

Bangladesh Satellite Company Limited (BSCL)

Auditor's Report and Financial Statements
for the year ended 30 June 2021

S. F. AHMED & CO.

Chartered Accountants | since 1958

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INDEPENDENT AUDITOR'S REPORT
To the Management of Bangladesh Satellite Company Limited

Opinion

We have audited the financial statements of Bangladesh Satellite Company Limited, which comprise the statement of financial position as at 30 June 2021, statement of profit or loss, 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 a true and fair view of the financial position of the company as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and the accounting policies summarized in Note-03 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 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 and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. 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 of the financial statements that give a true and fair view in accordance with IFRSs, the accounting policies summarized in note 03, the companies Act, 1994 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 relating 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.

*Continued:*

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As 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, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- 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 organization'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 gives a true and fair view.

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.

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; and
- c) The statements of financial position and statement of profit or loss dealt with by the report are in agreement with the books of accounts.

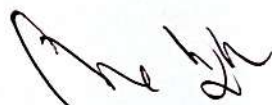
Firm's Name : S. F. Ahmed & Co., Chartered Accountants
Firm's Registration No. : 10898 E.P, under Partnership Act 1932
Signature : 
Engagement Partner Name : Md. Enamul Haque Choudhury, FCA,
Senior Partner/Enrollment No. 471
DVC Number : 2206260471AS268731
Date : 26 June 2022



Bangladesh Satellite Company Limited
Statement of Financial Position
As at 30 June 2021

Notes	Amount in Taka			
	30 June 2021	30 June 2020	01 July 2019	
		<u>Restated</u>	<u>Restated</u>	
ASSETS				
Non-current assets				
Property, plant and equipment	4	83,825,790	89,351,970	42,135,882
Current assets				
Accounts receivable	5	498,904,853	777,200,485	-
Advances, deposits and prepayments	6	165,989,311	18,975,070	-
Fixed deposit receipts	7	2,126,098,473	1,284,531,093	1,200,000,000
Cash and cash equivalents	8	1,082,558,474	398,442,452	268,632,678
TOTAL ASSETS		3,957,376,901	2,568,501,071	1,510,768,560
EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	9	18,000	18,000	18,000
Retained earnings	11	1,465,627,746	622,100,502	-
BTRC fund	10	1,510,600,560	1,510,600,560	1,510,600,560
Non current liabilities				
Security deposits received from clients	12	125,681,000	35,808,000	-
Current liabilities				
Liabilities for expenses	13	22,398,026	300,514	150,000
Provisions for income tax	14	629,683,497	267,715,168	-
Vat payable	15	203,368,071	131,958,327	-
TOTAL EQUITY AND LIABILITIES		3,957,376,901	2,568,501,071	1,510,768,560

Accompanying notes form part of this financial statement and are to be read in conjunction therewith.


Chairman




Managing Director


Finance Officer

Signed in terms of our annexed report of even date

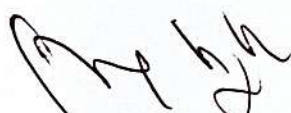
Dated, Dhaka;
26 June 2022


S. F. Ahmed & Co.
Chartered Accountants
DVC No.:2206260471AS268731

Bangladesh Satellite Company Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

	Notes	Amount in Taka	
		2020-2021	2019-2020 <u>Restated</u>
Revenue	16	1,291,124,274	974,438,848
		1,291,124,274	974,438,848
Operating expense	17	254,926,268	188,487,920
		254,926,268	188,487,920
Operating profit		1,036,198,006	785,950,928
Non-operating income	18	169,785,121	106,532,965
Financial expense	19	1,534,214	100,000
Profit before tax		1,204,448,913	892,383,893
Current tax		361,968,330	267,715,168
Net profit after tax		842,480,583	624,668,725

Accompanying notes form part of this financial statement and are to be read in conjunction therewith.


Chairman



Managing Director


Finance Officer



Signed in terms of our annexed report of even date

Dated, Dhaka;
26 June 2022

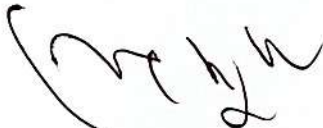

S. F. Ahmed & Co.
Chartered Accountants
DVC No.:2206260471AS268731

Bangladesh Satellite Company Limited
Statement of Changes in Equity
For the year ended 30 June 2021

(Amount in Taka)

Particulars	Ordinary Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2020	18,000	622,100,502	622,118,502
Add: Adjustment due to error (Note-11)	-	1,046,661	-
Net profit after tax for the year	-	842,480,583	842,480,583
Balance as at 30 June 2021	18,000	1,465,627,746	1,464,599,085
Balance as at 01 July 2019, as previously stated	18,000	(195,272,220)	(195,254,220)
Adjustment due to restatement (Note:11.1)	-	192,703,997	192,703,997
Restated Balance as at 01 July 2019	18,000	(2,568,223.0)	(2,550,223)
Net profit after tax for the period	-	624,668,725	624,668,725
Balance as at 30 June 2020	18,000	622,100,502	622,118,502

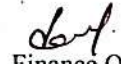
Accompanying notes form part of this financial statement and are to be read in conjunction therewith.



