplementary duty and service charge collectible from customers as well as rebate and discount allowed to customers.

4.07.02 Revenue from investment income

(a) Interest income

Interest on bank deposits and FDR have been accounted for on accrual basis.

(b) Dividend income

Quoted and unquoted shares

Dividend income against quoted and unquoted shares are recognized when the Company's right to receive the payment is established or after receipt of dividend, which is generally when shareholders approve the dividend.

Preference shares

Dividend income on cumulative preference shares are recognised on accrual basis. However, Unique Hotel & Resorts Ltd. is not entitled to get any dividend income for investment in preference shares for the time being.

4.08 Financial instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

4.08.01 Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value Through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the cost is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- (a) it is held within a business model whose objective is achieved by collecting contractual cash flows; and
- (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss and other comprehensive income.

Financial assets at amortized cost

These assets are classified as financial assets measured at amortized cost. These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss and other comprehensive income. Any gain or loss on de-recognition is recognized in statement of profit or loss and other comprehensive income.



Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss and other comprehensive income. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss and other comprehensive income.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit or loss and other comprehensive income unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to:

- financial assets measured at amortized cost,
- contract assets and
- debt investments measured at FVOCI, but the standard does not apply to investments in equity instruments.

The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. The Company measures loss allowances at an amount equal to ECL from trade receivables.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Loss allowances measured at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for accounts receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of Expected Credit Losses (ECL)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

In accordance to IAS 36 Para 12 impairment test to be performed if there are indications of market value declines, negative changes in technology, markets, economy, or laws, increases in market interest rates, net assets of the Company higher than market capitalization, obsolescence or physical damage, asset is idle, part of a restructuring or held for disposal, worse economic performance than expected and for investments in subsidiaries, joint ventures or associates, the carrying amount is higher than the carrying amount of the investee's assets, or a dividend exceeds the total comprehensive income of the investee.

The carrying value of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whether the carrying amount of asset or its cash generating units exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profits or loss and other comprehensive income.

4.09 Accruals, provisions and contingencies

(a) Accruals

Accruals are liabilities to pay for services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of accounts and other payables.

Other payables are not interest bearing and are stated at their nominal value.

(b) Provisions

Provisions and accrued expenses are recognized in the financial statements in line with IAS 37: Provisions, contingent liabilities and contingent assets when:

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the Company expects some or all of the provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting period, the Company has made sufficient provisions where applicable.



(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingencies are disclosed in Note-40.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent assets is disclosed where an inflow or economic benefits is probable.

4.10 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(b) Defined contribution plan (Provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts.

The companies maintain separate defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective Trust Deeds and Rules.

The companies have separate provident fund scheme recognized under Income Tax Ordinance 1984. All permanent employees contribute 10% of their basic salary to the provident fund and the companies make matching contributions.

The Company recognizes contribution to defined contribution plan as an expense when an employee has rendered related services in exchange for such contribution. The legal and constructive obligation is limited to the amount, the Company agrees to contribute to the fund.

(c) Defined Benefit Plan

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. According to the existing policy, the employees working at The Westin Dhaka and Sheraton Dhaka premises who have completed the required length of services are paid gratuity which is calculated on the last basic salary of the outgoing employees. The Company's obligation is to provide the agreed benefits to current and former employees.

Workers' Profit Participation Fund (WPPF)

Unique Hotel & Resorts Limited provides for 5% of its profit before tax after charging contribution to WPPF in accordance with Bangladesh Labour Act, 2006 (as amended to 2013). A Board of Trustees of WPPF has been formed and the required fund has been disbursed for the year up to June 2021 to the bank account of the Trustee Board and Government Welfare Fund in compliance with the said Act.

4.11 Taxation

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in statement of profit or loss and other comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Taxes.

(a) Current tax

Income tax expense for current year is recognized on the basis of the Company's computation based on the best estimated assessable profit for the year at the applicable tax rate pursuant to provision of Income Tax Ordinance 1984. As per paragraph 46 of IAS 12: Income Taxes, current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used by Unique Hotel & Resorts Limited as a publicly traded company for the reporting period is 20% according to the Finance Act 2022.

(b) Deferred tax

Deferred tax is recognized as income or expense and included in the net profit or loss for the year. Deferred tax relating to items dealt with other comprehensive income is recognized as tax relating to other comprehensive income.

According to paragraph 47 of IAS 12: Income Taxes, deferred tax asset or liability is measured at the tax rates that are expected to apply to the period when the assets are realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Taxable Temporary difference

A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- (a) The initial recognition of goodwill; or
- (b) The initial recognition of an asset or liability in a transaction which;
 - (i) Is not a business combination; and
 - (ii) At the time of the transaction, affects neither accounting profit nor taxable profit (loss)

Revaluations to fair value – Property, Plant and Equipment

According to paragraph 20 of IAS 12: Income Taxes, the revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore give rise to a deferred tax liability.



Moreover, the transfer of excess depreciation or amortization from revaluation reserve to retained earnings is net of related deferred tax according to paragraph 64 of IAS 12: Income Taxes.

Deductible temporary difference

A deferred tax asset is recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

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.

The Company's existing accounting policy for uncertain income tax treatments is consistent with the requirements in IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019.

4.12 Earnings Per Share (EPS)

Earnings Per Share (EPS) are calculated in accordance with IAS 33: Earnings Per Share.

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of Unique Hotel & Resorts Ltd./the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

For the purpose of calculating diluted earnings per shares, the Company adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Diluted EPS is only calculated where the Company has commitment to issue ordinary share in future at reporting date. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential during the relevant periods.

4.13 Foreign currency transaction and translation

At the end of each reporting period in compliance with the provision of IAS 21: The effects of changes in Foreign Exchange Rates:

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in statement of profit or loss and other comprehensive income in the year in which they arise.

Amount in foreign currency bank accounts and other foreign currency balances have been translated into taka at the reporting date at the exchange rate prevailing on that date and gain/(loss) have been accounted for as other income/(loss) in statement of profit or loss and comprehensive income.

4.14 Operating segments reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with the company's other components and for which discrete financial information is available.

According to IFRS 8: Operating Segments, the Company started with hotel operations. With time, it diversified its business and operations into power generation. The Company has determined its operating segments considering nature of segmental business. The business segments are managed separately and the operating results of the business segments are regularly reviewed by the company's managing director to make decisions about resources allocated to the segments and assess its performance.

Information about operating segment has been presented in note 38.

4.15 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been prepared using the "Direct Method" as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatments of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

4.16 Related party disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on arm's length basis. The information as required by IAS 24: Related party disclosures has been disclosed in a separate notes to the financial statements (Note 39).

4.17 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the statement of financial position date are reflected in the financial statements as per IAS 10: Events after the Reporting Period. All material events occurring after the statement of financial position date have been considered and where necessary, adjusted for or disclosed.

4.18 Changes in accounting policies

The Company has applied equity method as per paragraph 10(c) of IAS 27: Separate Financial Statements for recognition of investment in Unique Meghnaghat Power Limited (UMPL) as investment in joint venture company as per IFRS 11. The investment in U MPL had been recognised at cost as per paragraph 10(a) of IAS 27: Separate Financial Statements. Thus Unique Hotel & Resorts Ltd. (UHRL) has changed its accounting policy for recognition of investment in U MPL using a retrospective approach as per IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. Therefore, comparative information have been restated from the beginning of the preceding period.



The following table summarises the impacts of adopting equity method from cost method on the Company's financial statements:

i. Statement of Financial Position

01 July 2020

	Amount in Taka		
	Impact of Changes in policy		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
Investment in Joint Venture	-	685,571,249	685,571,249
Investment in unquoted share	836,375,065	(708,138,065)	128,237,000
Retained earnings	4,160,890,647	(22,566,816)	4,138,323,831
Net Asset value per share	79.67	(0.08)	79.59

30 June 2021

	Amount in Taka		
	Impact of Changes in policy		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
Investment in Joint Venture	-	2,232,377,961	2,232,377,961
Investment in unquoted share	2,393,718,825	(2,280,981,825)	112,737,000
Retained earnings	4,554,675,635	(48,603,864)	4,506,071,771
Net Asset value per share	81.43	(0.17)	81.26

However, the retrospective application has an impact of Tk. 0.08 (0.1% of published) in the net asset value per share of the Company as of 30 June 2020. As a result, the Company does not consider this impact as a material impact on the information in the statement of financial position at the beginning of the preceding period, i.e. 30 June 2020. Therefore, according to paragraph 40A, IAS 1, the Company has not presented a third statement of financial position as at the beginning of the preceding period, i.e. 30 June 2020 in addition to the minimum comparative financial statements.

ii. Statement of Profit or loss and Other Comprehensive Income

For the year ended 30 June 2021

	Amount in Taka		
	Impact of Changes in policy		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
Share of net profit/(loss) after tax of UMPL (Joint Venture)	413,670,890	(26,037,049)	387,633,841
Net profit after tax for the year	-	(26,037,049)	(26,037,049)
Basic and Diluted Earnings Per Share (EPS)	-	(0.09)	(0.09)

4.19 Compliance with Financial Reporting Standards as applicable in Bangladesh

According to Para-12 of Securities & Exchange Rule 1987, Unique Hotel & Resorts Limited has prepared its financial statements in compliance with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

Sl. No.	IAS No.	IAS Title	Status
1	IAS- 1	Presentation of Financial Statements	Complied
2	IAS- 2	Inventories	Complied
3	IAS- 7	Statement of Cash Flows	Complied
4	IAS- 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	IAS- 10	Events after the Reporting Period	Complied
6	IAS- 12	Income Taxes	Complied
7	IAS- 16	Property, Plant & Equipment	Complied
8	IAS- 19	Employee Benefits	Complied
9	IAS- 20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
10	IAS- 21	The Effects of Changes in Foreign Exchange Rates	Complied
11	IAS- 23	Borrowing Cost	Complied
12	IAS- 24	Related Party Disclosures	Complied
13	IAS- 26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
14	IAS- 27	Separate Financial Statements	Complied
15	IAS- 28	Investments in Associates and joint ventures	Complied
16	IAS- 29	Financial Reporting in Hyperinflationary Economies	Not applicable
17	IAS- 32	Financial Instruments: Presentation	Complied
18	IAS- 33	Earnings per Share	Complied
19	IAS- 34	Interim Financial Reporting	Complied
20	IAS- 36	Impairment of Assets	Complied
21	IAS- 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	IAS- 38	Intangible Assets	Complied
23	IAS- 40	Investment Property	Not applicable
24	IAS- 41	Agriculture	Not applicable



Sl. No.	IFRS No.	IFRS Title	Status
1	IFRS- 1	First-time adoption of International Financial Reporting Standards	Not applicable
2	IFRS- 2	Share-based Payment	Not applicable
3	IFRS- 3	Business Combinations	Not applicable
4	IFRS- 4	Insurance Contracts	Not applicable
5	IFRS- 5	Non-current Assets Held for Sale and Discontinued Operations	Not applicable
6	IFRS- 6	Exploration for and Evaluation of Mineral Resources	Not applicable
7	IFRS- 7	Financial Instruments: Disclosures	Complied
8	IFRS- 8	Operating Segments	Complied
9	IFRS- 9	Financial Instruments	Complied
10	IFRS- 10	Consolidated Financial Statements	Not applicable
11	IFRS- 11	Joint Arrangements	Complied
12	IFRS- 12	Disclosure of Interests in other Entities	Complied
13	IFRS- 13	Fair Value Measurement	Complied
14	IFRS- 14	Regulatory Deferral Accounts	Not applicable
15	IFRS- 15	Revenue from contracts with customers	Complied
16	IFRS- 16	Leases	Not applicable
17	IFRS- 17	Insurance Contracts	Not applicable



		Amount in Taka	
		30 June 2022	30 June 2021
5.	Property, plant & equipment, net		
	Cost/Revaluation		
	Opening balance		
	Add: Addition during the year	21,298,942,599	21,762,719,192
	Less: Disposal during the year	1,999,659,250	63,835,778
	Closing balance	(56,581,208)	(527,612,371)
		23,242,020,640	21,298,942,599
	Accumulated depreciation		
	Opening balance		
	Add: Charged during the year	2,738,096,930	2,513,286,246
	Less: Adjustment during the year	242,584,263	224,810,684
	Closing balance	(23,416,828)	-
		2,957,264,365	2,738,096,930
	Closing balance of written down value (WDV)	20,284,756,275	18,560,845,669
	Details of property, plant and equipment have been shown in Annexure- A.		
6.	Construction work in progress		
	Sheraton Dhaka (6.01)		
	Hotel St. Regis Dhaka (6.02)		
		7,270,161,692	8,505,342,712
		942,837,370	595,979,916
		8,212,999,062	9,101,322,628
6.01	Sheraton Dhaka		
	Opening balance		
	Add: Addition during the year	8,505,342,712	7,190,651,949
	Less: Transferred to PPE during the year	710,962,259	1,314,690,763
	Closing balance	(1,946,143,279)	-
		7,270,161,692	8,505,342,712
	Dhaka City Corporation (DCC), presently Dhaka North City Corporation (DNCC), was the owner of 60 kathas of land located at 44, Kemal Ataturk Avenue, Banani, Dhaka-1213 where DNCC constructed a three storied building along with one basement on an area of 44 (forty-four) kathas of land with a foundation and there was also a vacant land of 16 (sixteen) kathas. Subsequently, Borak Real Estate Ltd. submitted a tender proposal and the Technical and Tender Evaluation Committee issued a letter of acceptance. Thus DNCC registered and executed an agreement with BREL to construct building on the aforesaid 60 kathas of land (vacant and existing three storied building) at the following ratio:		
	a) Borak Real Estate Limited 70% and		
	b) Dhaka City Corporation 30%		
	DNCC also executed a registered Power of Attorney in favor of BREL empowering and authorising BREL to sell, mortgage, lease, etc its portion of share at its own.		
	Subsequently, an Agreement was made between Unique Hotel and Resorts Ltd. (UHRL) and Borak Real Estate Ltd. (BREL) on December 07, 2010 for construction and operation of a five-star hotel, which was duly submitted to Bangladesh Securities & Exchange Commission before going to IPO of UHRL. According to that agreement, profit or loss from hotel operation shall be shared between the parties at the following ratio:		
	a) Unique Hotel and Resorts Ltd. 50%;		
	b) Borak Real Estate Limited 50%		
	Subsequently, a supplementary agreement was duly signed on September 10, 2011 between the parties with the change in terms and conditions as suggested by Bangladesh Securities & Exchange Commission.		
	In consideration of the above profit or loss sharing ratio, BREL has provided 100% space along with surrounding area for construction of the said Hotel namely "Sheraton Dhaka" and UHRL has borne the construction cost of the hotel building and also operation related costs including but not limited to required equipment, machineries, furniture, household articles, kitchen dining, sports articles, office equipments, vehicles, lighting to be procured either locally or from abroad as may be suitable for running a hotel maintaining international standard.		
	Moreover, Unique Hotel & Resorts Ltd. has capitalised total construction cost of Tk. 9,216,304,971 according to IAS 16: Property, plant & equipment (paragraph 25) for Sheraton Dhaka hotel as of 30 June 2022. Out of which, the cost of two restaurants (Yumi and Garden Kitchen) and banquet hall located at Sheraton Dhaka amounting to Tk. 1,946,143,279 has been transferred to Property, plant & equipment (Note-5) during the year.		
6.02	Hotel St. Regis Dhaka		
	Opening balance		
	Add: Addition during the year	595,979,916	456,554,098
	Closing balance	346,857,454	139,425,818
		942,837,370	595,979,916
7.	Inventories		
	Food (The Westin Dhaka)	20,289,127	11,240,638
	Beverage (The Westin Dhaka)	32,514,108	40,322,967
	Inventories (HANSA by UHRL)	8,847,727	7,606,860
	Inventories (Sheraton Dhaka)	13,225,066	-
		74,876,027	59,170,465
8.	Investments		
	Investment in quoted shares (8.01)	179,302,697	186,506,292
	Investment in Joint Venture (8.02)	2,522,254,465	2,232,377,961
	Investment in unquoted shares (8.03)	112,737,000	112,737,000
	Investment in Associate (8.04)	7,217,855	7,506,485
		2,821,512,018	2,539,127,737



Investments in equity shares in different companies are classified as a financial asset at fair value through profit or loss as it was held for trading (it was acquired or incurred principally for the purpose of selling or repurchasing it in the near future). The investment has been measured at fair value except investments that do not have a quoted investment price in an active market and whose fair value can not be reliably measured. Investments that do not have a quoted investment price has been measured at cost. In reference to para 5.7.1 of IFRS 9: Financial Instruments, the gain or loss arising from change in the fair value of the investments is recognized in the statement of profit or loss and other comprehensive income.

