

## Jubilant Golden Harvest Limited

Auditor's Report & Financial Statements  
as at and for the year ended 31 March 2021

### **S. F. AHMED & CO.**

Chartered Accountants since 1958  
House # 51 (2<sup>nd</sup> floor), Road # 9, Block F,  
Banani, Dhaka 1213, Bangladesh  
Phones: (880-2) 9870957, 9872584; Fax: (880-2) 55042314  
E-mails: (i) sfaco@dhaka.net; (ii) sfaco@sfahmedco.com



WE ARE AN INDEPENDENT MEMBER OF  
THE GLOBAL ADVISORY  
AND ACCOUNTING NETWORK



**Independent Auditor's Report to the Shareholders of Jubilant Golden Harvest Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Jubilant Golden Harvest Limited (the Company), which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 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) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 financial statements that give a true and fair view 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 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 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.

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.



WE ARE AN INDEPENDENT MEMBER OF  
**THE GLOBAL ADVISORY  
AND ACCOUNTING NETWORK**



- 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 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 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 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 achieves fair presentation.

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.


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### 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 explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

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/Enrolment No. 471  
 DVC Number : 2105090471AS952561  
 Date : 04 May 2021





Jubilant Golden Harvest Limited  
Statement of Financial Position  
As at 31 March 2021

	Notes	Amount in BDT	
		31 March 2021	31 March 2020
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	7	110,635,790	88,427,143
Capital work-in-progress	8	17,565,298	11,533,205
Right to use asset	9	110,871,004	106,966,466
Intangible assets	10	44,334,833	50,822,449
Other assets	11	4,140,208	360,583
Security deposits	12	7,967,007	3,942,554
Deferred tax assets	13	4,798,548	279,306
Total non-current assets		<u>300,312,688</u>	<u>262,331,705</u>
Current assets			
Inventories	14	9,089,833	11,656,768
Advances, deposits and prepayments	15	16,647,875	15,820,350
Trade & other receivables	16	1,759,397	2,896,235
Investment in FDR	17	81,930,777	131,100,000
Cash and cash equivalents	18	8,803,770	9,613,262
Total current assets		<u>118,231,652</u>	<u>171,086,614</u>
<b>TOTAL ASSETS</b>		<u><u>418,544,340</u></u>	<u><u>433,418,319</u></u>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity			
Share Capital	19	328,945,840	328,945,840
General Reserve		(765,440)	(765,440)
Share Money Deposit		3	3
Retained Earnings	20	(102,287,574)	(74,477,287)
Total shareholders' equity		<u>225,892,829</u>	<u>253,703,115</u>
Non-current liabilities			
Lease obligation	21	110,937,231	101,751,077
Total non-current liabilities		<u>110,937,231</u>	<u>101,751,077</u>
Current liabilities			
Trade and other payables	22	62,684,733	64,375,536
Accruals and provisions	23	8,451,780	4,602,419
Short term lease liabilities	24	10,577,766	8,986,173
Total current liabilities		<u>81,714,279</u>	<u>77,964,126</u>
Total Liabilities		<u>192,651,511</u>	<u>179,715,204</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>418,544,340</u></u>	<u><u>433,418,319</u></u>

The accompanying notes form an integral part of this financial statement and are to be read in conjunction therewith.



Director




Managing Director



Signed in terms of our separate report of even date annexed.

Dated, Dhaka;  
04 May 2021

  
S.F. Ahmed & Co.  
Chartered Accountants  
DVC No. 2105090471AS952561

Jubilant Golden Harvest Limited  
Statement of profit or loss and other comprehensive income  
For the year ended 31st March 2021

	Note	Amount in BDT	
		1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020
Revenue	30	192,406,406	204,982,000
Cost of goods sold	31	54,679,185	77,798,305
Gross profit		<u>137,727,222</u>	<u>127,183,695</u>
Operating expenses			
Administrative & general expenses	32	139,411,942	129,922,567
Selling and distribution expenses	33	22,544,691	19,160,686
Total Administrative & Selling expenses		<u>161,956,632</u>	<u>149,083,253</u>
Profit from operation		(24,229,410)	(21,899,558)
Other income	35	8,417,911	4,993,318
Interest expense on leases	34	11,345,967	7,392,307
Net profit before tax		<u>(27,157,467)</u>	<u>(24,298,547)</u>
Current tax expenses	36	4,603,062	5,544,709
Deferred tax expense / (income)	37	(4,519,242)	(279,306)
Income tax expenses		<u>83,820</u>	<u>5,265,403</u>
Net profit after tax		<u>(27,241,287)</u>	<u>(29,563,950)</u>
Other comprehensive income			
Reimbursement of defined benefit obligations	38	(569,000)	-
Total comprehensive income		<u>(27,810,287)</u>	<u>(29,563,950)</u>
Earnings per share for the year (BDT)	39	<u>(0.83)</u>	<u>(1.41)</u>