Chairman



Managing Director



Finance Officer

Signed in terms of our annexed report of even date



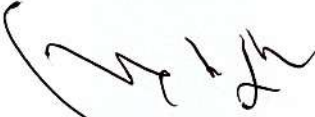
Dated, Dhaka;
26 June 2022



S. F. Ahmed & Co.
Chartered Accountants
DVC No.:2206260471AS268731

Bangladesh Satellite Company Limited
Statement of Cash Flows
For the year ended 30 June 2021

	Amount in Taka	
	2020-2021	2019-2020
Cash flow from operating activities		
Net profit after tax	842,480,583	624,668,725
Adjustment :		
Depreciation	18,899,198	16,110,665
Decrease/ (Increase) in other current assets	(710,285,989)	(880,706,648)
(Decrease) / Increase in other current liabilities	455,475,586	397,255,785
(Decrease) / Increase in Security Deposit	89,873,000	35,808,000
Net Cash flow from operating activities	696,442,378	193,136,527
Cash flow from investing activities		
Acquisition of fixed assets	(12,326,357)	(63,326,752)
Net Cash flow from investing activities	(12,326,357)	(63,326,752)
Cash flow from financing activities	-	-
Net Cash inflow during this year	684,116,021	129,809,775
Add : Opening cash and cash equivalents	398,442,452	268,632,678
Cash and cash equivalents at end of the year	1,082,558,473	398,442,453


Chairman


Managing Director


Finance Officer

Signed in terms of our annexed report of even date



Dated, Dhaka;
26 June 2022


S. F. Ahmed & Co.
Chartered Accountants
DVC No.: 2206260471AS268731

Notes to the Financial Statements
For the period ended 30 June 2021

1. Reporting entity

1.1 The Company

Bangladesh Satellite Company Limited (BSCL) initially registered as Bangladesh Communication Satellite Company Limited. (Hereinafter referred to as "the Company") was incorporated in Bangladesh as a public limited company under the Companies Act 1994, on 07 August, 2017 vide Registration No. C-139192 with an authorized capital of Taka 50,00,00,00,000 divided into 5,00,00,00,000 ordinary shares of Taka 10 each. The Company is substantially owned by the Government of the People's Republic of Bangladesh and represented by various Ministries of the Government. The registered office of the company is situated at SEL Rose N-Dale (7-8 Floor), 116 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka -1205, Bangladesh.

1.2 Nature of business

The principal activities of the Company are to engaged in business of Satellite Transponder Segment Rent and Services of Bangabandhu Satellite-1.

2. Basis of preparation of financial statements

2.1 Statement on compliance

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

2.2 Other regulatory compliances

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

- 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
- The Stamp Act, 1899
- Bangladesh Labor Act, 2006 (as amended to 2013)
- Financial Reporting Act, 2015.

2.3 Accrual basis of accounting

Bangladesh Satellite Company Limited (BSCL) 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 IAS or IFRS conceptual Framework.



2.4 Presentation of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements. The financial statements comprise of:

- (a) Statement of Financial Position as at 30 June 2021.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021.
- (c) Statement of Changes in Equity for the year ended 30 June 2021.
- (d) Statement of Cash Flows for the year ended 30 June 2021.
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.5 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 Bangladesh 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.

2.6 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards and International Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

2.7 Materiality, aggregation and offsetting

Each material item as considered by management significant has been displayed 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.

2.8 Going concern assumption

The Company is required to make assessment at the end of each year to assess its capability to continue as a going concern. Management of the Company makes such assessment each year. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

There is no indication of declining of economic activity in terms of demand for services those BSCL provides due to severity of COVID-19 which might have negative impact of future business and cash flows rather the industry is booming because television channels are growing rapidly.

2.9 Reporting period

The reporting period of the Company covers 12 (twelve) months from 01 July 2020 to 30 June 2021.



2.10 Comparative information

Comparative information has been disclosed in respect of 01 July 2020 to 30 June 2021 in accordance with IAS 01: 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 periods of financial statements. Prior year figure has been rearranged wherever considered necessary to ensure comparability with the current year.