	Book value 30.06.2022	Fair value 30.06.2022	Fair value 30.06.2021
8.01 Investment in quoted shares	218,990,544	179,302,697	186,506,292
ACME Laboratories Ltd.	11,394,300	8,445,500	7,001,500
Aftab Automobiles Ltd.	4,916,870	1,801,098	1,787,923
Aman Feed Ltd.	-	-	1,549,561
Berger Paints Bangladesh Ltd.	1,224,353	1,242,188	1,259,802
Beximco Ltd.	-	-	8,950,000
Beximco Pharma Ltd.	12,882,143	10,920,000	-
Brac Bank Ltd.	1,083,144	768,456	852,687
British American Tobacco Bangladesh Company Limited	42,392,986	50,866,765	47,651,049
City Bank Ltd.	6,975,395	3,727,868	3,776,722
Dhaka Electric Supply Co. Ltd.	955,620	829,400	750,200
Dutch Bangla Bank Ltd.	970,608	863,280	-
Eastern Bank Ltd.	-	-	12,016,795
EBL NRB Mutual Fund	-	-	734,069
Exim Bank Ltd.	10,350,524	8,610,000	5,766,650
First Security Bank Ltd	9,395,050	7,791,000	-
Grameen Phone Limited	5,838,052	3,828,594	4,548,489
IDLC Finance Ltd.	14,419,632	11,004,000	7,314,689
Information Technology Consultants Limited	14,100,369	10,751,895	11,403,525
JMI Hospital Requisite Manufacturing Limited	1,020	4,187	-
Keya Cosmetics Ltd.	308,308	276,000	316,000
Lafarge Surma Cement Ltd.	5,434,400	2,736,000	2,372,000
Meghna Insurance Company Ltd.	200	986	-
Mercantile Bank Limited	4,976,472	4,788,000	-
Mobil Jamuna Ltd.	8,349,681	7,065,131	6,379,500
National Bank Ltd.	18,198,085	8,342,360	15,945,112
NCC Bank Ltd.	4,799,279	3,018,355	2,942,586
Orion Pharma Ltd.	-	-	2,699,851
One Bank Limited	2,759,468	2,660,000	-
Power Grid Company Bangladesh Limited	14,976,080	9,360,050	7,353,150
Premiere Bank Limited	3,021,659	3,058,000	-
Pubali Bank Ltd.	-	-	13,410,600
Shurwid Industries Ltd.	-	-	239,234
Sena Kalyan Insurance Company Limited	190	990	-
Sonali Life Insurance Company Ltd	170	932	572
SouthBangla Agriculture & Commerce Bank Limited	600	744	-
Square Pharmaceuticals Ltd.	19,265,597	16,539,834	16,291,121
Union Insurance Ltd.	290	1,085	-
United Finance Ltd.	-	-	403,200
United Insurance Ltd.	-	-	1,869,312
VFS Thread Dyeing Ltd.	-	-	419,636
United Power GDCL	-	-	500,759

Amount in Taka

30 June 2022 30 June 2021

8.02 Investment in Joint Venture

Unique Meghnaghat Power Limited

Ordinary share capital	671,550	781,360
Preference share	2,584,887,660	2,239,388,900
Advance for share money deposit	-	40,811,565
Share of profit/(loss) of Unique Meghnaghat Power Limited (note-8.02.01)	(63,304,745)	(48,603,864)
Closing balance	2,522,254,465	2,232,377,961

Unique Meghnaghat Power Limited ("UMPL", "the project company") was initiated among Strategic Finance Ltd. (SFL), Unique Hotel & Resorts Ltd. (UHRL) and GE Capital Energy Investments B.V. (GE). Unique Hotel & Resorts Ltd. (the company) has subscribed for 62.76% of ordinary shares of UMPL as a sponsor company. Later on, Nebras Power, a Qatar based power company, came into the joint arrangement with a commitment of providing 24% equity into the project company through their Netherland based entity Nebras Power Investment Management BV (Nebras). As GE expressed its unwillingness to inject any further equity into the project company after initial subscription of USD 3000, all the subsequent equity has been providing by UHRL, SFL and Nebras in the form of preference shares. Equity injection through preference shares is essential because of some covenant into project agreement restricting any change in ownership structure of the project company before the lapse of sixth year of commercial operation.



In these circumstances, a Share Purchase Agreement (SPA) has been executed between Unique Meghnaghat Power Limited (UMPL), Unique Hotel & Resorts Ltd. (UHRL), Strategic Finance Limited (SFL) and Nebras Power Investment Management BV. Based on the abovementioned agreement, UHRL has agreed to transfer 11.76%; 14,641 numbers of ordinary shares @Tk.10 per ordinary share to Nebras Power Investment Management BV in consideration of total USD 24,068,800 to be executed by 1st, 2nd, 3rd and 4th closing, phase by phase subject to the satisfaction of the Condition Precedents (CPs) as per agreement. The shareholders of UHRL have been duly informed through a Price Sensitive Information dated April 15, 2021. As such, pursuant to the Schedule 1 of the SPA, the company has completed the CPs of the first closing where UHRL transferred 8.82% (10,981 shares) to Nebras Power Investment Management BV on February 22, 2022. Subsequently, Nebras Power Investment Management B.V has remitted the First closing money of USD 9,699,188.88 including stamp duty to the bank account of Unique Hotel & Resorts Ltd. and the remaining value will be received by 2nd, 3rd & 4th closing phase by phase upon satisfaction of the CPs as per SPA. Consequently, the shareholding of ordinary shares of UHRL has been reduced from 62.76% to 53.94% (67,155 shares). After 4th closing, the total ordinary shareholding of UHRL will come down to 51%.

As per Shareholders Agreement (SHA) signed between Unique Hotel and Resorts Ltd., Strategic Finance Limited, Nebras Power Investment Management B.V., GE Capital Global Energy Investments B.V., Individual shareholders and Unique Meghnaghat Power Limited; SFL, UHRL and Nebras will hold 38.76%, 37.24% and 24% respectively of the preference shares in issue of the project company from the date of signing the SHA. Investment in ordinary shares and cumulative preference shares have initially been recorded at cost.

UHRL presented consolidated financial statements until the financial year ended on 30 June 2021. UHRL does not have controlling power over UMPL as per IFRS 10: Consolidated Financial Statements as of 30 June 2022. As per the amended Articles of Association (AOA) of UMPL after the inclusion of Nebras on the board, the three (3) preference shareholders also referred as lead parties (UHRL, SFL and Nebras) has complete joint control over the relevant activities of the project company which are covered by Lead Parties reserved matters. To make decision on any Lead Parties reserved matters affirmative votes of at least 5 (five) Directors, including the affirmative vote of at least 1(one) from Nebras Director, 1 (one) from UHRL Director and 1 (one) from SFL Director are required either at board meeting or a shareholders' meeting or otherwise. According to AOA, the Lead Parties Reserved Matters includes various significant decisions including major acquisitions, issuing equity instruments, dividend distributions any investment or liquidation of investment, entering into and amendment of any material agreement, approval of budget and business plan, appointment of senior management of company etc. To take any decision in the board meeting in any agenda other than those relating to reserved matters, majority votes are required. No shareholder has controlling interest over the project company to direct the relevant activities of the project company with their present voting rights. Rather relevant activities are directed jointly by SFL, UHRL and Nebras. Moreover, the voting rights of ordinary shareholders do not immediately influence sponsors' control over the project company. Since preference shareholders are responsible for substantially all of the equity injection, they have complete control over how the relevant activities are implemented in proportion to their preferred shareholding percentage as mentioned above. UHRL, SFL and Nebras take all the relevant decisions of UMPL jointly. Hence, UHRL, SFL and Nebras have joint control over UMPL and have right over net assets of UMPL in proportion to their ordinary shares and preference shares on fully dilution basis. Under these circumstances, UHRL has accounted for investment in UMPL as joint venture under IFRS 11: Joint Arrangements in equity method as per IAS 28: Investment in Associates and Joint Ventures.

According to IAS 28 (paragraph 10), the investment in UMPL was recognised at cost on initial recognition and the carrying amount is increased or decreased to recognise the UHRL's share of the profit or loss of UMPL after the date of acquisition. Consolidated financial statements combine the financial position and financial performance of separate legal entities controlled by a parent into one for a specific reporting period. As UHRL does not exert sole control over the relevant activities of its subsidiary, i.e. UMPL as of 30 June 2022; hence UHRL has accounted for the change in recognition of investment in UMPL from IAS 27: para 10 at cost method for recognition as subsidiary entity to equity method for recognition as joint venture as per IAS 28 with retrospective impact (change in policy). However, to ensure comparability of the financial statements and for better understanding of the users, UHRL has disclosed consolidated results in Annexure-D, E, F and G.

Furthermore, according to the AOA of UMPL and terms and conditions of the Shareholders Agreement and Subscription Agreement, the ordinary shareholders shall not receive any dividend and only lead parties, namely UHRL, SFL and Nebras will be entitled to dividend on sweep cash basis in proportion of preference shareholding percentage until the conversion of all preference shares into fully paid ordinary shares. In both scenarios, UHRL will get only 37.24% of the dividend to be distributed. As a result, UHRL has accounted for 37.24% of the net assets of UMPL for calculation of carrying amount of the investment in UMPL (joint venture) in equity method.

8.02.01 Share of profit/(loss) of Unique Meghnaghat Power Limited

Opening balance

Share of profit/(loss) of UMPL during the year (note-8.02.02)

Amount in Taka	
30 June 2022	30 June 2021
(48,603,864)	(22,566,816)
(14,700,880)	(26,037,049)
(63,304,745)	(48,603,864)

8.02.02 Profit/(loss) of Unique Meghnaghat Power Limited

Revenue

General and administrative expenses

Depreciation and amortisation expenses

Finance expense

Finance income

Income tax expense

Profit/(loss) after tax

Other comprehensive income

Total comprehensive income

Share of profit/(loss) of UMPL during the year (37.24%)

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
-	-
(38,560,179)	(45,947,543)
(19,425,512)	(16,197,853)
(11,720,646)	(7,807,987)
31,687,607	36,496
(1,457,318)	-
(39,476,048)	(69,916,887)
-	-
(39,476,048)	(69,916,887)
(14,700,880)	(26,037,049)



8.02.03 Asset and Liability position of Unique Meghnaghat Power Limited

According to IFRS 12, the following is summarised financial information for Unique Meghnaghat Power Limited based on its financial statements prepared in accordance with IFRS:

	Amount in Taka	
	30 June 2022	30 June 2021
Current assets	1,179,521,260	132,535,784
Non current assets	22,833,652,770	8,085,945,701
Current liabilities	3,924,388,017	3,442,907,613
Non current liabilities	13,316,373,123	80,911,338
Net assets	6,772,412,891	4,694,662,535

Includes:

- capital work in progress of Tk. 20,479,816,942 (2021: 5,867,768,766)

- cash & cash equivalents of Tk. 1,168,311,410 (2021: 130,698,634)

- usance liability against LC (non current liability) of Tk. 13,136,679,403

No dividend has been received from Unique Meghnaghat Power Limited during the year ended 30 June 2022.

8.03 Investment in unquoted shares

Eastern Industries Bangladesh Limited

Chartered Life Insurance Co. Ltd.

Dacca Steel Works Ltd

Star Allied Venture Ltd.

185,000	185,000
22,500,000	22,500,000
87,552,000	87,552,000
2,500,000	2,500,000
112,737,000	112,737,000

8.04 Investment in Associate

Sonargaon Economic Zone Limited

Ordinary share capital

Share of profit/(loss) of Sonargaon Economic Zone Limited (8.04.01)

10,500,000	10,500,000
(3,282,145)	(2,993,515)
7,217,855	7,506,485

8.04.01 Share of profit/(loss) of Sonargaon Economic Zone Limited

Opening balance

Share of profit/(loss) of SEZL during the year (note-8.04.02)

(2,993,515)	(2,597,521)
(288,630)	(395,994)
(3,282,145)	(2,993,515)

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
-	-
(359,664)	(434,209)
(464,992)	(697,203)
-	-
(824,656)	(1,131,412)
(824,656)	(1,131,412)
(288,630)	(395,994)

8.04.02 Profit/(loss) of Sonargaon Economic Zone Limited

Revenue

General and Other Administrative expenses

Depreciation and amortisation expense

Income tax expenses

Profit/(loss) after tax

Other comprehensive income

Total comprehensive income

Share of profit/(loss) of SEZL during the year (35%)

-	-
(359,664)	(434,209)
(464,992)	(697,203)
-	-
(824,656)	(1,131,412)
(824,656)	(1,131,412)
(288,630)	(395,994)

8.04.03 Asset and Liability position of Sonargaon Economic Zone Limited

According to IFRS 12, the following is summarised financial information for Sonargaon Economic Zone Limited based on its financial statements prepared in accordance with IFRS:

	Amount in Taka	
	30 June 2022	30 June 2021
Current assets	38,316,844	11,327,618
Non current assets	1,230,271,830	1,210,408,572
Current liabilities	1,247,966,232	1,200,289,091
Non current liabilities	-	-
Net assets	20,622,443	21,447,099

Includes:

- fixed assets of Tk. 1,175,155,232 (2021: 1,165,528,547)

- cash & cash equivalents of Tk. 22,499,083 (2021: 161,930)

No dividend has been received from Sonargaon Economic Zone Limited during the year ended 30 June 2022.

