

BIMAN BANGLADESH AIRLINES LIMITED

Independent auditors' report along with audited consolidated and separate financial statements for the year ended 30 June 2019

UHY Syful Shamsul Alam & Co.
Chartered Accountants

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ACNABIN
Chartered Accountants

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12 Kawranbazar Commercial Area
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Independent Auditor's Report

To the Shareholders of Biman Bangladesh Airlines Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the financial statements of Biman Bangladesh Airlines Limited and its subsidiaries (the Group), as well as the separate financial statements of Biman Bangladesh Airlines Limited (the Company), which comprise the consolidated and separate statements of financial position as at June 30, 2019, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes (1 to 34) to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in **note # 2**.

Basis for Qualified Opinion

1. As disclosed in **note # 18.2** to the financial statements, the Company has shown Pension amounting to Tk. 4,055,091,182. According to IAS 19 'Employee Benefits', actuarial valuation is required for the defined beneficiary scheme. An actuarial valuation was conducted by Z. Halim Associates up to 30 June 2017 where the actuary firm recommended to conduct valuation on an annual basis for the next three years from 30 June 2017. But the Company did not conduct any actuarial valuation till date after last actuarial valuation as on 30 June 2017 and the Company did not maintain provision suggested in the actuarial valuation report as the Company refused to accept the actuarial valuation report. Moreover, the Company has maintained provision amounting to Tk. 4,055,091,182 in its accounts and an additional provision amounting to Tk. 2,046,396,820 in the Employees' Pension Fund Trust's accounts. But as per the Company's Administrative order no 22/2018, dated 29 November 2018, the year-end provision should amount to Tk. 11,940,144,388, a non-compliance of which results in a shortfall of provision amounting to Tk. 5,838,656,386.

2. As disclosed in **note # 19** to the financial statements, the Company has not recognized any *deferred* tax expenses during the year under audit. According to IAS 12 (Taxation), deferred tax liability would amount to Tk. 3,176,332,126 instead of deferred tax assets of Tk. 1,376,032,729 as shown in the Company's accounts requiring a total provision of Tk. 3,738,205,995 (excluding Tk. 814,158,860 for adjustment with retained earnings) through charging of the profit and loss accounts. Thus, the net profit after tax for the year has been overstated by Tk. 3,738,205,995 with a consequential overstatement of equity to the same extent.

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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements in Bangladesh, 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 qualified opinion.

Emphasis of Matters

Without further qualifying our opinion, we draw attention to the following matters:

1. As disclosed in **note # 8.1** to the financial statements, the year-end balance of stores and spares of the Company amounts to Tk. 6,282,102,289 against which there is a provision for store obsolescence of Tk. 2,636,818,173, showing a net amount of Tk. 3,645,284,116 (Tk. 6,282,102,289 – Tk. 2,636,818,173) as carrying value of stores and spares. But the physical inventory report of stores and spares as submitted to us shows net value of Tk. 3,533,674,414 as the year-end balance. In our opinion, further provision of Tk. 300,882,662 (including scrap of stores amounting to Tk. 182,332,567) is required to be made in the accounts in consideration of the identified accounts of the physical inventory report.
2. As disclosed in **note # 9.1** of the financial statements, out of net receivable amount of Tk. 5,700,694,784 Biman has long outstanding receivables from different parties amounting to Tk. 758,859,882 related to the period from 1981 to 2016. The Company has kept provision of Tk. 543,882,140 only while we understand that the balance of Tk. 214,977,742 also needs to be provided in the accounts due to non-realization of such receivables of current nature over so many years.
3. As disclosed in **note # 17** to the financial statements, the Company has shown an year-end Loan from Govt. of Bangladesh for VRS amounting to Tk. 2,901,000,000. At the time of conversion of Bangladesh Biman Corporation into a public limited company in 2007, and taking over of the assets and liabilities of the corporation, Government had provided Tk. 2,901,000,000 for settlement of the above employee's retirement benefits in the year 2007. As per GoB letter AMA/BE/BA-1/09277311(4)/2007/1001 dated 15 November 2007, the loan must be repaid within five (05) years with 5% interest on half-yearly basis. But the Company



has neither paid any instalment of the principal loan amount nor the interest amount, though it has created a liability for Interest payable on loan for VRS amounting to Tk. 1,720,310,444, as disclosed in the note # 20.1 (Annexure-R) to the financial statements.

