



**Queen South Textile Mills Limited  
and Its Subsidiary**

**Auditor's Report  
&  
Audited Financial Statements**

for the year ended 30 June 2024

**Queen South Textile Mills Limited and Its Subsidiary**  
Financial Statements  
For the year ended on June 30, 2024

**TABLE OF CONTENT**

<b>SL NO.</b>	<b>Particulars</b>	<b>Page No.</b>
01	Auditors Report	01-08
02	Statements of Financial Position	09
03	Statements of Profit or Loss and Other Comprehensive Income	10
04	Statement of Change of Equity	11
05	Statements of Change of Cash flows	12
06	Notes of the Financial Statements and Annesures	13-33

**Independent Auditor's Report  
To The Shareholders of Queen South Textile Mills Limited  
Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of **Queen South Textile Mills Limited** and its subsidiary as well as the separate financial statements of **QS Widex Solar (BD) Limited** (the Company), which comprise the consolidated and separate statement of financial position as at 30 June 2024, 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 ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion,, except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the accompanying consolidated and separate financial statements of the Company give a true and fair view of the consolidated and separate financial position of the Group and the separate financial position of the Company as at 30 June 2024, and of 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), the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws and regulations.

**Basis for Qualified Opinion**

- Refer to note -5.00, the property, plant & equipment calculation of depreciation doesn't comply with IAS-16.
- Refer to note no 2.16, We continued our attention to the fact from last audited report that the company did not yet introduce fund for WPPF purpose with retrospective effect & thereby no initiative to that effect was observed in the Financial Statements until the date of signing. The matter concerns to the rule no. 212 of the Bangladesh Labor Rules 2015 & section no. 232 of the Bangladesh Labor Law 2006 (amended 2013).

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 requirement that are relevant to our audit of the 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 opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters are discussed below together with an explanation of how the risk and our audit response were tailored to address these specific areas.

Please refer to **Annexure: 1 Key Audit Matters (KAM) for illustrative purposes.**

Key audit matter description	How the scope of our audit responded to the key audit matter.
<b>Property, plant and Equipment</b>	
<p>The carrying value of the PPE amounted to <b>Tk. 790,659,211.00</b> as at 30 June, 2024. There is a risk of:</p> <ul style="list-style-type: none"> <li>• determining which costs meet the criteria for capitalization;</li> <li>• determining the date on which the assets is recognized to property, plant and equipment and depreciation commences;</li> <li>• the estimation of economic useful lives and residual values assigned to Fixed asset.</li> </ul> <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p> <p>See note no. 5 for details.</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment included the following:</p> <ul style="list-style-type: none"> <li>• We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>• We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals.</li> <li>• We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate.</li> <li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> </ul>

	<ul style="list-style-type: none"> <li>We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to make it ready for use, with the date of the completion of the work.</li> </ul>
<b>Revenue Recognition</b>	
<p>The Company has reported sales revenue of <b>Tk. 4,309,024,566.00</b></p> <p>All of the Company's sales are made under sales invoice, delivery challan. It's products primarily comprise sale of sewing thread. Revenue is recognized at the point of delivery from Factory.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As all sales are translated from USD currency to BDT, there is a risk that foreign exchange gain/loss might not be correctly recognized in the Financial Statements.</p> <p>See note no. 21 for details.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 "Revenue from contracts with customers"</li> <li>Tested the internal control over financial reporting. We also assessed the existence and accuracy of the sales recorded;</li> <li>We performed analytical test to understand how the revenue has trended over the year among other parameters, we performed a detailed substantive testing on transactions around the year end to ensure revenues were recognized in the correct accounting period. We also tested journal entries focusing on sales transactions;</li> <li>Verified VAT return with General Ledger.</li> <li>We obtained supporting documents for sales, transactions recorded during the year; and</li> <li>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>
<b>Valuation of Receivables</b>	
<p>The Company has accounts receivable of <b>Tk. 2,089,324,831.00</b> as at 30 June 2024.</p> <p>Accounts receivable of the company comprise mainly receivables regarding the sale of yarns which is secured by Letter of Credit (L/C).</p>	<p>Our substantive procedures in relation to the assessing valuation of receivable comprises the following:</p> <ul style="list-style-type: none"> <li>Obtained a list of outstanding receivables;</li> <li>Reconciliation of receivables ageing to general ledger;</li> </ul>

See note no. 8 for details.	<ul style="list-style-type: none"> <li>• Conducting cut-off testing at the year-end;</li> <li>• Reviewing subsequent receipt of receivables balance.</li> </ul>
<b>Valuation of Inventories</b>	
<p>The amount of inventory is <b>Tk. 2,589,356,911.00</b> as at 30 June, 2024 which amounted to 44.55% of the total assets. As per IAS 2, inventories are required to be valued at the lower to cost and net realizable value. Cost of inventories includes purchase cost and cost incurred in bringing inventories to its present location and condition. IAS 2 specifically prohibits certain costs from being excluded from the cost of inventories.</p> <p>SIL values its inventories using the weighted average method which is a complex process and prone to errors and manipulation. Due to the complex nature of accounting for inventories, there is an increased risk of misstatement in valuation of inventory items.</p> <p>IAS 2 defines inventories as assets which are: (a) held for sale in the ordinary course of business, (b) in the process of production for such sale, (c) in the form of materials or supplies to be consumed in the production process or rendering of services. There was therefore a risk that assets which do not meet the definition of inventories have been improperly classified as inventory items.</p> <p>See note no. 7 for details.</p>	<p>We obtained assurance over relevance and appropriateness of management's assumptions applied in calculating the value of the inventories by:</p> <ul style="list-style-type: none"> <li>• We observed SIL's year-end inventory count, performed test counts and reconciled count sheet records to inventory valuation report in order to verify the existence of inventories reported in the accounts;</li> <li>• We tested the purchase costs of a sample of inventory items by inspecting invoices;</li> <li>• We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2;</li> <li>• We assessed the movement of inventories and analyzed whether closing inventories were valued using the weighted average method;</li> <li>• Testing, on a sample basis the stock expiry dates and the market price used in assessing the net realizable values of inventories of the related supporting documents.</li> <li>• Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.</li> </ul>
<b>Measurement of deferred tax liability</b>	
<p>The net deferred tax liability is <b>Tk. 51,037,978.00</b> as at 30 June, 2024.</p> <p>Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We carried out the following substantive testing for this item</p> <ul style="list-style-type: none"> <li>• We checked deferred tax expenses and liabilities in the financial statements and calculation and records;</li> <li>• We obtained an understanding, evaluated the design and tested the operational</li> </ul>

See Annexure-G for details.	effectiveness of the controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Company's future taxable income.
	<ul style="list-style-type: none"> <li>We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities.</li> </ul>
	<ul style="list-style-type: none"> <li>We also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.</li> </ul>
<b>Capital Work in Progress</b>	
The Company's assets held under capital work in progress as on the closing date are amounted to BDT <b>120,230,400.00</b> equivalent to 13.2% of total non-current assets. Due to the high value of transactions, utilization of IPO proceeds, terms and valuation of these assets, it was significant to our audit.	Our audit procedures to address the risk of material misstatement relative to capital work in progress includes obtaining understanding of the internal control over capital work in progress, assessing the risk of material misstatement. Our audit procedures address the risk material statement relating to capital work in progress to the financial statements included:
See note no. 06 for details.	<ul style="list-style-type: none"> <li>Obtaining and assessing the movement of the capital work in progress.</li> </ul>
	<ul style="list-style-type: none"> <li>Verifying the records to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work in progress.</li> </ul>
	<ul style="list-style-type: none"> <li>Verifying the supporting documents with reference to the underlying contractor bills, work orders, certification of work performed by expert personal, comparison of the progress and the cost incurred up-to-date with the budgets, policy and plan.</li> </ul>
	<ul style="list-style-type: none"> <li>Reconciling the movement of capital working progress from opening to closing, specially verifying additions during the year and transfer to Property, Plant and Equipment during the year.</li> </ul>
	<ul style="list-style-type: none"> <li>Verify the dates on which the assets are moved from the capital work in progress account to the fixed assets so that the</li> </ul>

	<p>depreciation on fixed assets may be computed correctly, and;</p> <ul style="list-style-type: none"> <li>● Site visit and physical observation of the work on-going for capital work in progress.</li> </ul>
<b>Bank Loan</b>	
<p>The company reported short-term &amp; long term loan Tk. <b>1,507,825,007.00</b> &amp; <b>711,638,443.00</b> respectively in the statement of financial position at the reporting date.</p> <p>The above borrowing were considered as key audit matter because this external form of credit facilities availed by the company required fulfillment of several terms and conditions as mentioned in sanction letter issued by lending bank. Any non-compliance with those stipulated terms and conditions might result in subsequent withdrawal and pose a threat to ongoing operation of the company. Besides, risk of material misstatement also lies due to non-disclosure of all those terms and conditions in the financial statements.</p> <p>See note no. 14 &amp; 16 for details.</p>	<p>Our substantive audit procedures adopted during the audit includes the following test or details.</p> <ul style="list-style-type: none"> <li>● Inspecting relevant board minutes in support of bank loan reported in the financial statements.</li> <li>● Tracing existence and completeness of reported borrowings with supporting evidence such as sanction letters, loan certificates and statements.</li> <li>● Sending out and obtaining confirmation from the lenders.</li> <li>● Recalculating and testing accuracy and completeness of finance costs charged by the company during the year with corresponding loan statements provided by bank.</li> </ul>

**Other Information:**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

However, in connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified in the Annual Report as & when it becomes available and, in doing so, consider whether the other information is materially



*inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.*

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **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 International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the consolidated and separate 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 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 judgment 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 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 consolidated and separate 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 consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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. However, documentation process need be strengthened further.