9. Accounts receivable

Receivable of The Westin Dhaka

Receivable of HANSA by UHRL

Receivable of Sheraton Dhaka

Receivable of UHRL (Airport Lounge)

269,832,090	220,385,010
16,405,879	12,765,699
28,500,827	-
12,949,515	-
327,688,312	233,150,709

Less: Provision for bad & doubtful debts

Provision for bad & doubtful debt of The Westin Dhaka

Provision for bad & doubtful debt of HANSA by UHRL

(144,116,499)	(148,721,167)
(6,399,399)	-

Closing balance

(150,515,898)	(148,721,167)
177,172,414	84,429,542



Provision for bad debts is made at the rate of 3% of rolling three months of average receivables in compliance with the policy of Marriott International. Moreover, total accounts receivable of The Westin Dhaka is Tk. 269,832,090 and out of that, receivable from Karim Associates (customer) is Tk. 141,579,465 (invoices belongs to FY 2019-2020 pre COVID-19 period). Due to COVID-19, the Govt. restricted international flight operations and Karim Associates stopped their operations from March 2020. However, Karim Associates entered an agreement with Unique Hotel & Resorts Ltd. in September 30, 2020, indicating they will restore the operations effective from October 2020 and repay the dues in three equal installments through post-dated cheques of Tk. 47,193,155 each payable in December 2020, March 2021, and June 2021. However, these scheduled cheques bounced due to insufficient funds. This raised uncertainty in recovering the due balance from Karim Associates. In these circumstances, management of Unique Hotel & Resorts Ltd. made specific provision for the aforesaid receivable balance of Tk. 141,579,465 during the year ended 30 June 2021. However, as per our legal department recommendation, we proceeded with the service of statutorily mandated demand notice and subsequently, we filed separate Negotiable Instruments Act cases on February 28, 2021; June 16, 2021 and September 13, 2021 for the abovementioned cheques against Karim Associates which is under subjudice now. The accused has been summoned to court and they have applied for time petition.

Moreover, total accounts receivable of HANSA by UHRL is Tk. 16,405,879 and out of that, receivable from Kuwait Bd Friendship Govt Hospital (customer) is Tk. 6,399,399 (invoices belongs to FY 2020-2021). During COVID-19 period, i.e. since May 2020, the Govt. hospitals entered into agreement with hotels where the doctors and other support staff of the hospitals stayed at nearby hotels. Kuwait Bd Friendship Govt Hospital had entered into similar agreement with HANSA by UHRL on June 03, 2020 for accommodation and food & other services. Invoice for the service provided during the period from August 2020 to 22nd September 2020 which amounts to BDT 63,99,399 was also submitted duly by HANSA by UHRL. Subsequently, the ministry of Finance had asked for legal documentation challenging the validity of doctors staying at the hotel during the said period. However, Hospital Authority, DG Health and Ministry of Health have unanimously approved and forwarded the invoice several times to the Ministry of Finance to process the due payment of Hotels under Kuwait Bangladesh Friendship Govt. Hospital. However, the aforesaid due balance has not been able to recover from the hospital yet. In these circumstances, management considers the abovementioned receivable balance from Kuwait Bangladesh Friendship Govt. Hospital as uncertain as well as doubtful and has decided to make full provision for the doubtful debt on a conservative approach. Therefore, Unique Hotel & Resorts Ltd. has made specific provision of BDT 63,99,399 in the financial statements for the year ended 30 June 2022.

9.01 Accounts receivable- ageing summary

0- 30 days
31-60 days
61-90 days
91-120 days
121- 150 days
151 days and over

Amount in Taka	
30 June 2022	30 June 2021
118,926,420	53,899,676
28,088,283	5,411,487
17,675,807	7,736,279
5,000,866	4,303,121
575,933	7,512,876
157,421,000	154,287,269
327,688,312	233,150,709

This is considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Sl. No.	Particulars	Amount in Taka	
		30 June 2022	30 June 2021
I	Accounts receivable considered good in respect of which the company is fully secured	177,172,414	84,429,542
II	Accounts receivable considered good in respect of which the company holds no security other than the	-	-
III	Accounts receivable considered doubtful or bad	150,515,898	148,721,167
IV	Accounts receivable due by any director or other officer of the company	-	-
V	Accounts receivable due by common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
Total		327,688,312	233,150,709

10. Other receivables

Accrued interest on FDR
Forfeiture balance (Provident Fund) receivable
Car rent receivable

Amount in Taka	
30 June 2022	30 June 2021
11,378,299	8,029,793
76,073	1,859,939
1,260,000	1,151,000
12,714,372	11,040,732

11. Advances, deposits and prepayments

Advances (11.01)
Deposits (11.02)
Prepayments (11.03)
From HANSA by UHRL

5,936,306,056	5,692,559,735
21,934,933	20,308,961
11,190,310	9,061,950
1,589,894	757,697
5,971,021,193	5,722,688,344

11.01 Advances

Advance income tax (11.01.01)
Advance to Govt.
Advance against rent (security)
Advance against purchases
Advance to parties/ suppliers
Advance to employees- The Westin Dhaka
Advance to suppliers- The Westin Dhaka

41,063,076	18,286,412
175,500,000	175,500,000
-	2,400,000
6,291,273	47,801,459
18,542,988	170,007,497
588,500	439,500
14,937,439	6,714,848



Advances to suppliers- Sheraton Dhaka	3,245,720	-
Advance for HANSA by UHRL	-	977,696
Advance for Limousine Service	10,000	131,797
Advance for South Park project	1,559,212	2,405,481
Advance for renovation work of The Westin Dhaka	697,500	-
Advance for LC Margin	-	723,857
Advance for hotel and service apartment (11.01.02)	1,297,531,250	927,875,000
Advance against salary	206,726	171,731
Advance for Unique Convention centre	1,505,070	1,505,070
Advance against land*	2,708,753,485	2,708,253,484
Advance against land of Sonargaon Economic Zone	624,892,587	624,892,587
Sonargaon Economic Zone Limited	877,212,226	829,074,683
Other advances	163,769,007	175,398,635
	5,936,306,056	5,692,559,735

*Advance against land includes the advance of Tk. 2,600,000,000 for the purchase of 23.9375 katha of land at Gulshan Avenue, Gulshan-2, Dhaka-1213, from Borak Real Estate Limited to be used by the Company as Seven Star International Chain Hotel as per shareholders approval in 12th AGM, dated 24 June 2013. The advance shall be accounted for as land as soon as the registration is completed.

		Amount in Taka	
		30 June 2022	30 June 2021
11.01.01	Advance income tax		
	Opening balance		
	Add: Advance tax paid during the year	18,286,412	93,192,043
	Less: Advance tax adjusted during the year	41,334,825	48,425,072
	Closing balance	(18,558,162)	(123,330,703)
		41,063,076	18,286,412
11.01.02	Advance for hotel service apartment		
	Opening balance	927,875,000	927,875,000
	Add: Addition during the year	369,656,250	-
	Closing balance	1,297,531,250	927,875,000
11.02	Deposits		
	Bank margin	3,286,195	1,786,347
	Security deposit	17,785,535	17,806,411
	Security deposit- The Westin Dhaka	863,203	716,203
		21,934,933	20,308,961
11.03	Prepayments		
	Insurance- The Westin Dhaka (Property Damage & Business Interruption)	405,420	452,045
	Insurance- The Westin Dhaka (Commercial General Liabilities)	6,572,159	4,745,264
	Insurance- Sheraton Dhaka (Terrorism insurance coverage)	1,753,085	548,478
	Insurance- Sheraton Dhaka (Property insurance coverage)	2,459,646	3,200,313
	Insurance- HANSA by UHRL	-	115,850
		11,190,310	9,061,950
		Amount in Taka	
		30 June 2022	30 June 2021
12.	Fixed deposit receipts		
	Fixed deposit receipts of The Westin Dhaka		
	People's Leasing and Financial Services Ltd.	43,679,385	43,679,385
	International Leasing and Financial Services Ltd.	231,000,000	231,000,000
	Fareast Finance and Investment Ltd.	2,300,000	5,300,000
	Brac Bank Ltd.	45,000,000	66,462,500
	Brac Bank Ltd. - Operational A/C	241,732,500	-
	Eastern Bank Ltd.	112,025,000	288,049,787
		675,736,885	634,491,672
	Fixed deposit receipts of Sheraton Dhaka		
	Eastern Bank Ltd.	45,000,000	-
		45,000,000	-
	Fixed deposit receipts of Head office		
	Southeast Bank Ltd.	18,812,212	18,144,443
	United Commercial Bank Ltd.	753,325,669	728,428,312
		772,137,881	746,572,755
	Fixed deposit receipts of HANSA by UHRL		
	Eastern Bank Ltd.	3,277,154	3,205,838
	Eastern Bank Ltd.	3,058,325	2,991,770
		6,335,478	6,197,608
		1,499,210,244	1,387,262,035



Current and non-current classification**Non-current asset**

Less: Impairment of financial asset in People's Leasing and Financial Services Ltd.
Less: Impairment of financial asset in International Leasing and Financial Services Ltd.

274,679,385	274,679,385
(26,207,631)	-
(115,500,000)	-
132,971,754	274,679,385
1,224,530,859	1,112,582,650
1,357,502,613	1,387,262,035

Current asset

Closing balance

The Company has investments in People's Leasing and Financial Services Ltd. (PLFSL) to the extent of Tk. 43,679,385 in the form of term deposits. At present, a winding up application, Financial Institution Matter No. 1 of 2019 filed by Bangladesh Bank, is pending against PLFSL in the Honorable High Court Division of the Supreme Court of Bangladesh. The Honorable High Court has not allowed the application but has instead reconstructed PLFSL's Board of Directors through the court order dated July 15, 2021 and also directed the depositors not to insist upon the Board of Directors or management of the PLFSL for return of their money in next six (6) months. The order of direction restraining UHRL as a depositor from demanding repayment from PLFSL has been extended twice, lastly until January 2023. UHRL is also not aware of any developments which would suggest that there would not be any further extensions of the interim order. Unique Hotel & Resorts Ltd. has also sought legal opinion from renowned legal advisor in this matter. However, considering the abovementioned facts, UHRL has considered its investment in PLFSL to be a credit impaired financial asset in terms of IFRS 9 on a conservative approach and has decided to make 60% loss allowance against the principal receivable from PLFSL. Such allowance represents a prudent measure of accounting on its part, it does not represent a waiver of any claim against PLFSL.

Furthermore, the Company has investments in International Leasing and Financial Services Ltd. (ILFSL) to the extent of Tk. 231,000,000 in the form of term deposits. At present, a winding up application by the depositors of ILFSL, Company Matter No. 299 of 2019, is pending against ILFSL in the Honorable High Court Division of the Supreme Court of Bangladesh. The Honorable Court did not allow the application, instead had reconstructed ILFSL's Board of Directors. Furthermore, ILFSL has also shared their rebuilding plan recently and according to their plan, the depositor companies have been given opportunity to convert their deposits at ILFSL into equity. Moreover, according to the recent media reports, ILFSL has entered into an agreement with Sonar Bangla Capital Management Ltd. on September 21, 2022 to convert their deposits and liabilities into shares subject to approval from the regulators. Unique Hotel & Resorts Ltd. has also sought legal opinion from renowned legal advisor in this matter. In these circumstances, notwithstanding the pious intent expressed in ILFSL's latest plan of rebuilding, UHRL has decided to make 50% loss allowance against principal receivable from ILFSL on a conservative approach. Such allowance represents a prudent measure of accounting on its part, it does not represent a waiver of any claim against ILFSL.

13. Cash and cash equivalents**a. Cash in hand**

Cash in hand- Corporate office
Cash in hand- Airport Lounge
Cash with brokerage house

Amount in Taka	
30 June 2022	30 June 2021

54,435	69,139
50,000	-
29,280,815	16,041,957
29,385,250	16,111,096

Cash at bank

United Commercial Bank Ltd.-Banani Branch
Bank Alfalah Ltd., Gulshan Branch
Premier Bank Ltd. Banani Branch
Eastern Bank Ltd.-Gulshan Branch
Eastern Bank Ltd., HPA- Banani
Eastern Bank Ltd.-Dividend 2011
Eastern Bank Ltd.-Dividend 2012
Eastern Bank Ltd.-Dividend 2013
Eastern Bank Ltd.-Dividend 2014
Eastern Bank Ltd.-Dividend 2015-16
Eastern Bank Ltd.-Dividend 2016-17
Eastern Bank Ltd.-Dividend 2017-18
Eastern Bank Ltd.-Dividend 2018-19
Eastern Bank Ltd.-Dividend 2019-20
Eastern Bank Ltd.-Dividend 2020-21
Eastern Bank Ltd.- Unclaimed Dividend account
Prime Bank Ltd.- Banani Branch, (Unit-2)
Prime Bank Limited.-Banani Branch
Al Arafah Islami Bank Ltd., Motijheel- CD
BRAC Bank Ltd., Gulshan- SND
BRAC Bank Ltd., Gulshan- FC Dollar
BRAC Bank Ltd., Gulshan- FC Pound
BRAC Bank Ltd., Gulshan- FC Euro
Janata Bank Ltd.-Corporate Branch
Shahjalal Islami Bank Ltd.-Banani Branch
The City Bank Ltd.-Kawran Bazaar Branch

27,691,118	32,688,183
91,503,658	16,073
7,640	-
27,061	194,956
230,809	319,931
-	851,158
-	6,716,151
-	3,495,633
-	2,481,002
-	2,312,200
-	1,287,108
-	792,796
1,709,155	1,721,867
612,935	674,823
790,809	-
446	-
27,268	27,613
66,773,681	(934,188)
478,959,675	-
14,471	22,278
416,470	416,872
2,922,836	3,030,154
1,908,651	1,969,359
23,269	23,269
7,570	7,570
16,450	17,444



Mercantile Bank Ltd.-Banani Branch		44,460	44,460
Premier Bank Ltd. Banani Branch		3,100	3,100
One Bank Ltd.		3,882	5,147
Sonali Bank Ltd, Gulshan. Branch, Dhaka		17,012	17,012
Sonali Bank Ltd., Dhaka Reg. Complex Branch		12,083	12,083
Dutch Bangla Bank Ltd.		100,310	4,675,973
Sonali Bank Ltd., Gulshan Branch		50,000	50,000
Agrani Bank Ltd.		385,117	41,670
Southeast bank Ltd.		1,790	3,057
IFIC Bank Ltd.		11,661	11,661
Commercial Bank of Ceylon		76,235	76,235
Subtotal		674,349,620	63,072,650
b. The Westin Dhaka		703,734,870	79,183,746
Cash in hand		1,590,000	925,000
Cash at bank			
Standard Chartered Bank		121,240,401	4,273,825
Standard Chartered Bank CD		29,642,748	15,159,563
Prime Bank Limited- C/A		1,930,712	288,937
Prime Bank Limited- STD		12,497,678	4,524,881
Prime Bank Limited (replacement reserve account)		22,018,537	542,461
The City Bank Limited- Gulshan Branch		1,968,632	7,631,616
Dutch Bangla Bank Ltd.		227,153	227,993
Subtotal		189,525,861	32,649,276
c. HANSA by UHRL		191,115,861	33,574,276
Cash in hand		633,514	865,926
Cash at bank			
United Commercial Bank Ltd.		20,613,916	45,193,873
Prime Bank Limited		2,132,232	2,126,579
Standard Chartered Bank		236,307	2,229,648
Subtotal		22,982,455	49,550,100
d. Sheraton Dhaka		23,615,969	50,416,026
Cash in hand		-	-
Cash at bank			
Standard Chartered Bank		(81,082,360)	-
Brac Bank Ltd.		464,938	-
Brac Bank Ltd. CD		110,049,813	-
Standard Chartered Bank (replacement reserve account)		1,299,049	-
Subtotal		30,731,440	-
Total : (a+b+c+d)		30,731,440	-
		949,198,139	163,174,048
		Amount in Taka	
		30 June 2022	30 June 2021
14. Share capital			
A. Authorized share capital			
1,000,000,000 ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000
		10,000,000,000	10,000,000,000
B. Issued, subscribed and paid- up capital			
294,400,000 ordinary shares of Tk. 10 each fully paid		2,944,000,000	2,944,000,000
		2,944,000,000	2,944,000,000
C. Shareholding position			
		%	No. of shares
		30 June 2022	30 June 2021
Sponsor/Director	46.03%	13,551,620	135,516,202
Companies and financial Institutions	26.28%	7,737,809	77,378,089
Foreign Individual & Companies	0.54%	158,849	1,588,493
General Public	27.15%	7,991,722	79,917,216
	100.00%	29,440,000	294,400,000



