

Continued from Page 14

22 February, 1995 (ii) **Fixed Assets:**
These are stated at Historical Cost less accumulated depreciation.

SONARGAON TEXTILES LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST OCTOBER 1994
THESE NOTES ARE PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(i) **Accounting convention & basis:**

These accounts have been prepared under the Historical Cost Convention which does not take into consideration the effect of inflation.

(iii) **Depreciation:**

No depreciation is charged on land & land development. Depreciation rates of various fixed assets are noted in the Fixed Asset schedule. Depreciation has been charged for 304 days irrespective of the date when the related assets are put to use and any additional assets of Unit-II has not been depreciated.

(iv) **Stock:**

Stocks other than finished goods are valued at cost. Finished goods are valued at 95% of average selling price of the year.

(v) **Taxation:**

The company is enjoying Tax Holidays for 9 (nine) years w.e.f. 1993.

NOTE-2: SCHEDULE OF FIXED ASSETS

	Written Down Value AS ON 1.1.94	Addition For Unit-I	Addition For Unit-II	Total	Total on which Dep. to be charged	Dep. Rate	Depreciation	Written Down Value AS ON 31.10.94
01. LAND & DEVELOPMENT								
a) Land & Land Development	5,820,333	4,194	1,172,010	6,996,537	5,824,527	0%	0	6,996,537
b) Internal Road	183,237	0	0	183,237	183,237	0%	0	183,237
02. BUILDING & CONSTRUCTION								
a) Factory Building (56,250 Sp. ft)	38,743,628	99,109	15,910,504	54,753,241	38,842,737	5%	1,617,561	53,135,680
b) Office Building (1,564 Sq. ft)	609,833	0	0	609,833	609,833	5%	25,396	584,437
c) Temporary Lab Shed (1,350 Sq. ft)	281,956	0	0	281,956	281,956	10%	23,483	258,473
d) Raw Cotton Godown (5,000 Sq. ft)	1,101,087	0	0	1,101,087	1,101,087	5%	45,853	1,055,234
e) Finished Goods Godown	1,416,619	0	0	1,416,619	1,416,619	5%	58,993	1,357,626
f) Electrical Installation	5,007,209	831,845	0	5,839,054	5,839,054	15%	729,482	5,109,572
g) Kitchen House	0	0	0	0	0	0%	0	0
h) Survey Plan & drawing	143,499	0	0	143,499	143,499	5%	5,976	137,523
i) Deep tubewell	503,086	0	0	503,086	503,086	10%	41,901	461,185
j) Tubewell	0	0	0	0	0	0%	0	0
k) Pump House/Water Tank	29,002	1,344	0	30,346	30,346	5%	1,264	29,082
l) Boundary Wall	2,084,954	172,237	1,112,994	3,370,185	2,257,191	5%	93,998	3,276,187
m) Main Gate	39,920	42,290	0	82,210	82,210	5%	3,424	78,786
n) Security Office	269,955	8,125	0	278,080	278,080	5%	11,580	266,500
o) Garage	13,622	19,550	0	33,172	33,172	5%	1,381	31,791
p) Mosque	38,564	28,566	0	67,130	67,130	5%	2,796	64,334
q) Workshop Cum Canteen	13,432	691,698	610,627	1,315,757	705,130	5%	29,364	1,286,393
r) Air Conditioner	0	46,240	0	46,240	46,240	5%	1,926	44,314
s) Safety Tank	0	5,150	0	5,150	5,150	5%	214	4,936