*The accompanying notes form an integral part of this financial statement and are to be read in conjunction therewith.*


  
Director

  
Managing Director

*Signed in terms of our separate report of even date annexed.*



Dated, Dhaka;  
04 May 2021

  
S.F. Ahmed & Co.  
Chartered Accountants  
DVC No. 2105090471AS952561



Jubilant Golden Harvest Limited  
Statement of Changes in Equity  
For the year ended 31st March 2021

*Amount in BDT*

Particulars	Share capital	Share money deposits	General Reserve	Retained earnings	Total
Balance at 1 April 2019	100,000,000		-	(44,913,337)	55,086,663
Issuance of ordinary shares	228,945,840	3	-	-	228,945,843
Adjustment on leases	-	-	(765,440)	-	(765,440)
Net profit/(loss) after tax	-	-	-	(29,563,950)	(29,563,950)
<b>Balance at 31 March 2020</b>	<b>328,945,840</b>	<b>3</b>	<b>(765,440)</b>	<b>(74,477,287)</b>	<b>253,703,116</b>
Balance at 1 April 2020	328,945,840	3	(765,440)	(74,477,287)	253,703,116
Issuance of ordinary shares	-	-	-	-	-
Other Comprehensive income (Reimbursement of defined benefit obligation)	-	-	-	(569,000)	(569,000)
Net profit/(loss) after tax	-	-	-	(27,241,287)	(27,241,287)
<b>Balance at 31 March 2021</b>	<b>328,945,840</b>	<b>3</b>	<b>(765,440)</b>	<b>(102,287,574)</b>	<b>225,892,829</b>



**Jubilant Golden Harvest Limited**  
**Statement of Cash Flows**  
**For the year ended 31st March 2021**

	Amount in BDT	
	1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020
<b>A. Cash Flows from Operating Activities</b>		
Profit Before Tax	(27,157,467)	(24,298,547)
Adjustments for Non-Cash Item:		
Depreciation & Amortisation Expense	41,704,471	35,384,766
Finance Cost	11,345,967	7,392,307
Other Income	(8,417,911)	(4,993,318)
Operating surplus before changes in working capital	<u>17,475,061</u>	<u>13,485,208</u>
Decrease / (Increase) in Inventories	2,566,934	(5,158,699)
Decrease / (Increase) in Advances, Deposits & Prepayments	(401,627)	(8,251,925)
Decrease / (Increase) in Security Deposits	(4,024,453)	(3,846,554)
Decrease / (Increase) in Other Assets	(3,779,625)	(360,583)
Decrease / (Increase) in Deferred Tax Assets		(279,306)
Decrease / (Increase) in Trade Receivables	(358,427)	(1,918,226)
Increase / (Decrease) in Trade & Other Payables	(1,690,802)	(36,375,542)
Increase / (Decrease) in Short term Lease Obligations	1,591,593	8,986,173
Increase / (Decrease) in Accruals & Provisions	3,280,361	(372,621)
Less: Interest Paid	-	-
Less: Corporate Tax Paid	(5,028,960)	(5,265,403)
Net cash flows from Operating Activities	<u>9,630,055</u>	<u>(39,357,478)</u>
<b>B. Cash Flows from Investing Activities</b>		
Purchase Non-Current Assets	(40,507,281)	(52,593,566)
Purchase for Capital Work In Progress	(6,032,093)	(10,786,099)
Payment for acquiring Right of Use Assets	(20,821,323)	(124,742,496)
Other Income	9,913,176	4,993,318
Decrease / (Increase) in Fixed Deposit	49,169,223	(131,100,000)
Net Cash used in Investing Activities	<u>(8,278,298)</u>	<u>(314,228,843)</u>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from issue of share capital (including securities premium)	-	228,945,840
Addition of Lease Liabilities	39,906,155	110,898,343
Repayment of Lease Liabilities	(30,721,437)	-
Finance Cost Paid	(11,345,967)	(7,392,307)
Net Cash flows from Financing Activities	<u>(2,161,249)</u>	<u>332,451,876</u>
Net Increase in Cash and cashequivalents during the year (A+B+C)	(809,492)	(21,134,445)
Cash and cash equivalents at beginning of the year	9,613,262	30,747,707
Cash and cash equivalents at end of the year	<u>8,803,770</u>	<u>9,613,262</u>