D. Classification of shareholders by holding

Number of shares

1 to 500 shares
501 to 5,000 shares
5,001 to 10,000 shares
10,001 to 20,000 shares
20,001 to 30,000 shares
30,001 to 40,000 shares
40,001 to 50,000 shares
50,001 to 1,00,000 shares
1,00,001 to 1,000,000 shares
over 1,000,000

No. of shareholders	No. of shares	% of holdings
11,430	1,467,852	0.50%
2,516	4,861,893	1.65%
435	3,311,712	1.12%
238	3,583,819	1.22%
101	2,491,205	0.85%
46	1,642,417	0.56%
36	1,672,366	0.57%
71	5,308,435	1.80%
89	24,476,757	8.31%
33	245,583,544	83.42%
14,995	294,400,000	100.00%

Amount in Taka

30 June 2022 30 June 2021

15. Share premium

6,181,931,836 6,181,931,836

16. Revaluation reserve

Opening balance
Realized through excess depreciation on revaluation of assets

10,292,740,021	10,168,822,832
119,564,186	123,917,189
10,412,304,207	10,292,740,021

17. Long term loan

Standard Chartered Bank Limited - Foreign currency loan (17.01)
Standard Chartered Bank Limited (17.02)
Dutch Bangla Bank Limited (17.03)
United Commercial Bank Limited (17.04)
Agrani Bank Limited (17.05)
Al Arafah Islami Bank Limited (17.06)

-	1,167,375,000
1,200,326,411	1,469,632,506
1,095,373,726	1,056,188,906
1,020,507,283	1,000,000,000
1,079,803,924	-
850,000,000	-
5,246,011,344	4,693,196,412

Current and non-current classification

Non-current portion
Current portion

4,742,784,326	3,935,777,581
503,227,018	757,418,831
5,246,011,344	4,693,196,412

17.01 Standard Chartered Bank Limited - Foreign currency loan

Name of lender : Standard Chartered Bank, Singapore
Security agent : Standard Chartered Bank, Dhaka
Name of facility : Term loan facility
Facility limit : USD 35 million
Rate of interest : LIBOR+4.50% per annum
Purpose of loan : Financing capital expenditure
Repayment : 5 years including 12 months grace period for principal amount that will be paid through 16 equal quarterly installments after the grace period. (For 3rd Tranche- \$ 10 million, 24 equal installments in 7 years including 1 year moratorium period).
Security : i) Registered mortgage on 24 storied five star hotel building (The Westin Dhaka) including 1 bigha and 4.25 katha of land on which the building is situated along with fittings and fixtures and boundary wall etc.;
ii) Personal guarantee of Mr. Mohd. Noor Ali, Managing Director;
iii) Exclusive charge on receivables of the Company.

The Company had translated the foreign currency loan from USD to BDT at the rate prevailing on the closing date until the loan was fully repaid. Recognising of foreign currency difference in profit or loss, would result significant fictitious impact on its financial performance which would also be misleading to the fair presentation. Accordingly, the Company recognized foreign currency difference in translation of USD denominated loans to capital work in progress of the underlying property taking under cognizance the substance of the above matter.

However, Unique Hotel & Resorts Ltd. has proposed to Bangladesh Investment Development Authority (BIDA) through a letter dated March 15, 2022 for the early settlement of the foreign loan of USD 35 million via Standard Chartered Bank (London/Mauritius/Singapore) through Standard Chartered Bank Limited Dhaka, Bangladesh. Subsequently with approval from BIDA through their letter dated March 24, 2022; Unique Hotel & Resorts Ltd. has settled the full amount of abovementioned foreign loan on March 29, 2022.

17.02 Standard Chartered Bank Limited

Name of lender : Standard Chartered Bank, Dhaka
Name of facility : Term loan facility
Facility limit : 150.00 crore
Rate of interest : T Bill+7.26% per annum
Purpose of loan : Financing construction and furnishing work of Sheraton Dhaka
Repayment : 6 years including 2 years moratorium period



Security :

- i) Demand Promissory Note and a Letter of continuation for BDT 2,140 million of Unique Hotel & Resorts Ltd.;
- ii) Registered mortgage over land and building of The Westin Dhaka situated at Plot 01, Road 45, Gulshan-2, Dhaka covering the facility amount. A second mortgage has been created for BDT 1.5 Billion covering the additional term loan facility over this Land and Building;
- iii) Personal guarantee of Mr. Mohd. Noor Ali, held for BDT 3,764.5 million. Additional Personal Guarantee for BDT 1.5 Billion to be taken from Mr. Mohd. Noor Ali and Salina Ali.

The interest rate of this term loan has been changed to 9.00% from 1st of April 2020 as per Banking Regulation & Policy Department Circular No. 03/2020 dated February 24, 2020. The interest rate has further been revised to T-Bill+3.68% p.a. with a floor of 6% p.a. through letter dated August 23, 2021 of Standard Chartered Bank Limited which will be effective from August 31, 2021.

17.03 Dutch Bangla Bank Limited

Name of lender : Dutch Bangla Bank Limited
 Name of facility : Term loan
 Facility limit : 100.00 crore
 Rate of interest : 10.50% per annum
 Purpose of loan : For completion of work of Sheraton Dhaka
 Repayment : 7 years including 2 years moratorium period
 Security :
 i) Registered mortgage of HANSA- Premium Residence (03 star serviced apartment) measuring 48,420 sq ft (1st floor to 12th floor), including basement 1 & 2 with undivided and un-demarcated share of (3.68+3.69)=7.37 decimal or 4.47 Katha land in Dhaka, Sub Register Office- Uttara, Mouza- Uttara R/A, being Plot No.03, Road No. 10/A, Sector 09, Uttara Model Town, Dhaka-1230 and (4.13+4.12)=8.25 decimal or 5 Katha land in Dhaka, Sub Register Office- Uttara, Mouza- Uttara R/A, being Plot No.05, Road No. 10/A, Sector 09, Uttara Model Town, Dhaka-1230 standing in the name of "Unique Hotel & Resorts Ltd." valued at BDT 896.38 million as per valuation report by Northern Inspection Co. Ltd. Dated: 29-10-19;
 ii) Registration of mortgage charge with RJSC&F;
 iii) Personal guarantee of Chairman and Managing Director

The interest rate of this term loan has been changed @9% from 1st of April 2020 as per Banking Regulation & Policy Department Circular No. 03/2020 dated: February 24, 2020. Moreover, Bank has further reduced the interest rate @8.75% effective from October 9, 2020 and further reduction in interest rate has been @7.75% with effect from August 2021.

However, interest on loan has been capitalized with principal amount by the Bank. As a result, outstanding loan has increased from BDT 100 crore to BDT 109.54 crore. However, UHRL has already started repaying the loan according to the repayment schedule.

17.04 United Commercial Bank Limited

Name of lender : United Commercial Bank Ltd.
 Name of facility : Term loan
 Facility limit : 100.00 crore
 Rate of interest : 9.00% per annum
 Purpose of loan : For finishing interior work, supplier payment and other payments related to the project "Sheraton Dhaka"
 Repayment : 7 years including 2 years moratorium period
 Security :
 i) Registered Mortgage of 30,391 sq ft. Office space along with 3 khata 6 Chatak 1 sq ft. at Dilkusha , Motijheel , Dhaka.
 ii) 90,00,000 nos. shares of Unique Hotel & Resorts Ltd. (UHRL) to be pledged which hold by it's sister concern against the approved facility;
 iii) Registration of mortgage charge with RJSC&F;
 iv) Personal guarantee of Chairman and Managing Director;
 v) Undated security cheque covering the entire facilities.

17.05 Agrani Bank Limited

Name of lender : Agrani Bank Limited
 Name of facility : Term loan
 Facility limit : 100.00 crore
 Rate of interest : 9.00% per annum
 Purpose of loan : For finishing interior work, supplier payment and supply of other local supplies for completion of the project "Sheraton Dhaka"
 Repayment : 7 years including 2 years moratorium period
 Security :
 i) 3,00,00,000 no. shares of Unique Hotel & Resorts Ltd. (UHRL) to be pledged which hold by it's sister concern against the approved facility;
 ii) Corporate guarantee from Borak Real Estate Limited;
 iii) Personal guarantee of directors.



17.06	Al Arafah Islami Bank Limited		
	Name of lender	:	Al Arafah Islami Bank Limited
	Name of facility	:	Hire Purchase under Shirkatul Melk (HPSM)
	Facility limit	:	450.00 crore
	Rate of interest	:	7.5% per annum
	Purpose of loan	:	Taka 315 crore to purchase 1,85,575.03 sft floor space and proportionate car parking of "Borak Taka 135 crore to pay off the principal term loan liability of Standard Chartered Bank Ltd.
	Repayment	:	7 years including 2 years moratorium period for Taka 315 crore and 5 years including 12 months moratorium period for Taka 135 crore
	Security	:	i) Mortgage of 39.7 decimel land with 3,02,581 sft building thereon (Acropolis project) ii) Personal guarantee of Chairman and Managing Director iii) Personal guarantee of owners of mortgaged property

18. Deferred tax liability

		Amount in Taka	
		30 June 2022	30 June 2021
	Opening balance	2,536,077,319	2,870,482,266
	Deferred tax obligation/(benefit) during the year	(40,290,580)	(89,541,949)
	Transferred to retained earnings- excess depreciation on revaluation reserve	(238,392,137)	(244,862,998)
		2,257,394,602	2,536,077,319

As at 30 June 2022		Tax rate	Carrying amount	Tax Base	Temp. difference	Deferred tax (asset) / liability
	Property, Plant and Equipment	20%	8,027,567,078	5,557,291,744	2,470,275,334	494,055,067
	Provision for bad & doubtful debt	20%	(144,116,499)	-	(144,116,499)	(28,823,300)
	Impairment of financial asset	20%	(141,707,631)	-	(141,707,631)	(28,341,526)
	Provision for gratuity	20%	(23,743,798)	-	(23,743,798)	(4,748,760)
	Unrealized gain/(loss) from investment in shares	10%	(39,687,848)	-	(39,687,848)	(3,968,785)
	Unused tax loss on sale of shares of listed entities	10%	(9,542,196)	-	(9,542,196)	(954,220)
	Unused tax loss on disposal of assets	20%	(73,544,324)	-	(73,544,324)	(14,708,865)
A	Closing deferred tax liability as at 30 June 2022					412,509,611
	Closing Deferred tax liability as at 30 June 2021					452,800,191
	Deferred tax (income)/expenses during the year					(40,290,580)

	Revaluation of Land	4%	3,790,955,298	-	3,790,955,298	151,638,212
	Revaluation of Property, Plant and Equipment	20%	8,466,233,900	-	8,466,233,900	1,693,246,780
B	Closing deferred tax liability as at 30 June 2022					1,844,884,992
	Closing Deferred tax liability as at 30 June 2021					2,083,277,128
	Transferred to retained earnings during the year- excess depreciation on revaluation reserve					(238,392,137)

As at 30 June 2021		Tax rate	Carrying amount	Tax Base	Temp. difference	Deferred tax (asset) / liability
	Property, Plant and Equipment	22.50%	6,184,828,521	3,894,622,632	2,290,205,889	515,296,325
	Provision for bad debt	22.50%	(148,721,167)	-	(148,721,167)	(33,462,263)
	Provision for gratuity	22.50%	(19,736,565)	-	(19,736,565)	(4,440,727)
	Unused tax losses	22.50%	-	(84,742,950)	(84,742,950)	(19,067,164)
	Unrealized gain/(loss) from investment in shares	10%	(55,259,813)	-	(55,259,813)	(5,525,981)
A	Closing deferred tax liability as at 30 June 2021					452,800,191
	Closing Deferred tax liability as at 30 June 2020					542,342,140
	Deferred tax (income)/expenses during the year					(89,541,949)

	Revaluation of Land	4%	3,790,955,298	-	3,790,955,298	151,638,212
	Revaluation of Property, Plant and Equipment	22.50%	8,585,061,850	-	8,585,061,850	1,931,638,916
B	Closing deferred tax liability as at 30 June 2021					2,083,277,128
	Closing Deferred tax liability as at 30 June 2020					2,328,140,126
	Transferred to retained earnings during the year- excess depreciation on revaluation reserve					(244,862,998)

19. Short term loans

		Amount in Taka	
		30 June 2022	30 June 2021
	Standard Chartered Bank	190,000,000	195,000,000
	Bank Alfalah Ltd.	500,000,000	500,000,000
	Prime Bank Ltd. Banani Branch	155,495,827	51,392,921
	Prime Bank Ltd. Banani Branch- overdraft	1,026,365,529	715,929,448
	Standard Chartered Bank, Gulshan- overdraft	400,634,818	260,217,085
	Al Arafah Islami Bank Limited- Bai Muazzal	500,000,000	-
		2,772,496,174	1,722,539,454



		Amount in Taka	
		30 June 2022	30 June 2021
20.	Due to operator and its affiliates		
	The Westin Dhaka		
	License fee	68,440,796	44,808,228
	Marketing fee	65,018,756	95,926,470
	Office base fee	-	801,448
	Incentive fee	93,533,861	60,186,794
	Reservation fee/program service fund	23,295,893	28,941,518
		250,289,306	230,664,457
	Sheraton Dhaka		
	License fee	4,510,514	-
	Marketing fee	4,284,987	-
	Incentive fee	1,475,920	-
	Other reimburseables	6,721,561	-
		16,992,982	-
	HANSA by UHRL		
	License fee	-	3,831,077
	Incentive fee	-	3,769,295
		-	7,600,371
	Closing balance	-	7,600,371
21.	Accounts payable	267,282,288	238,264,830
	The Westin Dhaka		
	R. M. Enterprise	391,339	418,062
	Expolink Resources Ltd.	945,959	-
	Taj Enterprise	791,118	767,665
	Transcom Beverage Ltd.	1,467,423	-
	Quality Integrated Agro Ltd.	1,089,940	-
	Band Box	696,030	271,185
	Creative Engineering	2,098,794	-
	Noor Trade House	2,634,767	1,448,796
	Idol Ace Ltd.	-	489,835
	Sara Trade International	760,384	520,028
	Allahar Dan Fish	121,770	472,584
	Bengal Meat Processing Industries Ltd.	4,884,787	-
	Bangladesh Edible Oil	2,147,040	-
	Paramount Trading System Ltd.	1,677,071	-
	Technopole	2,084,500	-
	Other creditors	37,132,261	26,430,278
		58,923,184	30,818,433
	Sheraton Dhaka		
	Bengal Meat Processing Industries Ltd.	4,482,997	-
	Noor Trade House	2,937,032	-
	Panna Enterprise	725,974	-
	Quality Integrated Agro Ltd.	641,600	-
	Other creditors	18,978,551	-
		27,766,154	-
	HANSA by UHRL		
	Accounts Payable of HANSA by UHRL	2,111,905	2,432,704
	Closing balance	88,801,243	33,251,137
22.	Undistributed/unclaimed dividend		
	Opening balance	12,841,987	12,611,384
	Add: Dividend declared during the year	159,631,528	140,831,710
	Less: Dividend transferred to Capital Market Stabilisation Fund	(13,846,209)	-
	Less: Dividend paid during the year	(155,457,037)	(140,601,107)
		3,170,269	12,841,987

In compliance with the Bangladesh Securities Exchange Commission directives issued on June 01, 2021; Unique Hotel & Resorts Ltd. has transferred a total of Tk. 13,846,209 during the year ended 30 June 2022 to Capital Market Stabilisation Fund for the undistributed/unsettled dividend relating to the financial years from 2011 to 2017-18.