4. As disclosed in **note # 20.1** to the financial statements, the Company has shown 'Payables and Trade Creditors' amounting to Tk. 24,237,840,440 which inter-alia includes an year-end liability to Padma Oil Company Limited amounting to Tk. 13,889,542,836, whereas Padma Oil Company Limited's claim, as per their response to a balance confirmation request by us, is of Tk. 20,098,465,336 including inter-alia interest claim of Tk. 6,208,135,077 due to delayed payments, unadjusted tax deducted at source amounting to Tk. 799,969 from the bills of Padma Oil and unadjusted foreign currency fluctuation gain amounting to Tk. 12,515, resulting in an excess claim of Tk. 6,208,922,530. The Company has no written agreement with Padma Oil Company Limited, and it disagrees with such interest charge. However, the amount of interest payable has been disclosed by the Company as a Contingent Liability in the financial statements.

Above 'Payables and Trade Creditors' also includes an year-end accounts payable liability to the Government of People's Republic of Bangladesh related to the purchase of three DC- 10-30 aircrafts in the year 1984 amounting to Tk. 2,216,430,564, (loan payable to Govt. of Bangladesh for DC-10-30 amounting to Tk.1,912,543,075 and interest payable on loan from Govt. of Bangladesh amounting to Tk. 303,887,489), the status of which is yet to be finalized with the Government by a formal agreement.

'Payables and Trade Creditors' also includes an year-end liability to CAAB amounting to Tk. 8,091,113,580 which is in excess of Tk. 65,947,580 compared to the CAAB's claim amount of Tk. 8,025,166,000. In addition, CAAB claims an additional amount of Tk. 2,453,356,000 as VAT & TAX and Tk. 19,934,549,000 as Surcharge payable to CAAB respectively, as confirmed in their response to balance confirmation request by us. However, the Company has disclosed Tk. 2,453,356,000 as VAT & Tax and Tk. 19,934,549,000 as Surcharge payable to CAAB respectively as Contingent Liability in the financial statements.

5. The Company has disclosed in **note # 24** to the financial statements regarding the status of income tax appeals & assessments of the Company and also about the non-deduction of tax on overseas payments to non-residents.

Other Matters

1. The total Debt/Equity ratio of the Company stands at 10.68:1 (91% : 9%) as on 30 June 2019 compared to 11.44:1 (92% : 8%) as on 30 June 2018 and 8.78:1 (90% : 10%) as on 30 June 2017. However, the long-term Debt/Equity ratio of Biman stands at 4.66:1 (82% : 18%) as on 30 June 2019 compared to 4.21:1 (81% : 19%) as on 30 June 2018 and 4.78:1 (83% : 17%) as on 30 June 2017. As stated in Para 3 (sub-para 2) under 'Emphasis of Matters' above, Payable to Govt. of Bangladesh for DC-10-30 and its interest payable, amounting to Tk. 2,216,430,564 in total, has been reclassified from long term liability to short term liability as on 30 June 2018. But no amount has yet been repaid. If this amount is considered as long-term liability, the long term Debt/Equity ratio for the year ended 30 June 2019 would be 4.88:1



(83% : 17%) instead of 4.66:1 (82% : 18%). High total and long-term Debt/Equity ratios indicate that there is a risk of going concern threat in the coming years.

