

United Power Generation & Distribution Company Ltd.
Statement of Financial Position (Un-Audited)
As at 30 September 2014.

	Notes	30-09-2014 <u>Taka</u>	31-12-13 <u>Taka</u>
ASSETS			
Non-current assets			
Property, plant and equipment, net	1	9,315,614,943	9,479,476,556
		9,315,614,943	9,479,476,556
Current assets			
Inventories	2	244,873,815	250,939,632
Trade receivables	3	760,548,757	670,397,657
Inter-company balances	4	1,223,752,222	1,128,541,871
Advance, deposits and prepayments	5	92,565,269	73,036,908
Investment in FDR		200,000,000	-
Cash and bank balances	6	34,229,001	75,613,642
		2,555,969,064	2,198,529,710
TOTAL ASSETS		11,871,584,007	11,678,006,266
EQUITY & LIABILITIES			
Shareholders' equity			
Share capital	7	2,969,497,260	2,969,497,260
Retained earnings		5,809,147,159	4,051,308,485
		8,778,644,419	7,020,805,745
LIABILITIES			
Non-current liabilities			
Redeemable Preference Share capital	8	1,490,000,000	2,000,000,000
Long term loan	9	1,409,179,614	1,744,273,042
		2,899,179,614	3,744,273,042
Current liabilities			
Trade payables	10	80,398,177	80,113,687
Other payables and accrual	11	10,582,819	24,239,960
Long term loan (current portion)		64,209,881	796,479,149
Short Term Loan	12	2,561,108	-
Provision for taxation		36,007,989	12,094,683
		193,759,974	912,927,479
TOTAL EQUITY & LIABILITIES		11,871,584,007	11,678,006,266
Net Asset Value (NAV) per share		29.56	23.64

Md. Mahfuzul Haque FCMA.
Company Secretary

Abul Kalam Azad
Director

Moinuddin Hashan Rashid
Managing Director

United Power Generation & Distribution Company Ltd.
Statement of Comprehensive Income (Un-Audited)
For the 3rd Quarter ended on 30 September 2014

	Notes	Nine months ended		Third Quarter ended	
		1st January 2014 To 30 September 2014 Taka	1st January 2013 To 30 September 2013 Taka	1st July 2014 To 30 September 2014 Taka	1st July 2013 To 30 September 2013 Taka
Revenue	13	3,236,387,226	2,496,938,318	1,171,965,467	891,681,213
Operating expenses		(1,135,281,172)	(744,800,215)	(473,910,502)	(338,828,465)
Gross profit		2,101,106,054	1,752,138,103	698,054,965	552,852,748
Administrative expenses		(49,382,369)	(212,280,138)	(10,027,689)	(7,720,374)
Operating profit		2,051,723,685	1,539,857,965	688,027,276	545,132,374
Other operating income	14	96,895,159	1,867,249	21,097,242	537,568
Financial expenses		(356,866,866)	(196,528,690)	(105,272,572)	(42,234,420)
Net profit before tax		1,791,751,978	1,345,196,524	603,851,946	503,435,522
Provision for taxation		(33,913,306)	(700,218)	(7,384,035)	(188,149)
Net profit after tax		1,757,838,672	1,344,496,306	596,467,911	503,247,373
Earning per share (EPS)		5.92	4.53	2.01	1.69

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Managing Director

United Power Generation & Distribution Company Ltd.
Statement of Cash Flows (Un-Audited)
For the 3rd Quarter ended on 30 September 2014

	30-09-2014	30-09-2013
	<u>Taka</u>	<u>Taka</u>
A Cash flows from operating activities		
Cash received from customers	3,146,236,125	2,679,445,053
Cash received from other operating income	96,895,159	1,867,249
Cash paid to suppliers and contractors	(722,278,664)	(507,778,458)
Cash paid for other operating expenses	(241,222,499)	(366,685,646)
Payment of financial expenses	(356,866,866)	(196,528,690)
Income tax payment	(10,000,000)	-
Net cash flow from operating activities	<u>1,912,763,254</u>	<u>1,610,319,508</u>
B Cash flows from investing activities		
Payment for acquisition of property, plant and equipment	(81,623,110)	(5,565,007,206)
Cash received / (paid) for inter-company loan	(97,723,200)	2,032,771,173
Net cash used in investing activities	<u>(179,346,310)</u>	<u>(3,532,236,033)</u>
C Cash flows from financing activities		
Long term loan received/(paid)	(1,067,362,693)	1,676,695,999
Short term loan received /(paid)	2,561,108	306,619,418
Redeemable preference share	(510,000,000)	-
Investment in FDR	(200,000,000)	-
Security money received / (paid)	-	700,000
Net cash flow from financing activities	<u>(1,774,801,585)</u>	<u>1,984,015,417</u>
D Net changes in cash and cash equivalents (A+B+C)	<u>(41,384,641)</u>	<u>62,098,893</u>
E Opening balance	75,613,642	6,085,258
Closing balance (D+E)	<u>34,229,001</u>	<u>68,184,151</u>

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United Power Generation & Distribution Company Ltd.
Statement of Changes in Equity (Un-Audited)
For the 3rd Quarter ended on 30 September 2014