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.

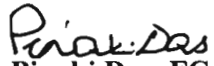
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report 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 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 purpose 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 Company and so far as it appeared from our examination of these books;
- c) The consolidated and separate statement 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; and
- d) The expenditure incurred was for the purposes of the Company's business.


Place: Dhaka, Bangladesh  
Dated:  
DVC: N/A

  
**Pinaki Das, FCA**  
Senior Partner  
ICAB Enrollment Number: **0151**  
FRC Enlistment No.: CA-001-133  
**Pinaki & Company**  
Chartered Accountants  
FRC Firm Enlistment No.: CAF-  
001-113

**Queen South Textile Mills Limited and Its Subsidiary**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2024**

Particulars	Notes	Amount in Taka	
		30-Jun-2024	30-Jun-2023
<b>Assets:</b>			
<b>Non-current assets</b>		<b>910,889,611</b>	<b>999,110,073</b>
Property, plant and equipment	5	790,659,211	839,619,457
Capitan Work in Progress	6	120,230,400	159,490,616
<b>Current assets:</b>		<b>4,902,713,062</b>	<b>4,345,660,448</b>
Inventories	7	2,589,356,911	2,595,814,143
Trade and other receivables	8	2,089,424,831	1,551,126,956
Advances, deposits and prepayments	9	168,278,190	118,108,515
Investments-FDR	10	13,638,082	11,161,246
Cash & Cash Equivalent	11	42,015,048	69,449,588
<b>Total Assets</b>		<b>5,813,602,672</b>	<b>5,344,770,521</b>
<b>Equity and liabilities</b>			
<b>Shareholder's equity</b>			
Share capital	12	1,526,014,390	1,526,014,390
Retained earnings	13	871,737,251	867,155,558
		<b>2,397,751,641</b>	<b>2,393,169,948</b>
Non-Controlling Interest	27	381,198	-
		<b>2,398,132,839</b>	<b>2,393,169,948</b>
<b>Non-current liabilities</b>		<b>762,676,421</b>	<b>508,809,279</b>
Long-term borrowing	14	711,638,443	456,096,959
Deferred tax liability		51,037,978	52,712,320
<b>Current liabilities</b>		<b>2,652,793,412</b>	<b>2,442,791,295</b>
Trade and other payables	15	843,194,143	901,656,432
Current portion of long term borrowing		90,214,264	150,977,292
Short-term borrowing	16	1,507,825,007	1,272,935,398
Liabilities for Expenses	17	134,289,712	81,351,892
Dividend Payable/Unpaid Dividend	18	2,943,782	2,343,678
Income Tax provision	19	74,326,505	33,526,603
<b>Total liabilities</b>		<b>3,415,469,833</b>	<b>2,951,600,573</b>
<b>Total Equity and Liabilities</b>		<b>5,813,602,672</b>	<b>5,344,770,521</b>
<b>NAVPS (Net Assets Value Per Share)</b>	<b>20</b>	<b>15.71</b>	<b>15.68</b>

The accompanying notes from 1 to 34 are an integral part of these financial statements.

  
 Chief Financial Officer    Company Secretary    Director    Managing Director    Chairman  
 Lee Hung    Jammy Boss    Tommy Boss

Signed in terms of our separate report of same date.

  
**Pinaki Das FCA**  
 Senior Partner

ICAB Enroll. No. 151

FRC Enlistment No.: CA-001-133

**Pinaki & Company**

Chartered Accountants

FRC Firm Enlistment No.: CAF-001-113

Place : Dhaka, Bangladesh

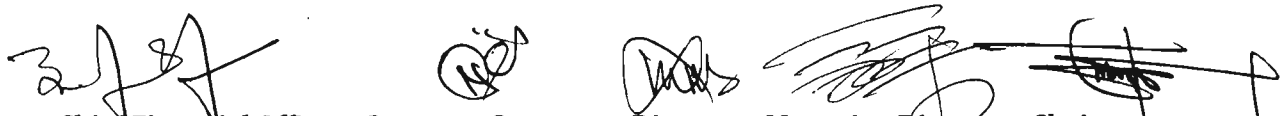
Date: 31 October 2024

DVC: N/A

**Queen South Textile Mills Limited and Its Subsidiary**  
**Consolidated Statement of Profit or Loss and Other Comprehensive**  
**For the year ended 30 June 2024**


Particulars	Note	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
Revenue	21	4,309,024,566	5,094,716,340
Cost of Sales	22	(3,831,206,169)	(4,534,782,952)
<b>Gross Profit</b>		<b>477,818,397</b>	<b>559,933,388</b>
Foreign Currency Gain/(Loss)		(3,121,878)	(60,078,317)
Other Income	21.01	564,152	183,319
<b>Operating Expenses:</b>		<b>(146,049,821)</b>	<b>(139,753,242)</b>
Distribution Costs	23	(18,269,772)	(18,149,038)
Administrative Expenses	24	(127,780,049)	(121,604,204)
<b>Operating profit</b>		<b>329,210,850</b>	<b>360,285,147</b>
Financial Expenses	25	(244,088,821)	(195,351,612)
<b>Net profit before tax</b>		<b>85,122,029</b>	<b>164,933,535</b>
Income tax expenses	26	(39,359,436)	(41,070,939)
<b>Net Profit / (Loss) during the year</b>		<b>45,762,593</b>	<b>123,862,597</b>
<b>Profit attributable to:</b>			
Owner of the Company		46,361,395	123,862,597
Non-Controlling Interest	27	(598,802)	-
<b>Net Income for the year</b>		<b>45,762,593</b>	<b>123,862,597</b>
<b>Basic &amp; Diluted Earnings per share</b>	28	<b>0.30</b>	<b>0.81</b>

The accompanying notes from 1 to 34 are an integral part of these financial statements.

  
**Chien Financial Officer    Company Secretary    Director    Managing Director    Chairman**  
*Lee Hung    Jimmy Boss    Tommy Boss*

Signed in terms of our separate report of same date.

Place : Dhaka, Bangladesh  
Date: 31 October 2024  
DVC: N/A

  
**Pinaki Das FCA**  
Senior Partner  
ICAB Enroll. No. 151  
FRC Enlistment No.: CA-001-133  
**Pinaki & Company**  
Chartered Accountants  
FRC Firm Enlistment No.: CAF-001-113

**Queen South Textile Mills Limited and Its Subsidiary**  
**Consolidated Statement of Changes in Equity**  
For the year ended 30 June 2024

Particulars	Share Capital	Retained Earnings	Total	Non-Controlling Interest	Total
Balance at 01 July 2023	1,526,014,390	867,155,558	2,393,169,948	-	2,393,169,948
Share Capital ( 49% of QS widex solar (BD) Limited	-	-	-	980,000	980,000
Cash Dividend		(41,779,702)	(41,779,702)	-	(41,779,702)
Net profit for the period	-	46,361,395	46,361,395	(598,802)	45,762,593
<b>Balance at 30 June 2024</b>	<b>1,526,014,390</b>	<b>871,737,251</b>	<b>2,397,751,641</b>	<b>381,198</b>	<b>2,398,132,839</b>

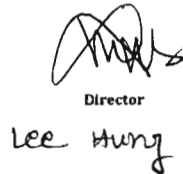
**Queen South Textile Mills Limited**  
**Consolidated Statement of Changes in Equity**  
For the year ended 30 June 2023

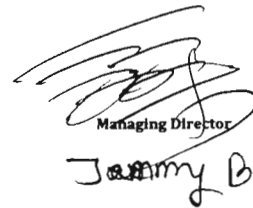
Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2022	1,439,636,220	870,066,621	2,309,702,841
Stock Dividend	86,378,170	(86,378,170)	-
Cash Dividend		(86,378,173)	(86,378,173)
Add: Adjustment for Dividend		45,982,683	45,982,683
Net profit for the period		123,862,597	123,862,597
<b>Balance at 30 June 2023</b>	<b>1,526,014,390</b>	<b>867,155,558</b>	<b>2,393,169,948</b>

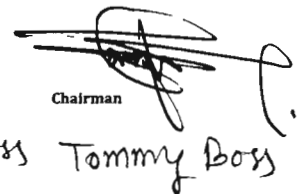
The accompanying notes from 1 to 34 are an integral part of these financial statements.