2. The consolidated financial statements have been prepared on the basis of financial statements of the Company and of Sabre Travel Network (Bangladesh) Limited, a subsidiary of the Company. The subsidiary company has been audited by Hoda Vasi Chowdhury & Co., Chartered Accountants who have expressed an unmodified audit opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate 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 Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and 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 consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and the Company'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 Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Group and the Company so far as it appeared from our examination of these books; and
- c) the consolidated and separate statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



Syful Shamsul Alam & Co.
Chartered Accountants



ACNABIN
Chartered Accountants

Dated, Dhaka

12 December 2019

Biman Bangladesh Airlines Limited
Consolidated Statement of Financial Position
As at 30 June 2019


Particulars	Notes	Amount in Taka		
		30.06.2019	30.06.2018	01.07.2017
			<u>Restated</u>	<u>Restated</u>
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3(a)	85,841,291,598	65,782,042,762	68,742,001,230
Capital Work in Progress	4	970,104,853	1,132,212,044	1,098,731,937
Intangible Assets	6(a)	5,101,966,548	5,117,906,098	5,133,556,522
		<u>91,913,363,000</u>	<u>72,032,160,904</u>	<u>74,974,289,689</u>
Non-current assets held for sale and discontinued operations	7	25,050,000	25,050,000	585,623,044
Current Assets				
Stores and Spares	8	3,695,167,913	3,348,318,486	2,751,536,666
Sundry Debtors	9(a)	5,604,565,741	4,306,547,898	4,316,666,165
Advances, Deposits and Prepayments	10(a)	10,490,051,804	15,031,440,131	12,961,327,108
Advance Income Tax	11(a)	858,932,727	631,329,244	720,664,007
Accrued Interest on FDR	12(a)	42,209,933	34,070,429	42,946,098
Cash and Cash Equivalents	13(a)	8,180,800,094	7,073,847,985	5,128,907,117
		<u>28,871,728,212</u>	<u>30,425,554,173</u>	<u>25,922,047,160</u>
Total Assets		<u>120,810,141,212</u>	<u>102,482,765,077</u>	<u>101,481,959,893</u>
EQUITIES & LIABILITIES				
Equity				
Share Capital	14.2	20,824,096,400	20,824,096,400	20,824,096,400
Equity of Government	15	101	101	101
Retained Earnings	16	(10,426,418,605)	(12,519,680,941)	(10,420,655,544)
Attributable to Bimans' owner		10,397,677,896	8,304,415,560	10,403,440,957
Non Controlling Interests	25	129,720,807	128,687,754	113,638,368
		<u>10,527,398,703</u>	<u>8,433,103,314</u>	<u>10,517,079,325</u>
Non Current Liabilities				
Long Term Loans & Finance Leases	17	44,109,190,523	30,458,626,624	45,114,349,811
Deferred Liabilities	18(a)	5,168,363,988	5,407,096,540	5,463,546,160
Deferred Tax Liabilities/(Assets)	19(a)	(1,387,691,795)	(1,388,622,638)	(1,384,975,510)
		<u>47,889,862,716</u>	<u>34,477,100,526</u>	<u>49,192,920,461</u>
Current Liabilities and Provisions				
Accounts Payables & Accruals	20(a)	36,119,396,346	33,647,648,381	31,220,709,202
Unearned Transportation Revenue	21	10,608,249,402	7,233,456,977	2,615,246,002
Short Term & Current Portion of Long Term Loans & Finance Leases	22	13,718,112,000	17,051,207,527	6,461,094,960
Workers Profit Participation & welfare Fund	23(a)	155,140,960	288,101,492	283,510,330
Provision for Taxation	24(a)	1,791,981,086	1,352,146,860	1,191,399,613
		<u>62,392,879,794</u>	<u>59,572,561,238</u>	<u>41,771,960,108</u>
Total Equities and Liabilities		<u>120,810,141,212</u>	<u>102,482,765,077</u>	<u>101,481,959,893</u>

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by

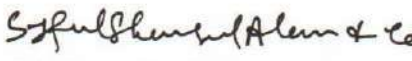

Kazi Atique Rahman, FCS
Company Secretary



Vineet Sood
Chief Financial Officer


Md Mokabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, FCS
Director

Signed in terms of our separate report of even date.


