

LP GAS LIMITED
Auditor's Report and Audited Financial Statements
For the year ended June 30, 2019

**Independent Auditor's Report
To the Shareholders of LP Gas Limited**

Report on the Audit of the Financial Statements

Opinion

we have audited the financial statements of **LP Gas Limited**, Which comprise the financial position as at June 30 2019, and 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 and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the company as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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 Auditors' 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), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those charged with Governance for the Financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the companies Act 1994 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 and the Company's financial reporting process.

Other Information

Management is responsible for other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's reports thereon.

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.

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 the financial statements.



As a part of an audit in accordance with ISAs, we exercise professional judgment 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 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.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statements of financial position and profit or loss and other comprehensive income statements dealt with by the report are in agreement with the books of accounts; and returns;

Dated, **17 DEC 2019**
Place: Chattogram



[Signature]
MRH DEY & CO.
Chartered Accountants

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BASU BANERJEE NATH & CO.
Chartered Accountants



LP GAS LIMITED
(A Subsidiary Company of Bangladesh Petroleum Corporation)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

ASSETS:	Notes	June 30,2019 Taka	June 30,2018 Taka
NON CURRENT ASSETS:			
Property, Plant & Equipment	4.00	823,146,658	842,979,314
Construction Work-in-Progress	5.00	-	-
Deffered Expenditure of Grauity Fund	6.00	44,537,587	-
Fixed Deposits (FDR) of Depreciation Fund	7.00	585,900,000	578,900,000
TOTAL NON CURRENT ASSETS		1,453,584,245	1,421,879,314
CURRENT ASSETS:			
Inventories	8.00	20,546,531	24,682,345
Trade & other Receivables	9.00	137,515,178	180,977,031
Interest Receivable	10.00	17,345,678	14,610,626
Advances, Deposits & Pre-payments	11.00	64,773,589	81,602,066
Short Term Investment	12.00	50,000,000	50,000,000
Cash and Cash Equivalents	13.00	52,957,753	120,789,843
TOTAL CURRENT ASSETS		343,138,729	472,661,911
TOTAL ASSETS		1,796,722,974	1,894,541,225
EQUITY & LIABILITIES:			
Equity attributable to owners			
Share Capital	14.00	100,000,000	100,000,000
Reserve	15.00	143,000,000	143,000,000
Depreciation fund reserve (Accumulated surplus)	16.00	322,394,496	298,093,258
Revaluation Reserve	4.02	778,801,942	796,756,421
Retained Earnings	17.00	44,134,946	1,618,131
TOTAL EQUITY		1,388,331,384	1,339,467,810
NON-CURRENT LIABILITY			
Long Term Loan	18.00	6,864,113	11,296,567
Security Deposit for Cylinder	19.00	73,843,168	73,845,521
		80,707,281	85,142,088
CURRENT LIABILITIES:			
Trade and other payables	20.00	173,621,454	356,621,143
Provisions & Accruals	21.00	124,676,522	65,956,162
Other Liabilities	22.00	20,305,868	39,843,670
Long term Loan - Current portion	18.01	4,432,454	4,432,453
Worker's Profit Participation Fund	23.00	4,648,011	3,077,899
TOTAL CURRENT LIABILITIES		327,684,309	469,931,327
TOTAL EQUITY & LIABILITIES		1,796,722,974	1,894,541,225
NAV (without revaluation)		60.95	54.27
NAV (with revaluation)		138.83	133.95

FOOTNOTES:

1. Auditors' Report- Page-1
2. The Accompanying notes form an Integral part of these financial statements.

Shaukat Ullah

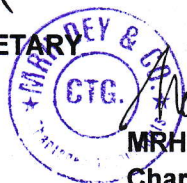
COMPANY SECRETARY

[Signature]
MANAGING DIRECTOR

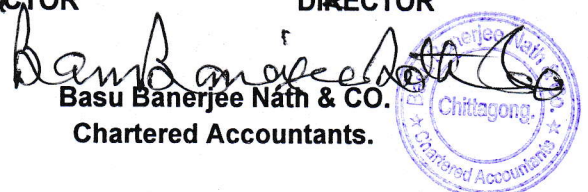
[Signature]
DIRECTOR

Dated: **17 DEC 2019**

Place: Chattogram



MRH DEY & CO.
Chartered Accountants.



Basu Banerjee Nath & CO.
Chartered Accountants.

LP GAS LIMITED
(A Subsidiary Company of Bangladesh Petroleum Corporation)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Notes	June 30,2019 Taka	June 30,2018 Taka
Revenue	24.00	963,670,822	774,123,070
Less: VAT		35,475,499	30,171,883
Net Sales		928,195,323	743,951,187
Less: Cost of Goods Sold	25.00	852,640,400	701,478,800
Gross Income		75,554,923	42,472,387
Less: Administrative & General Expenses	26.00	51,891,376	50,649,425
Trading Income		23,663,547	(8,177,038)
Less: Financial Expenses	27.00	703,343	926,543
Operating Income		22,960,204	(9,103,581)
Add: Non-operating Income	28.00	50,148,519	50,159,641
Add: Prior Year Income	22.02	19,851,500	20,501,917
Net Income before Contribution to WPPF and Taxation		92,960,223	61,557,977
Less: Worker's Profit Participation Fund	23.00	4,648,011	3,077,899
Net Income before Taxation		88,312,212	58,480,078
Less: Provision for Taxation	29.00	36,035,463	26,043,072
Net Income after Taxation		52,276,749	32,437,006
Less: Appropriation:			
Depreciation Fund Reserve	30.00	24,301,238	18,732,502
Total Appropriation:		24,301,238	18,732,502
NET INCOME FOR THE YEAR TRANSFERRED TO RETAINED EARNINGS		27,975,511	13,704,504
Earning Per Share		5.23	3.24

FOOTNOTES:

1. Auditors' Report- Page-1
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Imam ulah
COMPANY SECRETARY

[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

Dated : 17 DEC 2019
Place: Chattogram

[Signature]
MRH DEY & CO.
Chartered Accountants.

[Signature]
Basu Banerjee Nath & CO.
Chartered Accountants.



LP GAS LIMITED

(A Subsidiary Company of Bangladesh Petroleum Corporation)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Share Capital	Capital Reserve	Reserve Fund	Depreciation fund reserve	Revaluation Surplus	Retained Earnings	Total Capital
Balance as at July 01, 2018	100,000,000	1,790,684	141,209,316	298,093,258	796,756,421	1,618,131	1,339,467,810
Net Profit for the year	-	-	-	-	-	52,276,749	52,276,749
Depreciation on revaluated Amount	-	-	-	-	(16,041,304)	16,041,304	-
Deletion of Fixed Assets	-	-	-	-	(1,913,175)	-	(1,913,175)
Transfer to Depreciation Fund Reserve	-	-	-	24,301,238	-	(24,301,238)	-
Dividend for 2018-2019	-	-	-	-	-	(1,500,000)	-
Balance as at June 30, 2019	100,000,000	1,790,684	141,209,316	322,394,496	778,801,942	44,134,946	1,388,331,384
Balance as at July 01, 2017	100,000,000	1,790,684	141,209,316	279,360,756	813,090,803	(28,419,738)	1,307,031,821
Net Profit for the year	-	-	-	-	-	32,437,006	32,437,006
Depreciation on revaluated Amount	-	-	-	-	(16,333,365)	16,333,365	-
Deletion of Fixed Assets	-	-	-	-	(1,017)	-	(1,017)
Transfer to Depreciation Fund Reserve	-	-	-	18,732,502	-	(18,732,502)	-
Balance as at June 30, 2018	100,000,000	1,790,684	141,209,316	298,093,258	796,756,421	1,618,131	1,339,467,810

FOOTNOTES:

1. Auditors' Report- Page-1
2. The Accompanying notes form an Integral part of these financial statements.

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COMPANY SECRETARY

[Signature]

MANAGING DIRECTOR

[Signature]

DIRECTOR

Dated : 17 DEC 2019

Place: Chattogram



[Signature]
MRH DEY & CO.
Chartered Accountants.



[Signature]
Basu Banerjee Nath & CO.
Chartered Accountants.