  
Chief Financial Officer

  
Company Secretary

  
Director  
Lee Hung

  
Managing Director  
Jimmy Boss

  
Chairman  
Tommy Boss



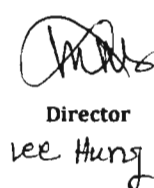
**Queen South Textile Mills limited and Its Subsidiary**  
**Statement of Cash Flows**  
For the year ended 30 June 2024

Particulars	Notes	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
<b>A. Cash flows from operating activities:</b>			
Cash received from customer & other income	29	4,161,352,198	5,192,405,699
Cash Paid to Suppliers, employees and others expenses	30	(3,953,906,011)	(4,427,799,265)
Income Tax Paid/Deducted at Source		(41,111,239)	(65,832,266)
<b>Net Cash provided by operating activities</b>		<b>166,334,948</b>	<b>698,774,168</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of property, plant and Equipment		(54,893,517)	(58,282,492)
Capital Work in Progress		39,260,216	(159,490,616)
Investments-FDR		(557,652)	(171,909)
<b>Net Cash used in investing activities</b>		<b>(16,190,953)</b>	<b>(217,945,017)</b>
<b>C. Cash flows from financing activities:</b>			
Financial Expenses		(243,494,438)	(194,527,176)
Short term bank loan (paid)/Received		23,656,264	(206,146,136)
Dividend Payment		(35,536,070)	(33,884,266)
Non-Controlling Interest		980,000	-
Long Term Bank Loan (paid)/Received		90,089,984	(67,236,846)
Outstanding IPO Subscription Paid		-	(100,000)
<b>Net Cash from financing Activities</b>		<b>(164,304,260)</b>	<b>(501,894,424)</b>
<b>Net Decrease in cash &amp; cash equivalents (A+B+C)</b>		<b>(14,160,266)</b>	<b>(21,065,272)</b>
Unrealized Foreign Exchange Gain/(Loss)		(13,274,275)	1,704,717
Cash & cash equivalents at the beginning of the period		69,449,588	88,810,143
<b>Cash &amp; cash equivalents at the end of the period</b>		<b>42,015,048</b>	<b>69,449,588</b>
<b>Net Operating Cash Flow per share</b>	<b>31</b>	<b>1.09</b>	<b>4.58</b>

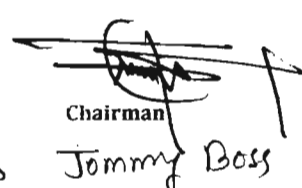
The accompanying notes from 1 to 34 are an integral part of these financial statements.

  
Chief Financial Officer

  
Company Secretary

  
Director  
Lee Hung

  
Managing Director  
Jimmy Boss

  
Chairman  
Jimmy Boss



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**1 Legal form of the enterprise**

Queen South Textile Mills Ltd (herein after referred to as the holding company) was incorporated as a private limited company in Bangladesh on 15th June, 2003 under the Companies Act- 1994 and the registration number is C-49529(11513)/2003. It is a 100% foreign owned company. The company went into commercial operation on 1st June 2005. The company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on 7th January 2018 and company's shares are publicly traded on 13th March 2018.

QS Widex Solar (BD) Limited (hereinafter referred to as the subsidiary Company), a Private Company with limited liability by shares was incorporated in Bangladesh on March 4, 2024 vide Registration Number C-194037 under the Companies Act 1994. The company was formed with the objectives of conducting the business of generating, accumulating & distributing of Solar energy. But intended business operation of the company has not commenced yet.

**Address of registered office of the company and factory of the company**

The address of the registered office is at plot No. 85-88, Extension Area, Dhaka Export processing Zone, Savar, Dhaka, Bangladesh. The company is carrying out its production activities on factory premises constructed on leased land from EPZ.

**Nature of business**

Queen South Textile Mills Limited is a 100% export oriented company engaged in dyeing of yarn for consumption by sweater industry through local LC (Deemed Export). Queen South Textile Mills Ltd. set up business establishment in the export -processing zone, Dhaka.

**2 Basis of preparation**

**Significant Accounting Policy for the presentation of the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate financial statements and reporting**

This comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and other explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Accounting Standards (IASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at reporting date. Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

**2.02 Fundamental accounting concepts/ assumptions**

The financial statements have been prepared based on Going concern assumption, Consistency concept, Accrual basis and such other convention as required by IAS-1 for fair presentation of financial statements.





**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**2.03 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.

**2.04 Compliance with IAS & IFRS**

The following IAS is applicable to the financial statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting policies , Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting period
IAS 12	Income Taxes
IAS 16	Property, Plant And Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 33	Earnings Per Share
IAS 36	Impairment of Assets
IAS 37	Provision , Contingent Liabilities and Contingent Assets

The following IFRS is applicable to the financial statements for the year under review:

IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 15	Revenue From Contracts with Customers
IFRS 16	Leases

**2.05 Reporting period**

The period of the financial statements covers from 01 July 2023 to 30 June 2024

**2.06 Authorization for issue**

The Financial Statements have been authorized for issue by the board of directors on 31 October 2024

**2.07 Events after the reporting period.**

Events after the reporting period are those events, favorable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period)

During the reporting period ,no such event occurred as per the above mentioned IAS.

**2.08 Functional and presentational (Reporting) currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka), Which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

**2.09 Comparative information and rearrangement thereof**

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolodated financial statements**  
**For the year ended 30 June 2024**

**2.10 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are revised when there is material impact on the financial results of the company.

**2.10.1 Regulatory Compliance**

The financial Statements have been prepared in compliance with the following  
 The Companies Act, 1994  
 The Bangladesh Securities and Exchange Rule 1987  
 The Bangladesh Securities and Exchange Commission Act 1993.  
 The Income Tax Act, 2023  
 The Value Added Tax (VAT) Act, 1991  
 The Custom Act 1969

**2.11 Summary of significant accounting policies**

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in prior periods.

For a proper understanding of the financial statements, these accounting policies are set out in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

**2.12 Recognition of tangible fixed assets**

Tangible assets have been stated at cost less accumulated depreciation (Written down value). The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended used. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and the net sales proceeds.

**2.13 Depreciation of tangible fixed assets**

Depreciation on all fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life from the date when the corresponding assets are available for use as per management intention. No depreciation have been charged after the date of retirement.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

<u>Category of fixed assets</u>	<u>Rate of depreciation (%)</u>
Machinery & Equipment	15%
Building	5%
Furniture and fixture	20%
Office equipment	25%
Electrical Installation	5%
Vehicles	20%
Right of Use (Asset)	



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**2.14 Revenue recognition**

Revenue is recognised to the extent that, it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

The specific recognition criteria described below must also be met before revenue is recognised.

**2.15 Identifying the contract**

An entity shall account for a contract with a customer with a customer that is within the scope of this standard only when all of the following criteria are met:

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per IFRS-15. Revenue is recognized when the parties to the contract have approved the contract and are committed to perform their respective obligations, the entity can identify each party's rights and payment terms regarding the goods or services to be transferred, the contract has commercial substance, the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents, L/Cs and invoices to customers.

**2.16 Employee Benefits:**

The company maintains defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective agreements/trust deeds.

The company has accounted for and disclosed employee benefits in compliance with the provision of IAS 19 : Employee Benefits

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

The company's employee benefits include the following.

**Defined Contribution Plan (provident fund)**

The company got recognition from commissioner of Taxes its provident fund scheme (Defined Contribution Plan) vide order no: bw\_ bs - Av - 4/Kt At - 4/2007-2008/ for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute to the provident fund and the company also makes equal contribution.

**Workers Profit Participation Fund:**

As per Bangladesh Labour Law 2006, amendment 2013, Chapter 15, Section 232 the company does not maintain Workers Profit Participation Fund (WPPF) for their workers as because Now the company operating EPZ labour ACT 2019, February 28 and as per clause no.174, Section XV we don't need to maintain WPPF until government enforce and instruct to comply the rules. Once government instructs us to deduct @0.03% to maintain the fund the company shall follow accordingly.

**2.17 Accrued expenses and other payables**

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

**2.18 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Average Cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**2.19 Cash and Cash Equivalents**

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was no significant risk of changes in value of the same.

**2.2 Statements of Cash Flows:**

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.

**2.21 Accounting Policies, Changes in Accounting Estimates and Errors:**

Changes in accounting policies:

An entity shall change an accounting policy only if the change:

(a) is required by an IFRS; or

(b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, Financial performance or cash flows.