Particulars	Share capital	Retained earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Balance at 1 January 2014	2,969,497,260	4,051,308,487	7,020,805,747
Issue of Stock Dividend dividend the period			-
Net profit for the period	-	1,757,838,672	1,757,838,672
Balance at 30 September 2014	<u>2,969,497,260</u>	<u>5,809,147,159</u>	<u>8,778,644,419</u>
Balance as at 1 January 2013	1,979,664,840	3,266,713,247	5,246,378,087
Issue of Stock Dividend dividend the period	989,832,420	(989,832,420)	-
Dividend for the year 2011	-	-	-
Net profit for the period		1,344,496,306	1,344,496,306
			-
Balance at 30 September 2013	<u>2,969,497,260</u>	<u>3,621,377,133</u>	<u>6,590,874,393</u>

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United Power Generation & Distribution Company Ltd.
Notes to the Financial Statements (Un-Audited)
As at 30 September 2014

1 Property, plant and equipment, net

- a) Property, plant and equipment (PPE) are stated according to BAS 16 (Property, Plant and Equipment) at historical cost or revaluation less cumulative depreciation. The cost of asset includes expenses directly attributable to bringing the asset to the location and condition necessary for use.

The cost of an asset is measured at the cash price equivalent at the date of acquisition.

b) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

c) Depreciation

Depreciation on the assets is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives. In respect of addition of fixed assets, depreciation is not charged in the year of addition. Full year's depreciation is charged in the year of disposal. Residual value is estimated to be zero for all assets.

2 Inventories

Inventories consisting of spare parts, fuel and lubricant are valued in accordance with BAS 2 (Inventories) at the lower of cost or net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale. Inventories are measured at cost. The cost of inventories is based on the first in first out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. When inventories are used, the carrying amount of those inventories is recognized in the period in which the related revenue is recognized.

3 Trade receivables

Trade receivable are carried at original invoice amount.

Trade receivables were stated at their nominal value and considered good but unsecured. Trade receivables were accrued in the ordinary course of business.

4 Inter-company balances

These asset include inter-company (loan) receivables which are stated at cost. The Board of Directors and shareholders of related companies are same as United Power Generation & Distribution Company Ltd.

As per decision in the meeting of the Board of Directors, dated, 1 January 2010, interest has been charged on the remaining balance of inter company loan from 1 July 2013.

5 Advance, deposits and prepayments

Advance, Deposits and prepayments includes advance against expenses, land lease rent, against salary, L/C margin and suspenses, Bank guarantee margin, payments against insurance premium BEREC license fees.

6 Cash and bank balances

Cash and cash equivalent comprise cash in hand, bank deposits and other short term highly liquid investments with original maturities of three months or less which were held and available for use by the Company without any restriction.

7 Share capital

As per the disclosure requirements laid down in schedule under the rule 12(2) of the Securities and Exchange Rules 1987, the followings are the part and parcel of share capital:

	30-09-2014	31-12-13
	Taka	Taka
Authorized share capital	10,000,000,000	10,000,000,000
1,000,000,000 ordinary shares of Tk. 10 each		
Issued, subscribed and paid-up capital	2,969,497,260	2,969,497,260
296,949,726 ordinary shares of Tk. 10 each		
8 Redeemable Preference Share capital	30-09-2014	31-12-13
	Taka	Taka
Authorized, Issued, subscribed and paid-up capital	1,490,000,000	2,000,000,000
Redeemable Preference Shares of Tk. 10 each issued and fully paid up		

9 Long term loan

Borrowings are classified into both current and non-current liabilities. Moreover in compliance with the requirements of BAS 23 (Borrowing Costs), interest and other costs incurred by the Company in connection with the borrowing of funds are recognized as an expense in the period in which they are incurred.

10 Trade payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

Trade payables consists of gas bills payable to Titas Gas Transmission & Distribution Company Limited for DEPZ power plant and Bakhrabad Gas Systems Limited, the former name of Karnaphuli Gas System Ltd. for CEPZ power plant.

11 Other payables and accrual

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be repaid to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions for employee benefits and similar other liabilities are determined in accordance with BAS 19. All remaining provisions are recognized by making the best estimate of the amounts in accordance with BAS 37 (Provisions, Contingent Liabilities and Contingent assets).

12 Short Term Loan

Short term loan includes Overdraft Facilities taken from bank to meet up working capital requirement for the business of the company.

13 Revenue

United Power Generation and Distribution Company is a power generation company operating its owned electric generating plants. It produces gas generated electricity for sale to DEPZ, CEPZ, KEPZ, REB, BPDB and other Private Sector. UPGD has primarily started its power plant in Dhaka EPZ and Chittagong EPZ. The Company's revenues are derived from electric power generation and distribution services and include energy supplied and billed to the customers.

As per BAS-18 Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue measured at the fair value of the consideration received or receivable. The following specific recognition criteria must be met before revenue is recognized:

- 1) Entity has transferred significant risks and rewards of ownership of the electric power to the buyer;
- 2) The amount of revenue can be measured reliably;
- 3) The costs incurred and the costs to complete for the transaction can be measured reliably

Revenue is recognized, excluding Value Added Tax and other Government levies, on the basis of net units of energy generated and transmitted to the authorized customer's transmission systems and invoiced on a monthly basis upon transmission to the customers. Revenues are valued using rates in effect when services are provided to customers. Accrued billed revenues are presented in current assets as trade receivables and the corresponding cost is included in operating expenses.

14 Other operating income

Other operating income derived from interest on inter company loan, interest income from bank, sale of scrap, used drums and burned lube oil which is directly related with the normal course of business activities.

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