

# Half Yearly Results 2011

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Statement of Financial Position as at 30 June 2011 (Unaudited)		30 June 2011	31 December 2010
	Note	'000 Taka	'000 Taka
<b>Assets</b>			
<b>Non-current assets:</b>			
Property, plant and equipment	2	1,177,140	1,043,552
Intangible assets	3	3,967	4,766
Investment in subsidiary	4	20	20
<b>Total non-current assets</b>		<b>1,181,127</b>	<b>1,048,338</b>
<b>Current assets:</b>			
Inventories	5	544,693	361,478
Trade debtors	6	145,916	200,103
Advances, deposits and prepayments	7	131,535	117,641
Cash and cash equivalents	8	1,014,170	1,074,414
<b>Total current assets</b>		<b>1,836,314</b>	<b>1,753,636</b>
<b>Total assets</b>		<b>3,017,441</b>	<b>2,801,974</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' equity:</b>			
Share capital		152,183	152,183
Revaluation reserve		20,174	20,174
General reserve		2,049,966	1,823,141
<b>Total equity</b>		<b>2,222,323</b>	<b>1,995,498</b>
<b>Non-current liabilities:</b>			
Employee benefits	9	72,641	114,392
Deferred tax liabilities	10	66,725	64,939
Other non-current liabilities	11	169,903	165,646
<b>Total non-current liabilities</b>		<b>309,269</b>	<b>344,977</b>
<b>Current liabilities:</b>			
Trade creditors	12	81,507	59,360
Expense creditors and accruals	13	165,983	206,801
Sundry creditors	14	82,427	55,237
Provision for taxation (net of advance tax payment)		155,932	140,101
<b>Total current liabilities</b>		<b>485,849</b>	<b>461,499</b>
<b>Total liabilities</b>		<b>795,118</b>	<b>806,476</b>
<b>Total equity and liabilities</b>		<b>3,017,441</b>	<b>2,801,974</b>

The annexed notes 1 to 16 form an integral part of these financial statements.

  
 Erphan Shehabul Matin  
 Managing Director

  
 M Nazmul Hossain  
 Finance Director

Statement of Comprehensive Income for the half year ended 30 June 2011 (unaudited)		January to 30 June 2011	January to 30 June 2010	April to 30 June 2011	April to 30 June 2010
	Note	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Revenue		1,856,177	1,534,458	938,076	781,988
Cost of sales		(1,097,123)	(878,644)	(561,421)	(438,912)
<b>Gross profit</b>		<b>759,054</b>	<b>655,814</b>	<b>376,655</b>	<b>343,076</b>
Operating expenses		(316,175)	(242,559)	(163,154)	(130,629)
<b>Profit from operations</b>		<b>442,879</b>	<b>413,255</b>	<b>213,501</b>	<b>212,447</b>
Gain on disposal of property, plant and equipment		2,461	1,341	331	1,341
Interest income, net		37,650	30,873	23,283	14,667
<b>Profit before taxation</b>		<b>482,990</b>	<b>445,469</b>	<b>237,115</b>	<b>228,455</b>
Taxation	16	(125,015)	(113,804)	(61,672)	(61,835)
<b>Net profit for the period</b>		<b>357,975</b>	<b>331,665</b>	<b>175,443</b>	<b>166,620</b>
<b>Earnings per share:</b>					
Basic earnings per share (par value Tk10)		23.52	21.79	11.53	10.95

The annexed notes 1 to 16 form an integral part of these financial statements.



Erphan Shehabul Matin  
 Managing Director



M Nazmul Hossain  
 Finance Director

<b>Statement of Changes in Equity</b>				
for the half year ended on 30 June 2011 (unaudited)				
	Share capital	Revaluation reserve	General reserve	Total
	'000 Taka	'000 Taka	'000 Taka	'000 Taka
Balance as at 1 January 2010	152,183	20,174	1,666,177	1,838,534
Other comprehensive income/(loss)	-	-	(1,013)	(1,013)
Payment of final dividend for 2009	-	-	(117,181)	(117,181)
Profit earned during the period	-	-	331,665	331,665
<b>Balance as at 30 June 2010</b>	<b>152,183</b>	<b>20,174</b>	<b>1,879,648</b>	<b>2,052,005</b>
Balance as at 1 January 2011	152,183	20,174	1,823,141	1,995,498
Other comprehensive income/(loss)	-	-	21,033	21,033
Payment of final dividend for 2010	-	-	(152,183)	(152,183)
Profit earned during the period	-	-	357,975	357,975
<b>Balance as at 30 June 2011</b>	<b>152,183</b>	<b>20,174</b>	<b>2,049,966</b>	<b>2,222,323</b>

Statement of Cash Flow for the half year ended 30 June 2011 (unaudited)	January to 30 June 2011	January to 30 June 2010
	'000 Taka	'000 Taka
<b>Cash flow from operating activities</b>		
Receipts from sales	1,910,364	1,533,961
Other receipts	31,447	3,854
Payments for supply of goods and services	(1,584,339)	(1,298,561)
Net interest received	35,432	45,973
Income tax paid	(107,398)	(117,452)
	<b>285,506</b>	<b>167,775</b>
<b>Cash flow from investing activities</b>		
*Payment for acquisition of property, plant and equipment	(197,798)	(22,527)
Proceeds from sale of property, plant and equipment	4,231	1,494
	<b>(193,567)</b>	<b>(21,033)</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(152,183)	(117,181)
	<b>(152,183)</b>	<b>(117,181)</b>
Net increase in cash during the period	(60,244)	29,561
Opening cash and cash equivalents	1,074,414	1,116,875
Closing cash and cash equivalents	<b>1,014,170</b>	<b>1,146,436</b>

**1 Selected explanatory note:**

BOC Bangladesh Limited (the "Company") is a listed Company limited by shares and was incorporated in Bangladesh in 1973 under the Companies Act 1913. The Company became a listed entity with Dhaka Stock Exchange and Chittagong Stock Exchange in 1976 and 1996 respectively. The address of the registered office is 285 Tejgaon I/A, Dhaka-1208, Bangladesh. It is a direct subsidiary of The BOC Group Limited of United Kingdom. The entire shares of the BOC Group Limited fully owned by Linde AG, a German company.

