

## Usmania Glass Sheet Factory Limited

Kalurghat I/A, Chittagong.

### Notes to the financial position

For the 1<sup>st</sup> Quarter ended September 30, 2017 (Un-Audited)

**1. Selected explanatory notes:**

These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the period ended 30 September, 2017. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of un-audited financial statements.

**2. Presentation of financial statements and basis of accounting:**

The financial statements have been prepared in accordance with generally accepted accounting principles(GAAP) under "Historical cost convention" and after compliance with Bangladesh Financial Reporting Standards(BFRS) & Bangladesh Accounting Standards(BAS) adopted by the institute of Chartered Accountants of Bangladesh(ICAB),The Companies Act 1994, the Bangladesh security and Exchanges Rules 1987 and other applicable laws and regulations.

**3. Valuation of Stock & Stores:**

<u>Particulars</u>	<u>Mode of Valuation</u>
Raw Materials, Chemical & Packing Materials	At periodical Weighted Average Cost.
Stores, Accessories & Spares	At Weighted Average Cost.
Finished Goods	At Cost or Net realizable value whichever is lower.
Work-In-Process	Cost of Raw Materials, Fuel & Power and Labour Charges.

**4. Property, Plant & equipments:**

	Lac Tk.
Fixed Assets at cost/revaluation as at 01.07.2017	7014.24
Addition interim period	0.17
Accumulated depreciation	(4757.89)
	<u>2256.52</u>

**5. Inventories:**

Raw Materials & Packing Materials	191.12
Spares, Accessories & Tools	652.96
Store-In-Transit	211.84
Work-In-Process	50.25
Finished Goods	48.43
	<u>1154.60</u>

**6. Advances, Deposit & Prepayments:**

Advances	285.54
Deposits	4.85
Prepayments	93.01
BCIC Current Accounts	28.08
Current Accounts with BCIC Enterprise	6.90
	<u>418.38</u>

**7. Share Capital:**

1,43,89,174 ordinary shares of Tk 10 each fully paid 1438.92 (Lac tk.)  
Calculation of Diluted Earnings per share does not arise, as there is no possibility of converting dilutive potential ordinary shares i.e .Bonds, Debentures into Ordinary Shares.

**8. Reserve & Surplus:**

Capital Reserve	241.46
General Reserve	1301.35
Dividend Equalization Reserve	385.77
Retained Earnings	(2215.35)
	<u>(286.77)</u>

9. 1) It is observed that the company has been producing sheet glass by applying old technology since 1961.Besides, Furnance-2 was remain shutdown from 26<sup>th</sup> May 2017 to 24<sup>th</sup> September 2017 for re-construction .As a result , there was no production in Furnace no. 2 during this period . For this reason, production cost is higher than selling price.

2) The re-construction work of Furnace no.2 has been completed on 24<sup>th</sup> September,2017.Now both the Furnaces (F#1&F#2) are running almost with full design capacity.

3) Hopefully ,the production cost will gradually decrease & as a result the factory will be run profitably.

**Note:**

The 1<sup>st</sup> Quarter Financial Statement (un-audited) as on 30 September, 2017 are available in the website of the company. The address of the website is [www.ugsflbd.com](http://www.ugsflbd.com)

Accounts Officer

Head of Accounts & CFO

Managing Director & CEO

Director

Chairman