**2.22 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**2.23 Income-tax expense**

In pursuance of section 44(4) (b) of the Income Tax Ordinance, 1984 (XXXVI of 1984) and cancelling the notification No. SRO 289- Ain /89, dated 17 August 1989, all industries operation in the Export processing zones of Bangladesh have been exempted from payment of income tax for a period of 10 years from an industry goes into commercial production. The tax holiday period of the company expired on June 30, 2015

**Current Tax:**

Income tax is calculated and provision is made in compliance with the provisions of Finance Act 2018 and the Income Tax Ordinance 1984.

**Deferred tax**

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

**2.24 Foreign Currency Transaction:**

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

(a) Foreign currency monetary items are translated using the closing rate.

(b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.

(c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**4.00 Financial Instruments**

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

**Financial assets:**

Financial assets of the company include cash and cash equivalents, accounts receivable, other receivables and equity instrument of another entity. The company initially recognized receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

**Financial liability:**

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payable for expense, liability for capital expenditure and other current liabilities.

**4.01 Earnings Per Share**

This has been calculated in compliance with the requirement of IAS-33 : Earnings per share by dividing the net earnings attributable to the share holders by the weighted average number of ordinary shares outstanding during the year.

Basic Earnings per share (Numerator / Denominator)

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents weighted average number of ordinary share outstanding during the year.

**Diluted Earnings per share**

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company. Hence, Diluted EPS of the company is same as basic EPS.

**4.02 Impairment of Assets:**

**I) Financial Assets**

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. 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 flow of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. No such impairment has been raised till the reporting date.

**II) Non-Financial assets**

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognised immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset shall be treated as a revaluation decrease. No such impairment has been raised till the reporting date.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**4.03 Provision , Contingent Liabilities and Contingent Assets :**

Contingent Liabilities and Contingents Assets are present or possible obligations or on liabilities or assets , arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability. In accordance with IAS-37 .

**4.04 Intangible Assets**

In Compliance with the requirements of IAS, 38 Intangible Assets '

The following terms are used in this Standard with the meanings pecified:

Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

An asset is a resource:

- (a) controlled by an entity as a result as past events; and
- (b) From which future economic benefits are expected to flow to the entity.

An intangible asset shall be recognised if , and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and
- (b) the cost of the asset can be measured reliably

**4.05 Fianancial statements comprises:**

(a) Consolidated Statement of Financial PositionAs at 30 June 2024

(b) Consolidated Statement of Profit or Loss and Other Comprehensive IncomeFor the year ended 30 June 2024

( c) Statement of Changes in Equity For the year ended 30 June 2024

(d) Statement of Cash FlowsFor the year ended 30 June 2024

(e) Notes, comprising a summary of significant accounting policies and other explanatory information.

**4.06 Risk exposure**

**Interest rate risk**

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

**Management perception**

The Company maintains low debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant. Moreover maximum debts are interest free.

**Exchange rate risk**

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate increases against local currency, opportunity arises for generating more profit.

**Management perception**

The products of the company are sold mostly in US\$ currency and the transaction would settle within very short period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

**Industry risks**

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

**Management perception**

Management is optimistic about growth opportunity in textile sector in Bangladesh. Furthermore there is untapped international market.

**Market risks**

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

**Management perception**

Management is fully aware of the market risk, and act accordingly. Market for textile products in Bangladesh is growing at an exponential rate. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

**Operational risks**

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

**Management perception**

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks and also takes preventive measures therefore.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

**Management perception**

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**as at 30 June 2024**

Notes No.	Particulars	(Amount in BDT)	
		30 June 2024	30 June 2023
<b>5</b>	<b>Property, plant and equipment</b>		
	<b>Cost:</b>		
	Opening Balance	2,148,351,418	2,090,068,926
	Addition during the period	54,893,517	58,282,492
	Disposal during the period	-	-
		<b>2,203,244,935</b>	<b>2,148,351,418</b>
	<b>Less: Accumulated Depreciation:</b>		
	Opening Balance	1,308,731,960	1,194,453,571
	Charged during the period	103,853,764	114,278,389
	Adjustment during the period	-	-
		<b>1,412,585,724</b>	<b>1,308,731,960</b>
	<b>Written Down Value</b>	<b>790,659,211</b>	<b>839,619,457</b>
	Included in above PPE, Building, and machineries are mortgaged with banks. The details have been shown in Annexure: A		
<b>6</b>	<b>Capitan Work in Progress</b>		
	Machinery & Equipment	120,230,400	159,490,616
		<b>120,230,400</b>	<b>159,490,616</b>
<b>7</b>	<b>Inventories</b>		
	Raw materials	1,745,613,828	1,825,979,727
	Work-in-process	228,849,819	131,324,468
	Finished goods	396,660,964	366,638,647
	Dyes & Chemicals	193,930,271	207,109,191
	Spares & Accessories	24,302,028	64,762,109
		<b>2,589,356,911</b>	<b>2,595,814,143</b>
<b>8</b>	<b>Trade and other receivables</b>		
	Accounts Receivable	2,089,424,831	1,551,126,956
	Interest Receivable from FDR	-	-
		<b>2,089,424,831</b>	<b>1,551,126,956</b>
<b>9</b>	<b>Advances, deposits and prepayments</b>		
	Advances	113,875,907	59,708,499
	Deposits	49,845,176	54,299,016
	Prepayments	4,557,107	4,101,000
		<b>168,278,190</b>	<b>118,108,515</b>
	<b>Advances of QS Widex Solar (BD) Limited :</b>		
	Advances	360,000	-
	<b>Consolidated Advances, deposits and prepayments</b>	<b>168,638,190</b>	<b>-</b>

\*\* All advances and deposits and prepayment amount are considered good and realizable.





**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**as at 30 June 2024**

Notes No.	Particulars	(Amount in BDT)	
		30 June 2024	30 June 2023
<b>10</b>	<b>Investments-FDR:</b>		
	Woori Bank-FDR A/C #9230076351	13,638,082	11,161,246
		<b>13,638,082</b>	<b>11,161,246</b>
<b>11</b>	<b>Consolidated Cash &amp; Cash Equivalent</b>		
	Consolidated Cash in hand	4,222,922	15,573,481
	Consolidated Cash at Banks	37,792,126	53,876,107
		<b>42,015,048</b>	<b>69,449,588</b>
<b>11.1</b>	<b>Cash at Banks</b>		
	Standard Chartered-Taka A/C-01-6500560-01	-	2,835,550
	Standard Chartered-USD A/C-01-6700772-01	-	219,978
	Woori Bank-OBU USD A/C-92-30107-57	-	-
	Woori Bank USD A/C-92-30107-60	46,638	1,494,087
	Woori Bank-Taka A/C-92-30107-75	416,768	1,686,222
	Bangladesh Commerce Bank	10,000	10,000
	Premier bank FC A/C-010215200000898	29,506,883	34,409,196
	Premier Bank Taka A/C-010211100015599	4,930,076	44,873
	Woori Bank- Taka NDA	132,112	1,641,405
	Prime Bank-OBU USD A/C-11-0000-10	82,817	70,886
	Prime Bank-DBU USD A/C-124-511800084-41	256,878	220,008
	Prime Bank-TK A/C-124-110500084-40	50,881	51,572
	Midland Bank Limited. Taka	34,162	2,617
	HSBC Bank -OBU USD A/C	-	1,246,709
	HSBCDBU	230,248	-
	HSBC Bank -Taka A/C	495,656	559,222
	Dutch Bangla Bank-DBU A/C-Taka	198,052	9,070,355
	Dhaka Bank-OBU USD A/C-099-1125-0000003-47	9,994	8,553
	Woori Bank -MOB Account	90	78
	Sundry Deposit-Prime Bank	-	-
	Prime Bank-TK A/C-IPO	182,801	183,451
	Prime Bank-EURO A/C-IPO	20,003	20,003
	Prime Bank-GBP A/C-IPO	-	-
	Prime Bank-USD A/C-IPO	101,192	101,342
		<b>36,705,251</b>	<b>53,876,107</b>
	<b>Bank Accounts of QS Widex Solar (BD) Limited :</b>		
	Premier Bank 0102 11100016325 QS Widex	1,086,875	-
		<b>1,086,875</b>	-
	<b>Consolidated Cash At Bank</b>	<b>37,792,126.00</b>	-
<b>12</b>	<b>Share capital</b>		
	Authorized capital:	<b>2,000,000,000</b>	<b>2,000,000,000</b>
	20,00,00,000 Ordinary shares of Taka 10 each		
	<b>Issued, subscribed and paid up</b>		
	Opening Share Capital	1,526,014,390	1,439,636,220
	Add: Stock Dividend	-	86,378,170
	Closing Share Capital	<b>1,526,014,390</b>	<b>1,526,014,390</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**as at 30 June 2024**