Syful Shamsul Alam & Co.
Chartered Accountants


ACNABIN
Chartered Accountants

Dated, Dhaka
12 December 2019

Biman Bangladesh Airlines Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

Particulars	Notes	Amount in Taka	
		2018-19	2017-18
Operating Revenue	26(a)	57,565,980,229	48,730,847,723
Operating Expenses	27(a)	(52,512,076,670)	(47,499,591,991)
Operating Profit/(Loss)		5,053,903,559	1,231,255,732
Non-operating Revenue	28(a)	383,211,333	585,507,425
Non-operating Expenses	29(a)	(890,964,766)	(1,922,342,162)
Non-operating Profit/ (Loss)		(507,753,434)	(1,336,834,737)
Profit/(Loss) before Interest & Tax		4,546,150,126	(105,579,005)
Finance Expense	30	(1,791,288,121)	(1,511,469,938)
Net Profit/(Loss) for the year before WPPF and Tax		2,754,862,005	(1,617,048,943)
Workers' Profit Participation & Welfare Fund	23.2	136,011,547	13,833,837
Net Profit/(Loss) for the year before Tax		2,618,850,458	(1,630,882,780)
Current Tax Income/(Expenses)	24.2	(439,834,225)	(387,503,359)
Deferred Tax Income/(Expenses)	19.2	(930,843)	3,647,128
Total Tax Income/(Expenses)		(440,765,068)	(383,856,231)
Net profit/(Loss) after Tax for the year		2,178,085,389	(2,014,739,011)
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss) for the year		2,178,085,389	(2,014,739,011)
Profit for the year attributable to:			
Owners of the company		2,093,262,336	(2,099,025,397)
Non-controlling interest		84,823,053	84,286,386
		2,178,085,389	(2,014,739,011)
Total Comprehensive Income for the year attributable to:			
Owners of the company		2,093,262,336	(2,099,025,397)
Non-controlling interest		84,823,053	84,286,386
		2,178,085,389	(2,014,739,011)

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by


Kazi Atique Rahman, FCS
Company Secretary


Vireet Sood
Chief Financial Officer


Md Mokabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, ECS
Director

Signed in terms of our separate report of even date.


Syful Shamsul Alam & Co.
Chartered Accountants


ACNABIN
Chartered Accountants

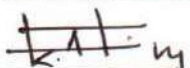
Dated, Dhaka
12 December 2019

Biman Bangladesh Airlines Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2019

Particulars	Amount in Taka	
	2018-19	2017-18
A. Cash flows from operating activities		
Total comprehensive income/(loss) for the year (before tax)	2,618,850,458	(1,630,882,780)
Adjustment for non-cash items and consideration elsewhere		
Previous year adjustment	-	(1,224,946,980)
Finance expense	1,791,288,121	1,511,469,938
Interest Income	(182,590,352)	(171,850,645)
Depreciation charged	3,826,003,578	3,193,490,992
Provision for deferred liabilities	663,220,135	579,679,112
Amortization for C Check, Engine Overhauling, Software	1,680,597,291	2,539,441,242
Loss due to non current assets held for sale	-	452,259,221
Loss on sale/disposal of fixed assets	2,160,616	258,871,021
	10,399,529,846	5,507,531,121
Changes in working capital		
Decrease/(Increase) in sundry debtors	(1,298,017,843)	(227,535,703)
Decrease/(Increase) in advances, deposits and prepayments	4,541,388,326	(1,807,882,284)
Decrease/(Increase) in stores and spares	(346,849,426)	(595,781,222)
Decrease/(Increase) in work in progress	162,107,191	(495,799,616)
Increase/(Decrease) in accounts payable and accruals	2,310,197,965	2,702,768,947
Increase/(Decrease) in un-earned transportation revenue	3,374,792,424	4,618,210,976
	8,743,618,638	4,193,981,098
Cash generated from operation	19,143,148,484	9,701,512,219
Advance Income tax paid	(227,603,482)	(137,421,349)
Increase/(Decrease) in Provision for WPPF	(132,960,532)	90,862,816
Payment to the trustee board against deferred liabilities	(901,952,687)	(636,128,733)
Net cash flow from operating activities	17,880,631,783	9,018,824,953
B. Cash flows from investing activities		
Acquisition of fixed assets	(22,911,431,767)	(1,860,957,982)
Payment for C Check, Engine Overhauling, Software	(2,635,843,206)	(1,828,902)
Proceed from the disposal of fixed assets	155,526	108,409,071
Interest received	174,450,847	185,243,374
Acquisition of Intangible Assets	(4,951,325)	(3,482,088)
Net cash used in investing activities	(25,377,619,925)	(1,572,616,527)
C. Cash flows from financing activities		
Interest Paid	(1,530,289,551)	(1,374,441,701)
Increase/(Decrease) in long term loans and finance leases	13,650,563,899	(14,655,723,186)
Increase/(Decrease) in short term loan and current portion of long term loans and finance leases	(3,432,544,096)	10,598,134,329
Dividend paid for non Controlling Interest	(83,790,000)	(69,237,000)
Net cash used in financing activities	8,603,940,251	(5,501,267,558)
Net Increase/(decrease) in cash and cash equivalent	1,106,952,109	1,944,940,868
Cash and cash equivalents at the beginning of the year	7,073,847,985	5,128,907,117
Cash and cash equivalent at the end of the year	8,180,800,094	7,073,847,985