3 Significant accounting policies

3.1 Basis of preparation of Financial Statement

Accounting policies are determined by applying the relevant guidelines of IFRS. Where there is no available guidelines of IFRS, management uses its judgment in developing and applying an accounting policy that results in information that is relevant and reliable. Bangladesh Satellite Company Limited (BSCL) selects and applies its accounting policies for a period consistently for similar transactions, other events and conditions, unless a IFRS guidelines specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all periods presented in these consolidated financial statements:

3.2 Changes in accounting policies

Bangladesh Satellite Company Limited (BSCL) changes its accounting policy only if the change is required by a IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

3.3 Changes in accounting estimates

Estimates arise because of uncertainties inherent within them, judgement is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account. During the year ended 30 June 2021, the management of the company reviewed useful life of its property, plant and equipment and decided to change the depreciation method and rates of Laboratory Equipment and Imaging Equipment to reflect the expected pattern of consumption of the future economic benefits embodied in the assets. Effect of such changes is made prospectively in the profit or loss account.

3.4 Correction of error in prior period financial statements

Bangladesh Satellite Company Limited (BSCL) corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

3.5 Property, plant, and equipment

Recognition and measurement

An item shall be recognized as property, plant and equipment if, and only 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.

Up to the financial year 2019-20, after recognition, items of property, plant and equipment are measured at cost less accumulated depreciation as per IAS 16: Property, Plant and Equipment.



Depreciation on Non-current assets

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of IAS 16 Property, Plant and Equipment. Depreciation is charged on additions made during the year for the full year in which those assets are put into ready for use and on which depreciation is charged on Straight line basis. Depreciation is charged on all the fixed assets except land and land development cost at the following rates according to the estimated life disclosed in the valuation report.

Name of Assets	Depreciation	
	Rate	Basis
Office decoration	10%	Straight line
Machineries & equipment	10%	Straight line
Office equipment	10%	Straight line
Furniture & fixtures	10%	Straight line
Telecommunication equipment	15%	Straight line
Electrical installation	15%	Straight line
Electrical equipment & goods	20%	Straight line
Motor vehicles	20%	Straight line
Groceries & utensils	20%	Straight line
Other LNB (Low Noise Block)	20%	Straight line
Computer accessories	10%	Straight line
Computer software	10%	Straight line

Depreciation methods, useful lives and residual values are reviewed after each reporting period.

3.6 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 26 June 2022 for issue after completion of review.

3.7 Revenue from contract with customers

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange of services when (or as) it transfers control to the customer. To achieve that core principle, IFRS-15 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 sale of service is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates, and Value Added Tax (VAT).

Revenues primarily comprise of:

1. Bandwidth
2. Uplink

Bangladesh Satellite Company Ltd. recognizes its revenue by providing the above two services on over the period basis.



3.8 Revenue from investment income

Interest income

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

3.9 Grant Income

Income from donor grants is recognised on the Income approach as recommended in IAS 20. Income is recognised when conditions on which they depend have been met and income is recognized to equate to expenditure incurred on the project (IAS 20, Para 12).

3.10 Cash and cash equivalents

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

3.11 Provision for expenses

While the provision for certain charges and known liabilities are made at the balance sheet date based on estimate, the difference arising therefrom on receipts of bills/ demands and/ or actual payments is adjusted in the subsequent year when such liabilities are settled.

3.12 Statement of cashflows

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

3.13 Related party disclosures

As per Bangladesh Accounting Standards IAS 24: Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties.

3.14 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss 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 Tax.

(a) Current tax

Current tax is the expected tax payable on the taxable income for the year, 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 for the reporting period was 30% as a publicly traded company.

3.15 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 International Accounting Standards IAS 10: Events after the Reporting Period. All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.

As per the agreement (Book transferred Deed) signed on 31/01/2022, between 1st Party referred as Bangladesh Telecommunication Regulatory Commission (BTRC) will transfer from their book of accounts to the book of 2nd party Bangladesh Satellite Company Limited (BSCL) against contract amounting BDT 25,180.424 million (2518.0423 Crore) for the purpose of "Pre-preparation launch of a communication and broadcasting satellite i.e. Bangabandhu satellite 1 before the establishment of BSCL and expenditure for Bangabandhu Satellite 01 after launch directive activities, control mechanism of satellite from the earth, marketing and sales services.