**Jubilant Golden Harvest Limited**  
**Notes to the financial statements**  
**As at and for the period ended 31 March 2021**

1 Reporting entity

1.1 Company Profile

Jubilant Golden Harvest Limited was incorporated under the Companies Act (Act XVIII) of 1994 and that the Company as a Private Limited Company vide Reg. no. C-142100/2017 Dated: December 21, 2017.

1.2 Nature of Business

To set up and operate food service businesses including chain of cafes, restaurants, kiosks, food counters, caterers and eating house to make, serve, trade and create industry in different cities to provide ready foods to customers of different varieties, to operate food delivery business through various mediums of delivery and through digital applications and to act as manufactures, distributors and dealers of ready-to-serve food and to grant sub-franchise. To manufacture, process, buy, sell, export, import or otherwise deal in all kinds of food items including but not limited to quality Italian, Western, Indian, Arabian, Local and fusion savoury and sweet food, meals, fast-food and desert, soft drinks, caffeinated drinks, mineral water and other non-alcoholic beverages and all kinds of allied products and to establish, obtain and maintain land, building, factories, stores, shops, plant, machinery and equipment for processing, canning, packaging of food.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and as per the requirements of the Companies Act 1994.

International Financial Reporting Standards (IFRSs) comprise:

- a) International Financial Reporting Standards;
- b) International Accounting Standards; and
- c) Interpretations

The title and format of financial statements follow the requirements of IFRS which are to some extent different from the requirement of Companies Act 1994; however, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

The Company also complies with amongst others, the following laws and regulations:

The Income Tax Ordinance 1984  
The Income Tax Rules 1984  
The Value Added Tax Act 1991  
The Value Added Tax Rules 1991

2.2 Date of authorisation

The financial statements were authorized for issue by the Board of Directors on 04 May 2021.

2.3 Reporting period

These financial statements have been prepared for the period from 01 April 2020 to 31 March 2021.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk) which is both functional currency and presentation currency of the Company. The amounts in these financial statements have been rounded off to the nearest Taka.





## 2.5 Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## 3 Basis of measurement

The financial statements have been prepared on historical cost basis except inventories which is measured at lower of cost and net realisable value on each reporting date.

## 4 Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow:

- A Revenue
- B Inventories
- C Property, plant and equipment
- D Capital work in progress
- E Financial instruments
- F Impairment
- G Advance, deposits and prepayments
- H Share capital
- I Income tax
- J Statement of cash flows
- K Foreign currency
- L Provisions
- M Contingencies
- N Leases
- O Going concern
- P Events after reporting period

### A Revenue

Revenue arising from the sale of goods should be recognised when all of the following criteria have been satisfied:

- a) the significant risks and rewards of ownership transferred to the buyer.
- b) Buhler retains no control and managerial involvement over the goods sold.
- c) the amount of revenue can be measured reliably.
- d) it is probable that the economic benefits associated with the transaction will flow to the seller, and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For revenue arising from the rendering of services, provided that all of the following criteria are met:

- a) the amount of revenue can be measurable reliable through agreement or correspondence.
- b) it is probable that the economic benefits will flow to the seller;
- c) service performance confirmation by service receiver.
- d) the costs incurred, or to be incurred, in respect of the transaction can be measured reliably.

### B Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



C Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation. Cost include the expenditure directly attributable to acquisition of assets. Property plant and equipment are catagorized separately and they have separate useful life as per their catagory.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is charged based on straight line method. Depreciation is charged from the month of acquisition if it is in usable condition. No depreciation is charged in the month of disposal.

D Capital work in progress

Property, plant and equipment that is in the process of construction/acquisition/import is accounted for as capital work in progress until construction/acquisition/import is completed and measured at cost.

E Financial instruments

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and at amortised cost.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

The Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.





## Financial assets through other comprehensive income

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognised in other comprehensive income (OCI) and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

### (iii) Non-derivative financial liabilities – measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

## F Impairment

### (a) *Financial assets*

The company considers evidence of impairment for financial assets at both a specific asset and collective asset level at each reporting date. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor will enter bankruptcy, etc. accordingly, 100% provision is made over the amount outstanding.