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by


Kazi Atique Rahman, FCS
Company Secretary


Vineet Sood
Chief Financial Officer


Md Mokabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, FCS
Director



Biman Bangladesh Airlines Limited
Consolidated Statement of Changes in Equity
for the year ended 30 June 2019

Particulars	Paid-up Capital		Retained Earnings	Total Equity to BBAL	Non – Controlling Interest	Total
	Share Capital	Government Equity				
For the year 2018-19						
Balance as at 1 July 2018	20,824,096,400	101	(12,519,680,941)	8,304,415,560	128,687,754	8,433,103,314
Net profit for the year	-		2,093,262,336	2,093,262,336	84,823,053	2,178,085,389
Dividends (cash) for 2017-2018	-		-	-	(83,790,000)	(83,790,000)
Balance as at 30 June 2019	20,824,096,400		(10,426,418,605)	10,397,677,896	129,720,807	10,527,398,703
For the year 2017-18						
Balance as at 1 July 2017 (Restated)	20,824,096,400	101	(10,420,655,544)	10,403,440,957	113,638,368	10,517,079,325
Net profit for the year	-		(2,099,025,397)	(2,099,025,397)	84,286,386	(2,014,739,011)
Dividends (cash) for 2017	-		-	-	(69,237,000)	(69,237,000)
Balance as at 30 June 2018 (Restated)	20,824,096,400	101	(12,519,680,941)	8,304,415,560	128,687,754	8,433,103,314

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by


Kazi Atique Rahman, FCS
Company Secretary


Vineet Sood
Chief Financial Officer


Md MoRabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, FCS
Director



Biman Bangladesh Airlines Limited
Statement of Financial Position
As at 30 June 2019


Particulars	Notes	Amount in Taka		
		30.06.2019	30.06.2018 Restated	01.07.2017 Restated
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	85,817,520,853	65,762,212,082	68,722,954,123
Capital Work in Progress	4	970,104,853	1,132,212,044	1,098,731,936
Investment in Shares	5	9,180,000	9,180,000	9,180,000
Intangible Assets	6	5,101,965,447	5,117,867,726	5,133,470,678
		<u>91,898,771,154</u>	<u>72,021,471,852</u>	<u>74,964,336,737</u>
Non-current assets held for sale and discontinued operations	7	<u>25,050,000</u>	<u>25,050,000</u>	<u>585,623,044</u>
Current Assets				
Stores and Spares	8	3,695,167,913	3,348,318,486	2,751,536,667
Sundry Debtors	9	5,463,110,022	4,222,707,038	4,179,329,161
Advances, Deposits and Prepayments	10	10,477,127,058	15,022,748,797	12,952,118,969
Advance Income Tax	11	421,486,468	288,900,153	248,045,141
Accrued Interest on FDR	12	38,720,124	28,216,283	41,609,011
Cash and Cash Equivalents	13	7,976,606,784	6,830,702,091	4,954,374,526
		<u>28,072,218,368</u>	<u>29,741,592,848</u>	<u>25,127,013,475</u>
Total Assets		<u>119,996,039,522</u>	<u>101,788,114,700</u>	<u>100,676,973,256</u>
EQUITIES & LIABILITIES				
Equity				
Share Capital	14.2	20,824,096,400	20,824,096,400	20,824,096,400
Equity of Government	15	101	101	101
Retained Earnings	16.1	(10,552,254,139)	(12,644,441,257)	(10,529,752,214)
		<u>10,271,842,362</u>	<u>8,179,655,244</u>	<u>10,294,344,287</u>
Non Current Liabilities				
Long Term Loans and Finance Leases	17	44,109,190,523	30,458,626,624	45,114,349,811
Deferred Liabilities	18	5,150,160,912	5,387,836,578	5,446,701,200
Deferred Tax Liabilities/(Assets)	19	(1,376,032,729)	(1,376,032,729)	(1,376,032,729)
		<u>47,883,318,706</u>	<u>34,470,430,473</u>	<u>49,185,018,282</u>
Current Liabilities and Provisions:				
Accounts Payable and Accruals	20	36,045,489,698	33,593,276,300	31,154,101,400
Unearned Transportation Revenue	21	10,608,249,402	7,233,456,977	2,615,246,002
Short Term & Current Portion of Long Term Loans & Finance Leases	22	13,718,112,000	17,051,207,527	6,461,094,960
Workers Profit Participation & welfare Fund	23	133,593,555	269,288,605	269,395,110
Provision for Taxation	24	1,335,433,799	990,799,573	697,773,214
		<u>61,840,878,454</u>	<u>59,138,028,983</u>	<u>41,197,610,686</u>
Total Equities and Liabilities		<u>119,996,039,522</u>	<u>101,788,114,700</u>	<u>100,676,973,256</u>