LP GAS LIMITED
(A Subsidiary Company of Bangladesh Petroleum Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	June 30,2019	June 30,2018
	Taka	Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES :		
Collection from Customers	1,054,546,142	839,785,433
Payments made to Suppliers and Employees	(1,087,269,620)	(714,624,665)
Cash generated from operation	(32,723,478)	125,160,768
Financial Expenses	(703,343)	(926,543)
Income Tax Paid	(21,052,397)	(12,055,246)
Net cash inflow from Operating Activities	(54,479,218)	112,178,979
B. CASH FLOWS FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(418,065)	(26,467,085)
Proceed from disposal of Fixed Assets	-	-
Investment in Dep. Fund Fixed Deposit	(7,000,000)	(24,700,000)
Received From Other Assets	-	-
Payment Against WIP	-	19,575,956
Proceed of Property Plant & Equipment	-	-
Net cash inflow/(outflow) in Investing Activities	(7,418,065)	(31,591,129)
C. CASH FLOWS FROM FINANCING ACTIVITIES :		
Payment of Long Term Loan	(4,432,453)	(4,482,954)
Dividends Paid	(1,500,000)	-
Security Deposit for Cylinder	(2,353)	2,898,094
Net cash inflow/(outflow) in Financing Activities	(5,934,806)	(1,584,860)
Net Increase in Cash and Cash Equivalents for the year (A+B+C)	(67,832,089)	79,002,990
Cash and Cash Equivalents at the beginning of the year	120,789,843	41,786,853
Cash and Cash Equivalents at the end of the year	52,957,753	120,789,843
Operating cash flow per share	-5.45	11.22

Hamat Ullah
COMPANY SECRETARY

[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

Dated : 17 DEC 2019
Place: Chattogram

[Signature]
MRH DEY & CO.
Chartered Accountants.

[Signature]
Basu Banerjee Nath & CO.
Chartered Accountants.



LP GAS LIMITED

(A Subsidiary Company of Bangladesh Petroleum Corporation)

NOTES , COMPRISING A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED JUNE 30, 2019

1.00 GENERAL

1.01 BACKGROUND INFORMATION:

LP Gas Limited, was incorporated on 3rd March, 1983 as a Private Limited Company, subsequently it was converted into Public Limited Company from 17th April, 1988 under the Companies Act, 1913. It is a subsidiary company of Bangladesh Petroleum Corporation (BPC).

Further LPG Kailashtila Plant, situated at Sylhet and LPG plant, Chittagong are considered to be merged plant of LP Gas Limited with effect from 01.07.2003 as per decision of the Board Meeting of BPC No. 649 held on 13.10.2003

1.02 REGISTERED OFFICE OF THE COMPANY:

The principal activities of the company is to bottling of LP Gas in cylinder and marketing thereof.

1.03 NATURE OF BUSINESS ACTIVITIES :

Bottling of LP Gas in Cylinder and distribution.

2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

2.01 Compliance of Local Laws:

The accounts have been prepared in compliance with requirements of the Companies Act 1994 and Income Tax Ordinance 1984 (ITO 1984) and other local laws where applicable.

2.02 Currency:

The Figures in the accounts and other statements and notes to the accounts have been shown in Bangladeshi Taka, which have been rounded off to the nearest Taka.

2.03 Comparative Information:

Comparative information have been disclosed in respect of the year ended on June 30, 2018 to understand the current years accounts. Previous years figures have been re-arranged wherever necessary to conform to current years presentation.

2.04 Basis of Accounting :

The Company has followed the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as were adopted in Bangladesh and has maintained its Accounts on a going concern basis under the Generally Accepted Accounting Principles (GAAP) of historical cost convention method and accrual basis except Property, Plant and Equipment valued at current cost.

2.05 Reporting Period :

Financial Statements of the Company cover financial year from 1st July 2018 to 30th June 2019 consistently.

2.06 Use of Estimates and Judgements:

The preparation of financial statements in conformity with IAS/IFRS s requires measurement to make judgements, estimates and assumptions that effects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on going concern basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



In particular, the use of estimates and judgements have most significant effects on the amounts recognized in notes on Property, Plant and Equipments, Prepayments, Revaluation reserve, Provision for gratuity and Provision for Income Tax.

NOTE 03.00- APPLICABLE ACCOUNTING STANDARDS & POLICIES:

The Financial Statements have been prepared in compliance with requirement of International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The following IASs / IFRSs are applicable for the Financial Statements for the year under audit:

- IAS 1 Presentation of Financial Statements
- IAS 2 Inventories
- IAS 7 Statement of Cash Flows
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS 10 Events after the Reporting Period
- IAS 12 Income Taxes
- IAS 16 Property, Plant & Equipment
- IAS 18 Revenues
- IAS 19 Employee Benefits
- IAS 23 Borrowing Costs
- IAS 24 Related Party Disclosures
- IAS 33 Earnings Per Share
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets

3.01 Property, Plant & Equipments:

3.01.01 Recognition of Fixed Assets:

Property, Plant & Equipments (PPE) are initially measured at cost. Then Property, Plant & Equipments are Revaluated in 2012. Property, Plant & Equipments are carried at Revaluated amount, being fair value at the date of revaluation less subsequent accumulated depreciation and subsequent accumulated impairment loss, if any.

3.01.02 Revaluation of Property Plant & Equipments:

MRH Dey & Co. Chartered Accountants, has revaluated the Company's Land, Equipments and Civil Works as at 20-06-2012 following the current cost accounting method. The revaluation resulted in cumulative revaluation surplus of the company to Tk.913,513,826.00 as at 30-06-11.

3.01.03 Depreciation:

The company depreciated its Property, Plant and Equipment on straight line method at the following rates.

Full year depreciation is charged on all assets acquired during the first half of the accounting year and half year's depreciation is charged on the assets acquired during the second half of the accounting year.

<u>Class of Property, Plant & Equipment</u>	<u>Depreciation Rate</u>
Factory Building	5%
Plant & Machinery	10%
Cylinder	10%
Loose Tools	10%
Admin. Building	5%
Vehicles	15%
Office Equipment	10%
Furniture & Fixture	10%



3.01.04 Impairment of Assets:

At each Balance Sheet date, the company has not reviews the carrying amounts of its assets to determine whether there is any indication of impairment in accordance with IAS-36 : Impairment of Assets". During the year there was no indication of impairment of assets, as such no adjustment was given in the Financial statement for impairment.

3.02 Depreciation Fund :

1) LP Gas Limited Depreciation Fund was formed on July 09, 2003 as per decision of 1st report of Public Accounts Committee of Government which was endorsed by the Controller General of Accounts and Auditors of Bangladesh, vide memo no. সিএজি/রি-২/পিএসি/২৫৫/১৪১ (১৩) dated May12,1999 and subsequently approved by the LP Gas Limited (Board Meeting No 173 held on May 18, 2003 and No 175 held on July 09, 2003) with effect from April 01, 1979.

2) The objective of the fund is to accumulate the depreciation charged to the assets of the company in each financial year and use the fund for replacement of depreciated Asset(s)/ Procurement/ acquisition of new Asset(s)/ new plant/ new business.

3) Five percent of income of the fund are distributed among the employees & workers who are in active service of the company equally.

4) Income are not distributable to the shareholders of LP Gas Ltd.

5) Consolidation of Financial Statements of LP Gas Ltd Depreciation Fund has been made with the LP Gas Ltd., Chittagong as per resolution of the meeting of the Board of Directors of the LP Gas Ltd held on 16-05-2012 and meeting No. 265.

3.03 Inventories:

As per IAS-2 Inventory should be measured at the lower of cost or net realizable value. The cost of inventories includes expenditure incurred in acquiring these inventories and bringing them to their existing location and condition in accordance with IAS-2.

3.04 Investment:

The company receives the security deposits from the Marketing Companies against issue of cylinder and make investment in the fixed deposits.

3.05 Cash and Cash Equivalents:

According to IAS 7 "Statement of Cash Flows", cash comprises cash in hand and bank deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that cash and cash equivalent are not restricted in use. Considering the provision of IAS 7 and IAS 1, cash in hand and bank balances have been considered as cash and cash equivalents.

3.06 Trade and Other Receivables:

The amount due by trade receivable are as per invoice value and the amount is considered to be good. Receivable are collected here within two months so no provision for bad debt has been made for goods receivable.