### (b) *Non-financial assets*

The carrying amounts of the company's non-financial assets (tangible and intangible) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any).

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## G Advance, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment etc.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

## H Share capital

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

## I Income tax

Income tax expenses comprises current and deferred tax. It is recognised in profit and loss except to the extent that relates to an item recognised directly in equity or in other comprehensive income (OCI).

### (i) Current tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The applicable tax rate for the Company is currently 35% (unlisted private company) in respect of other than 82C related income as per Income Tax Ordinance 1984.





(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rate enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or there tax assets and liabilities will be realised simultaneously. The company is a loss making entity and it is not certain from when the company will generate profit as a result deferred tax assets and liabilities are not recognised.

J Statement of cash flows

Cash flow statement has been prepared in accordance with the International Accounting Standard (IAS) 7: Cash flow statement. Cash flows from operating activities have been presented under indirect method.

K Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Companies at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognised in profit or loss.

L Provisions

Provisions are recognised at the reporting date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

M Contingencies

Contingencies arising from claims, litigation assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset should not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.





N Leases

i. The company is the lessee

The company identifying a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use

The right of use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate

ii. The company is the lessor

The company shall classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease. The company recognises finance income over the lease term of a finance lease, based on a pattern reflecting a constant periodic rate of return on the net investment.

O Going concern

The company has adequate resources to continue its operation for the foreseeable future. For this reasons, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

P Events after the reporting period

Events after the reporting date that provide additional information about the company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

There is no material events that had occurred after the reporting date to the date of issue of financial statement which could effect the figures stated in the accounts.



Jubilant Golden Harvest Ltd.  
Property, plant and equipment  
As at 31 March 2021

5 Property, plant and equipment

SL.	Particulars	COST				Depreciation			W.D.V. Balance as on 31- March-2021
		Balance as on 01- April-2020	Addition	Disposal/ Adjustment	Balance as on 31- March-2021	Depreciation	Disposal/ Adjustment	Balance as on 31- March-2021	
A	Furniture & Fixtures	6,479,418	1,140,140		7,619,558	617,297	1,106,949	1,724,246	5,895,312
B	Leasehold Improvement	46,220,254	14,504,917		60,725,171	4,713,219	5,947,257	10,660,476	50,064,695
C	Office Equipment	2,563,498	139,305		2,702,803	340,646	414,212	754,858	1,947,945
D	Plant & Machinery	37,099,639	18,957,928		56,057,567	3,140,890	4,565,220	7,706,110	48,351,457
F	Vehicles	5,871,400	783,580		6,654,980	995,014	1,283,585	2,278,599	4,376,381
	Total as on 31.03.2021	98,234,209	35,525,870	-	133,760,079	9,807,066	13,317,223	23,124,289	110,635,790
	Total as on 31.03.2020		48,465,701		98,234,209		8,740,442	9,807,066	88,427,143

6 Intangible assets

SL.	Particulars	COST				Depreciation			W.D.V. Balance as on 31- March-2021
		Balance as on 01- April-2020	Addition	Disposal/ Adjustment	Balance as on 31- March-2021	Depreciation	Disposal/ Adjustment	Balance as on 31- March-2021	
A	Software	10,059,420	2,436,661		12,496,081	2,334,459	981,845	3,316,304	9,179,777
B	Store opening fee and territory fees	53,252,980	2,544,750		55,797,730	10,155,492	10,487,181	20,642,673	35,155,057
	Total as on 31.03.2021	63,312,400	4,981,411	-	68,293,811	12,489,951	11,469,026	23,958,977	44,334,834
	Total as on 31.03.2020		4,981,411		63,312,400		11,469,026	12,489,951	50,822,449

unchising Inc. and amortised over 05 years in line with the group policy.