		Amount in Taka		
		30 June 2021	30 June 2020	01 July 2019
			<u>Restated</u>	<u>Restated</u>
4	Property, plant and equipment			
	Cost			
	Opening balance	115,820,700	52,493,948	11,115,594
	Add: Adjustment due to correction of error	Note 4.1	1,046,661	-
	Opening Balance restated	116,867,361	-	-
	Add : Addition during the year	12,326,357	63,326,752	41,378,354
	Less : Disposal During the year	-	-	-
		129,193,718	115,820,700	52,493,948
	Accumulated depreciation			
	Opening balance, as stated	26,468,730	10,358,066	-
	Add : Charged during the year	18,899,198	16,110,665	7,857,959
	Add : Adjustment due to correction of error	Note: 4.2	-	2,500,107
		45,367,928	26,468,730	10,358,066
	Closing balance of written down value (WDV)	83,825,790	89,351,970	42,135,882

Details of property, plant and equipment have been shown in Annexure- A.

- 4.1 The addition of PPE in Telecommunication equipments, computer accessories and computer software were recorded in ledger but not presented in financial statements.
- 4.2 The accumulated depreciation was presented separately in the statement of financial position as liability under the head provision for depreciation instead of netted off with the cost value of the PPE. However, during the year the management of the company has identified the error and decided to adjust the amount in the financial statements.

		<u>Restated</u>		
5	Accounts receivable			
	Opening Balance, as stated	777,200,485	-	-
	Add : Addition during the year	1,392,531,375	-	-
	Add: Penalty for late payment	100,731,703	-	-
	Less : Adjustment during the year	1,771,558,710	-	-
	Add: Adjustment due to correction of error	Note 5.1	-	777,200,485
		498,904,853	777,200,485	-

- 5.1 Accounts receivables was not recorded in prior year as the company recognized sales when they received amount against invoices to the TV channels instead of record its sales against the total invoice amount of which performance obligation was satisfied as per IFRS 15.

6	Advances, deposits and prepayments			
	Advance income tax	Note 6.1	156,133,233	14,223,665
	Deposits	Note 6.2	9,684,635	4,736,405
	Advance to employee	Note 6.3	171,443	15,000
			165,989,311	18,975,070

6.1	Advance income tax			
	Opening balance	Note 6.1.2	14,223,665	-
	Add: Advance tax paid during the year		144,709,568	14,223,665
	Less: Advance tax adjusted during the year		2,800,000	-
			156,133,233	14,223,665

6.1.1	Advance tax paid during the year			
	Tax paid against FDR interest		8,908,250	12,514,567
	Tax paid against bank interest		1,844,225	921,418
	Tax deduct at source by Tv channel		133,957,093	787,680
			144,709,568	14,223,665



Amount in Taka		
30 June 2021	30 June 2020	01 July 2019

6.1.2 Restatement of opening balance-advance income tax

Opening balance, as previously stated	-	13,435,985	-
Add: Adjustment due to correction of error	-	787,680	-
Restated opening balance	-	<u>14,223,665</u>	-

TDS by the TV channel's were not recorded in the previous year financial statements.

6.2 Deposits

Opening Balance	4,736,405	-	-
Bank margin	4,948,230	-	-
Add: Adjustment due to correction of error	Note 6.2.1	-	4,736,405
	<u>9,684,635</u>	<u>4,736,405</u>	-

6.2.1 Restatement of opening balance-Deposits

Opening balance, as previously stated	-	-	-
Add: Adjustment due to correction of error	-	4,736,405	-
Restated opening balance	-	<u>4,736,405</u>	-

Bank margin deposited for Letter of credit to import of equipments were wrongly charged in the SOPL in previous year.

6.3 Advance to employee

Opening Balance	15,000	-	-
General advance to employees	156,443	-	-
Add: Adjustment due to correction of error	Note 6.3.1	-	15,000
	<u>171,443</u>	<u>15,000</u>	-

6.3.1 Restatement of Opening balance- Advance to employees

Opening balance, as previously stated	-	-	-
Add: Adjustment due to correction of error	-	15,000	-
Restated opening balance	-	<u>15,000</u>	-

6.3.1 Advance to employees were not recored in previous year.

7 Fixed deposit receipts

United Commercial Bank Ltd.	51,791,667	-	-
Modhumoti Bank Ltd.	105,266,667	-	-
Midland Bank Ltd.	52,266,667	-	-
Meghna Bank Ltd.	52,641,667	-	-
IFIC Bank Ltd.	105,250,000	-	-
Bank Asia Ltd.	104,827,778	-	-
Brac Bank Ltd.	52,194,444	-	-
Sonali Bank	1,601,859,584	436,981,093	400,000,000
Shahajalal Islami Bank Ltd.	-	847,550,000	800,000,000
	<u>2,126,098,473</u>	<u>1,284,531,093</u>	<u>1,200,000,000</u>