3.07 Trade and Other Payables:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed by the supplier. All Payable are paid here within three months.



3.08 Revenue Recognition Policy:

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and rebates, if any. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. sales revenue is recognized when the goods are delivered.

3.09 Taxation:

The Company is a Public Limited Company as per Companies Act 1913 and bears E-TIN-378096220341, Circle-08 (Companies), Taxes Zone-01, Chattogram and Value added Tax registration No. is 24021012712. Necessary taxation has been provided in the accounts as per Income Tax Ordinance 1984.

3.09.01 Current Income tax:

Provision is made at the effective rate of 35% of tax applied on 'estimated' taxable profit or minimum tax of 0.60% on gross receipt U/S 82c subsection-4 which is higher.

3.10 Interest Income:

Interest of Fixed deposits have been taken into accounts on accrual basis.

3.11 Employees Benefit Scheme :

The company contributes to the provided funds at the specified rate. The employee also take the benefit of WPPF at the specified rate. It has also given production bonus and incentive bonus, Feasible bonus, Medical Benefit, Travel Allowance to their employees.

3.12 Workers Profit Participation Fund:

Contribution to Workers Profit Participation Fund has been made at 5% of net profit in accordance with the Bangladesh labour act 2013. The company is maintaining Recognised Provident Fund for it's employees. A Beneficiaries Profit Participation Fund is also operating as per Workers Profit Participation Fund Rule. There are several other schemes for staff welfare. Such as Production Bonus, Incentive Bonus, Medical Benefit, Travelling Allowances, Gratuity Funds etc.

3.13 Defined Benefit Plan (Gratuity):

Defined benefit plan is a retirement plan under which amounts to be paid as retirement benefits the amount payable will be determined by reference to employees' earning and / or years of service. The employees' Gratuity Fund is being considered as defined benefit plan as it meets the recognition criteria. Company operates a funded gratuity scheme for its permanent employees after completion of minimum three years of service in the company, under which and employee is entitled to the benefits depending on the length of service and last drawn basis salary.

Total amount of provision as gratuity has been transferred to the fund in every year. This fund has been approved by the National Board of Revenue, Bangladesh.

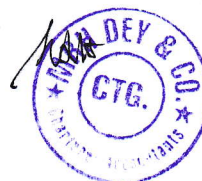
3.14 Earning Per Share(EPS) :

3.14.01 Basic Earning Per Share:

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

3.14.02 Diluted Earning Per Share:

Diluted earning per share is calculated by dividing the net profit / loss for the period attributable to shareholders by the applicable number of share outstanding during the period after adjustment for the effects of all diluted potential share.



3.15 Net Asset Value (NAV) Per Share:

Basic of Net Asset Value is calculated by total Asset less liabilities then divided by No. of share outstanding.

3.16 General:

3.16.01 Components of the Financial Statements

Financial Statements includes the following components:

- a) Statement of Financial Position as at June 30, 2019;
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2019;
- c) Statements of Changes in Equity for the year ended June 30, 2019;
- d) Statement of Cash Flows for the year ended June 30, 2019; and
- e) Notes, Comprising a summary of significant accounting policies & other explanatory information

3.16.02 Going Concern:

The Company has adequate resources to continue its operation for the foreseeable future. For this reason the directors decided to adopt the going concern basis in preparing the Financial

3.16.03 Statement of Cash Flows:

The Statement of Cash Flows has been prepared in accordance with the requirement of **IAS-7: Statement of Cash Flows**. The Cash generating from operating activities has been reported using the Direct Method as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.16.04 Financial Analysis:

It reveals from the ratio analysis that the economic position of the company is deteriorating year by year. The Management should look into matter for improving healthy position of the company.

3.16.05 Directors' Remuneration:

No Remuneration has been paid to the directors of the company.

3.16.06 Employees:

Number of employee whose monthly salary was above 12,500.00 is 105.

Number of employee whose monthly salary was below 12,500.00 is 0.

3.16.07 Events after the Reporting Periods:

As per IAS -10 " Events after the reporting period" are those event favourable and unfavourable that occurred between the end of the reporting period and the date when the financial statements are authorized for the issue. There were no material events that occurred after the reporting period which could affect the values in financial statements.

3.16.08 Provision:

In accordance with the guidelines as prescribed by IAS 37, provisions are recognized when all the following criteria are met:

- i) When the company has a present obligation as a result of past event;
- ii) When it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation; and
- iii) Reliable estimate can be made of the amount of the obligation.

The company has shown the provisions in the Statement of Financial Position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required to fulfil the current obligation on the statement of financial position date.



3.16.09 Financial Risk Management:

The Management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect change in market conditions and the company's activities. The company has exposure to the following risks for its use of financial instruments.

- a) Interest Rate Risk**
- b) Industry Risk**
- c) Operational Risk**

Interest Rate Risk:

Interest rate risk is the risk borne by an interest-bearing asset, such as a loan, due to variability of interest rates.

Management of the company is emphasizing now on equity base financing other than long term loan. In case of taking loan, company always will be careful to maintain fixed interest rate. It is also said that ADP loan which is payable within 25 years from 1998 to 2023 is being paid with a fixed interest rate of 5% which is very low. So risk is nominal in this case.

Industry Risk:

This is the only one state owned LPG bottling plant in Bangladesh controlled by Bangladesh Petroleum Corporation (BPC) that receives all the LPG produced locally by Govt. owned Companies such as Eastern Refinery Ltd. (ERL) and Rupantorito Pakritik Gas Company Limited (RPGCL).

Since bottling and marketing of inland produced LPG in Govt. sector depends totally on LPGL, so industry is under the control of the company.

Operational Risk:

Non availability of power for bottling & distribution, non-smooth of LPG from ERL & RPGCL and non-lifting of bottled gas by Marketing Companies due to transport disruption or short supply of empty cylinders may affect the smooth operational activities of LPGL. On the other hand the plants and equipment related to bottling, storage & distribution systems may face some operational & mechanical faults due to various national disaster and carelessness & negligence in handling the operating system may also lead to severe accidents and losses.

The company is equipped with power generating and demand management system, which are favourable for reducing operational risk. Beside, key machineries and equipment are under insurance coverage in order to get reasonable compensation for any damages. Apart from those routine check and proper maintenance of machineries and equipment can reduce the operational risk.



3.16.10 RELATED PARTY DISCLOSURES:

During the year, the company carried out a number of transactions with related parties in the normal course of business and on an arm length basis. The name of these related parties nature of transactions with the provision of IAS 24 are presented below:

NAME OF THE PARTIES	Relationship	Nature of Transactions	Balance as on June 30, 2019
Bangladesh Petroleum Corp.	Holding company	Multiple Business	-
Do	Do	Do	105,562,100-Cr
RPGCL	Supplier	Product Supply	55,623,092-Cr
Padma Oil Co Ltd.	Customer	Product Exchange	35,837,500 -Dr.
Do	Do	Do	-
Meghna Petroleum Ltd	Do	Do	32,839,960-Dr
Do	Do	Do	3,967,266-Cr
Jamuna Oil Co Ltd	Do	Do	42,319,360-Dr
Standard Asiatic Oil Co Ltd	Do	Do	15,279,890-Dr
Eastern Refinery Ltd	Do	Do	16,260-Dr
Do	Do	Do	574,517-Cr



L P GAS LIMITED
(A Subsidiary Company of Bangladesh Petroleum Corporation)
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT
AS ON JUNE 30, 2019