		Amount in BDT	
		31 March 2021	31 March 2020
7	Property, plant and equipment		
	Fixed Assets-Leasehold Improvement	60,725,171	46,220,254
	Fixed Assets-Plant & Machinery	56,057,568	37,099,639
	Fixed Assets-Vehicles	6,654,980	5,871,400
	Fixed Assets-Office Equipment	2,702,803	2,563,498
	Fixed Assets-Furniture & Fixtures	7,619,557	6,479,418
	Accu Dep-LHI	(10,660,476)	(4,713,219)
	Accu Dep-P&M	(7,706,110)	(3,140,890)
	Accu Dep-Vehicles	(2,278,599)	(995,014)
	Accu Dep-Off Eqp	(754,858)	(340,646)
	Accu Dep-Furn & Fix	(1,724,246)	(617,297)
		<u>110,635,790</u>	<u>88,427,143</u>
8	Capital work-in-progress		
	CWIP-LHI	81,387	2,031,195
	CWIP-P&M	17,484,871	9,090,262
	CWIP-Vehicles	(2)	0
	CWIP-Off Eqp	(958)	383,842
	Cons-Plant & Machinery	-	390
	Pre Operative Expenses	-	27,516
		<u>17,565,298</u>	<u>11,533,205</u>
9	Right to use assets		
	Right of use asset	143,789,850	122,968,527
	Security Deposit- On Advance Rental	1,546,734	1,546,734
	Security Deposit- On Advance Rental S term	227,235	227,235
	Accu Dep on ROU	(34,692,816)	(17,776,030)
		<u>110,871,004</u>	<u>106,966,466</u>
10	Intangible assets		
	Fixed Assets-Intangibles	68,293,811	63,312,400
	Amort Res-Intangible	(23,958,978)	(12,489,951)
		<u>44,334,833</u>	<u>50,822,449</u>
11	Other assets		
	Adv.to Capital Creditors	3,097,231	360,583
	Prov for Capital Exp	1,042,977	-
		<u>4,140,208</u>	<u>360,583</u>
12	Security deposits		
	Security Deposit (Rent)	9,923,220	5,778,620
	Security Deposit- Present Value	3,365,354	3,365,354
	Security Deposit Adjustment Account	(5,321,567)	(5,201,420)
		<u>7,967,007</u>	<u>3,942,554</u>
13	Deferred tax assets		
	Deferred Tax Assets	4,798,548	279,306
		<u>4,798,548</u>	<u>279,306</u>
14	Inventories		
	Inventories-Raw Material	7,210,489	5,959,736
	Inventories-Packing Material	730,503	1,658,259
	Inventories-Consumables	472,750	1,180,569
	Inventories-Semifinished	(0)	1,037,954
	Inventories-Cleaning	345,641	290,834
	Inventories-Uniform	780,178	1,008,133
	Inventories-Printing & Stationary	181,401	197,432
	Inventories-Beverages	282,335	323,851
	Stock Transfer	(913,464)	-
		<u>9,089,833</u>	<u>11,656,768</u>







Amount in BDT	
31 March 2021	31 March 2020

23	Accruals and provisions		
	Prov -Leave Encshmnt	3,200,000	1,423,000
	Provision Short term Leave Encaseme	625,000	443,000
	Prov-Compensation Allow	3,404,000	1,549,000
	Provision Provident fund (Employee Part)	243,103	335,504
	Provision Provident Fund (Company Contribution)	899,677	643,915
	Prov for Qtr Close	-	-
	Provision for Audit fees	80,000	208,000
		<u>8,451,780</u>	<u>4,602,419</u>
24	Short term lease liabilities		
	Lease Liability Short term	10,577,766	8,986,173
		<u>10,577,766</u>	<u>8,986,173</u>



25 Related party transactions

25.1 Parent and ultimate controlling party

Jubilant FoodWorks Limited, holds 51% shares in the Company. As a result, the ultimate controlling party of the company is Jubilant FoodWorks Limited

25.2 Transactions with key management personnel

Loans to directors

During the period, no loan was given to the directors of the Company.

25.3 Other related party transactions

During the period, the company carried out a number of transactions with related parties. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS 24: Related party disclosures.

Name of Company	Name of relationship	Name of transactions	Balance outstanding as at	Transaction values for the year/ period ended	Balance outstanding as at
			1 April 2020 (TK)	31 March 2021 (TK)	31 March 2021 (TK)
Golden Harvest QSR Ltd.	Associate	Intercompany advance	105,001	-	105,001
Golden Harvest Agro Industries Ltd.	Sister Concern	Intercompany advance	22,860	-	22,860
Golden Harvest Ice Cream Ltd.	Sister Concern	Intercompany advance	216,926	-	216,926
Golden Harvest Foods Ltd.	Sister Concern	Intercompany advance	396,586	-	396,586