		Amount in Taka	
		30 June 2022	30 June 2021
23.	Liabilities to intercompanies		
	Borak Real Estate Ltd.	1,827,360,632	1,908,240,793
	Unique Eastern (Pvt.) Ltd.	408,137,213	395,134,245
	Borak Travels Pvt Ltd.	292,725,510	292,725,192
	Unique Vocational Training Centre	50,876,289	17,074,911
	Unique Ceramics Industries Ltd.	77,895,416	146,570,396
		2,656,995,061	2,759,745,537
24.	Other accruals and payables		
	Taxes, deposits and other creditors (24.01)	120,829,604	53,921,109
	Accrued expenses (24.02)	291,346,599	214,635,604
	Provision for corporate tax (24.03)	46,907,804	10,051,535
	Provision for Workers' Profit Participation Fund (WPPF) (24.04)	48,382,984	15,753,687
	Liability to directors and shareholders	539,937,579	516,539,705
	Provision for gratuity	23,743,798	19,736,565
	Advance received from Eastern Bank Ltd. for Airport Lounge	87,092,508	116,123,340
	Liability for finance cost	29,429,104	180,382,008
	Other payables	436,190,965	581,257,344
		1,623,860,943	1,708,400,897
24.01	Taxes, deposits and other creditors		
	The Westin Dhaka		
	Security deposits from suppliers	8,490,000	7,840,000
	Security deposits from tenants	4,822,420	5,207,980
	Supplementary duty payable	2,073,527	1,346,800
	Service charge payable	19,808,082	6,623,651
	Breakage fund and others	4,156,126	6,695,542
	VAT payable	23,607,360	-
	TDS payables- suppliers	-	1,052,590
	Tax payable on management fees	29,370,975	20,542,145
		92,328,490	49,308,709
	Sheraton Dhaka		
	Service charge payable	6,615,608	-
	VAT payable	7,554,048	-
	TDS payables- suppliers	896,850	-
	Advance received from customers	5,910,387	-
		20,976,893	-
	HANSA by UHRL		
	Service charge payable	5,383,485	3,383,539
	VAT payables	1,968,330	1,183,875
	Supplementary duty payable	142,317	44,987
	Other payables	30,089	-
		7,524,221	4,612,400
	Closing balance	120,829,604	53,921,109
24.02	Accrued expenses		
	The Westin Dhaka		
	Salaries, wages, bonus and other benefits	9,327,327	2,838,708
	Accruals for utility services	3,517,111	2,426,351
	Accrual for Marriott Bonvoy	76,045,160	91,548,225
	Accrual for employee survey and vacation	4,573,774	3,309,668
	Accrual for Starwood GSI/GEI	70,421,584	46,025,268
	Westin privilidge card and SPP card	-	75,000
	Advance received for tower rent and Gym membership	10,736,672	10,284,758
	Expatriate benefits	3,628,260	2,082,565
	Audit fee payable	5,158,792	4,702,500
	Other accruals	30,408,373	10,569,811
		213,817,052	173,862,853
	Sheraton Dhaka		
	Salaries, wages, bonus and other benefits	2,929,223	-
	Accruals for utility services	9,803,498	-
	Audit fee payable	100,000	-
	Other accruals	7,421,231	-
		20,253,952	-



Others
Accrued expenses of HANSA by UHRL
Payable to Unique Meghnaghat Power Ltd.
Accrued expenses of corporate office

7,887,955	7,334,027
-	811,557
49,387,640	32,627,167
57,275,595	40,772,751
291,346,599	214,635,604

Closing balance

24.03 Provision for corporate tax

Opening balance
Add: Income tax expense for the year
Less: Income tax adjusted during the year
Closing balance

10,051,535	143,479,956
44,022,161	7,165,893
(7,165,893)	(140,594,314)
46,907,804	10,051,535

24.04 Provision for Workers' Profit Participation Fund (WPPF)

Opening balance
Add: Adjustment during the year
Add: Provision made during the year
Add: Adjustment during the year
Less: Paid to the Worker's Profit Participation Fund
Less: Paid to the Government Welfare Fund
Less: Paid during the year to the WPPF Trustee account
Closing balance

15,753,687	35,095,472
-	30,000
48,628,121	15,753,687
(245,138)	-
(12,602,949)	-
(1,575,369)	(14,620,918)
(1,575,369)	(20,504,554)
48,382,984	15,753,687

Amount in Taka

01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
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25. Revenue

Revenue from The Westin Dhaka

Rooms
Food and beverage
Minor operating department (MOD)
Space rental
Shop rent

551,426,396	165,379,451
696,903,764	390,724,416
64,955,002	36,596,896
17,190,984	3,339,936
12,518,432	11,805,402
1,342,994,578	607,846,101

Revenue from Sheraton Dhaka

Food and beverage
Space rental

213,241,087	-
10,768,287	-
224,009,374	-

Revenue from HANSA by UHRL

Rooms
Food and beverage
Minor operating department (MOD)

67,062,728	33,333,587
40,502,043	28,746,163
10,526,230	5,474,238
118,091,001	67,553,988

26. Costs of sales (COS)

Cost of sales of The Westin Dhaka

Particulars	1 July 2021 to 30 June 2022				01 July 2020 to 30 June 2021
	Rooms	Food & beverage	Minor operating dept	Total	
Salary, wages, bonus and benefits	15,129,083	35,904,457	5,981,442	57,014,982	35,719,976
Cost of materials & other related expenses	-	186,763,476	6,725	186,770,201	125,406,257
Operating supplies	7,739,613	18,608,175	839,283	27,187,071	16,771,086
Laundry, dry cleaning and uniforms	6,395,203	8,229,597	890,284	15,515,084	6,126,940
Complementary guest services	20,118,954	-	251,511	20,370,465	11,690,526
Linen, china, glass etc.	-	349,129	-	349,129	9,685,276
In-house TV, video, movies, music etc.	-	3,101,418	-	3,101,418	652,107
Travel agents commission	4,142,418	1,076,373	-	5,218,791	2,019,339
Traveling and communication	231,082	141,333	23,316	395,731	191,629
Airport counter charge	929,515	3,000,000	-	3,929,515	175,308
Fees and purchase	42,556	31,824	-	74,380	69,844
Third party reservation & amenities	6,868,222	32,806	821,043	7,722,071	3,125,207
Decoration & training	22,190	303,564	-	325,754	327,772
Rent, relocation & Loss	-	-	-	-	6,900
Postage	-	-	-	-	140
Promotion & others	-	-	-	-	102,192
Other expenses	521,721	247,359	16,446	785,526	800,501
Subtotal	62,140,557	257,789,511	8,830,050	328,760,118	212,871,000



Cost of sales of Sheraton Dhaka

Particulars	1 July 2021 to 30 June 2022				01 July 2020 to 30 June 2021
	Rooms	Food & beverage	Minor operating dept	Total	
Salary, wages, bonus and benefits	6,795,324	22,119,686	519,997	29,435,007	-
Cost of materials & other related expenses	-	59,698,239	-	59,698,239	-
Operating supplies	322,128	5,466,981	-	5,789,109	-
Laundry, dry cleaning and uniforms	830,167	720,689	29,739	1,580,595	-
Complementary guest services	-	794,422	-	794,422	-
In-house TV , video, movies, music etc.	412,497	23,500	-	435,997	-
Linen, china, glass etc.	-	218,270	-	218,270	-
Third party reservation & amenities	-	247,286	-	247,286	-
Decoration & training	243,542	1,119,300	-	1,362,842	-
Other expenses	675,604	1,406,689	999	2,083,292	-
Subtotal	9,279,262	91,815,062	550,735	101,645,059	-

Cost of sales of HANSA by UHRL

Particulars	1 July 2021 to 30 June 2022				01 July 2020 to 30 June 2021
	Rooms	Food & beverage	Minor operating dept	Total	
Salary, wages, bonus and benefits	4,396,382	4,553,081	651,077	9,600,540	2,467,987
Other expenses	6,907,840	14,819,991	1,020,534	22,748,365	19,194,452
Sub total	11,304,222	19,373,072	1,671,611	32,348,905	21,662,439

Total cost of sales	82,724,041	368,977,645	11,052,397	462,754,082	234,533,439
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Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021

27. Administrative and other general expenses

Administrative and other general expenses of The Westin Dhaka

Operators and its affiliated company fees (27.01)

Administrative and general expenses (27.02)

Repairs and maintenance (27.03)

Advertising, promotion and public relations (27.04)

Information and Telecommunications systems (27.05)

67,998,937	13,008,615
92,615,365	75,040,166
134,269,543	104,707,625
87,449,870	41,362,943
18,080,794	12,524,987
400,414,509	246,644,336

Administrative and other general expenses of Sheraton Dhaka

Salary, wages, bonus & benefits

Operators and its affiliated company fees

Administrative and general expenses

Repairs and maintenance

Advertising, promotion and public relations

Information and Telecommunications systems

23,347,395	-
10,271,422	-
114,814,602	10,295,776
50,614,931	-
8,083,678	-
4,494,914	-
211,626,942	10,295,776

Administrative and other general expenses of HANSA by UHRL

Salary, wages, bonus & benefits

Administrative and general expenses

Repairs and maintenance

Advertising, promotion and public relations

Information and Telecommunications systems

9,950,553	5,987,246
5,002,438	16,734,343
11,472,823	15,504,426
1,938,146	517,177
1,162,791	843,504
29,526,751	39,586,696
641,568,202	296,526,808

Total administrative and other expenses

27.01 Operators and its affiliated company fees

License fee (27.01.01)

Incentive fee (27.01.02)

26,677,419	12,004,896
41,321,518	1,003,719
67,998,937	13,008,615

27.01.01 License fee

Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd. (now Marriott International)

26,677,419	12,004,896
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27.01.02 Incentive fee

Payable to Starwood Asia Pacific Hotels & Resorts Pte. Ltd. (now Marriott International)

Gross operating profit (GOP)

Incentive fee @ 6% on GOP

688,691,967	16,728,650
41,321,518	1,003,719



		Amount in Taka	
		01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
27.02	Administrative and general expenses		
	Legal and professional charges	405,315	1,248,794
	Salaries, wages, bonus and benefits	60,979,325	41,018,862
	Operating supplies	2,535,104	1,999,327
	Postage	310,747	91,740
	Travel and communication	801,303	5,273,797
	Entertainment	606,564	80,508
	Security services	1,144,197	-
	Internal audit fee	1,641,942	1,733,000
	Fee and purchased services	-	32,459
	Uniforms	320,035	144,464
	Subscriptions	474,500	327,001
	Bank charges	858,434	892,048
	Credit card commission	12,295,165	5,489,976
	Recruitment and training	5,518,653	5,116,242
	Travel click expenses	-	636,055
	Cover fees for Nakshi Katha	-	975,600
	Permits and license fee	2,445,171	3,869,422
	Other expenses	2,278,910	6,110,871
		92,615,365	75,040,166
27.03	Repairs and maintenance		
	Salaries, wages, bonus and benefits	6,456,344	4,044,227
	Electric bulbs	2,164,803	1,001,339
	Painting and decorations	1,881,683	507,448
	Travel and communication	30,726	21,208
	Electricity expenses	78,957,858	65,036,084
	Fuel expenses	2,129,567	1,074,997
	Repair and maintenance	11,478,973	11,703,531
	Laundry equipments	200,405	30,234
	Locks and keys	442,790	48,840
	Operating supplies	3,271,011	1,440,187
	Plumbing charge	583,077	457,361
	Propine gas	10,513,968	9,240,108
	Waste removal expenses	336,809	190,185
	Water treatment and pest control	8,440,993	6,640,501
	Insurance Premium	3,801,701	2,201,135
	Uniforms	126,286	4,100
	Other expenses	3,452,549	1,066,140
		134,269,543	104,707,625
27.04	Advertising, promotion and public relation		
	Salaries, wages, bonus and benefits	11,458,518	7,439,911
	Operating supplies	1,335,076	598,743
	Travel and communication	635,603	253,051
	Entertainment	3,013,357	84,912
	Marriott Bonvoy expenses	19,913,764	7,896,848
	Institutional marketing fee	30,455,499	14,256,492
	Reservation fee/Program service fund	10,361,398	6,034,021
	Other expenses	879,218	2,903,383
	Digital Marketing fee	1,793,880	813,898
	Signs, events and functions	6,881,772	-
	Food festival & promotion for guests	721,785	1,081,684
		87,449,870	41,362,943
27.05	Information and Telecommunications Systems		
	Salaries, wages, bonus and benefits	953,334	525,183
	Uniforms	870	8,321
	Operating supplies	1,598,146	521,745
	Data processing and maintenance	13,289,025	9,676,465
	Telecom Support	743,831	-
	Other expenses	1,495,588	1,793,273
		18,080,794	12,524,987

28. **Corporate office expenses**
 Salary, wages and allowances
 Festival allowance
 Provident fund- employer part
 Travelling, conveyance and allowances
 Printing, stationary and papers
 Computer expenses
 Food and entertainment
 Office repairs and maintenance
 Telephone, mobile and internet
 Advertisement and publicity for BSEC compliance
 Trade license, renewal fees, duty and taxes
 Utility expenses
 AGM expenses
 Board meeting fees
 Insurance premium
 Audit fees
 Car repairs and maintenance
 Bank charge
 Loan processing fees
 Depreciation
 Consultancy expenses
 Other expenses
 Renewal of bank guarantee
 Uniform
 Donation and subscriptions
 Holding tax for the Westin Dhaka
 VAT expenses
 Paper, books and periodicals

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
31,398,721	27,189,799
4,626,662	1,050,885
1,575,748	886,858
1,299,325	528,142
969,493	492,452
545,600	42,314
1,866,898	84,338
2,728,489	2,505,283
541,218	534,842
311,528	738,063
2,389,703	423,860
1,647,393	2,351,930
1,232,370	862,223
1,044,214	944,000
14,078,795	14,005,447
573,000	550,000
1,622,955	1,230,350
1,329,041	1,044,685
-	1,000,000
242,584,263	224,810,684
5,777,941	2,502,507
7,931,304	5,535,930
1,520,470	851,866
850,140	1,389,088
575,000	5,605,000
2,192,784	8,771,140
1,766,000	3,320,599
13,880	8,263
332,992,936	309,260,548

*Hotel business has been impacted significantly due to the pandemic of COVID-19, considering the overall scenario, our honourable Managing Director himself voluntarily regrets to receive his remuneration till the situation seems positive. As a result, the Company has not accrued for the Managing Director's remuneration since April 2020.