The Company's principal activities are the manufacturing and supplying of industrial and medical gases, welding equipment and products, anesthesia and ancillary equipments. The Company also earns rentals from cylinders used by the customers and from vacuum insulated evaporators installed at customers premises.

**Notes to the Accounts**

for the half year ended 30 June 2011 (unaudited)

	As at 30 June 2011 '000 Taka	As at 31 December 2010 '000 Taka
<b>2 Property plant and equipment</b>		
Opening balance	1,043,552	922,735
Addition during the period/year	197,798	260,408
Disposal during the period/year	(1,770)	(6,822)
Depreciation during the period/year	(62,440)	(132,769)
	<b>1,177,140</b>	<b>1,043,552</b>
<b>3 Intangible assets</b>		
At 1 January	4,766	5,876
Addition during the period/year	-	498
Amortisation during the period/year	(799)	(1,608)
Closing balance	3,967	4,766
Intangible assets represent application software related to information services. Application software have been recognised as intangible assets as per provisions of Bangladesh Accounting Standard 38.		
<b>4 Investment in subsidiary</b>		
Investment in Bangladesh Oxygen Limited	20	20
This represents the Company's holding of 199 ordinary shares of Tk 100 each in Bangladesh Oxygen Limited.		
<b>5 Inventories</b>		
Raw materials	253,579	157,262
Finished goods	108,543	77,590
Goods in transit	107,854	55,486
Maintenance spares	74,717	71,140
	<b>544,693</b>	<b>361,478</b>

In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose quantities against each item.



Notes to the Accounts for the half year ended 30 June 2011 (unaudited)	As at 30 June 2011 '000 Taka	As at 31 December 2010 '000 Taka
<b>6 Trade debtors</b>		
Debts exceeding six months	65,332	81,701
Debts below six months	111,898	130,639
	177,230	212,340
Provision for debts considered doubtful	(31,314)	(12,237)
	<b>145,916</b>	<b>200,103</b>

As per policy of the Company where a debt is overdue by 90 days or 180 days, provision for doubtful debts is made at the rates of 50% and 100% respectively.

<b>7 Advances, deposits and prepayments</b>		
Loans and advances to employees	43,323	41,448
Advances to suppliers	21,403	7,992
Accrued interest on fixed deposit	15,863	13,645
Deposits and prepayments	28,247	27,950
VAT current account	22,699	26,606
	<b>131,535</b>	<b>117,641</b>

Above amounts are unsecured and considered good. Of the total advances, deposits and prepayments Tk. 91,891 thousand (2010: Tk 79,467 thousand) is receivable within 12 months from the date of the reporting period.

<b>8 Cash and cash equivalents</b>		
Cash in hand	1,249	826
Cash at bank	212,921	273,588
Fixed deposits with bank	800,000	800,000
	<b>1,014,170</b>	<b>1,074,414</b>

<b>9 Employee benefits</b>		
Pension fund	-	27,538
Gratuity Scheme	72,641	86,854
	72,641	114,392
Gratuity scheme:		
Gratuity payable at 1 January	86,854	72,050
Provision during the period	9,160	23,027
	96,014	95,077
Payment during the period	(23,372)	(8,223)
	<b>72,641</b>	<b>86,854</b>

Gratuity payable represents total liabilities of the Company on account of employee Gratuity Scheme.

	As at 30 June 2011 '000 Taka	As at 31 December 2010 '000 Taka
<b>10 Deferred Tax</b>		
At 1 January	64,939	71,071
Charge/( release) during the period/year for reversal of timing difference	1,786	(6,132)
	<b>66,725</b>	<b>64,939</b>
Deferred tax have been calculated in full in all temporary turning differences using effective current tax rate for the Company.		
<b>11 Other non current liability</b>		
Cylinder security deposit	169,903	165,646
Cylinder security deposit from customers is a liability of continuing nature.		
<b>12 Trade creditors</b>		
Payable to vendors	81,507	59,360
Trade creditors are unsecured and payable within a month.		
<b>13 Expense creditors and accruals</b>		
Salaries, wages and retirement benefits	41,618	41,172
Technical assistance fee	35,792	45,901
Accrued expenses	42,577	48,293
Other creditors	20,563	23,719
Workers' profit participation fund	25,433	47,716
	<b>165,983</b>	<b>206,801</b>
<b>14 Sundry creditors</b>		
Deposit and advance from customers	36,708	45,195
Unpaid dividends	40,804	8,247
Others	4,915	1,795
	<b>82,427</b>	<b>55,237</b>
<b>15 Bank guarantees and commitments</b>		
(a) Bank guarantees provided to customers, utility services and disputed VAT	51,250	33,426
(b) Outstanding letter of credits	556,548	475,600
	<b>607,798</b>	<b>509,026</b>
	<b>30 June 2011</b>	<b>30 June 2010</b>
	<b>'000 Taka</b>	<b>'000 Taka</b>
<b>16 Taxation</b>		
Current tax expenses	(123,229)	(128,456)
Deferred tax income ( Note - 10)	(1,786)	14,652
	<b>(125,015)</b>	<b>(113,804)</b>



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