Notes No.	Particulars	(Amount in BDT)	
		30 June 2024	30 June 2023
<b>13</b>	<b>Retained Earnings</b>		
	Retained Earnings Opening Balance	867,155,558	870,066,621
	Less: Stock Dividend	-	(86,378,170)
	Less: Cash Dividend	(41,779,702)	(86,378,173)
	Add: Adjustment for Dividend	-	45,982,683
	Add: Net profit during the period	46,361,395	123,862,597
	Retained Earnings Closing Balance	<b>871,737,251</b>	<b>867,155,558</b>
<b>14</b>	<b>Long-term borrowing</b>		
	Lease Liability-ROU	17,997,191	18,278,275
	HSBC Bank Ltd.	313,785,531	180,560,566
	IDLC lease Finance	8,390,074	13,068,706
	Loan from Shareholders(Annexure-E)	461,679,910	395,166,703
		<b>801,852,706</b>	<b>607,074,250</b>
	Less: Current Portion of Long Term Loan		
	HSBC Bank Ltd.	84,516,300	53,361,330
	IDLC Lease Finance	4,464,000	4,464,000
	Loan from Shareholders	-	91,989,763
	Lease Liability-ROU	1,233,964	1,162,199
		<b>90,214,264</b>	<b>150,977,292</b>
		<b>711,638,443</b>	<b>456,096,959</b>
<b>15</b>	<b>Trade and other payables</b>		
	Trade Payables	817,965,294	876,561,105
	Other Payables	25,228,849	25,095,327
		<b>843,194,143</b>	<b>901,656,432</b>
<b>16</b>	<b>Short term borrowing</b>		
	Woori Bank Limited (TR)	344,359,659	282,396,564
	Premier Bank Limited (TR)	505,709,709	159,432,935
	HSBC	360,170,600	442,862,885
	Premier Bank Limited (O/D)	240,551,758	193,387,670
	Woori Bank Limited (O/D)	57,033,281	42,876,591
	Midland Bank (O/D)	-	151,978,753
		<b>1,507,825,007</b>	<b>1,272,935,398</b>
<b>17</b>	<b>Liabilities for Expenses</b>		
	Salaries, Wages & Allowances	60,711,518	19,501,597
	Utilities Payable	53,636,507	53,230,675
	Vehicle Rent & Expenses	342,567	342,567
	ETP Expenses BEPZA	8,739,852	3,229,390
	Godown rent	276,001	12,000
	Audit Fees	589,501	517,251
	Liability for employee Tax	503,858	361,788
	Liability for supplier VAT and Tax	4,071,678	1,887,969
	PF subscription	3,766,786	1,348,673
	Others	889,367	919,982
		<b>133,527,635</b>	<b>81,351,892</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**as at 30 June 2024**

Notes No.	Particulars	(Amount in BDT)	
		30 June 2024	30 June 2023
	<b>Liabilities for Expenses of QS Widex Solar (BD) Limited :</b>	<b>762077</b>	<b>-</b>
	<b>Consolidated Liabilities for Expenses</b>	<b>134,289,712</b>	<b>-</b>
<b>18</b>	<b>Dividend Payable</b>		113,796
	Dividend Payable	2,943,782	2,343,678
		<b>2,943,782</b>	<b>2,343,678</b>
<b>19</b>	<b>Income Tax provision</b>		
	Opening Balance	33,526,603	28,765,381
	Add: Provision during the year	41,033,778	45,610,624
	Less: Adjustment/Paid during the year	(233,876)	(40,849,402)
	Total	<b>74,326,505</b>	<b>33,526,603</b>
<b>20</b>	<b>NAVPS (Net Assets Value Per Share)</b>		
	No of shares to calculate Net Asset Value Per Share	<b>152,601,439</b>	<b>152,601,439</b>
	Shareholder's equity	2,397,751,641	2,393,169,948
	<b>NAVPS (Net Assets Value Per Share)</b>	<b>15.71</b>	<b>15.68</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

Note	Particulars	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
<b>21</b>	<b>Revenue</b>		
	Export Sales	4,309,024,566	5,094,716,340
		<b>4,309,024,566</b>	<b>5,094,716,340</b>
<b>21.01</b>	<b>Other Income</b>		
	Bank Interest FDR-Premier Bank	4,022	580
	Bank Interest-Prime Bank	457	-
	FDR Interest-Woori Bank	559,673	182,739
		<b>564,152</b>	<b>183,319</b>
<b>22</b>	<b>Cost of Sales</b>		
	Yarn consumed (Note-22.01)	2,772,818,185	3,319,416,136
	Dyes & Chemicals Consumed (Note 23.02)	345,802,195	369,362,470
	Manufacturing expenses (Note-22.03)	840,133,456	788,438,224
	<b>manufacturing costs for the period</b>	<b>3,958,753,837</b>	<b>4,477,216,829</b>
	Opening work in progress	131,324,468	258,008,230
	Closing work in progress	(228,849,819)	(131,324,468)
	<b>Cost of goods manufactured</b>	<b>3,861,228,486</b>	<b>4,603,900,592</b>
	Finished goods (Opening)	366,638,647	297,521,008
	Finished goods (Closing)	(396,660,964)	(366,638,647)
		<b>3,831,206,169</b>	<b>4,534,782,952</b>
<b>22.01</b>	<b>Yarn consumed</b>		
	Opening stock	1,825,979,727	1,448,744,755
	Purchase during the period	2,692,452,286	3,696,651,107
	<b>Raw materials available for consumption</b>	<b>4,518,432,013</b>	<b>5,145,395,863</b>
	Closing stock	(1,745,613,828)	(1,825,979,727)
	<b>Raw materials consumed</b>	<b>2,772,818,185</b>	<b>3,319,416,136</b>
<b>22.02</b>	<b>Dyes &amp; Chemical consumed</b>		
	Opening stock	207,109,191	261,858,009
	Purchase during the period	332,623,275	314,613,652
	<b>Dyes &amp; Chemicals available for consumption</b>	<b>539,732,467</b>	<b>576,471,661</b>
	Closing stock	(193,930,271)	(207,109,191)
	<b>Dyes &amp; Chemicals consumed</b>	<b>345,802,195</b>	<b>369,362,470</b>
<b>22.03</b>	<b>Factory Overhead</b>		
	Utility Bills-BEPZA	201,941,115	182,997,899
	Wages	211,915,665	169,706,417
	P.F. Contribution	3,430,352	4,508,271
	Gas Charges- Titas	222,541,548	201,533,627
	Insurance Premium ( mfg.)	4,941,989	4,863,281
	Marin Insurance	-	8,715
	Godown Rent	4,265,184	2,655,283
	Security Expenses	3,279,580	3,332,363
	Stationeries	3,886,262	5,115,928
	Medical Subscription -Bepza	1,095,735	1,550,593
	Vehicle Expenses	10,323,109	9,827,136
	C&F Expense	4,307,007	7,474,248
	Spare & Accessories consumed(Notes-22.04)	74,737,524	92,013,913
	Depreciation	93,468,387	102,850,550
		<b>840,133,456</b>	<b>788,438,224</b>
<b>22.04</b>	<b>Spare &amp; Accessories consumed</b>		
	Opening stock	64,762,109	73,480,384
	Purchase during the period	24,615,039	77,342,421
	<b>Spares &amp; Accessories available for consumption</b>	<b>89,377,149</b>	<b>150,822,805</b>
	Closing stock	(24,302,028)	(64,762,109)
	<b>Spares &amp; Accessories consumed</b>	<b>65,075,121</b>	<b>86,060,695</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