Note No.- 04

Particulars	Land and Land Development 0%	Factory Building 5%	Plant and Machinery 10%	Cylinder 10%	Loose Tools 10%	Administrative Building 5%	Vehicle 15%	Furniture and Fixture 10%	Office Equipment & Sundry Assets 10%	Total
Depreciation Rate										
Cost:										
At 01.07.2018	14,470,601	31,751,163	173,042,513	89,825,543	222,671	33,957,506	3,837,553	3,252,877	3,184,644	353,545,071
Addition during the year	-	-	28,500	-	-	-	-	27,712	361,853	418,065
Deletion during the year	-	-	-	(2,378)	-	(1,878,325)	-	-	-	(1,880,703)
Cost at 30.06.2019	14,470,601	31,751,163	173,071,013	89,823,165	222,671	32,079,181	3,837,553	3,280,589	3,546,497	352,082,433
Revaluation:										
At 01.07.2018	740,009,399	10,095,750	106,692,798	46,351,326	149,817	6,280,948	1,447,996	573,446	(64,576)	911,536,904
Deletion during the year	-	-	-	(1,272)	-	(2,942,759)	-	-	-	(2,944,031)
Total at 30.06.2019	740,009,399	10,095,750	106,692,798	46,350,054	149,817	3,338,189	1,447,996	573,446	(64,576)	908,592,873
Total at 30.06.2019	754,480,000	41,846,913	279,763,811	136,173,219	372,488	35,417,370	5,285,549	3,854,035	3,481,921	1,260,675,306
Depreciable Value of H. cost:										
At 01.07.2018	-	28,106,084	12,451,988	-	-	30,420,762	-	1,357,735	2,436,448	74,773,017
Accumulated Depreciation:										
At 01.07.2018	-	33,557,649	243,250,926	122,196,379	327,542	12,131,616	5,285,543	2,856,057	2,496,949	422,102,661
Charged during the year	-	836,233	11,639,448	4,635,005	14,982	837,463	-	187,432	186,980	18,337,543
Charged on Historical Cost	-	331,445	970,168	-	-	670,553	-	130,087	193,986	2,296,239
Charged on Revaluated Amount	-	504,788	10,669,280	4,635,005	14,982	166,910	-	57,345	(7,006)	16,041,304
Adjustment made during the year	-	-	-	(3,266)	-	(2,908,290)	-	-	-	(2,911,556)
Depreciation at 30.06.2019	-	34,393,882	254,890,374	126,828,118	342,524	10,060,789	5,285,543	3,043,489	2,683,929	437,528,648
Net Book Value at 30.06.2019	754,480,000	7,453,031	24,873,437	9,345,101	29,964	25,356,581	6	810,546	797,992	823,146,658
Net Book Value at 30.06.2018	754,480,000	8,289,264	36,484,385	13,980,490	44,946	28,106,938	6	970,266	623,119	842,979,314

4.01. Depreciation charged to statement of comprehensive income

Operating Expenses	30.06.2019	30.06.2018
Administrative Expenses	17,125,668	18,314,002
	1,211,875	1,791,632
	18,337,543	20,105,634

Revaluation Reserve:	30.06.2019	30.06.2018
Addition due to Revaluation	911,536,904	911,539,447
Less: Deletion during the year	2,944,031	2,543
	908,592,873	911,536,904
Less: Depreciation on Revaluated amount	98,448,644	114,780,483
Opening Balance	16,333,365	16,333,365
Add: Charged during the year	1,526	1,526
Less: Deletion during the year	129,790,931	114,780,483
	778,801,942	796,766,421

4.02

Revaluation Reserve:
Addition due to Revaluation
Less: Deletion during the year
Less: Depreciation on Revaluated amount
Opening Balance
Add: Charged during the year
Less: Deletion during the year



		June 30	
		2019 Taka	2018 Taka
5.00	<u>Construction Work in progress:</u>		
	Balance at July 01,2018	-	19,575,956
	Add: Incurred during the year	-	-
		-	19,575,956
	Less : Adjustment	-	19,575,956
	Balance as at June 30, 2019	-	-
6.00	<u>Deffered Expenditure of Grauity Fund:</u>		
	Balance at July 01,2018	-	-
	Add: Incurred during the year	50,900,100	-
		50,900,100	-
	Less : Adjustment	6,362,513	-
	Balance as at June 30, 2019	44,537,587	-
7.00	<u>Fixed Deposits (FDR) of Depreciation Fund:</u>		
	Janata Bank Ltd, Patenga Road Branch, CTG	151,400,000	156,400,000
	Rupali Bank Ltd, Jublee Road Branch, CTG	250,000,000	255,000,000
	Prime Bank Ltd. Jublee Road Branch, CTG.	-	-
	Bank Asia Ltd, EPZ Branch,CTG	25,000,000	55,500,000
	Pubali Bank Ltd, Hadipara Branch,CTG	159,500,000	112,000,000
	Total:	585,900,000	578,900,000
8.00	<u>Inventories</u>		
	Spare Parts		
	Local	7,505,862	7,188,683
	Imported	4,492,135	4,506,234
	Total Spare Parts	11,997,997	11,694,917
	Gas		
	Gas in Cylinder (Finished Goods)	2,268	9,662
	Gas in Tank	8,546,266	12,977,766
	Total Gas	8,548,534	12,987,428
	Total:	20,546,531	24,682,345
9.00	<u>Trade & other Receivables</u>		
	Padma Oil Company Ltd.	35,837,500	29,107,370
	Meghna Petroleum Ltd.	32,839,960	43,349,650
	Jamuna Oil Company Ltd.	42,319,360	63,305,190
	Standard Asiatic Oil Company Ltd.	15,279,890	37,328,950
	Eastern Refinery Ltd	16,260	13,460
	Loan to Employees	11,222,208	7,872,411
	Total:	137,515,178	180,977,031
	Note: All receivable are collected here within three months .So, no provision for bad debt has been made for goods receivable.		
9.01	<u>Loan to Employees :</u>		
	House Building Loan	10,658,348	7,020,062
	Motor Cycle Loan	255,576	408,366
	Car Loan	308,284	443,983
	Total:	11,222,208	7,872,411



June 30

2019 Taka	2018 Taka
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10.00 **Interest Receivable:**

LP GAS LTD:

Agrani Bank Ltd, Agrabad Corp Branch,CTG.	-	-
Janata Bank Ltd, Patenga Road Branch,CTG.	107,671	398,398
Rupali Bank Ltd, Jublee Road Branch,CTG.	841,973	792,931
Prime Bank Ltd, Jublee Road Branch,CTG.	-	-
Pubali Bank Ltd, Hadipara Branch,CTG	468,096	76,849
Bank Asia Ltd, EPZ Branch,CTG.	65,342	76,233
Interest receivable against LP Gas Ltd Depreciation Fund:	-	13,266,215
Previous year accrued interest	55,479	-
Rupali Bank Ltd, Jublee Road Branch,CTG.	7,069,318	-
Janata Bank Ltd, Patenga Road Branch,CTG.	3,609,943	-
Pubali Bank Ltd, Hadipara Branch,CTG	4,147,445	-
Bank Asia Ltd, EPZ Branch,CTG.	980,411	-
Total:	17,345,678	14,610,626

11.00 **Advances ,Deposits & Prepayments:**

VAT Revolving Account	11.01	2,382,973	1,467,860
L/C Margin & Others		33,082,842	25,765,801
Tax Payment	11.02	11,434,525	18,430,725
Advance to Employees	11.03	866,000	1,111,772
Current A/C with Comp.	11.04	4,996,579	5,149,079
Deposits	11.05	50,000	50,000
Prepaid Insurance		1,258,098	825,746
Advance Tax paid against Depreciation Fund		4,488,731	2,925,998
Miscellaneous Receivable	11.06	6,213,841	25,875,085
Total:		64,773,589	81,602,066

11.01 **VAT Revolving Account:**

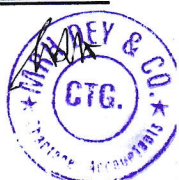
Balance as at July 01, 2018		1,467,860	916,165
Add: VAT Deposit During The Year		29,800,000	24,300,000
		31,267,860	25,216,165
Less: Adjustment		28,884,887	23,748,305
Balance as at June 30, 2019		2,382,973	1,467,860

11.02 **Tax Payment:**

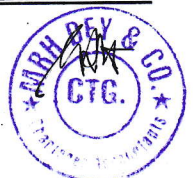
Advance against Co's Income Tax		4,315,744	8,676,334
Tax deducted at source (Interest Income)		802,434	725,767
Tax deducted at source (Gas Bill)		6,058,994	8,328,480
Advance against Salary Income Tax		257,353	700,144
Total:		11,434,525	18,430,725

11.03 **Advance to Employees:**

Advance against co's expenses		200,000	308,272
Advance against TA/DA		-	11,500
Advance against Salary		666,000	792,000
Total:		866,000	1,111,772