29. **Other income**
 Dividend income
 Tower rent
 Income from Airport Lounge
 Hotel service charge
 Transport desk income
 Electricity income
 Forfeiture balance from Provident Fund
 Income from simulation events of Sheraton Dhaka
 Fluctuation gain/ (loss)
 Others

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
7,147,229	10,613,505
2,716,800	1,879,880
64,755,433	-
31,174,186	6,777,267
15,604,226	8,756,172
64,977,081	58,261,230
735,664	1,859,939
148,176,875	-
(2,653,956)	530,840
7,100,028	12,432,505
339,733,566	101,111,338

30. **Other expenses**
 Expenses of Airport Lounge
 Expenses for Transport desk
 Expenses relating to electricity income
 Loss on disposal of assets

27,079,504	-
12,513,047	5,620,012
43,390,855	34,797,392
74,527,082	-
157,510,488	40,417,404

31. **Gain/(loss) on investment in shares**
 Gain on sale of share of Unique Meghnaghat Power Limited (Note- 31.01)
 Gain/(loss) on investment in quoted shares (Note- 31.02)

836,027,162	-
6,029,770	138,894,497
842,056,932	138,894,497

- 31.01 **Gain on sale of share of Unique Meghnaghat Power Limited**
 Gain/(loss) on sale of investment in Unique Meghnaghat Power Limited

836,027,162	-
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According to the Share Sale and Purchase Agreement between Nebras Power Investment Management B.V (NPIM), Unique Hotel & Resorts Ltd. (UHRL), Strategic Finance Limited (SFL) and Unique Meghnaghat Power Limited (UMPL); total net sales consideration agreed between Nebras and UHRL is USD 23,889,628 for sale of 14,641 number of ordinary shares which will be transferred in four tranches. Thus the fair value per ordinary share has been determined at Tk.138,658 each. During the year, UHRL has completed the Condition Precedents (CPs) of the first closing mentioned in the Share Purchase Agreement (SPA) and signed Shareholders Agreement (SHA) on February 22, 2022. Consequently, UHRL sold 8.82%, i.e. 10,981 numbers of ordinary shares of Unique Meghnaghat Power Limited on February 22, 2022 accordingly. Nebras has remitted the first closing money of USD 9,699,188.88 including stamp duty fees to the UHRL bank account. The net consideration was USD 9,555,851 which amounts to Tk. 836,136,972.41 @Tk./USD 87.5. The face value of the said shares is @Tk.10. Total face value of 8.82% shares is Tk.109,810 (USD 1,291.88). The capital gain on sale of share amounts to USD 9,554,559 (Tk. 836,027,162).

Moreover, before making the sale transaction, an independent valuation of Unique Meghnaghat Power Limited had been carried out by an independent valuer namely Green Delta Capital Limited. The purpose of the valuation was to determine the fair value of equity of UMPL as of March 31, 2021 and the value of desired portion (24%) of equity ownership to be sold to foreign investors. To determine the fair value of UMPL, income approach, i.e. discounted free cash flow method had been used. The fair value per ordinary share had been determined at Tk. 138.658 each.

31.02 Gain/(loss) on investment in quoted shares

Realized gain/(loss) from sale of shares
Unrealized gain/(loss) on shares

(9,542,196)	30,572,966
15,571,966	108,321,531
6,029,770	138,894,497

Unrealized gain/ (loss) is recognized due to difference between the cost and the market price of corresponding investment in shares which have not been sold yet.

32. Interest income/(expense)

Interest income from FDR and bank deposits
Interest expenses

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
45,128,555	53,596,097
(151,292,502)	(96,267,611)
(106,163,947)	(42,671,514)

33. Provision for bad & doubtful debts

Provision for bad & doubtful debts of The Westin Dhaka
Provision for bad & doubtful debts of HANSA by UHRL

(3,401,776)	142,707,454
6,399,399	-
2,997,623	142,707,454

Provision for bad & doubtful debts is made at the rate of 3% of rolling three months of average receivables in compliance with the policy of Marriott International. However, Unique Hotel & Resorts Ltd. has made specific provision against doubtful due balance of BDT 6,399,399 from Kuwait BD Friendship Govt. Hospital (more details are given in note-9).

34. Share of net profit/loss before tax of Sheraton Dhaka

Revenue (Note no.25)
Cost of sales (Note no.26)
Gross profit
Administrative and other general expenses (Note no. 27)
Operating profit
Income from simulation events (Note no. 29)
Interest income (Note no. 32)
Interest expenses (Note no. 32)
Depreciation expense on Sheraton fixed assets (Note no. 28)

Profit/(loss) before tax of Sheraton Dhaka

50% profit/(loss) before tax of Sheraton Dhaka shared with Borak Real Estate Limited

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
224,009,374	-
(101,645,059)	-
122,364,315	-
(211,626,942)	(10,295,776)
(89,262,627)	(10,295,776)
148,176,875	-
274,576	-
(34,807,344)	-
(24,486,499)	-
(105,020)	(10,295,776)
(52,510)	(5,147,888)

UHRL financial statements has been prepared for "Sheraton Dhaka" based on the existing agreement dated December 07, 2010 between UHRL and BREL. Though the hotel operation has been started in a limited form, management is expecting that the business will operate in a normal form very soon. So, Board of Directors has decided to review the existing agreement and UHRL management will notify all stakeholders accordingly.

35. Provision for income tax

Current tax expenses
Deferred tax expenses/(benefit)

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
(55,925,186)	9,451,198
40,290,580	89,541,949
(15,634,606)	98,993,147



37. Risk exposure

The Company is exposed to various risks through its use of financial instruments. The main types of risks are credit risk, interest rate risk, exchange rate risk, industry risk, market risk, operational risk and liquidity risk, which result from both its operating and investing activities. The Company's risk management is coordinated at its head office, in close co-operation with the board of directors and focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to financial markets. Long term financial investments are managed to generate lasting returns. The board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive controlled environment in which all employees understand their roles and obligations. The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. The most significant financial risks to which the Company is exposed to are described below:

37.01 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the balance sheet date.

Management perception:

The Company's exposure to credit risk is influenced mainly by the corporate and individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. The Company has, over the years, conducted business with various corporates, tour operators and individuals located in different jurisdictions and, owing to the spread of the Company's debtor base. The Company has a credit policy in place under which new customers are analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and in some cases bank or other hotel's references. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a cash basis. In monitoring customer credit risk, customers are individually assessed. Customers that are graded as "high risk" are placed on a restricted customer list and future sales are only made on a prepayment basis. The Company does not require collateral in respect of trade and other receivables. The Company establishes an allowance for doubtful recoveries that represents its estimate of losses in respect of trade and other receivables @ 3% of rolling three months average receivables in compliance with the policy of the Marriott International.

*See note 9 for further information on impairment of financial assets that are past due.

37.02 Interest rate risk

Interest rate risk is the potential for investment losses that can be triggered by a move upward in the prevailing rates for new debt instruments. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates which mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception:

Unique Hotel & Resorts Ltd. (UHRL) had a foreign currency loan that was affixed with a fixed interest rate 4.5% + 3 months LIBOR interest rate as detailed in note 17. LIBOR interest rate was flexible and sometimes varied with the international financial market conditions. Considering the materiality and the cost of fixing the interest rate, the Company rather chose not to go for hedging for the said risk exposure. However, day by day BDT was devaluating against USD and due to the higher exchange rate, there might have a negative impact on the outstanding foreign loan. In the meantime, UHRL received USD 9,699,188.88 from Nebras Power Investment Management BV in consideration of the first closing of Unique Meghnaghat Power Limited (UMPL) where UHRL transferred 8.82% (10,981 shares) to Nebras Power Investment Management BV on February 22, 2022. Considering the future negative impact on aforesaid outstanding foreign loan, UHRL settled the full outstanding of the foreign loan as on March 29, 2022.

Apart from the above, the interest rate on local currency term loan from Standard Chartered Bank Limited is T-Bill+6.76% until 30th August 2021 which has further been revised to T-Bill+3.68% p.a. with a floor of 6% p.a maximum with effect from September 2021. Moreover, the interest rate of other loans remains 9% as per Banking Regulation & Policy Department Circular No. 03/2020 dated: February 24, 2020 except for the term loan from Dutch Bangla Bank Limited (DBBL). The Bank has reduced the interest rate from 9% to 7.75% with effect from August 2021.

37.03 Exchange rate risk

Exchange rate risk arises due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. When exchange rate is increased against local currency opportunity is created for generating more profit.

Management perception:

Unique Hotel & Resorts Ltd. has well organized plan to always record the up-to-date currency conversion rate whenever it gets paid for services in foreign currencies from overseas guests. The Company changes the price of its products and services to cope with the change in exchange rate to mitigate the effect of unfavorable volatility in exchange rate on the company's earnings.



37.04 Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market shares etc. which could have an adverse impact on the business, financial condition and results of operation.

Management perception:

In this highly competitive lodging industry, our hotels compete based on multiple factors, for instance, location, quality of service, standard of accommodation, room rates, facilities etc. Competition is often specific to the individual markets in which our hotels are located and includes competition from existing and new hotels operated under brands primarily in the upper upscale segments. Increased competition could have a material adverse effect on the occupancy rate, average daily room rate and RevPAR of our hotels or may require us to make capital improvements that we otherwise would not have to make, which may result in decreases in our profitability. We believe our hotels enjoy certain competitive advantages as a result of being flagged with globally recognized brands (Marriott International), including access to centralized reservation systems and national advertising, marketing and promotional services, strong hotel management expertise and loyalty programs. Our principal competitors include hotel operating companies, ownership companies (including other hospitality Real Estate Investment Trusts) and national and international hotel brands. We face increased competition from providers of less expensive accommodations, such as select-service hotels or independently managed hotels, during periods of economic downturn when leisure and business travelers become more sensitive to room rates. Increasingly, we also face competition from peer-to-peer inventory sources that allow travelers to stay at homes and apartments booked from owners, thereby providing an alternative to hotel rooms.

Moreover, the hospitality industry is typically seasonal in nature. The period during which our properties experience higher revenues vary from property to property, depending principally upon location and the customer base served. This seasonality can be expected to cause periodic fluctuations in a hotel's rooms revenues, occupancy levels, room rates and operating expenses. Therefore, volatility in our financial performance resulting from the seasonality of the hospitality industry could adversely affect our financial condition and results of operations.

37.05 Market risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception:

We are exposed to market risk primarily from changes in interest rates, which may affect our future income, cash flows and fair value, depending on changes to interest rates. In certain situations, we may seek to reduce cash flow volatility associated with changes in interest rates by entering into financial arrangements intended to provide a hedge against a portion of the risks associated with such volatility.

Moreover, the company's brand "Westin" has a very strong image in the local and international market. Marriott International (former Starwood Asia Pacific Hotels & Resorts Pte. Ltd.) also has the reputation of providing quality hotel management services. Moreover, the demand for five-star hotels in the country is increasing while there are very few five-star hotels to meet the demand. The strong brand management and quality service has enabled the company to capture significant market share in the sector and the company is continuously penetrating into the market and upgrading the quality of their service to minimize the risk. Addition of "Sheraton Dhaka" operations to the portfolio will provide synergies to cater MICE segment business, larger events, accommodate larger group business and improve operational efficiency with resource optimization.

37.06 Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception:

We maintain insurance coverage for commercial general liability, property, including business interruption, terrorism, and other risks with respect to our business for all of our hotels. We also maintain workers' compensation insurance including employees' irresponsibility, accidental damage for our employees. Most of our insurance policies are written with self-insured retentions or deductibles that are common in the insurance market for similar risks. These policies provide coverage for claim amounts that exceed our self-insured retentions or deductibles. Our insurance provides coverage related to any claims or losses arising out of terrorism, property and operation of our hotels.

Moreover, the Company is equipped with power backup and 24/7 security surveillance (CCTV) systems, protected with armor guards, non-compliance with global safety and security standard, which reduce security risk. Besides, the equipment is under insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk. Continuous trainings of company associates make them equipped to address the situations due to natural disasters and unforeseen events. Company is associated with multiple domestic and international vendors to ensure smooth functioning of supply chain along with AMC's for key equipment's to ensure consistency in supplies and smooth operations.



37.07 Liquidity risk

Liquidity risk is the risk that a company or individual will not have enough cash to meet its financial obligations (pay its debts) on time.

Management perception:

We seek to maintain sufficient amounts of liquidity with an appropriate balance of cash, debt and equity to provide financial flexibility. As of June 30, 2022, we had total cash and cash equivalents of BDT 949.19 million. Due to improvement of the effects of COVID-19, all the financial and non-financial parameters including occupancy, ADR and RevPAR at our hotels and cash flows through the first-quarter of FY 2022-23 to be higher than the same period last year.

We have taken several steps to preserve capital and increase liquidity, including drawing BDT 135 crore loan out of total sanction of BDT 500 crore from Al Arafah Islami Bank Ltd. to meet operational and project related payments, taking stimulus loan @4.5% interest rate instead of 9% from Bank Al Falah Limited and Prime Bank Limited amounting to BDT 9 crore and BDT 8 crore respectively. We have also repaid the foreign currency loan in full during the year from the USD receipts on sale of ordinary shares of Unique Meghnaghat Power Limited. With growing business after the upliftment of restrictions due to COVID-19 prospects of opening Sheraton Dhaka and receipts from Nebras Power Investment Management BV for the 2nd, 3rd and 4th closing according to the Share Purchase Agreement, we will have sufficient liquidity to pay our 2022-23 debt maturities and to fund other short-term liquidity obligations.

We have established reserves for capital expenditures ("FF&E reserve") in accordance with our management agreement with Marriott International. Generally, these agreements require that we fund 4% of hotel revenues into an FF&E reserve, unless such amounts have been incurred. As a result of COVID-19, our hotel managers have temporarily delayed contributions to the FF&E reserve accounts and started reserve from April 2022. Our cash management objectives continue to maintain the availability of liquidity, minimize operational costs, make debt payments and fund our capital expenditure programs and future acquisitions. Further, we have an investment policy that is focused on the preservation of capital and maximizing the return on new and existing investments. Moreover, funds are also being arranged as and when required from sister concerns within the group.



38. **Information about reportable segments**

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that this information is the most pertinent in evaluating the results of the respective segments relative to other entities that operate in the same industries.

For the year ended 30 June 2022

	Reportable segments					Total
	In Taka	Hotel				
		Head office	Westin	HANSA	Sheraton	
External revenue	-	1,342,994,578	118,091,001	224,009,374		1,685,094,953
Interest income	38,361,611	6,062,595	429,773	274,576		45,128,555
Operating expenses	(90,408,673)	(725,772,851)	(68,275,055)	(313,272,001)		(1,197,728,580)
Depreciation and amortisation	(4,670,454)	(198,559,030)	(14,868,280)	(24,486,499)		(242,584,263)
Interest expenses	(116,395,158)	-	-	(34,897,344)		(151,292,502)
Other income	1,024,280,009	(141,707,631)	-	-		882,572,378
Segment profit/(loss) before WPPF and tax	851,167,335	283,017,661	35,377,439	(148,371,894)		1,021,190,542
Segment assets as at 30 June 2022	14,178,307,782	15,461,158,534	912,360,027	9,309,925,769		39,861,752,112
Segment liabilities as at 30 June 2022	14,173,396,032	638,691,992	17,524,081	86,399,819		14,916,011,924

For the year ended 30 June 2021

	Reportable segments					Total
	In Taka	Hotel				
		Head office	Westin	HANSA	Sheraton	
External revenue	-	607,846,101	67,553,988	-		675,400,089
Interest income	41,436,353	11,491,209	668,535	-		53,596,097
Operating expenses	(227,157,318)	(459,515,336)	(61,249,135)	(10,295,776)		(758,217,565)
Depreciation and amortisation	(9,736,515)	(199,779,678)	(15,294,491)	-		(224,810,684)
Interest expenses	(96,267,611)	-	-	-		(96,267,611)
Other income	675,979,210	-	-	-		675,979,210
Segment profit/(loss) before WPPF and tax	384,254,119	(39,957,704)	(8,321,104)	(10,295,776)		325,679,536
Segment assets as at 30 June 2021 (Restated)	12,851,798,191	15,298,069,041	935,924,198	8,543,269,771		37,629,061,201
Segment liabilities as at 30 June 2021	8,029,185,756	484,654,452	21,979,502	5,168,497,862		13,704,317,572



39. Related party disclosure
39.01 Related party transactions

During the period, Unique Hotel & Resorts Ltd. carried out a number of transactions with related parties on an arm's length basis. Name of those related parties, nature of those transaction and their total value has been shown in below table in accordance with the provisions of IAS-24 "Related Party Disclosure".