8 Cash and cash equivalents

Cash in hand	-	51,164	-
Cash at bank	Note 8.1	1,082,558,474	398,391,288
		<u>1,082,558,474</u>	<u>398,442,452</u>
			<u>268,632,678</u>



Amount in Taka		
30 June 2021	30 June 2020	01 July 2019

8.1 Cash at bank			
Eastern Bank Ltd.	4,744	-	-
IFIC Bank Ltd.	348,973	-	-
Shahjalal Islami Bank Ltd.	669,162	367,152,656	1,714,531
Sonali Bank Ltd.	1,079,867,921	31,238,632	266,918,147
United Commercial Bank Ltd.	1,667,674	-	-
	1,082,558,474	398,391,288	268,632,678
9 Share capital			
A. Authorized share capital:			
5,000,000,000 Ordinary Shares of Taka 10 each	50,000,000,000	50,000,000,000	50,000,000,000
	50,000,000,000	50,000,000,000	50,000,000,000
B. Issued, subscribed and paid-up capital:			
1,800 Ordinary Shares of Taka 10 each fully paid	18,000	18,000	18,000
	18,000	18,000	18,000

Description of the shareholders:

SL No	Description of the shareholders	Positions in BOD	Amount in share	Amount in BDT
1	Secretary, Posts and Telecommunications Division, Ministry of Posts, Telecommunications and Information Technology.	Chairman	200	2,000
2	Additional Secretary (Admin), Posts and Telecommunication Division, Ministry of Posts, Telecommunications and Information Technology	Director	200	2,000
3	Additional Secretary (Budget), Finance Division, Ministry of Finance	Director	200	2,000
4	Joint Secretary, Ministry of Information	Director	200	2,000
5	Joint Secretary, Ministry of Defence	Director	200	2,000
6	Director, Signals Directorate, Armed Forces Division	Director	200	2,000
7	Director General, Department of Telecommunications	Director	200	2,000
8	Chairman, SPARRSO	Director	200	2,000
9	Managing Director, Bangladesh Communication Satellite Co. Ltd.	Director	200	2,000

10 BTRC project fund		<u>Restated</u>	<u>Restated</u>
Opening balance	1,510,600,560	1,510,600,560	1,705,872,780
Add: BTRC fund	-	-	-
Less: Transfer for previous years revenue expenditure (11.1.1)	-	-	195,272,220
	1,510,600,560	1,510,600,560	1,510,600,560

Decision of BTRC or Govt is required to treat this amount in accounts.

11 Retained earnings			
Opening balance	622,100,502	-	-
Add: Adjustment due to error	Note 4.1	1,046,661	-
Opening Balnce restated	623,147,163	-	-
Less: Adjustment due to current year error	-	(2,568,223)	-
Add: Profit for the year	842,480,583	624,668,725	-
	1,465,627,746	622,100,502	-



		Amount in Taka		
		30 June 2021	30 June 2020	01 July 2019
11.1	Restatement of opening balance-retained earnings			
	Opening balance, as previously reported	-	-	(195,272,220)
	Add: Adjustment for expenditure charged to BTRC fund	-	-	195,272,220
	Restated opening balance	-	-	-
11.1.1	Adjustment due to correction of error			
	BTRC project fund utilized for revenue expenditure	-	-	135,126,358
	Restatement for wrong recognition of revenue	-	-	60,145,862
		-	-	195,272,220
12	Security deposits received from clients			
	Opening balance	35,808,000	-	-
	Add: Addition during the year	89,873,000	35,808,000	-
	Less: Adjustment during the year	-	-	-
		125,681,000	35,808,000	-
A detailed schedule of security deposit received from clients is given in Annexure -C				
13	Liabilities for expenses		<u>Restated</u>	<u>Restated</u>
	Audit fees	300,000	180,000	150,000
	Duties & taxes	-	120,514	-
	Provision for expense	22,098,026	-	-
		22,398,026	300,514	150,000
14	Provisions for income tax		<u>Restated</u>	
	Opening balance	267,715,168	-	-
	Add: Provision made during the year	361,968,330	267,715,168	-
	Less : Adjustment during the year	-	-	-
		629,683,497	267,715,168	-
15	Vat Payable		<u>Restated</u>	
	Opening balance	131,958,327	-	-
	Add : Vat payable on sales	202,138,804	-	-
	Less : Adjustment during the year	130,729,060	-	-
	Add: Restatement due to error-net	-	131,958,327	-
		203,368,071	131,958,327	-
15.1	VAT on sales and payment of VAT were not recognized in previous year.			
16	Revenue		<u>Restated</u>	
	Bandwith sales-net	1,190,392,571	974,438,848	-
	Interest/penalty on past due accounts receivables	100,731,703	-	-
		1,291,124,274	974,438,848	-
16.1	Restatement of opening balance			
	Revenue as previously stated	-	375,496,190	-
	Add: Adjustment due to correction of error	-	598,942,658	-
	Restated Closing balance	-	974,438,848	-

Sales were not recorded in prior year as the company recognized sales when they received amount against invoices in instead of recording total accrued amount for which performance obligation was satisfied as per IFRS 15 adjustment has been made for last year.