Note	Particulars	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
<b>23</b>	<b>Distribution Costs</b>		
	Salaries & Allowances	13,615,796	12,899,121
	Contribution to P.F	680,410	650,130
	Advertisement	84,862	71,270
	House Rent	1,205,833	1,099,035
	Entertainment	2,682,871	3,429,482
		<b>18,269,772</b>	<b>18,149,038</b>
<b>24</b>	<b>Administrative expenses</b>		
	Telephone & mobile	1,334,229	1,477,568
	Medical & Welfare	4,701,684	
	Professional Fees	4,113,817	4,806,562
	Audit Fees	384,750	272,625
	Wages	-	
	Office Rent	-	
	Electricity Bill	-	
	Printing and Stationary	-	
	Renewal & Registration	1,618,331	4,554,514
	Salaries & Allowances	98,195,980	92,307,688
	Contribution for P.F	2,128,436	3,171,187
	Entertainment(Office)	852,684	790,009
	Local Conveyance	2,159,307	2,290,772
	Courier Charge	688,047	505,440
	Depreciation	10,385,377	11,427,839
	Annexure: A		
		<b>126,562,642</b>	<b>121,604,204</b>
	<b>Administrative expenses of QS Widex Solar (BD) Limited :</b>	<b>1,217,407</b>	<b>-</b>
	<b>Consolidated Administrative expenses</b>	<b>127,780,049</b>	<b>-</b>
<b>25</b>	<b>Financial Expenses:</b>		
	Interest on Long Term Loan	34,395,134	23,437,658
	Interest on Short Term Loan	193,291,714	162,092,720
	Bank Charge and Commission	16,397,335	9,821,234
		<b>244,084,183</b>	<b>195,351,612</b>
	<b>Financial Expenses:</b>		
	Interest -Bill Discounting	57,986,140	48,637,863
	Bank Charges & Commission	16,397,335	9,821,234
	Interest -Bill settlement	31,894,137	21,922,404
	Interest-overdraft	8,410,976	5,449,587
	Interest- Term Loan	33,800,751	22,613,223
	Interest TR Loan	95,000,461	86,082,866
	Interest-Lease Liability (ROU)	594,383	824,435
		<b>244,084,183</b>	<b>195,351,612</b>
	<b>Financial Expenses of QS Widex Solar (BD) Limited :</b>	<b>4,638</b>	<b>-</b>
	<b>Consolidated Financial Expenses</b>	<b>244,088,821</b>	<b>-</b>
<b>26</b>	<b>Income tax expenses:</b>		
	The above balance is made up as follows:		
	Current tax (26.01)	41,033,778	45,610,624
	Deferred tax (income)/expenses (Annexure-G)	(1,674,342)	(4,539,685)
		<b>39,359,436</b>	<b>41,070,939</b>
<b>26.01</b>	<b>Current tax</b>		
	The above balance is made up as follows:		
	Income tax on business income (Note 26.02)	40,892,740	45,564,794
	Income tax on other income (Note 26.03)	141,038	45,830
	Total tax on income	<b>41,033,778</b>	<b>45,610,624</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

Note	Particulars	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
<b>26.02</b>	<b>Income tax on business income</b>		
	Net Profit/ (Loss) before tax	85,122,029	164,933,535
	Less: IPO Expenses	-	-
	Add: Accounting depreciation	103,853,764	114,278,389
	Less: Tax depreciation	(90,721,656)	(101,710,550)
		98,254,137	177,501,374
	Less: Other income	564,152	183,319
	Total business income	97,689,985	177,318,055
	<b>Income tax @ 15%</b>	<b>14,653,498</b>	<b>26,597,708</b>
	<b>Tax deducted under section 163</b>	<b>40,892,740</b>	<b>45,564,794</b>
	<b>As per section 163 of the ITO tax deducted at source or tax calculated @ 15% whichever is higher will be the tax payable.</b>	<b>24,968,113</b>	<b>31,154,434</b>
<b>26.03</b>	<b>Income tax on other income:</b>		
	Other income	564,152	183,319
	Income tax @ 25%	141,038	45,830
<b>27</b>	<b>Non-controlling Interest</b>		
	Opening Balance	-	-
	Add: 49% shares of share Capital of QS Widex Solar (BD) Limited	980,000	-
	Add: 49% shares of profit/(Loss) of QS Widex Solar (BD) Limited	(598,802)	-
	<b>Closing Balance</b>	<b>381,198</b>	<b>-</b>
<b>28</b>	<b>Earning Per Share:</b>		
	Net profit after tax attributable to ordinary shareholders	<b>46,361,395</b>	<b>123,862,597</b>
	<b>No of weighted average shares to calculate basic earnings per share</b>	<b>152,601,439</b>	<b>152,601,439</b>
	Basic & Diluted Earnings per share	<b>0.30</b>	<b>0.81</b>
<b>29</b>	<b>Cash received from customer &amp; other income</b>		
	Revenue	4,309,024,566	5,094,716,340
	Other Income	564,152	183,319
	Realized Foreign Exchange Gain/(Loss)	81,760,580	52,316,284
	Adjustment of unrealized foreign exchange gain/(loss) for trade receivable (Increase)/Decrease in Trade and other receivables	308,300,775	175,739,250
		(538,297,875)	(130,549,494)
		<b>4,161,352,198</b>	<b>5,192,405,699</b>
<b>30</b>	<b>Cash Paid to Suppliers, employees and others expenses</b>		
	Cost of Goods Sold	(3,831,206,169)	(4,534,782,952)
	Distribution Cost	(18,269,772)	(18,149,038)
	Administrative Expenses	(127,780,049)	(121,604,204)
	Adjustment for Depreciation	103,853,764	114,278,389
	Adjustment for Unrealized Foreign Exchange gain/(Loss)	(66,500,708)	(65,529,317)
	(Increase)/Decrease in Inventory	6,457,232	(256,201,756)
	(Increase)/Decrease in Advances Deposits Prepayments	(50,169,675)	(22,739,373)
	Net AIT included in advance deposits & prepayments considered separately	40,878,368	24,982,864
	Increase/(Decrease) Trade and other payable	(58,462,289)	428,259,771
	Increase/(Decrease) Liabilities for Expenses	47,294,292	23,686,352
		<b>(3,953,906,005)</b>	<b>(4,427,799,265)</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
**For the year ended 30 June 2024**

Note	Particulars	(Amount in BDT)	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023

**Income Tax paid**

Opening AIT	(49,256,677)	(24,273,813)
Closing AIT	90,135,045	49,256,677
Opening Income Tax Provision	33,526,603	28,765,381
Closing Income Tax Provision	(74,326,505)	(33,526,603)
Current Year Tax Provision	41,032,773	45,610,624
	<b>41,111,239</b>	<b>65,832,266</b>

**31 Net Operating Cash Flow per share(NOCFPS)**

No of weighted average shares to calculate Net Operating Cash	<b>152,601,439</b>	<b>152,601,439</b>
---	--------------------	--------------------

Net Cash provided by operating activities	<b>166,334,948</b>	<b>698,774,168</b>
---	--------------------	--------------------

Net Operating Cash Flow per share (NOCFPS)	<b>1.09</b>	<b>4.58</b>
--	-------------	-------------

**32 Reconciliation of Net profit with cash flow from operating activities**

Net Profit Before Tax	85,122,029	164,933,535
{Increase}/Decrease in Trade and other receivables	(538,297,875)	(130,549,494)
Adjustment for Depreciation	103,853,764	114,278,389
Adjustment for Sale of PPE included in Other Income		-
{Increase}/Decrease in Inventory	6,457,232	(256,201,756)
{Increase}/Decrease in Advances Deposits Prepayments	(50,169,675)	(22,739,373)
Net Advance Income Tax included in advance deposits & Increase/(Decrease) Trade and other payable	40,878,368	24,982,864
Increase/(Decrease) Liabilities for Expenses	(58,462,289)	428,259,771
Finance Expenses	47,294,292	23,686,352
Income Tax Paid	244,084,183	195,351,611
Foreign Currency Gain/(Loss) for financing and investing activities	(41,111,239)	(65,832,266)
Foreign Currency Gain/(Loss) for Cash and Cash Equivalents	-	4
<b>Cash Flow from operating activities</b>	<b>(147,077,934)</b>	<b>476,169,633</b>
	<b>(313,412,882.31)</b>	<b>(222,604,535)</b>

**33 Explanation note 28 for changes in EPS**

In this reporting period, the EPS of the company has reduced from Taka 0.81 to Taka 0.30. The government has increased the utility tariff (Gas and Electricity) significantly last year. On the other hand, salaries and wages have also increased in this period. But competitive sales price of dyed yarn has been reduced. Thus, the Gross profit of the company in the period has decreased significantly. And due to adverse economic condition, the customer did not settle the export bills on maturity. As we discount the export bills, we could not settle the discount export bills on maturity. And we did not settle the some of STL also on maturity due to the delay settle the export bills. So, the finance cost of the company has been increased during the reporting period. Adverse foreign currency movement also reduced the profit of the company. As a result Net profit after tax of the company has reduced during the period. And EPS of the company has also reduced accordingly.

**34 Explanation note 29 & 30 for changes in statement of cash flow**

In the reporting period, We have received Tk. 4,309,024,566/- from customers and other incomes compare with of last year qtr Tk.5,094,716,340/- which has been decreased by TK. 785,694,774/-. And in this period, As the adverse economic condition customer did settle the dues on time and our export had been reduced by BDT 78.56 crore compare to previous year same qtr as well. Thats why our Operating Cash flow per share for the reporting period has been decreased to Tk 4.57 from Tk. 1.089.