Name of the Party	Relationship	Nature of Transaction	Balance as on 30 June 2022			Closing balance
			Opening balance	Addition	Adjustment/ Received	
Borak Real Estate Ltd.	Common Director	Balance with current account	(1,908,240,793)	(628,122,407)	709,002,568	(1,827,360,632)
Unique Vocational Training Centre Ltd.	Common Director	Balance with current account	(17,074,911)	(33,801,378)	-	(50,876,289)
Ms. Salina Ali	Chairperson	Balance with current account	(145,558,447)	(40,505,295)	-	(186,063,742)
Mr. Mohd. Noor Ali	Managing Director	Balance with current account	(97,865,560)	(11,597,874)	-	(109,463,434)
Chartered Life Insurance Company Ltd.	Common Director	Balance with current account	(1,278,195)	-	-	(1,278,195)
		Equity investment	22,500,000	-	-	22,500,000
		Investment in preference shares	2,239,388,900	345,498,760	-	2,584,887,660
Unique Meghnaghat Power Ltd.	Joint Venture	Equity investment	781,360	-	(109,810)	671,550
		Advance for share	40,811,565	304,687,195	(345,498,760)	-
		Other payables	(811,557)	-	811,557	-
Sonargoan Economic Zone Ltd.	Associate	Advance against land	829,074,683	48,137,543	-	877,212,226
Borak Real Estate Ltd.	Common Director	Equity investment	10,500,000	-	3,282,145	7,217,855
Unique Property Development Ltd.	Common Director	Advance against land*	2,600,000,000	-	-	2,600,000,000
Unique Eastern (Pvt.) Ltd.	Common Director	Advance against land	3,804,880	1,500,000	-	5,304,880
Unique Ceramics Industries (Pvt.) Ltd.	Common Director	Balance with current account	(395,134,245)	(13,002,969)	-	(408,137,214)
Borak Travels (Pvt.) Ltd.	Common Director	Balance with current account	(146,570,396)	(91,844,341)	160,519,321	(77,895,416)
		Balance with current account	(292,725,192)	-	(318)	(292,725,510)
	Total		1,584,370,257	(119,050,766)	528,006,703	1,993,326,193

*The advance against land of Tk. 2,600,000,000 was given to Borak Real Estate Limited for the purchase of 23.9375 katha of land at Gulshan Avenue, Gulshan-2, Dhaka-1213 to be used by the Company as Seven Star International Chain Hotel as per shareholders approval in 12th AGM, dated 24 June 2013. The advance shall be accounted for land as soon as the registration is completed.



39.02 Transactions with key management personnel

Key management personnel includes Board of Directors who have the authority and responsibility for planning, directing and controlling the activities of the entity whether directly or indirectly. The transactions with key management personnel are disclosed below:

During the year, no loan was given to the directors of the Company.

The Company's key management personnel compensation in total and for each of the following categories are stated below:

a) **Short Term Employee Benefits** - Employee benefits (other than termination benefits) which fall due wholly within twelve months during the year in which the employees render service. Such as -

Salaries and bonuses (if payable within twelve months of the end of the year):

Salary and other allowances
Honorarium for attending meetings
Total

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
-	-
1,044,214	944,000
1,044,214	14,655,750

Hotel business has been impacted significantly due to the pandemic of COVID-19, considering the overall scenario, the Company's honorable Managing Director himself voluntarily regrets to receive his remuneration till the situation seems positive.

b) **Post Employment Benefits** - Employee benefits such as Gratuity, provident fund and leave encashment.

Post employment benefits

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
-	-
-	-

The Company's managing director does not avail any post employment benefits.

c) **Other Long Term Employee Benefits**

Employee benefits that is not due to be paid wholly within twelve months after the end of the year in which the employees render the related service. Such as - long service benefits or sabbatical leave, jubilee or other long service benefits, long term disability benefits.

No such benefits are available in the Company hence, it is not applicable.

d) **Termination Benefits**

Employee benefits payable as a result of either: (i) an entity's decision to terminate an employee's employment before normal retirement date; or (ii) an entity's decision to accept voluntary redundancy in exchange for those benefits.

Termination benefits

Amount in Taka	
01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
-	-
-	-

e) **Share based payments**

No such benefits are available in the Company hence, it is not applicable.



Disclosures in compliance with the Companies Act, 1994 regarding transactions with key management personnel:

No.	Particulars	Value in Tk.
(a)	Managerial remuneration paid or payable during the year ended 30 June 2022 to the directors, including managing directors, a managing agent or manager	Nil
(b)	Expenses reimbursed to the managing agent.	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of concerns entered into by such concerns with the company	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g)	Other allowances and commission including guarantee commission	Nil
(h)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office	Nil
(i)	Share based payments	Nil



40. Contingent liability disclosure

- 40.01** Large Tax Payer Unit (LTU), VAT Authority raised a demand U/S 55 of the VAT Act, 1991 Tk. 71,295,948 for Supplementary Duty (SD) and VAT on SD for the period from July 2007 to January 2009 through letter no. 4/LTU(Mushak)25/The Westin Dhaka/Demand/Cricle-3/09/2111, dated 20 April 2009.

Subsequently, The Westin Dhaka submitted a writ petition through writ petition no. 3910/2009 and the Honorable High Court Division of the Supreme Court discharged the previous issued rule on 10/10/2015.

The Westin Dhaka submitted application to the Customs, Exercise and VAT Appellate Tribunal through nothi no. CEVT/Case/(VAT)-16/2018 dated 28/05/2019. Based on our application and ground of appeal the Honorable Appellate Tribunal reduce the demand from Tk. 71,295,948 to Tk. 11,420,622 on 05/09/2019 for SD and VAT on SD.

Since, hotel was exempted from SD through SRO, as a result, under no circumstances the aforesaid demand will be applicable for the Westin Dhaka. Hence, we submitted further VAT Revision to the Honorable High Court Division of the Supreme Court of Bangladesh through VAT Revision no. 29/2019 which is under subjudice.

It is primarily established that VAT Appellate Tribunal reduced the original demand of LTU and the said Tribunal was pleased to pay UHRL Tk. 1,14,20,622 as SD vide memo dated 05/09/2019 and against that order and new demand, UHRL filed VAT Revision No. 29 of 2019 before the High Court Division. But after 2 years, NBR authority filed VAT Revision before the High Court Division in 2021 against the order of Tribunal for reducing the said amount. Now, both of the VAT Revisions filed by UHRL and NBR will be heard by High Court Division. During Pandemic situation, it is not possible to get hearing and/or the result of the hearing. So, outcome of the final verdict of High Court and if needs Appellate Division will be final for any of the parties.

- 40.02** Large Tax Payer Unit (LTU), VAT raised a demand of Tk. 5,353,916 u/s 73(2) of the VAT and SD Act 2012, through letter no. 08.01.0000.006.01.028.19/102 dated 3 February 2020 due to non-submission of Input-output co-efficient (Mushak 4.3) for the period from July 2019 to August 2019. Subsequently we applied to the Customs, Exercise and VAT Appellate Tribunal for fair judgement after depositing 10% of the said demand amount on August 31, 2020. The Learned Tribunal rejected the Appeal by its order dated September 19, 2021 and we have submitted the copy of the Order to our Advocate for filing an Appeal before the Honorable High Court Division. Moreover, the Learned Advocate informed us that we have some strong grounds and he has been preparing for filing the Appeal before the Honorable High Court Division.

It is worthy to mention that, the NBR issued an SRO 117-Aian/2020/100 Mushak date 14/05/2020 and revise the Input-output co-efficient form and exempted service industries to provide any input output co-efficient. Subsequently, the VAT Act and Rules Department clarify the matter and issued a further explanation through letter no. 08/Mushok/2020 Dated 14/10/20 that service industry need not to submit any Input output co-efficient. In the prevailing circumstances we strongly believe that the Customs Exercise and VAT Appellate Tribunal will consider the fact and provide the fair judgement towards Unique Hotel and Resorts Ltd.

- 40.03** Letters of guarantee
Bank guarantee
Southeast Bank Limited
City Bank Limited
Premier Bank Limited
Prime Bank Limited

Amount in Taka	
30 June 2022	30 June 2021
	13,298,371
	37,165,674
	1,304,925
	27,007,097
110,613,268	78,776,067



Customs authority imposed customs duties and taxes without considering concessionary rate of duty at 5% on imported capital machinery for setting up "the Westin Dhaka" during the years from 2004 to 2007. Unique Hotel & Resorts Ltd. made writ petitions in the Honorable High Court Division of the Supreme Court of Bangladesh. The Court discharged the order directing the release of imported capital machineries on payment of duty, tax and other charges to be assessed on the basis of concessionary rate in terms of SRO No. 114/2006 dated 08.06.2006 subject to furnishing bank guarantee for the remaining customs duty. As directed by the Court, Unique Hotel & Resorts Ltd. made the payments and Bank Guarantees for a total of Tk. 69,903,883 were issued by Southeast Bank Limited, City Bank Limited, Prime Bank Limited and Premier Bank Limited on behalf of Unique Hotel & Resorts Ltd. However, according to the legal opinion, there is remote possibility of any outflow in settlement of these bank guarantees as the cases are under subjudice now.

Furthermore, another bank guarantee of Tk. 8,872,185 was issued by Prime Bank Limited on behalf of Unique Hotel & Resorts Ltd. in 2017 on recommendation of Customs authority for the customs duties to be paid on the import of capital machinery for the Sheraton Dhaka, imposing condition to submit certificate by the Bangladesh University of Engineering and Technology (BUET) within six (06) months of receiving the final consignment of the machinery for releasing the bank guarantee. The BUET team visited our premises and submitted a complete report to Commissioner of Customs, Customs House, Chittagong on January 07, 2019. However, Customs House, Chittagong has not made any reply yet with regard to the application, which is delaying the release of our bank guarantee.

According to Gas Distribution guidelines for commercial use of gas which was issued on August 05, 2014; security deposit equivalent to three months bill is required to be given to Titas Gas Transmission and Distribution Company Limited. Two third of the aforementioned security deposit is required to be given by issuing bank guarantee by any scheduled bank for five years. Therefore, seven bank guarantees had been issued in favor of Titas Gas Transmission & Distribution Company Limited by The City Bank Limited and Prime Bank Limited on behalf of Unique Hotel & Resorts Ltd. The City Bank issued total bank guarantee amounting to a total of Tk.5,455,700 for The Westin Dhaka and Prime Bank Limited issued bank guarantee amounting to a total of Tk. 2,631,500 for Shahjapur Power Plant and Sheraton Dhaka.



41. Events after reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, adjusting events that provide additional information about the Company's position at the end of the reporting period are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the notes when material. The Board of Directors 159th meeting held on October 31, 2022 recommended to the shareholders 15% cash dividend for the year ended 30 June 2022 which will be considered for approval by shareholders at the 21st Annual General Meeting.

In compliance with the section 16G of the Income Tax Ordinance, 1984; the management of the Company declared dividend @15% of paid up capital for an amount of Tk. 441,600,000 which is 46.87% of current year net income after tax.

42. Directors responsibility statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per the provision of "The Framework for the Preparation and Presentation of financial statements".

43. General

43.01 Employee details:

Total number of employees having annual salary and allowances of Tk. 96,000 or above each at the reporting date was as follows:

Particulars	30 June 2022	30 June 2021
Number of employees of Unique Hotel & Resorts Ltd.	629	715

None of the employees were in receipt of remuneration which in aggregate was less than Tk. 8,000 per month

43.02 Remittance of dividend

No dividend has been remitted during the year.

43.03 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest Taka and wherever considered necessary.

43.04 Rearrangement of previous year figures

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

 Chief Financial Officer  Company Secretary  Director  Independent Director  Managing Director  Chairperson

Dated, Dhaka;
31 October 2022



Unique Hotel & Resorts Ltd.
Schedule of Property, Plant and Equipment
As at 30 June 2022

Property, plant and equipment (cost/ revaluation less accumulated depreciation)

Sl. No.	Assets	Cost/Revaluation				Rate (%)	Depreciation				Written down value as on 30 June 2022
		Balance as at 01 July 2021	Addition during the period	Disposal during the period	Balance as at 30 June 2022		Balance as at 01 July 2021	Charged during the period	Accumulated depreciation for disposal	Balance as at 30 June 2022	
1	Land and land developments	6,392,329,791	724,977	-	6,393,054,767	-	-	-	-	-	6,393,054,767
2	Building and other Civil constructions	11,927,178,298	1,001,623,903	136,600	12,928,665,601	1.25%	135,034,978	37,390	1,664,310,584		11,264,355,017
3	Office furniture and equipments	39,422,765	59,145,371	6,915,033	91,653,103	5%	2,249,239	1,923,729	14,519,424		77,133,679
4	Hotel furniture	425,576,392	213,589,435	442,070	638,723,757	5%	16,754,672	215,137	194,433,333		444,290,424
5	Motor vehicles	178,960,611	-	4,778,252	174,182,359	5%	5,997,298	1,636,460	60,233,688		113,948,671
6	Hotel equipments	2,335,474,742	724,575,565	44,309,254	3,015,741,053	5%	82,548,075	19,604,112	1,023,767,336		1,991,973,717
	Total as at 30 June 2021	21,298,942,599	1,999,659,250	56,581,208	23,242,020,640	-	242,584,263	23,416,828	2,957,264,365		20,284,756,275
	Total as at 30 June 2022	21,762,719,192	63,835,778	527,612,371	21,298,942,599	-	224,810,684	-	2,738,096,930		18,560,845,669

S. F. Ahmed & Co, Chartered Accountants, have revalued all property, plant and equipment of the company as of 30 June 2009 (When Ata Khan & Co, Chartered Accountants was the auditor) following Current cost method, showing total current cost at Tk 8,325,239,643, resulting in a revaluation surplus at Tk. 4,689,598,221. Thereafter Ata Khan & Co, (When S. F. Ahmed & Co, Chartered Accountants were the auditor), have revalued the land of the company as of 30 June 2010 following "Current cost method" showing current cost thereof at Tk. 1,687,000,000, resulting in a further revaluation surplus at Tk. 843,500,000.

Ata Khan & Co, Chartered Accountants, have further revalued Land & land development and building as of 30 September 2011 following "Current cost method" showing total current cost Tk 5,664,596,600 and Tk. 11,420,259,375 resulting in a revaluation surplus of Tk 2,276,299,688 and Tk 6,004,430,154 respectively.

Unique Hotel & Resorts Limited (UHR) has recorded the construction cost of a five star hotel namely "Sheraton Dhaka" in note-6: Construction Work in Progress for an amount of Tk. 921,63,04,971 as on 30 June 2022. According to the Management Agreement agreed between UHR, and Marriott International, the aforesaid hotel will be operated following the operational standards of internationally recognised hotel chain, Marriott International. However, Marriott International has not yet permitted UHR to operate the said hotel in full fledge without obtaining hotel license to comply with the regulatory requirements applicable in Bangladesh. As a result, the aforesaid hotel "Sheraton Dhaka" is not capable of operating in the manner as intended by management (IAS 16: Para 62).