Amount in Taka		
30 June 2021	30 June 2020	01 July 2019

		<u>Restated</u>	
17 Operating expense			
Advertisement & documentary	355,676	715,574	-
Audit fees	412,500	180,000	-
Books & periodicals	750	-	-
Cleaning & washing	317,241	194,982	-
Commission discount / outsourcing	5,209,359	165,176	-
Committee meeting	-	844,000	-
Computer consumable	87,691	121,340	-
Computer & office equipment repair	22,725	15,700	-
Consultancy	2,923,343	5,221,125	-
Consumable store	416,203	98,136	-
Conveyance expenses	119,650	-	-
Custom duty, Tax & VAT	15,994,610	10,339,359	-
Depreciation	18,899,198	16,110,665	-
Electric bills-head office	984,002	735,052	-
Electric bills-betbunia	10,514,933	9,490,022	-
Electric bills-gazipur	13,961,650	10,934,280	-
Entertainment	802,686	1,069,622	-
Freight & transport	138,050	36,850	-
Fuel & gas	1,299,771	1,195,422	-
Function & economies	657,576	4,920,229	-
Honorium fees & remuneration	7,316,100	5,333,300	-
Insecticide	1,830	-	-
Insurance	97,238	890,430	-
Legal expenses	138,675	142,522	-
Labor & wages	1,660,200	1,463,750	-
Machinery & equipment repair	1,356,311	767,173	-
Medicine & vaccine	14,105	-	-
Miscellaneous expenses	170,501	5,326,436	-
Motor vehicle repair	609,854	352,986	-
Municipal rates & taxes	200,000	-	-
Office rent	16,934,769	13,410,280	-
Other repair & maintenance	124,240	103,600	-
Petrol, oil & lubricants	1,942,472	881,443	-
Postage, courier & newspaper	61,908	35,416	-
Printing & bindings	24,396	153,614	-
Registration expenses	76,149	53,973	-
Rent of equipment / uplink charge	50,955,460	13,561,403	-
Security service-betbunia	2,669,839	2,680,823	-
Security service-gazipur	1,971,180	2,043,750	-
Salary & allowances	73,601,324	70,379,026	-
Seal & stamp	25,885	-	-
Security materials	3,400	-	-
Seminar, conference & subscription	-	194,504	-
Signals & wireless repair	538,036	234,681	-
Stationery, seal & stamp	368,805	200,970	-
Telex, fax & internet	17,122,636	3,301,981	-
Telephone, telex & teleprinter	135,584	62,011	-
Training expenses	190,237	480,730	-
Travel expenses	274,230	3,572,565	-
Utility service charge	720,103	473,019	-
Subscription to international organization	1,521,748	-	-
Hiring of transport	981,440	-	-
	254,926,268	188,487,920	-



Amount in Taka		
30 June 2021	30 June 2020	01 July 2019

18 Non operating income			
Interest income on FDR	151,381,280	97,145,660	-
Bank interest	18,351,041	8,956,445	-
Sale of tender	30,600	46,000	-
Vehicle charge	22,200	14,400	-
Other receipts	-	370,460	-
	169,785,121	106,532,965	-
19 Financial expense			
Bank charge & commission	1,534,214	100,000	-
	1,534,214	100,000	-

20 Acknowledgement of claim

There were aggregated claim of TK. 214,746 in respect of assesment year 2019-2020 against the Company income tax but there were not aggregated acknowledged as debt asset .The Company file Income tax return reference case with High Court Division of the Suprime Court and Appeals remained pending and we have applied for adjustment for remaining cases.