**Queen South Textile Mills Limited and Its Subsidiary**  
**Notes to the Consolidated financial statements**  
as at 30 June 2024

**35 Disclosure as per requirement of schedule XI, Part-II of companies Act 1994**

**35.1 Related party disclosures**

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures" The Company opines that terms of related transaction do not significantly differ from those that could have been obtained from third parties . Total transactions of the significant related parties as at 30.06.2024 are as follows:

a)

Name of Related Party	Relationship	Nature of Transaction	Opening Balance	Transaction / Adjustment during the period Dr./.(Cr.)	Closing Balance Dr./.(Cr.)
Gain Plus Agents Limited	Common Management	Trade Payable	(467,489,343)	(225,702,436)	(693,191,779)
Gain Plus Agents Limited	Common Management	Loan from Shareholders	(395,166,703)	(66,513,207)	(461,679,910)
Ideal Fastenar BD Limited	Common Management	Trade Payable	(63,359,116)	17,075,876	(46,283,240)
Kingpro Manufacturing Co. Limited	Common Management	Trade Payable	(7,738,726)	(7,358,994)	(15,097,720)
Kingpro Trading Limited	Common Management	Trade Payable	(53,023,836)	(4,724,896)	(57,748,732)
Queensin Ltd	Common Management	Trade Payable	(47,084,097)	(4,195,613)	(51,279,710)
Master Knitwear Ltd	Common Management	Trade Payable	(3,765,333)	(800,000)	(4,565,333)
Winpro Textile Mills Ltd	Common Management	Trade Payable	(93,560,851)	147,018,985	53,458,134
BHK Textile Mills Ltd	Common Management	Trade Receivable	-	33,689,000	33,689,000

**36 Number of Employees**

Number of permanent staff	114
Number of permanent workers	521
Number of temporary staff/worker	111
<b>Total:</b>	<u><u>746</u></u>

**37 General**

**37.1 Directors' responsibility statements**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

**37.2 Rounding off**

Amounts appearing in these financial statements have been rounded off to the nearest Taka and, wherever considered necessary.

**37.3 Rearrange of last period figures**


To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified/restated whenever considered necessary to conform to current period presentation.

**37.4 Authorization for issue of the financial statements**

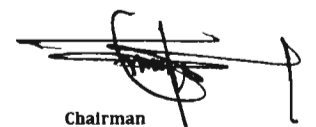
"The financial statements have been authorised for issue by the Board of Directors on 31 October 2024

  
Chief Financial Officer

  
Company Secretary

  
Director  
Lee Hung

  
Managing Director  
Janany Boss

  
Chairman  
Tommy Boss





**Queen South Textile Mills Limited and Its Subsidiary**  
Notes to the Financial Statement  
as at 30 June 2024

Sl. No.	Name of Assets	COST				DEPRECIATION						Written down value as on 30-Jun-2024
		Balance as on 1-Jul-2023	Addition during the year	Disposal during the period	Balance as on 30-Jun-2024	Rate of Dep	Balance as on 1-Jul-2023	Charged during the year	Adjustment during the year	Balance as on 30-Jun-2024		
1	Machinery & Equipment	1,716,888,195	39,837,370	-	1,756,725,565	15%	1,100,946,229	88,857,775	-	1,189,804,004	566,921,561	
2	Building & Civil Const.	318,193,669	-	-	318,193,669	5%	151,164,346	8,196,177	-	159,360,523	158,833,146	
3	Furniture and fixture	2,555,994	-	-	2,555,994	20%	2,216,192	63,031	-	2,279,223	276,771	
4	Office equipment	25,596,503	250,291	-	25,846,794	25%	21,951,206	874,339	-	22,825,545	3,021,249	
5	Electrical Installation	30,754,236	14,805,856	-	45,560,092	5%	13,135,238	1,232,403	-	14,367,641	31,192,451	
6	Vehicles	31,370,291	-	-	31,370,291	20%	14,022,944	3,217,824	-	17,240,768	14,129,523	
7	Right of Use (Asset)	22,992,530	-	-	22,992,530	-	5,295,806	1,412,215	-	6,708,021	16,284,509	
	<b>Total at 30.06.2024</b>	<b>2,148,351,418</b>	<b>54,893,517</b>	<b>-</b>	<b>2,203,244,935</b>		<b>1,308,731,960</b>	<b>103,853,764</b>	<b>-</b>	<b>1,412,585,724</b>	<b>790,659,211</b>	
	<b>Total at 30.06.2023</b>	<b>2,090,068,926</b>	<b>58,282,492</b>	<b>-</b>	<b>2,148,351,418</b>		<b>1,194,453,571</b>	<b>114,278,389</b>	<b>-</b>	<b>1,308,731,960</b>	<b>839,619,457</b>	

**Depreciation Allocation:**

Administrative expenses  
Manufacturing Expenses

10,385,376
93,466,388



**Annexure-B**  
**Queen South Textile Mills Limited and Its Subsidiary**  
Statement of Closing Inventory  
As at 30 June 2024

Sl.	Particulars	Unit of Meas.	30-06-24			30-06-23		
			Quantity	Rate	Taka	Quantity	Rate	Taka
<b>1</b>	<b>Raw Materials:</b>							
	Raw Yarn	Lbs.	9,922,930	175.92	1,745,613,828	11,139,848	163.91	1,825,979,727
	<b>Sub-Total</b>		<b>9,922,930</b>	<b>175.92</b>	<b>1,745,613,828</b>	<b>11,139,848</b>	<b>163.91</b>	<b>1,825,979,727</b>
<b>2</b>	<b>Work-in-process:</b>							
	Yarn in process	Lbs.	1,012,246	226.08	228,849,819	658,246	199.51	131,324,468
	<b>Sub-Total</b>		<b>1,012,246</b>	<b>226.08</b>	<b>228,849,819</b>	<b>658,246</b>	<b>199.51</b>	<b>131,324,468</b>
<b>3</b>	<b>Finished Goods:</b>							
	Dyed Yarn	Lbs.	1,571,945	252.34	396,660,964	1,665,892	220.09	366,638,647
	<b>Sub-Total</b>		<b>1,571,945</b>	<b>252.34</b>	<b>396,660,964</b>	<b>1,665,892</b>	<b>220.09</b>	<b>366,638,647</b>
<b>4</b>	<b>Dyes &amp; Chemicals:</b>							
	Dyestuff	Kgs.	316,417	459.65	145,441,076	337,920	459.65	155,324,816
	Chemical	Kgs.	813,850	59.58	48,489,195	869,157	59.58	51,784,376
	<b>Sub-Total</b>		<b>1,130,267</b>	<b>171.58</b>	<b>193,930,271</b>	<b>1,207,077</b>	<b>171.58</b>	<b>207,109,191</b>
<b>5</b>	<b>Spares &amp; Accessories</b>				24,302,028			64,762,109
	<b>Sub-Total</b>				<b>24,302,028</b>			<b>64,762,109</b>
	<b>Grand Total</b>				<b>2,589,356,911</b>			<b>2,595,814,143</b>



Annexure-C

**Queen South Textile Mills Limited and Its Subsidiary**  
**Statement of Advances, deposits and prepayments**  
**As at 30 June 2024**

Particulars	Amount In Taka	
	30-Jun-24	30-Jun-23
<b>(A) Advances:</b>		
Income Tax Deducted at Sources	90,135,045	49,256,677
Advance against Import of raw material & spares	18,767,530	9,539,445
Advance against Salary & Wages	4,613,332	912,377
<b>Sub Total: A</b>	<b>113,515,907</b>	<b>59,708,499</b>
<b>(B) Deposits:</b>		
Security Deposit for Titas Gas	17,453,950	17,453,950
Cylinder and CDBL Deposit	533,193	533,193
House Rent Deposit	35,000	35,000
Security Deposit for Electrical Connection-BEPZA	18,046,094	15,446,233
Bank Guarantee with Prime and Woori Bank	10,877,086	10,877,086
Security Deposit for Land-BEPZA	2,899,853	2,482,078
L/c Margin with HSBC bank	-	7,471,476
<b>Sub Total: B</b>	<b>49,845,176</b>	<b>54,299,016</b>
<b>(C) Prepayments:</b>		
Prepayment for Insurance	633,461	1,095,298
Prepayment for House rent	253,610	143,080
Prepayment of Land rent	724,464	(82,950)
Prepayment of Professional Fees	2,945,572	2,945,572
Prepayment Others-Titas Gas	-	-
<b>Sub Total: C</b>	<b>4,557,107</b>	<b>4,101,000</b>
<b>Grand Total (A+B+C)</b>	<b>167,918,190</b>	<b>118,108,515</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**As at 30 June 2024**  
**Statement of Shareholding position**

SL	Name of Shareholder	30-Jun-24	%	30-Jun-23	%
1	Gain Plus Agents Limited	45,962,515	30.12%	45,962,515	30.12%
2	Wong Jammy Kwok Chan	26,722,393	17.51%	26,722,393	17.51%
3	Wong Elisa Dai Wah	4,275,582	2.80%	4,275,582	2.80%
4	Lee Hung Chun	4,275,582	2.80%	4,275,582	2.80%
5	Foreign	1,663,355	1.09%	2,411,103	1.58%
6	General Public and Institute	69,702,012	45.68%	68,954,264	45.19%
	<b>Total</b>	<b>152,601,439</b>	<b>100.00%</b>	<b>152,601,439</b>	<b>100.00%</b>