		June 30	
		2019	2018
		Taka	Taka
11.04	<u>Current Account with Companies:</u>		
	Current Account with Elenga Project	-	152,500
	Current Account with Mongla Project	4,996,579	4,996,579
	Total:	4,996,579	5,149,079
11.05	<u>Deposits:</u>		
	Marine Insurance Policy	50,000	50,000
	Total:	50,000	50,000
11.06	<u>Miscellaneous Receivable:</u>		
	Advance Against F.Purchase Cylinder	6,213,841	25,875,085
	Total:	6,213,841	25,875,085
12.00	<u>Short Term Investment:</u>		
	Agrani Bank Ltd, Agrabad Corp Branch,CTG	-	-
	Janata Bank Ltd, Patenga Road Branch,CTG	2,500,000	11,500,000
	Rupali Bank Ltd, Jublee Road Branch,CTG	26,000,000	26,000,000
	Pubali Bank Ltd, Hadipara Branch,CTG	20,000,000	11,000,000
	Bank Asia Ltd, EPZ Branch,CTG	1,500,000	1,500,000
	Total:	50,000,000	50,000,000
13.00	<u>Cash and Cash Equivalents:</u>		
	Cash in hand	13.01 42,033	61,344
	Bank Balances:		
	LP Gas Limited (KTL Plant)	13.02.01 10,394,167	12,872,063
	LP Gas Limited (CTG Plant)	13.02.02 31,384,802	90,616,455
	LP Gas Limited Dep. Fund	13.02.03 11,136,751	17,239,981
	Total:	52,957,753	120,789,843
	Note: Details are as below		
13.01	<u>Cash in hand</u>		
	LP Gas Limited (KTL Plant)	-	-
	LP Gas Limited (CTG Plant)	42,033.00	61,344.00
	LP Gas Limited Depreciation Fund	-	-
	Total:	42,033	61,344
13.02	<u>Bank Balance:</u>		
13.02.01	<u>L P Gas Limited (KTL Plant):</u>		
	Agrani Bank Ltd, Gopalganj Branch, Sylhet .STD A/C 12	463,309	461,359
	Rupali Bank Ltd, TCB Branch, Dhaka STD A/C 15	166,967	165,338
	Rupali Bank Ltd, Ishan Mistri Hat Branch,CTG STD A/C 08	6,072,455	5,724,578
	Dutch Bangla Bank Ltd, Agrabad Branch,CTG STD A/C 621	628,970	4,296,148
	Dutch Bangla Bank Ltd, Golapgonj Branch,CTG STD A/C 75	3,062,466	2,224,640
	Total:	10,394,167	12,872,063



June 30

2019 Taka	2018 Taka
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13.02.02 **L P Gas Limited (CTG Plant):**

Agrani Bank Ltd, Agrabad Corp Branch,CTG STD A/C 166	3,289,905	7,821,604
Janata Bank Ltd, Patenga Road Branch,CTG STD A/C 21	1,804,385	27,402,506
Pubali Bank Ltd, Hadipara Branch,CTG STD A/C 44	10,225,559	16,145,331
Rupali Bank Ltd, Jublee Road Branch,CTG STD A/C 08	6,201,107	35,169,120
Prime Bank Ltd, Jublee Road Branch,CTG STD A/C 1852	475,230	2,524,012
Bank Asia Ltd, EPZ Branch,CTG STD A/C 0273600013	9,388,616	1,553,882
	31,384,802	90,616,455

13.02.03 **L P Gas Limited Depreciation Fund:**

Janata Bank Ltd, Patenga Road Branch,CTG SB A/c 002089445	3,373,232	4,270,924
Rupali Bank Ltd, Jublee Road Branch,CTG SB A/c 100035942	1,050,735	3,734,282
Pubali Bank Ltd, Hadipara Branch,CTG SB A/c 1995101030442	3,983,072	6,208,762
Prime Bank Ltd, Laldighi East Branch,CTG. STD A/c 14531020001639	818,652	805,744
Bank Asia Ltd, EPZ Branch, Ctg. STD A/c 02736000012	1,911,060	2,220,271
	11,136,751	17,239,981

14.00 **Share Capital:**

14.01 **Authorized**

50,000,000 Ordinary Shares of TK 10 Each	<u>500,000,000</u>	<u>500,000,000</u>
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14.02 **Subscribed & Paid Up**

1,000,000 Ordinary Shares of TK 10 Each	10,000,000	10,000,000
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Bonus Share

9,000,000 Ordinary Shares of TK 10 Each	<u>90,000,000</u>	<u>90,000,000</u>
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Total

100,000,000	100,000,000
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14.03 Break up of the Paid up share capital holding position as at June 30, 2019:

Name of Shareholder	No. of Share	Rate Per Share	Amount(Taka)
Bangladesh Petroleum Corporation	9,999,880	10.00	99,998,800
Mr. Md Sarwar Alam	20	10.00	200
Mr.Quazi Mohammad Hasan	20	10.00	200
Mr. Md. Gias Uddin Ansary	20	10.00	200
Mr. Md.Yousuf Hossain Bhuyan	20	10.00	200
Mr. Md. Mostafa Quadrat-E-Elahi	20	10.00	200
Mr. A.T.M. Salim	20	10.00	200
	10,000,000		100,000,000

15.00 **Reserve:**

General Reserve:

Balance as at July 01, 2018	141,209,316	141,209,316
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Add: Transfer from Retained Profit

Total General Reserve	<u>141,209,316</u>	<u>141,209,316</u>
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Capital Reserve	1,790,684	1,790,684
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Balance as at June 30, 2019	143,000,000	143,000,000
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		June 30	
		2019 Taka	2018 Taka
16.00	<u>Depreciation Fund Reserve (Accumulated Surplus):</u>		
	Balance as at July 01, 2018	298,093,258	279,360,756
	Add: Net surplus for the year transferred from Statement of Comprehensive income	24,301,238	18,732,502
	Balance as at June 30, 2019	322,394,496	298,093,258
17.00	<u>Retained Earnings:</u>		
	Balance as at July 01, 2018	1,618,131	(28,419,738)
	Add: Net Profit for the year transferred from Statement of Comprehensive Income	27,975,511	13,704,504
	Less : Transfer to General Reserve	-	-
		29,593,642	(14,715,234)
	Less: Dividend paid during the year	1,500,000	-
		28,093,642	(14,715,234)
	Add: Depreciation on Revaluation	16,041,304	16,333,365
	Balance as at June 30, 2019	44,134,946	1,618,131
18.00	<u>Long Term Loan :</u>		
	Local Currency Loan ADP		
	Balance as at July 01, 2018	11,296,567	15,729,021
	Less: Transfer as Long Term Loan (Current Portion)	4,432,454	4,432,454
	Balance as at June 30, 2019	6,864,113	11,296,567
18.01	<u>Long term loan (Current Portion):</u>		
	Unadjusted amount from previous year	-	-
	Payable in next 12 months	4,432,454	4,432,453
		4,432,454	4,432,453
19.00	<u>Security Deposit for Cylinder:</u>		
	Balance at July 01,2018	73,845,521	70,947,427
	Add: Received during the Year	-	2,900,900
		73,845,521	73,848,327
	Less: Re-payment During the Year	2,353	2,806
	Balance at June 30, 2019	73,843,168	73,845,521
20.00	<u>Trade and Other Payables:</u>		
	LP GAS LTD. :		
	Goods Supplied by RPGCL	55,623,092	80,694,375
	Goods Supplied by BPC	105,562,100	262,106,341
	Security/ Earnest Money	1,426,824	719,086
	Advance Receipt against Gas Sales	2,847,146	6,902,146
	For Expenses	3,606,949	1,657,412
	Current Account With other BPC companies.	4,555,343	4,541,783
		173,621,454	356,621,143