t) Sanitary Fittings	62,587	0	0	62,587	62,587	5%	2,606	59,981
u) Overhead Water tank	42,365	0	0	42,365	42,365	7%	2,470	39,895
03. PLANT & MACHINERY								
a) Factory Machineries	174,646,425	108,850	4,129,059	178,884,334	174,755,275	7%	10,188,472	168,666,862
b) A. C. Plant	1,115,908	0	0	1,115,908	1,115,908	7%	65,059	1,050,849
c) Construction Equipment	108,971	0	0	108,971	108,971	7%	6,353	102,618
d) Fire Fighting Equipment	111,151	0	0	111,151	111,151	7%	6,480	104,671
e) Loose tools	98,596	330	0	98,926	98,926	7%	5,768	93,158
f) Erection & Installation	2,914,770	0	0	2,914,770	2,914,770	7%	169,935	2,744,835
g) Reeling Machine & handling	776,428	0	0	776,428	776,428	7%	45,267	731,161
04. FURNITURE & FIXTURE								
a) Furniture	369,256	148,996	93,508	611,760	518,252	10%	43,164	568,596
b) Fans	24,088	0	0	24,088	24,088	15%	3,009	21,079
c) Office Equipment	0	11,895	0	11,895	11,895	15%	1,486	10,409
d) Crockeries	23,125	405	0	23,530	23,530	20%	3,920	19,610
05. VEHICLES								
a) Car of CMD's (Car No. Ka-03-5595)	475,612	0	0	475,612	475,612	20%	79,225	396,387
b) Bicycle	1,229	0	0	1,229	1,229	20%	205	1,024
c) New Microbus No. 0114	410,755	0	0	410,755	410,755	20%	68,422	342,333
06. SUNDRY ASSETS								
a) T. V., V. C. R., Freeze	49,532	0	0	49,532	49,532	15%	6,188	43,344
b) Plantation	19,760	1,304	0	21,064	21,064	15%	2,632	18,432
c) Fish Cultivation	4,287	5,176	0	9,463	9,463	15%	1,182	8,281
d) Sewing Machine	4,245	0	0	4,245	4,245	15%	530	3,715
e) Dustbin	16,538	0	0	16,538	16,538	15%	2,666	14,472
f) Silver Cans	0	108,000	0	108,000	108,000	15%	13,193	94,507
g) Pump Motor	5,272	0	0	5,272	5,272	15%	659	4,613
h) Hand metal Detector	0	7,600	0	7,600	7,600	15%	949	6,651
* i) Plastic Ring Bobbin	0	102,000	0	102,000	30,000	15%	3,748	98,252
j) Table	1,654	0	0	1,654	1,654	15%	207	1,447
k) Grinding Machine	6,803	0	0	6,803	6,803	15%	850	5,953
l) Electric Iron	1,155	0	0	1,155	1,155	15%	144	1,011
m) PABX	128,172	0	0	128,172	128,172	15%	16,013	112,159
n) Siren	26,645	0	0	26,645	26,645	15%	3,329	23,316
o) Doffing Box	18,376	0	0	18,376	18,376	15%	2,296	16,080
* p) Intercom set	59,262	111,311	0	170,573	94,173	15%	11,765	158,808
q) Weighing Scale	349,509	0	0	349,509	349,509	15%	43,665	305,844
r) Trolley	0	10,700	0	10,700	10,700	15%	1,337	9,363
s) Books	1,170	0	0	1,170	1,170	15%	146	1,024
* t) Air conditioner	0	0	40,775	40,775	0	20%	0	40,775
* u) Photostat Machine	0	140,000	0	140,000	0	20%	0	140,000
* v) Self heating capacitor tank	0	75,000	0	75,000	0	20%	0	75,000
TOTAL:	238,173,582	2,781,915	23,069,477	264,024,974	240,592,097		13,497,631	250,527,344

Note: No depreciation was charged for additional assets for Unit-II and ten month depreciation was charged for existing and additional assets for Unit-I.

* Fixed assets which were added after August 1994 were not depreciated.