Bangladesh Satellite Company Limited
Schedule of Property, Plant and Equipment
As at 30 June 2021

Property, plant and equipment (cost less accumulated depreciation)

Amount in Taka

Sl. No.	Assets	Cost			Rate (%)	Depreciation			Written down value as on 30 June 2021	
		Balance as at 1 July 2020	Additions during the year	Disposal during the year		Balance as at 30 June 2021	Balance as at 1 July 2020	Charged during the year		Accumulated depreciation for disposal
1	Office decoration	11,036,205	339,466	-	10%	-	1,137,567	-	1,137,567	10,238,104
2	Machineries & equipments	6,751,169	3,393,516	-	10%	823,967	1,014,469	-	1,838,436	8,306,250
3	Office equipments	3,215,793	1,431,382	-	10%	780,744	464,718	-	1,245,462	3,401,714
4	Furniture & fixtures	961,701	-	-	10%	235,200	96,170	-	331,370	630,331
5	Telecommunication equipments	35,231,908	6,253,064	-	15%	5,590,855	6,222,746	-	11,813,601	29,671,371
6	Electrical installation	36,987,511	-	-	15%	7,627,977	5,548,127	-	13,176,104	23,811,407
7	Electrical equipment & goods	2,140	344,687	-	20%	1,284	69,365	-	70,649	276,178
8	Motor vehicles	18,176,370	-	-	20%	10,446,321	3,635,274	-	14,081,595	4,094,775
9	Groceries & utensils	34,752	-	-	20%	18,266	6,950	-	25,216	9,536
10	Other LNB (Low noise block)	2,004,070	-	-	20%	801,230	400,814	-	1,202,044	802,026
11	Computer accessories	1,126,164	369,427	-	10%	19,128	149,559	-	168,687	1,326,904
12	Computer software	1,339,578	194,815	-	10%	123,758	153,439	-	277,197	1,257,196
Total as at 30 June 2021		116,867,361	12,326,357	-		26,468,730	18,899,198	-	45,367,928	83,825,790
Total as at 30 June 2020		52,493,948	63,326,752	-		10,358,066	16,110,665	-	26,468,730	89,351,970



Bangladesh Satellite Company Limited
Schedule of Account Receivables
As at 30 June 2021

Sl. No.	Name of Clients	Amount in Taka				
		Opening Balance	Addition during the year	Penalty for Late Payment	Paid during the year	Closing Balance
1	Dhaka Bangla Media (DBC News)	14,055,360	21,112,800	2,222,515	30,261,500	7,129,175
2	East West Media Group Limited (News 24)	14,055,360	21,112,800	2,585,075	32,229,960	5,523,275
3	Shamol Bangla Media Ltd. (Bangla Vision)	11,064,240	21,112,800	781,879	26,118,840	6,840,079
4	Multimedia Production Limited (ATN Bangla)	12,843,560	15,903,600	2,386,096	23,485,660	7,647,596
5	Bird Eye Mass Media & Communication Ltd (Gaan Bangla Television)	17,705,400	18,646,200	2,867,806	30,219,870	8,999,536
6	Mohona Television Limited	9,823,500	16,252,900	1,172,794	23,530,200	3,718,994
7	Bengal Media Corporation Ltd. (RTV)	8,852,700	18,646,200	879,569	24,884,850	3,493,619
8	Millennium Media Limited (Titas TV)	10,307,720	21,112,800	2,237,244	27,639,440	6,018,324
9	Gazi Satellite Ltd.	16,996,770	23,121,600	1,548,585	33,452,970	8,213,985
10	Impress Telefilm Limited (Channel I)	12,811,000	16,179,600	1,507,638	22,969,940	7,528,298
11	S A Channel Private Limited	17,705,400	18,646,200	2,537,443	29,617,210	9,271,833
12	Bangla TV Limited	11,529,900	16,179,600	1,965,753	22,333,000	7,342,253
13	Asian Telecast Limited	13,585,230	16,179,600	3,372,819	25,134,930	8,002,719
14	Barind Media Limited (Duronto TV)	9,796,950	18,675,750	1,229,213	26,097,350	3,604,563
15	Ekattor Media Limited	16,698,000	21,112,800	3,337,197	31,284,600	9,863,397
16	Desh Television Limited	13,839,100	15,903,600	2,035,683	24,785,200	6,993,183
17	Independent Television Ltd.	12,531,600	21,625,750	1,395,935	32,300,100	3,253,185
18	Jamuna Television Limited	13,739,625	19,337,000	1,868,179	27,504,875	7,439,929
19	Jadoo Media Limited (Nagorik Television)	16,698,000	21,112,800	3,513,580	30,833,800	10,490,580
20	Times Media Limited (Channel 24)	8,806,700	15,903,600	1,205,499	22,489,400	3,426,399
21	International Television Channel Ltd (NTV)	8,714,610	17,758,400	647,944	26,289,620	831,334
22	Baishakhi Media Ltd.	4,130,250	13,437,000	59,200	15,730,500	1,895,950
23	ATV Limited	6,826,500	13,000,000	793,497	17,929,750	2,690,247
24	V.M International Limited (My TV)	5,820,080	15,763,523	659,295	19,252,623	2,990,275
25	Bijoy TV Limited	7,585,000	13,437,000	1,098,003	17,175,250	4,944,753
26	Nexus Television and Media Network Limited	421,440	19,771,200	570,795	17,607,570	3,155,865
27	ATN News Limited	10,589,920	15,903,600	1,967,343	20,916,520	7,544,343
28	Virgo Media Limited (Channel 9)	21,900,600	23,121,600	1,698,686	34,497,240	12,223,646
29	Ekushey Television Limited	11,716,740	15,903,600	1,427,846	22,358,840	6,689,346
30	Beximco Communication Ltd.	366,620,800	461,010,000	48,691,792	629,266,800	247,055,792
31	Bangladesh Television	38,831,400	308,671,500	-	285,768,600	61,734,300
32	Bangladesh Betar	-	24,577,608	-	16,228,608	8,349,000
33	Somoy Media Limited	10,061,250	22,328,100	422,680	33,707,550	(895,520)
34	Machranga Communications Limited	8,442,840	22,328,100	608,235	31,045,860	333,315
35	Kazi Media Limited (Deepto TV)	12,092,940	23,121,600	1,435,885	32,089,140	4,561,285
36	Paradise Engineering Limited	-	4,520,544	-	4,520,544	-
	Grand Total	777,200,485	1,392,531,375	100,731,703	1,771,558,710	498,904,853