Note: All Payables against goods supply are paid here within three months



		June 30	
		2019 Taka	2018 Taka
20.01	Goods Supplied by RPGCL:		
	Balance as at July 01, 2018	80,694,375	108,292,287
	Add: Purchase during the year	256,717,862	213,242,189
		<u>337,412,237</u>	<u>321,534,476</u>
	Less: Payment during the year	281,789,145	240,840,101
	Balance as at June 30, 2019	<u>55,623,092</u>	<u>80,694,375</u>
20.02	Goods Supplied by BPC:		
	Balance as at July 01, 2018	262,106,341	133,046,976
	Add: Purchase during the year	501,174,413	398,697,562
		<u>763,280,754</u>	<u>531,744,538</u>
	Less: Paid During the Year	657,718,654	269,638,197
	Balance as at June 30, 2019	<u>105,562,100</u>	<u>262,106,341</u>
20.03	Security/ Earnest Money:		
	Balance as at July 01, 2018	719,086	2,606,864
	Add: Received during the Year	1,440,015	1,129,837
		<u>2,159,101</u>	<u>3,736,701</u>
	Less: Refund during the Year	732,277	3,017,615
	Balance as at June 30, 2019	<u>1,426,824</u>	<u>719,086</u>
20.04	Advance Receipt Against Gas Sale :		
	KTL Plant	2,597,700	97,700
	B O C	23	23
	Others	323	323
	Cylinder	249,100	249,100
	Bangladesh Army	-	6,555,000
		<u>2,847,146</u>	<u>6,902,146</u>
20.05	For Expenses:		
	Salary & Wages Payable	20.05.01 3,359,181	1,668,439
	Miscellaneous Payable	20.05.2 3,039	1,649
	VAT & TDS Payable	4,785	(12,676)
	Salary Tax deducted At Source	239,944	
		<u>3,606,949</u>	<u>1,657,412</u>
20.05.01	Salary & Wages Payable:		
	Salaries	20.05.1.1 142,332	138,346
	Production Bonus	20.05.1.2 55,424	100,424
	Overtime	20.05.1.3 350,485	478,669
	Doctor's Salary	20.05.1.4 26,000	35,000
	Incentive Bonus	20.05.1.5 2,784,940	916,000
	Final Settlement	-	-
	Total:	<u>3,359,181</u>	<u>1,668,439</u>



		June 30	
		2019	2018
		Taka	Taka
20.05.1.1	Salary Payable:		
	Balance as at July 01, 2018	138,346	82,458
	Add : Expenses during the Year	35,844,612	38,884,157
		35,982,958	38,966,615
	Less: Payment during the year	35,840,626	38,828,269
	Balance as at June 30, 2019	142,332	138,346
20.05.1.2	Production Bonus Payable:		
	Balance as at July 01, 2018	100,424	51,142
	Add : Declare during the Year	407,863	96,000
		508,287	147,142
	Less: Payment during the year	452,863	46,718
	Balance as at June 30, 2019	55,424	100,424
20.05.1.3	Overtime Payable:		
	Balance as at July 01, 2018	478,669	656,902
	Add : Expenses during the Year	3,882,604	478,669
		4,361,273	1,135,571
	Less: Payment during the year	4,010,788	656,902
	Balance as at June 30, 2019	350,485	478,669
20.05.1.4	Doctor's Salary Payable:		
	Balance as at July 01, 2018	35,000	17,000
	Add : Expenses during the Year	204,000	204,000
		239,000	221,000
	Less: Payment during the year	213,000	186,000
	Balance as at June 30, 2019	26,000	35,000
20.05.1.5	Incentive Bonus Payable:		
	Balance as at July 01, 2018	916,000	916,000
	Add : Declare during the Year	1,868,940	-
		2,784,940	916,000
	Less: Payment during the year	-	-
	Balance as at June 30, 2019	2,784,940	916,000
20.05.2	Miscellaneous Payable:		
	P.F. Contribution (Employees)	360	360
	P.F. Contribution (Employers)	360	360
	P.F. loan instalment received	899	899
	Revenue stamp	70	30
	Union Subscription	1,350	-
	Total:	3,039	1,649
20.06	Current Account With other BPC Companies.		
	Current Account with ERL	574,517	574,517
	Current Account with MPL	3,967,266	3,967,266
	Current Account with BPC	13,560	-
	Total:	4,555,343	4,541,783



		June 30	
		2019	2018
		Taka	Taka
20.06.1	<u>Current Account with MPL:</u>		
	Balance as at July 01, 2018	3,967,266	5,078,620
	Add: Received during the Year	-	-
		<u>3,967,266</u>	<u>5,078,620</u>
	Less: Re-payment during the year	-	1,111,354
	Balance as at June 30, 2019	<u>3,967,266</u>	<u>3,967,266</u>
21.00	<u>Provisions & Accruals:</u>		
	Provision for various expenses	21.01 3,089,705	3,393,739
	Provision for legal & professional charge	113,000	102,350
	Provision for Gratuity	21.02 55,773,578	18,973,121
	Provision for Car Allowance	21.03 118,302	138,798
	Provision for Salary Tax	60,760	135,760
	Provision for Replacement of Cylinder	29,485,714	17,169,321
	Provision for Taxation	21.04 36,035,463	26,043,073
		<u>124,676,522</u>	<u>65,956,162</u>
21.01	<u>Provision for Various Expenses:</u>		
	Dhaka Office Rent	240,000	240,000
	Matal Mate Ltd (Com. on Import Of Cylinder)	300,000	300,000
	Asian Car Center	27,721	-
	M/S Sakil Enterprise (Labour Supply)	229,894	198,238
	M/S Sakil Enterprise (Cylinder Handling Bill)	405,502	276,221
	Standard Auto Service (Fuel)	2,870	8,010
	M/S Younus Enterprise	-	224,190
	M/S Safi & Brothers (Medicine Bill)	249,271	243,826
	Sadin Enterprise (Printing Goods)	-	84,665
	M/S Azam Motores (Rental Vehicle)	85,275	20,597
	VAT on Cylinder Import Affairs	-	1,401,299
	Telephone Bill	14,713	15,095
	Electric Bill	90,895	81,001
	Chittagong Online (Internet Bill)	12,840	12,840
	M/S Suyed Enterprise(Labour Supply)	-	32,792
	Sylhet Polli Bidduth Samity (Electricity)	45,375	33,355
	BPC Service Charge	447,500	200,000
	M/S Rahman & Co. Filling Station (Diesel Purchase)	27,300	13,650
	Officers & Staff (Madical Bill, Outdoor Conveyance & Lunch etc)	88,488	7,960
	M/S. S A Business Guide & co	64,717	-
	Al-Baraka Trading	618,044	-
	Bappi Enterprise	139,300	-
	Total:	<u>3,089,705</u>	<u>3,393,739</u>
21.02	<u>Provision for Gratuity:</u>		
	Balance as at July 01, 2018	18,973,121	34,188,803
	Add : Expenses during the Year	55,773,577	7,409,315
		<u>74,746,698</u>	<u>41,598,118</u>
	Less: Payment during the year	18,973,120	22,624,997
	Balance as at June 30, 2019	<u>55,773,578</u>	<u>18,973,121</u>



		June 30	
		2019 Taka	2018 Taka
21.03	<u>Provision for Car Allowance:</u>		
	Balance as at July 01, 2018	138,798	118,297
	Add : Expenses during the Year	977,969	138,798
		1,116,767	257,095
	Less: Payment during the year	998,465	118,297
	Balance as at June 30, 2019	118,302	138,798
21.04	<u>Provision For Taxation:</u>		
	Balance as at July 01, 2018	26,043,073	5,692,715
	Add : Provision made during the year	36,035,463	26,043,073
		62,078,536	31,735,788
	Less: Payment made during the year	26,043,073	5,692,715
	Balance as at June 30, 2019	36,035,463	26,043,073
22.00	<u>Other Liabilities:</u>		
	VAT Payable to Govt.	454,370	140,672
	Liability for Price Difference	19,851,498	39,702,998
	Total:	20,305,868	39,843,670
22.01	<u>VAT Payable to Govt. (Business Stage):</u>		
	Balance as at July 01, 2018	140,672	479,444
	Add : Expenses during the year	454,370	140,672
		595,042	620,116
	Less: Deposited during the year	140,672	479,444
	Balance as at June 30, 2019	454,370	140,672
22.02	<u>Liability for Price Difference:</u>		
	Balance as at July 01, 2018	39,702,998	59,554,498
	Add: During the Year	-	-
		39,702,998	59,554,498
	Less: Adjusted During the year	19,851,500	19,851,500
	Balance as at June 30, 2019	19,851,498	39,702,998
23.00	<u>Worker's Profit Participation Fund:</u>		
	Balance as at July 01, 2018	3,077,899	-
	Less: Payment during the Year	3,077,899	-
		-	-
	Add: Provision during the year	4,648,011	3,077,899
	Balance as at June 30, 2019	4,648,011	3,077,899
	Note: As per International Financial Reporting Standard (IFRS)		
24.00	<u>Sale of LP Gas:</u>		
	Sales Volume(M.Ton)	20,228.389	16,397.762
	Padma Oil Co Ltd	233,099,560	190,283,260
	Meghna Petroleum Ltd	235,956,930	207,639,290
	Jamuna Oil Company Ltd	218,341,300	184,179,710
	Standard Asiatic Oil Company Ltd.	207,642,240	187,106,700
	Direct Sales	13,350,760	1,120,640
	Employees	3,693,680	3,787,800
	Other Parties	2,800	5,670
	Sales to Orchid Energy	51,583,552	-
	Total:	963,670,822	774,123,070