NOTE-3: UNALLOCATED REVENUE EXPENDITURE

	1994
Travelling & Conveyance	47,101
Entertainment	10,966
Documentation	151,900
Feasibility report	18,000
Photostat	181
Newspaper & Periodicals	575
Printing & Stationery	3,883
Sundry Expenses	49,553
Filing fees	4,500
Medical expenses	43
Salary	15,999
Bonus	3,000
Repair & Maintenance	12,722
Advertisement	5,000
TOTAL	363,423

NOTE-4: STOCK IN TRADE

This consist of:	1994	1993	1992
Raw Cotton	21,738,654	7,765,334	0
Finished Goods	3,491,500	5,544,920	246,630
Waste Cotton	95,978	34,834	88265

Store & Spares	1,609,355	626,772	0
Packing Material	949,319	0	0
WIP	1,057,230	3,086,424	2428306
TOTAL	28,942,036	17,058,284	4,982,601

NOTE-5: CASH & BANK BALANCE

This consist of:

	1994	1993	1992
National Bank Limited	0.00	1208	10049
Rupali Bank Limited	683	58290	4455
Cash in hand at Barisal	6784	0	11307
Cash in hand at Head Office	171028	77632	0
Bangladesh Shilpa Bank	20696	18436	5319
Bangladesh Shilpa Bank (L/C margin A/C)	13608	13608	13608
BASIC	6780	9856	0
Sonali Bank	3288	8999	886520
FDR	0	0	0
Janata Bank	1588	1588	2970
TOTAL	224,455	189,617	934,228

NOTE-6: LOAN FROM BSB

	1994	1993	1992
FC Loan	125,068,410	125,068,410	125,068,410
LC Loan	2,500,000	2,500,000	2,500,000
LC (Additional) Loan	4,000,000	4,000,000	0
LC (Converted) Loan	647,044	647,044	647,044
TOTAL	132,215,454	132,215,454	128,215,454

NOTE-7: LOAN FROM ICB & ITS LED CONSORTIUM BANK

	1994	1993	1992
Bridge loan from ICB	14,800,000	14,800,000	14,800,000
Principal Loan	12,247,000	12,247,000	12,247,000
Interest adjustment	2,183,000	2,183,000	2,183,000
Underwriting commission	370,000	370,000	370,000
Bridge loan from Sonali Bank	1,361,600	1,361,600	1,361,600
Principal Loan	1,191,823	1,191,823	1,191,823
Interest adjustment	135,737	135,737	135,737
Underwriting commission	34,040	34,040	34,040
Bridge loan from Janata Bank	1,332,000	1,332,000	1,332,000
Principal Loan	1,085,580	1,085,580	1,085,580
Interest adjustment	213,120	213,120	213,120
Underwriting commission	33,300	33,300	33,300
Bridge loan from Agrani Bank	1,332,000	1,332,000	1,332,000
Principal Loan	1,085,580	1,085,580	1,085,580
Interest adjustment	213,120	213,120	213,120
Underwriting commission	33,300	33,300	33,300
Bridge loan from BSB	1,006,000	1,006,000	1,006,000
Principal Loan	819,890	819,890	819,890
Interest adjustment	160,960	160,960	160,960
Underwriting commission	25,150	25,150	25,150
Bridge loan from BSRS	592,000	592,000	592,000
Principal Loan	482,480	482,480	482,480
Interest adjustment	94,720	94,720	94,720
Underwriting commission	14,800	14,800	14,800
Bridge loan from NBL	198,000	198,000	198,000
Principal Loan	163,845	163,845	163,845
Interest adjustment	29,205	29,205	29,205
Underwriting commission	4,950	4,950	4,950
TOTAL LOAN	20,621,600	20,621,600	20,621,600

NOTE-8: SPONSORS BRIDGE LOAN

	1994	1993	1992
Mr. A.K.M. Azizur Rahman	3,800,000	3,800,000	3,800,000
Mrs. Rosy Rahman	1,352,900	1,352,900	1,352,900
Mr. Bazilur Rahman	3,825,000	3,825,000	3,825,000
TOTAL:	8,977,900	8,977,900	8,977,900

NOTE-9: MANUFACTURING ACCOUNT SONARGAON TEXTILES LIMITED

	1994 Tk.	1993 Tk.	1992 Tk.
Opening WIP			