Furthermore, UHR has transferred Tk. 194,61,43,279 from Construction Work in Progress to Property, plant & equipment for the restaurants and banquet hall operated under "Sheraton Dhaka". The restaurants and banquet hall depreciated the restaurant cost from when the restaurants are available for use, i.e. February 2022. Total area of Sheraton Dhaka is 497,121.25 sqft out of which total area for the abovementioned restaurants and banquet hall is 86,047.72 sqft upon which depreciation has been charged.



Unique Hotel & Resorts Ltd.
Calculation of Current Tax Provision
For the year ended 30 June 2022

	Notes	Amount <u>Taka</u>	Amount <u>Taka</u>
Net Profit before tax (as per statement of profit of loss and other comprehensive income)			972,860,068
Less: Non-business income for separate consideration:			
Dividend income			
Tower rent	29	7,147,229	
Interest Income	29	2,716,800	
Capital gain on sale of share of Unique Meghnaghat Power Limited	32	45,128,555	
Realized capital gain/(loss) from sale of shares of listed companies	31.01	836,027,162	
Unrealized gain on investment in share	31.02	(9,542,196)	
Capital loss on disposal of assets	31.02	15,571,966	
	29	(74,527,082)	
			822,522,434
Add: Inadmissible expenses (for separate consideration)			150,337,634
Accounting depreciation	28	242,584,263	
Entertainment expenses	27.02, 27.04 & 28	5,486,819	
Provision for bad debts	33	2,997,623	
Provision for gratuity	24	4,007,233	
Impairment of financial asset	12	141,707,631	
Provision for WPPF	24.04	48,628,121	
			445,411,690
Less: Admissible expenses:			595,749,325
Tax depreciation (3rd schedule para 2 & 3)			303,825,758
Allowance for disposal of assets (3rd schedule para 10)			982,758
Payment for WPPF	24.04		15,753,687
Income/(loss) from business or profession (before entertainment expenses)			275,187,122
Less: Entertainment expenses (as per section 30 and rule 65 of ITO 1984)			5,486,819
Total income from business or profession			269,700,302
Less: Unabsorbed depreciation carried forward from AY 2021-22			104,582,079
Taxable income from business and profession			165,118,223
Add: Capital gain on sale of share of Unique Meghnaghat Power Limited			836,027,162
Add: Capital loss on sale of share of listed companies (Not eligible for set off U/S 37 but to be carried forward u/s 40)		(9,542,196)	
Add: Capital loss on sale of assets (Not eligible for set off U/S 37 but to be carried forward u/s 40)		(74,527,082)	
Add: Income from other sources			
Dividend income			
Tower rent	29	7,147,229	
Interest income	29	2,716,800	
	32	45,128,555	
Total taxable income			54,992,584
			972,068,691
Computation of tax liability:			
(1) Business income		165,118,223 @ 20%	33,023,645
(2) Capital gain on sale of share of Unique Meghnaghat Power Limited		836,027,162 @ 0.0%	-
As per SRO No. 05/Ain/IncomeTax/2020 dated January 02, 2020, capital gain from share transfer of private power generation company is exempted from tax.			
(3) Dividend income		7,147,229 @ 20%	1,429,446
(4) Tower rent		2,716,800 @ 20%	543,360
(4) Interest income		45,128,555 @ 20%	9,025,711
Tax liability for the income period from 01 July 2021 to 30 June 2022			44,022,161
Underprovision of tax liability Assessment Year 2021-22			11,903,025
Gross current tax for the period from 01 July 2021 to 30 June 2022			55,925,186



Unique Hotel & Resorts Ltd.
Calculation of Average Effective Tax Rate
For the year ended 30 June 2022

	<u>Amount in Taka</u>
Components of tax expense	
Current tax expense (Note -35)	44,022,161
Deferred tax expense (Note -35)	(40,290,580)
Total income tax expense	<u><u>3,731,581</u></u>
Explanation of the relationship between tax expense & profit before tax	
(i) a numerical reconciliation between tax expense & the profit before tax	
Profit before tax	972,860,068
Current tax expense	
Business income - applicable tax rate @20%	33,023,645
Dividend Income u/s 33 (Note 29) - applicable tax rate @20%	1,429,446
Tower rent (Note 29) - applicable tax rate @20%	543,360
Interest income (Note 32) - applicable tax rate @20%	9,025,711
Total current tax expense (A)	<u>44,022,161</u>
Total deferred tax expense (B)	<u>(40,290,580)</u>
Total income tax expense (A+B)	<u><u>3,731,581</u></u>
(ii) a numerical reconciliation between the average effective tax rate & applicable tax rate	
Tax effect on business	3.39%
Tax effect on dividend income	0.15%
Tax effect on tower rent income	0.06%
Tax effect on interest income	0.93%
Tax effect on deferred tax	-4.14%
Average effective tax rate	<u><u>0.08%</u></u>



Annexure-D

Unique Hotel & Resorts Ltd.
Consolidated Statement of Financial Position
As at 30 June 2022

	Notes	Amount in Taka	
		30 June 2022	30 June 2021
ASSETS			
Non-current Assets			
Property, plant and equipment, net	5	31,272,936,411	35,671,566,409
Construction work in progress	6	20,284,756,275	20,307,471,224
Intangible assets		8,212,999,062	14,969,091,394
Fixed deposit receipts	12	-	80,921
Investment in Joint Venture	8.02	132,971,754	274,679,385
Investment in unquoted share	8.03	2,522,254,465	-
Investment in Associate	8.04	112,737,000	112,737,000
		7,217,855	7,506,485
Current Assets			
Inventories	7	8,588,815,701	7,471,316,302
Investment in quoted share	8.01	74,876,027	59,170,465
Accounts receivable	9	179,302,697	186,506,292
Other receivables	10	177,172,414	84,429,542
Advances, deposits and prepayments	11	12,714,372	11,040,732
Fixed deposit receipts	12	5,971,021,193	5,723,713,939
Cash and cash equivalents	13	1,224,530,859	1,112,582,650
		949,198,139	293,872,682
TOTAL ASSETS		39,861,752,112	43,142,882,711
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	15	24,945,740,188	25,915,557,745
Share premium	16	2,944,000,000	2,944,000,000
Revaluation reserve	17	6,181,931,836	6,181,931,836
Retained earnings		10,412,304,207	10,292,740,021
Non controlling interest		5,407,504,145	4,001,586,811
		-	2,495,299,077
Non-current Liabilities			
Term loan- non-current portion	17	7,000,178,928	6,552,766,238
Lease liability-non current portion		4,742,784,326	3,935,777,581
Deferred tax liability	18	-	80,911,338
		2,257,394,602	2,536,077,319
Current Liabilities			
Term loan- current portion	17	7,915,832,996	10,674,558,728
Lease liability-current portion		503,227,018	4,144,967,907
Short term loans	19	-	11,477,463
Due to operator and its affiliates	20	2,772,496,174	1,722,539,454
Accounts payable	21	267,282,288	238,264,830
Undistributed/unclaimed dividend	22	88,801,243	33,251,137
Liabilities to intercompanies	23	3,170,269	12,841,987
Other accruals and payables	24	2,656,995,061	2,759,745,537
		1,623,860,943	1,751,470,413
TOTAL EQUITY AND LIABILITIES		39,861,752,112	43,142,882,711

*The consolidated statement of financial position presents the assets and liabilities of parent company, i.e. Unique Hotel & Resorts Ltd. The assets and liabilities of Unique Meghnaghat Power Ltd. has been derecognised according to IFRS 10: Consolidated Financial Statements as Unique Hotel & Resorts Ltd. has lost control of Unique Meghnaghat Power Ltd. on 22 February 2022.



Unique Hotel & Resorts Ltd.
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

	Notes	Amount in Taka	
		01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
Revenue			
Cost of sales	25	1,685,094,953	675,400,089
Gross profit	26	<u>(462,754,082)</u>	<u>(234,533,439)</u>
Administrative and other general expenses		1,222,340,871	440,866,650
Operating profit	27	<u>(666,217,025)</u>	<u>(358,672,204)</u>
Corporate office expenses	28	556,123,846	82,194,446
Other income	28	(332,992,936)	(309,260,548)
Other expenses	29	339,733,566	101,111,338
Capital Gain on sale of land	30	(157,510,488)	(40,417,404)
Group Profit on disposal of UMPL shares		-	4,920,320
Gain on investment in quoted shares		876,733,822	-
Interest income	31.02	6,029,770	138,894,497
Interest expenses	32	46,742,937	53,632,593
Impairment of financial asset	32	(156,942,619)	(104,075,598)
Provision for bad & doubtful debts	12	(141,707,631)	-
Profit/(loss) before WPPF, Sheraton profit share and tax	33	<u>(2,997,623)</u>	<u>(142,707,454)</u>
Provision for WPPF		1,033,212,643	(215,707,810)
Profit/(loss) before Sheraton profit share and tax	24.04	<u>(48,382,984)</u>	<u>(15,753,687)</u>
Share of net profit/loss before tax of Sheraton Dhaka		984,829,660	(231,461,497)
Profit/(loss) before tax	34	<u>52,510</u>	<u>5,147,888</u>
Current tax	35	984,882,170	(226,313,609)
Deferred tax	35	(57,382,504)	9,451,198
Net profit/(loss) after tax of Group		<u>40,290,580</u>	<u>89,541,949</u>
Share of net profit/(loss) after tax of UMPL (Joint Venture)	8.02.02	967,790,246	(127,320,462)
Share of net profit/(loss) after tax of SEZL (Associate)	8.04.02	(3,476,046)	-
Total net profit/(loss) after tax for the year		<u>(288,630)</u>	<u>(395,994)</u>
Other comprehensive income		964,025,570	(127,716,456)
Total comprehensive income/(loss) for the year		<u>-</u>	<u>-</u>
		<u>964,025,570</u>	<u>(127,716,456)</u>
Net profit/(loss) after tax attributable to:		964,025,570	(127,716,456)
Unique Hotel & Resorts Limited		975,250,453	(97,078,727)
Non controlling interest		(11,224,883)	(30,637,729)
Total comprehensive income attributable to:		964,025,570	(127,716,456)
Unique Hotel & Resorts Limited		975,250,453	(97,078,727)
Non controlling interest		(11,224,883)	(30,637,729)

*Revenue and expenses of Unique Meghnaghat Power Ltd. (subsidiary) has been consolidated until February 22, 2022 @62.76%. Subsequently Unique Hotel & Resorts Ltd. has lost control over UMPL (details are given in note-8.02), recognised Group profit on disposal of UMPL shares in the consolidated statement of profit or loss and other comprehensive income and accounted for the share of profit/(loss) after tax of UMPL for the period from February 23, 2022 to June 30, 2022 in equity method as required by IFRS 11 and IAS 28 for investment in equity interest of a Joint Venture Company, i.e.UMPL.



Unique Hotel & Resorts Ltd.
Consolidated Statement of Changes in Equity
For the year ended 30 June 2022

Particulars	Amount in Taka					
	Ordinary Share Capital	Share Premium	Retained Earnings	Revaluation Reserve	Non controlling interest	Total
For 2020-2021:						
Balance as on 1st July 2020 (Restated)	2,944,000,000	6,181,931,836	4,129,985,502	10,168,822,832	737,941,576	24,162,681,746
Decrease in ownership of non controlling interest	-	-	-	-	(146,410)	(146,410)
Preference shares issued during the year	-	-	-	-	2,472,887,590	2,472,887,590
Net profit/(loss) made during the year	-	-	(97,078,727)	-	(30,637,729)	(127,716,456)
Adjustment to equity due to decrease in NCI ownership	-	-	(11,434,063)	-	11,434,063	-
Cash dividend @ 10% for 2019-20	-	-	(140,831,710)	-	-	(140,831,710)
Share money deposits received during the year	-	-	-	-	793,311,326	793,311,326
Share money deposits adjusted against share issued	-	-	-	-	(1,489,491,340)	(1,489,491,340)
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	120,945,809	123,917,189	-	244,862,999
Balance as on 30 June 2021	2,944,000,000	6,181,931,836	4,001,586,811	10,292,740,021	2,495,299,077	25,915,557,745
For 2021-2022:						
Balance as on 01 July 2021	2,944,000,000	6,181,931,836	4,001,586,811	10,292,740,021	2,495,299,077	25,915,557,745
Net profit/(loss) made during the year	-	-	975,250,453	-	(11,224,883)	964,025,570
Adjustment for 37.24% share of retained earnings of UMPL until 22 February 2022 (i.e. before recognition of UMPL as investment in joint venture)	-	-	(59,828,699)	-	-	(59,828,699)
Cash dividend @ 10% for 2020-21	-	-	(159,631,528)	-	-	(159,631,528)
Preference shares issued during the year	-	-	-	-	216,118,410	216,118,410
Share money deposits adjusted against share issued	-	-	-	-	(70,844,691)	(70,844,691)
Adjustment to non controlling interest	-	-	-	-	(2,629,347,913)	(2,629,347,913)
Derecognition of cumulative loss of UMPL	-	-	59,828,699	-	-	59,828,699
Recognition of intragroup gain previously eliminated	-	-	471,470,459	-	-	471,470,459
Excess depreciation on revalued PPE transferred to Retained earnings	-	-	118,827,951	119,564,186	-	238,392,136
Balance as on 30 June 2022	2,944,000,000	6,181,931,836	5,407,504,145	10,412,304,207	-	24,945,740,188



Unique Hotel & Resorts Ltd.
Consolidated Statement of Cash Flows
For the year ended 30 June 2022

Notes	Amount in Taka	
	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
Cash flows from operating activities		
Collections from turnover and other sources	1,968,515,960	923,927,975
Payment for operating costs and other expenses	(1,823,271,835)	(598,761,498)
Income tax paid during the year	(42,792,143)	(48,425,072)
Net cash from operating activities (A)	102,451,982	276,741,405
Cash flows from investing activities		
Purchase of property, plant and equipment	(57,751,032)	(171,507,053)
Disposal of property, plant and equipment	457,110	59,165,000
Increase in construction work in progress	(1,562,048,557)	(2,597,640,631)
Decrease in investment and construction advances	215,264,928	373,384,690
Receipts from sale of shares of Unique Meghnaghat Power Ltd.	836,027,162	-
Gain/ (loss) on investment in shares	(9,542,196)	30,572,966
Dividend received during the year	7,147,229	10,613,505
Increase in advance against land to SEZL	(48,137,543)	(64,720,548)
Decrease/ (Increase) in fixed deposit receipts	(111,948,209)	138,874,665
Net cash used in investing activities (B)	(730,531,109)	(2,221,257,407)
Cash flows from financing activities		
Increase/(decrease) in term loan	807,006,745	670,676,410
Changes in other receivable	-	(811,557)
Payments for lease liability	(7,312,044)	(4,457,700)
Proceed from Preference share capital	144,050,663	793,311,326
Interest Received	1,614,382	36,496
Increase/(decrease) in short term financing	693,014,431	799,428,511
Interest paid during the year	(156,779,794)	(104,070,841)
Dividend paid during the year	(169,303,246)	(140,601,107)
Net Cash provided by/(used in) financing activities (C)	1,312,291,137	2,013,511,538
Net cash inflow/(outflow) for the period (A+B+C)	684,212,009	68,995,536
Add: Cash and cash equivalents at the beginning of the year	293,872,681	224,410,617
Foreign currency translation difference	(122,626)	466,530
Derecognition of subsidiary transactions	(28,763,928)	-
Cash and cash equivalents at the end of the year	949,198,139	293,872,682