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by


Kazi Atique Rahman, FCS
Company Secretary



Vineet Sood
Chief Financial Officer


Md Mokabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, FCS
Director

Signed in terms of our separate report of even date.


Syful Shamsul Alam & Co.
Chartered Accountants


ACNABIN
Chartered Accountants

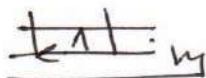
Dated, Dhaka
12 December 2019

Biman Bangladesh Airlines Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

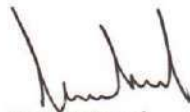
Particulars	Notes	Amount in Taka	
		2018-19	2017-18
Operating Revenue	26	56,988,008,985	48,197,886,322
Operating Expenses	27	(52,198,122,281)	(47,225,577,106)
Operating Profit/(Loss)		4,789,886,704	972,309,216
Non-operating Revenue	28	451,028,594	639,840,199
Non-operating Expenses	29	(890,964,766)	(1,922,342,162)
Non-operating Profit/ (Loss)		(439,936,173)	(1,282,501,963)
Profit/(Loss) before Interest & Tax		4,349,950,532	(310,192,747)
Finance Expense	30	(1,791,288,121)	(1,511,469,938)
Net Profit/(Loss) for the year before WPPF and Tax		2,558,662,411	(1,821,662,685)
Workers' Profit Participation & Welfare Fund	23.2	121,841,067	-
Net Profit/(Loss) for the year before Tax		2,436,821,344	(1,821,662,685)
Current Tax Income/(Expenses)	24	(344,634,225)	(293,026,359)
Deferred Tax Income/(Expenses)	19.2	-	-
Total Tax Income/(Expenses)		(344,634,225)	(293,026,359)
Net profit /(Loss) after Tax for the year		2,092,187,118	(2,114,689,044)
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss) for the year		2,092,187,118	(2,114,689,044)

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by



Kazi Atique Rahman, FCS
Company Secretary



Vineet Sood
Chief Financial Officer



Md Mokabbir Hossain
Managing Director & CEO



NKA Mobin, FCA, FCS
Director

Signed in terms of our separate report of even date.