		June 30	
		2019	2018
		Taka	Taka
25.00	Cost of Goods Sold:		
	Raw Material Used For Production	25.01 762,323,775	614,746,689
	Employees Cost & Benefits	25.02 47,820,945	47,208,000
	Manufacturing Overhead	25.03 42,488,286	39,487,823
	Cost of Goods Manf.	852,633,006	701,442,512
	Add: Opening Inventory of Finished Goods	9,662	45,950
	Finished Goods available for Sale	852,642,668	701,488,462
	Less: Closing Inventory of Finished Goods	2,268	9,662
	Total:	852,640,400	701,478,800
25.01	Raw Material Used For Production :		
	Opening Inventory of LP Gas in Tank :	12,977,766	15,784,704
	Add: Purchased during the Year	757,892,275	611,939,751
	Raw Material available for use	770,870,041	627,724,455
	Less: Closing Inventory of LP Gas in Tank	8,546,266	12,977,766
	Total Raw Materials Used	762,323,775	614,746,689
25.02	Employees Cost & Benefits:		
	Salaries & Allowances	29,305,462	29,618,300
	Provident Fund	1,410,027	1,424,146
	Overtime	2,338,131	2,837,794
	Bonus	5,346,428	4,294,559
	Leave Fare Assistant	3,263,051	3,720,157
	Liveries & Uniform	404,569	380,670
	Other Benefit (IT)	-	694,813
	Gratuity Fund	5,753,277	4,237,561
	Total:	47,820,945	47,208,000
25.03	Manufacturing Overhead:		
	Repairs & Maintenance	5,859,187	4,395,358
	Electricity and Fuel & Lubricant	1,659,431	1,407,244
	Insurance	3,012,812	3,273,095
	Factory Depreciation	4.01 17,125,668	18,314,002
	Production Bonus	1,726,440	1,464,820
	Canteen Subsidy	3,129,492	3,664,380
	Cylinder Handling Expenses	9,160,328	6,164,162
	Ceremonial & Misc. Expenses	814,928	797,348
	Conveyance for custom Personnel	-	7,414
	Total:	42,488,286	39,487,823
26.00	Administrative And General Expenses:		
	Employees cost and benefit	26.01 43,923,381	43,394,029
	Printing, Stationery & Newspaper	486,419	535,844
	Postage & Telephone	341,418	230,035
	Audit fees & Professional charges	182,078	421,350
	Advertisement & Publicity	202,690	125,438
	Travelling & Daily allowances	578,356	589,815
	Transport & Conveyance	1,608,354	1,253,884
	Land Revenue	156,620	156,540
	Rent, Rates & Taxes	1,229,088	611,715
	Bank Charges & Excise Duty	223,160	196,940
	Membership Fee	6,316	924
	Miscellaneous Expenses	119,407	68,842
	Entertainment	168,116	142,486
	Directors Fee and Expenses	1,055,259	1,000,801
	Depreciation	4.01 1,211,875	1,791,632
	Training Expenses	54,075	47,150
	Fair Expenses	288,764	-
	Honorarium of Secretary	56,000	82,000
	Total:	51,891,376	50,649,425



		June 30	
		2019	2018
		Taka	Taka
26.01	<u>Employees Cost And Benefits:</u>		
	Salaries, Wages & Allowances	27,049,593	27,615,689
	Provident Fund	1,219,311	1,265,051
	Overtime	1,686,942	2,978,380
	Bonus	4,880,271	4,127,209
	Leave Fare	3,148,364	3,321,275
	Liveries & Uniform	456,186	404,628
	Other Benefit (Employees Income Tax)	-	510,043
	Gratuity Fund	5,482,714	3,171,754
	Total:	<u>43,923,381</u>	<u>43,394,029</u>
27.00	<u>Financial Expenses:</u>		
	Interest on Local Currency Loan ADP	703,343	926,543
	Total:	<u>703,343</u>	<u>926,543</u>
28.00	<u>Other Income:</u>		
	Bank Interest STD	4,959,308	4,599,902
	Interest on FDR	42,430,051	32,450,068
	Interest on Savings Account	162,223	505,753
	Interest on House Building Loan	211,596	139,138
	Interest on Car Loan	14,343	14,979
	Interest on Motor Cycle Loan	25,080	42,864
	Sale of Regulator	69,000	265,664
	Sale of Tender Forms	140,100	373,100
	Sale of Cylinder	1,538,269	8,951,810
	Sale of Scrap	568,549	2,816,360
	Miscellaneous Income	30,000	3
	Total:	<u>50,148,519</u>	<u>50,159,641</u>
29.00	<u>Provision For Income Tax:</u>		
	Net Profit before Taxation	88,312,212	58,480,078
	Add : Accumulated Dep.	18,337,543	20,105,634
		106,649,755	78,585,712
	Less: Tax Dep.	3,691,290	4,176,936
	Taxable Income	102,958,465	74,408,776
	Provision for Tax @ 35%	36,035,463	26,043,072
	Less: Short provision for tax	-	-
	Net provision for tax	<u>36,035,463</u>	<u>26,043,072</u>
30.00	<u>Depreciation fund reserve :</u>		
	Surplus from Investment	39,354,232	30,336,036
	Less: Worker's Profit Participation Fund	1,967,712	1,516,802
		37,386,520	28,819,234
	Less: Provision for taxation @ 35%	13,085,282	10,086,732
		<u>24,301,238</u>	<u>18,732,502</u>



		June 30	
		2019 Taka	2018 Taka
31.00	<u>LP Gas Used For Production :</u>	Quantity	Quantity
		M.Tons	M.Tons
	Opening Stock of LP Gas in Tank	337.965	411.060
	Add: Purchase During The Year	19,736.778	15,935.932
		<u>20,074.743</u>	<u>16,346.992</u>
	Less: Closing Stock of LP Gas in Tank	222.559	337.965
	Available for Bottling	19,852.184	16,009.027
	Less: Gas Filled During The Year	20,228.226	16,396.962
	Bottling Gain/(Loss)	<u>376.042</u>	<u>387.935</u>
32.00	<u>Stock Reconciliation:</u>	Quantity	Quantity
		M.Tons	M.Tons
	Opening Stock of LP Gas in Cylinder	0.213	1.013
	Add: Gas Filled During The Year	20,228.389	16,396.962
	Gas Available For Sale	20,228.602	16,397.975
	Less: Closing Stock of LP Gas in Cylinder	0.050	0.213
	Gas Sales During The Year	<u>20,228.552</u>	<u>16,397.762</u>
33.00	<u>Earning Per Share:</u>		
	a) Earning attributable to the Shareholder	52,276,749	32,437,006
	b) Number of Ordinary Shares	10,000,000	10,000,000
	EPS(a/b)	<u>5.23</u>	<u>3.24</u>
34.00	<u>Net Asset Value per Share (with revaluation):</u>		
	a) Net Asset Value	1,388,331,384	1,339,467,810
	b) Number of Ordinary Shares	10,000,000	10,000,000
	NAVPS(a/b)	<u>138.83</u>	<u>133.95</u>
35.00	<u>Net Asset Value per Share (without revaluation):</u>		
	a) Net Asset Value	609,529,442	542,711,389
	b) Number of Ordinary Shares	10,000,000	10,000,000
	NAVPS(a/b)	<u>60.95</u>	<u>54.27</u>
36.00	<u>Production Analysis:</u>	Quantity	Quantity
		M.Tons	M.Tons
	Normal Capacity	13,833.000	13,833.000
	Total Production	20,228.389	16,396.962
	Overtime Production	1,406.197	1,177.823
	Normal Time Production	18,822.192	15,219.139
	Variance: (Favourable)/Unfavourable	<u>(4,989.192)</u>	<u>(1,386.139)</u>