Bangladesh Satellite Company Limited
Schedule of Security Deposit Received from Clients
As at 30 June 2021

Sl. No.	Name of Clients	Amount in Taka			
		Opening Balance	Addition during the year	Adjustment during the year	Closing Balance
1	Dhaka Bangla Media (DBC News)	-	5,268,000	-	5,268,000
2	East West Media Group Limited (News 24)	-	5,268,000	-	5,268,000
3	Shamol Bangla Media Ltd. (Bangla Vision)	-	5,268,000	-	5,268,000
4	Multimedia Production Limited (ATN Bangla)	-	3,966,000	-	3,966,000
5	Bird Eye Mass Media & Communication Ltd. (Gaan Bangla Television)	-	4,647,000	-	4,647,000
6	Mohona Television Limited	3,345,000	1,923,000	-	5,268,000
7	Bengal Media Corporation Ltd. (RTV)	-	4,647,000	-	4,647,000
8	Millennium Media Limited (Titas TV)	-	5,268,000	-	5,268,000
9	Gazi Satellite Ltd.	1,932,000	3,864,000	-	5,796,000
10	Impress Telefilm Limited (Channel I)	-	-	-	-
11	S A Channel Private Limited	-	4,647,000	-	4,647,000
12	Bangla TV Limited	-	1,342,000	-	1,342,000
13	Asian Telecast Limited	-	4,026,000	-	4,026,000
14	Barind Media Limited (Duronto TV)	4,845,000	-	-	4,845,000
15	Ekattor Media Limited	-	-	-	-
16	Desh Television Limited	-	3,966,000	-	3,966,000
17	Independent Television Ltd.	-	-	-	-
18	Jamuna Television Limited	-	4,845,000	-	4,845,000
19	Jadoo Media Limited (Nagorik Television)	-	5,268,000	-	5,268,000
20	Times Media Limited (Channel 24)	-	3,966,000	-	3,966,000
21	International Television Channel Ltd. (NTV)	-	4,587,000	-	4,587,000
22	Baishakhi Media Ltd.	3,345,000	-	-	3,345,000
23	ATV Limited	3,345,000	-	-	3,345,000
24	V.M International Limited (My TV)	3,966,000	-	-	3,966,000
25	Bijoy TV Limited	-	3,345,000	-	3,345,000
26	Rangdhanu Media Limited	5,268,000	-	-	5,268,000
27	ATN News Limited	-	3,966,000	-	3,966,000
28	Virgo Media Limited (Channel 9)	-	4,000,000	-	4,000,000
29	Ekushey Television Limited	3,966,000	-	-	3,966,000
30	Beximco Communication Ltd.	-	-	-	-
31	Bangladesh Television	-	-	-	-
32	Bangladesh Betar	-	-	-	-
33	Somoy Media Limited	-	5,796,000	-	5,796,000
34	Machranga Communications Limited	-	-	-	-
35	Kazi Media Limited	5,796,000	-	-	5,796,000
Grand Total		35,808,000	89,873,000	-	125,681,000