Syful Shamsul Alam & Co.
Syful Shamsul Alam & Co.
Chartered Accountants

ACNABIN
ACNABIN
Chartered Accountants


Dated, Dhaka
12 December 2019

Biman Bangladesh Airlines Limited
Statement of Cash Flows
For the year ended 30 June 2019

Particulars	Amount in Taka	
	2018-19	2017-18
A. Cash flows from operating activities		
Total comprehensive income/(loss) for the year (before tax)	2,436,821,344	(1,821,662,685)
Adjustment for non-cash items and consideration elsewhere		
Previous year adjustment	-	(1,224,946,980)
Finance expense	1,791,288,121	1,511,469,938
Interest Income	(184,954,689)	(171,850,645)
Depreciation charged	3,811,774,602	3,181,432,018
Provision for deferred liabilities	664,277,021	577,264,110
Amortization for C Check, Engine Overhauling, Software	1,680,560,020	2,539,393,770
Loss on sale of non current assets held for sale	-	452,259,221
Loss on sale/disposal of fixed assets	2,077,897	258,871,021
	10,201,844,316	5,302,229,768
Changes in working capital		
Decrease/(Increase) in sundry debtors	(1,240,402,984)	(281,031,848)
Decrease/(Increase) in advances, deposits and prepayments	4,545,621,738	(1,808,399,088)
Decrease/(Increase) in stores and spares	(346,849,426)	(595,781,220)
Decrease/(Increase) in work in progress	162,107,191	(495,799,616)
Increase/(Decrease) in accounts payable and accruals	2,290,663,398	2,718,908,783
Increase/(Decrease) in un-earned transportation revenue	3,374,792,424	4,618,210,976
	8,785,932,341	4,156,107,986
Cash generated from operation	18,987,776,657	9,458,337,754
Advance Income tax paid	(132,586,314)	(40,855,012)
Increase/(Decrease) in Provision for WPPF	(135,695,050)	86,165,148
Payment to the trustee board against deferred liabilities	(901,952,687)	(636,128,733)
Net cash flow from operating activities	17,817,542,605	8,867,519,158
B. Cash flows from investing activities		
Acquisition of fixed assets	(22,893,180,006)	(1,848,069,117)
Payment for C Check, Engine Overhauling	(2,635,843,206)	(1,828,902)
Proceed from the disposal of fixed assets	155,526	108,975,698
Interest received	174,450,847	185,243,374
Acquisition of Intangible Assets	(4,951,325)	(3,482,088)
Net cash used in investing activities	(25,359,368,163)	(1,559,161,035)
C. Cash flows from financing activities		
Interest Paid	(1,530,289,551)	(1,374,441,701)
Increase/(Decrease) in long term loans and finance leases	13,650,563,899	(14,655,723,187)
Increase/(Decrease) in short term loan and current portion of long term loans and finance leases	(3,432,544,096)	10,598,134,329
Net cash used in financing activities	8,687,730,252	(5,432,030,559)
Net Increase/(decrease) in cash and cash equivalent	1,145,904,694	1,876,327,564
Equivalents during the year (A+B+C)	6,830,702,091	4,954,374,527
Cash and cash equivalents at the beginning of the year	7,976,606,784	6,830,702,091
Cash and cash equivalent at the end of the year	9,116,511,485	8,827,029,655

The annexed notes are an integral part of these financial statements.

Signed on behalf of the Board of Directors as per decision in its 233th meeting held on 12 December 2019 by


Kazi Atique Rahman, FCS
Company Secretary


Vineet Sood
Chief Financial Officer


Md Mokabbir Hossain
Managing Director & CEO


NKA Mobin, FCA, FCS
Director

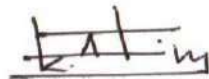


Biman Bangladesh Airlines Limited
Statement of Changes in Equity
For the year ended 30 June 2019

Particulars	Paid-up Capital		Retained Earnings	Total
	Share Capital	Government Equity		
Balance as at 01 July 2018	20,824,096,400	101	(12,644,441,257)	8,179,655,244
Prior year adjustment	-	-	-	-
Net profit for the year	-	-	2,092,187,118	2,092,187,118
Balance as at 30 June 2019	<u>20,824,096,400</u>	<u>101</u>	<u>(10,552,254,139)</u>	<u>10,271,842,362</u>
Balance as at 01 July 2017 (Restated)	20,824,096,400	101	(10,529,752,214)	10,294,344,289
Net profit for the year	-	-	(2,114,689,044)	(2,114,689,044)
Balance as at 30 June 2018 (Restated)	<u>20,824,096,400</u>	<u>101</u>	<u>(12,644,441,257)</u>	<u>8,179,655,244</u>

The annexed notes are an integral part of these financial statements.


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