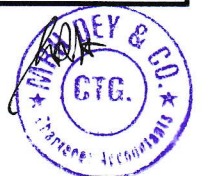
COMPANY SECRETARY

MANAGING DIRECTOR

DIRECTOR

L P GAS LIMITED
(A Subsidiary Company of Bangladesh Petroleum Corporation)
FINANCIAL ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

S.L	PARTICULARS	2018-2019	2017-2018
1.	Liquidity Ratios :		
	A) Current Ratio:		
	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{343,138,729}{327,684,309} = 1.04:1$	$\frac{472,661,911}{469,931,327} = 1.01:1$
	B) Acid Test Ratio:		
	$\frac{\text{Quick Assets}}{\text{Current Liabilities}}$	$\frac{257,818,609}{327,684,309} = 0.79:1$	$\frac{366,377,500}{469,931,327} = 0.78:1$
2.	Profitability Ratios :		
	A) Gross Profit Ratio :		
	$\frac{\text{Gross Profit}}{\text{Net Sales}} \times 100$	$\frac{75,554,923}{928,195,323} \times 100 = 8.14\%$	$\frac{42,472,387}{743,951,187} \times 100 = 5.71\%$
	B) Net Profit Ratio :		
	$\frac{\text{Net Profit}}{\text{Net Sales}} \times 100$	$\frac{88,312,212}{928,195,323} \times 100 = 9.51\%$	$\frac{58,480,078}{743,951,187} \times 100 = 7.86\%$
3.	Activity Ratios :		
	A) Inventory Turnover Ratio:		
	$\frac{\text{Cost of Goods Sold}}{\text{Average inventory}}$	$\frac{852,640,400}{22,614,438} = 37.70 \text{ Times}$	$\frac{701,478,800}{26,588,293} = 26.38 \text{ Times}$
	B) Assets Turnover Ratio:		
	$\frac{\text{Cost of Goods Sold}}{\text{Total Assets}}$	$\frac{852,640,400}{1,796,722,974} = 0.48 \text{ Time}$	$\frac{701,478,800}{1,894,541,225} = 0.37 \text{ Time}$
4.	Solvency Ratios :		
	A) Debt Equity Ratio:		
	i) $\frac{\text{Total Debt}}{\text{Equity Fund}}$	$\frac{334,548,422}{1,388,331,384} = 0.24:1$	$\frac{481,227,894}{1,339,467,810} = 0.36:1$
	ii) $\frac{\text{Long Term Debt}}{\text{Equity Fund}}$	$\frac{6,864,113}{1,388,331,384} = 0.005 : 1$	$\frac{11,296,567}{1,339,467,810} = 0.01 : 1$
5.	Return on Assets Ratio :		
	$\frac{\text{Net Profit before Tax}}{\text{Total Assets}} \times 100$	$\frac{88,312,211.60}{1,796,722,974} \times 100 = 4.92\%$	$\frac{58,480,078}{1,894,541,225} \times 100 = 3.09\%$



S.L	PARTICULARS	2018-2019	2017-2018
6.	Return on Equity Ratio : <u>Net Profit before Tax X100</u> Equity Fund	$\frac{88,312,211.60}{1,388,331,384} \times 100 = 6.36\%$	$\frac{58,480,078}{1,339,467,810} \times 100 = 4.37\%$
7.	Operating Income Ratio : <u>Net Operating Profit X100</u> Net Sales	$\frac{22,960,204}{928,195,323} \times 100 = 2.47\%$	$\frac{(9,103,581)}{743,951,187} \times 100 = -1.22\%$
8.	Net Working Capital : Current Assets - Current Liabilities	Tk. 15,454,420	Tk. 2,730,584



BUDGET VARIANCE :

We were provided with a revised budget in favour of Company's operational activities which is approved by the board. We observed that actual expenditure have exceeded over budgeted amount against certain heads of account but total expenditure of the company has not exceeded total budget. In our opinion, expenditure under each head of account should be restricted within the budgeted limit.

Heads of Account	Budgeted Amount in M. Ton	Actual Amount in M. Ton	Variance Favourable/ (Unfavourable)
Sales Volume:			
Opening Stock of Gas	115.70	338.18	222.48
Purchase	21,000.00	19,736.78	1,263.22
Bottling Gain/(Loss)	-	376.04	376.04
Closing Stock of Gas	115.70	222.61	106.91
Sales	21,000.00	20,228.39	(771.61)

Heads of Account	Budgeted in Lac Taka	Actual in Lac Taka	Variance Favourable/ (Unfavourable) in Lac Taka
Revenue:			
Sales Revenue	9,984.00	9,636.71	(347.29)
VAT	386.40	354.75	(31.65)
Net Revenue	9,597.60	9,281.95	(315.65)

Heads of Account	Budgeted in Lac Taka	Actual in Lac Taka	Variance Favourable/ (Unfavourable) in Lac Taka
Fixed Expenses:			
1.Salaries & Other Benefit :			
A) Salaries & Wages:			
Basic Pay	279.50	264.71	14.79
P.F. (Employer's Contribution)	27.95	26.29	1.66
Contractual Employees	31.30	29.87	1.43
Sub Total (A)	338.75	320.87	17.88
B) Other Benefits:			
House Rent	167.70	157.76	9.94
Bonus	101.50	96.57	4.93
Incentive Bonus	19.50	18.68	0.82
Nababarsha Vhata	4.75	4.28	0.47
Education Allowance	1.04	0.995	0.05
Gratuity	106.00	112.36	(6.36)
Compensatory Allowance	17.70	16.58	1.12
Utility Allowance	7.40	6.77	0.63
Conveyance	16.30	15.15	1.15
Family Medical Allowance	4.90	4.15	0.75
Medical Supply & Service	26.00	25.81	0.19
Fire & Fuel Allowance	28.75	25.82	2.93
Uniform Expenses	9.50	8.61	0.89
Overtime	70.00	40.25	29.75



Heads of Account	Budgeted in Lac Taka	Actual in Lac Taka	Variance Favourable/ (Unfavourable) in Lac Taka
Canteen Subsidy	38.00	31.29	6.71
LFA & Other Allowance	75.50	65.75	9.75
Recreation Expenses	8.75	8.15	0.60
Membership Fees	0.20	0.06	0.14
Salary Income Tax	-	-	-
Training Expenses	2.10	0.54	1.56
Sub Total (B)	705.59	639.57	66.02
Total (A+B)	1,044.34	960.44	83.90
2. Other Fixed Expenses:			
BPC Service charge	2.00	2.00	-
Land Revenue	2.10	1.57	0.53
Rent & Taxes	12.00	10.29	1.71
Insurance	40.00	30.13	9.87
Total	56.10	43.99	12.11
3. Variable Expenses:			
Repair & Maintenance	55.00	55.67	(0.67)
Total	55.00	55.67	(0.67)
4. Other Variable Expenses:			
Fuel & Power	23.00	16.59	6.41
Casual Labour	89.50	91.60	(2.10)
Printing & Stationery	6.00	4.86	1.14
Postage & Telephone	5.00	3.41	1.59
Transport Expenses	6.50	4.99	1.51
Repair (Car) & CNG	5.00	2.92	2.08
Hire Car	12.00	11.09	0.91
Car Allowance	15.90	14.86	1.04
Travelling & Daily Allowance	10.50	5.78	4.72
Audit Fees & Legal Expenses	4.00	1.82	2.18
Entertainment Expenses	2.20	1.68	0.52
Bank Charges	2.00	2.23	(0.23)
Board Meeting & AGM Expenses	12.50	10.55	1.95
Advertisement Expenses	5.00	4.94	0.06
Donation	1.00	0.57	0.43
Sundry Expenses	2.00	0.63	1.37
Sub Total	202.10	178.52	23.58
5. Depreciation	202.00	183.38	18.62
6. Interest Expenses	9.25	7.03	2.22
Total Variable:(3+4+5+6)	468.35	424.60	43.75
Grand Total	1,568.79	1,429.03	139.76