26 Guarantees and commitments

As at 31 March 2021, the company had no guarantees

27 Contingent liabilities and commitments

27.1 Contingent liabilities

There is no contingent liability as at 31 March 2021 for the company

27.2 Capital commitments

There is Tk 30.97 Lakh capital commitments as at 31 March 2021 for the company

28 Particulars of employee

During the period ended 31 March 2021, there were 167 employees who received salary of Tk 36,000 or above per year

29 Events after the reporting period

There is no material events that had occurred after the reporting date to the date of issue of financial statement





		Amount in BDT	
		1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020
30	Revenue		
	Prepared Food	179,858,914	186,911,799
	Prepared Beverage	6,153,433	15,059,743
	Non Prepared Beverage	1,582,979	844,849
	Non Prepared Side Other	4,157,649	1,271,870
	Discount On Sale Of Coupons	-	(145,412)
	Mkt- Fund Coke	653,432	1,039,151
		<u>192,406,406</u>	<u>204,982,000</u>
31	Cost of Goods Sold		
	Cost of Sales (Raw Materials)	51,512,948	74,001,992
	Cost of Sales (Beverages)	3,166,237	3,796,314
		<u>54,679,185</u>	<u>77,798,305</u>
32	Administrative & general expenses		
	Salary, allowances and bonus	43,766,682	36,765,532
	Gratuity	1,286,000	1,549,000
	Employer Contribution-PF	255,762	549,555
	Staff welfare Expense	6,036,020	7,769,427
	Depreciation & Amortisation	42,196,978	35,612,000
	Cleaning and maintenance	3,660,142	4,410,692
	Rent Expense	9,371,186	4,974,919
	Power and Fuel	6,260,293	4,408,746
	Repair and Maintenance	3,578,464	1,433,126
	Rates & Taxes	-	35,802
	Insurance Expense	340,067	263,308
	Food Testing Expense	376,156	515,174
	Franchisee Expenses	9,831,799	12,245,285
	Travelling and conveyance	706,984	2,656,197
	Security Expenses	724,318	2,377,149
	Housekeeping Expenses	717,010	813,572
	Legal Advisory Fees	3,802,913	5,190,306
	Postage, Telephones and Telegrams	1,976,274	1,593,813
	Printing & Stationary	685,830	1,079,824
	Uniform Expenses	262,924	787,571
	Audit Fees	185,000	208,000
	Bank Charges	1,717,686	837,436
	Miscellaneous expenses	1,673,454	3,846,133
		<u>139,411,942</u>	<u>129,922,567</u>
33	Selling & distribution expenses		
	Freight Expense	2,582,644	3,171,589
	Advertising & Publicity expenses	12,603,131	10,498,561
	Packing Material	7,358,916	5,490,536
		<u>22,544,691</u>	<u>19,160,686</u>
34	Interest expense on leases		
	Interest exp on lease liability	11,345,967	7,392,307
		<u>11,345,967</u>	<u>7,392,307</u>
35	Other income		
	Interest Income-Fixed Deposit	7,054,051	4,828,181
	Other Income	991,500	-
	Interest Income on Security Deposit	372,360	165,137
		<u>8,417,911</u>	<u>4,993,318</u>



36	Current tax expenses		
	Income Tax Expenses	4,603,062	5,544,709
		<u>4,603,062</u>	<u>5,544,709</u>
37	Deferred tax expense / (income)		
	Deferred Tax Expenses	(4,519,242)	(279,306)
		<u>(4,519,242)</u>	<u>(279,306)</u>
38	Other Comprehensive Income		
	Reimbursement of defined benefit obligations	(569,000)	-
		<u>(569,000)</u>	<u>-</u>
	Actuarial Valuation of Compensation Allowance		
	Assets / Liabilities		
	Defined Benefit Obligations (DBO)	3,404,000	1,549,000
	Fair Value of Planned Assets (FVA)	-	-
	Funded Status (Surplus / Deficit)	<u>3,404,000</u>	<u>1,549,000</u>
	Defined Benefit Cost		
	Service Cost	(1,147,000)	-
	Defined Benefit Cost recognised in P&L	(1,286,000)	-
	Remeasurements recognised in OCI	(569,000)	-
39	Earnings per share (EPS)		
	Net profit during the year	(27,241,287)	(29,563,950)
	Weighted average number of share outstanding (note IS-9.1)	32,894,584	20,914,130
	Earnings per share (EPS)	<u>(0.83)</u>	<u>(1.41)</u>
39.1	Weighted average number of share		
	Number of share outstanding for the year	32,894,584	20,914,130
		<u>32,894,584</u>	<u>20,914,130</u>