**Queen South Textile Mills Limited and Its Subsidiary**  
**Schedule of Loan from Shareholders**  
**As at 30 June 2024**

SL No.	Inv. Date	Invoice No.	Sales Contract No	Items	Amount in Taka	
					30-Jun-2024	30-Jun-2023
1	26-Jan-13	GP-LHT01/13	GP-CONT/LHT-01/13	Yarn		
2	12-Jan-13	GP-JGT01-A/13	GP-CONT/JGT-01-A/13	Yarn		
3	26-Jan-13	GP-JGT01-C/13	GP-CONT/JGT-01-C/13	Yarn		
4	16-Jan-13	GP-JGT01-B/13	GP-CONT/JGT-01-B/13	Yarn		
5	05-Feb-13	GP-JGT02-A/13	GP-CONT/JGT-02-A/13	Yarn		
6	28-Jan-13	GP-NA01-A/13	GP-CONT/NA-01-A/13	Yarn		
7	01-Feb-13	GP-JGT02-B/13	GP-CONT/JGT-02-B/13	Yarn		
8	05-Mar-13	GP-JGT04-A/13	GP-CONT/JGT-04-A/13	Yarn		
9	19-Feb-13	GP-NA01-D/13	GP-CONT/NA01-D/13	Yarn		
10	12-Feb-13	GP-NA01-B/13	GP-CONT/NA01-B/13	Yarn		
11	19-Feb-13	GP-NA01-C/13	GP-CONT/NA01-C/13	Yarn		
12	06-Mar-13	GP-JGT04-B/13	GP-CONT/JGT04-B/13	Yarn		
13	25-Feb-13	GP-NA01-E/13	GP-CONT/NA01-E/13	Yarn		
14	18-Feb-13	GP-002/13	GP-CONT/GP-02/13	Machinery		
15	06-Mar-13	GP-JGT04-C/13	GP-CONT/JGT-04-C/13	Yarn		
16	16-Mar-13	GP-MAI-01/13	GP-CONT/MAI-01/13	Yarn	55,000	50,500
17	17-Mar-13	GP-JGT-04-D/13	GP-CONT/JGT-04-D/13	Yarn	8,424,659	7,735,368
18	19-Mar-13	GP-JGT-04-E/13	GP-CONT/JGT-04-E/13	Yarn	8,417,588	7,728,877
19	18-Mar-13	GP-JGT-04-F/13	GP-CONT/JGT-04-F/13	Yarn	8,465,255	7,772,643
20	16-Mar-13	GP-VC-02/13	GP-CONT/GP-VC-02/13	Chemical	5,749,040	5,278,664
21	26-Mar-13	GP-FCC-02/13	GP-CONT/GP-FCC-02/13	Chemical	3,256,000	2,989,600
22	29-Apr-13	GP-NA-01-F/13	GP-CONT/NA01-F/13	Yarn	6,595,875	6,056,213
23	16-May-13	GP-AAS01-A/13	GP-CONT/AAS-01-A/13	Yarn	6,595,875	6,056,213
24	17-May-13	GP-CFA02/13	GP-CONT/CFA02/13	Yarn	8,204,653	7,533,363
25	23-May-13	GP-ATM01-A/13	GP-CONT/ATM01-A/13	Yarn	6,545,138	6,009,626
26	23-May-13	GP-AAS01-B/13	GP-CONT/AAS-01-B/13	Yarn	6,595,875	6,056,213
27	17-May-13	GP-LHT02-A/13	GP-CONT/LHT-02-A/13	Yarn	23,178,724	21,282,283
28	16-May-13	GP-VC03/13	GP-CONT/VC03/13	Chemical	4,942,960	4,538,536
29	25-May-13	GP-LHT02-B/13	GP-CONT/LHT-02-B/13	Yarn	23,178,724	21,282,283
30	31-May-13	GP-NA01-G/13	GP-CONT/NA01-G/13	Yarn	19,719,975	18,106,523
31	04-Jun-13	GP-JGT06-B/13	GP-CONT/JGT06-B/13	Yarn	8,747,785	8,032,057
32	16-Jun-13	GP-AAS01-C/13	GP-CONT/AAS-01-C/13	Yarn	6,595,875	6,056,213
33	04-Jun-13	GP-JGT06-A/13	GP-CONT/JGT06-A/13	Yarn	8,763,911	8,046,864
34	04-Jun-13	GP-JGT06-C/13	GP-CONT/JGT06-C/13	Yarn	8,754,467	8,038,192
35	12-Jun-13	GP-130006-JGTGM	GP-CONT/130006-JGTGM	Yarn	8,233,954	7,560,267
36	12-Jun-13	GP-130005-JGTGM	GP-CONT/130005-JGTGM	Yarn	8,524,086	7,826,661
37	18-Jun-13	GP-JGT07-A/13	GP-CONT/JGT07-A/13	Yarn	8,524,086	7,826,661
38	18-Jun-13	GP-JGT07-B/13	GP-CONT/JGT07-B/13	Yarn	8,524,086	7,826,661
39	18-Jul-13	GP-130009/MN	GP-CONT/130009/MN	Yarn	2,882,366	2,646,536
40	25-Jul-13	GP-130015/URM	GP-CONT/130015/URM	Yarn	6,838,150	6,278,665
41	29-Jul-13	GP-130017/URM	GP-CONT/130017/URM	Yarn	6,881,600	6,318,560
42	05-Aug-13	GP-130022-FCC	GP-CONT/130022-FCC	Chemical	4,510,000	4,141,000
43	26-Aug-13	GP-130031/JGTG	GP-CONT/130031/JGTG	Yarn	8,758,614	8,042,000
44	13-Sep-13	GP-130042/ZT	GP-CONT/GP-130042/ZT	Yarn	27,280,000	25,048,000
45	06-Sep-13	GP-130044/QS	GP-CONT/GP-130044/QS	Spares	6,284,410	5,770,231
46	08-Oct-13	GP-130055/ZT	GP-CONT/GP-130055/ZT	Yarn	20,460,000	18,786,000
47	21-Oct-13	GP-130058/ZT	GP-CONT/GP-130058/ZT	Yarn	6,820,000	6,262,000
48	30-Oct-13	GP-130063/ZT	GP-CONT/GP-130063/ZT	Yarn	6,820,000	6,262,000
49	16-Nov-13	GP-130072/AT	GP-CONT/GP-130072/AT	Yarn	6,652,250	6,107,975
50	05-Jun-12	GP-HM02-B/12	GP-HM02-B/12	Yarn	6,545,000	6,009,500
51	03-Jun-12	GP-ES01-B/12	GP-ES01-B/12	Yarn	6,381,375	5,859,263
52	19-Jun-12	GP-ES01-C/12	GP-ES01-C/12	Yarn	6,381,375	5,859,263
53	17-Jun-12	GP-PA02-A/12	GP-PA02-A/12	Yarn	6,166,875	5,662,313
54	28-May-12	GP-JGT03-E/12	GP-JGT03-E/12	Yarn	8,317,925	7,637,368
55	02-Jun-12	GP-JGT03-F/12	GP-JGT03-F/12	Yarn	8,996,973	8,260,857
56	12-Jun-12	GP-JGT03-G/12	GP-JGT03-G/12	Yarn	8,657,440	7,949,104
57	16-Jun-12	GP-JGT03-H/12	GP-JGT03-H/12	Yarn	8,646,000	7,938,600
58	23-Jul-12	GP-GAT02-A/12	GP-GAT02-A/12	Yarn	14,586,000	13,392,600
59	28-May-12	GP-JGT04-D/12	GP-JGT04-D/12	Yarn	8,992,402	8,256,660
60	27-May-12	GP-JGT04-C/12	GP-JGT04-C/12	Yarn	8,984,847	8,249,723
61	23-Jun-12	GP-JGT04-E/12	GP-JGT04-E/12	Yarn	8,989,813	8,254,283
62	27-Jun-12	GP-JGT04-G/12	GP-JGT04-G/12	Yarn	8,980,117	8,245,380
63	27-Jun-12	GP-JGT04-H/12	GP-JGT04-H/12	Yarn	8,972,458	8,238,346
<b>Total</b>					<b>430,379,579</b>	<b>395,166,704</b>



**Queen South Textile Mills Ltd and Its Subsidiary**  
**Calculation of Deferred tax**  
**For the year ended 30 June 2024**

Particulars	30-Jun-2024	30-Jun-2023
<b>Carrying value</b>		
Property , Plant and Equipment	790,659,211	821,922,734
<b>Tax base</b>		
Property , Plant and Equipment	450,406,024	470,507,266
<b>Taxable /(Deductible)temporary difference</b>	<b>340,253,187</b>	<b>351,415,468</b>
Income Tax rate 15%	15%	15%
<b>Deferred Tax Liabilities/(Assets) at the end of the period</b>	<b>51,037,978</b>	<b>52,712,320</b>
Closing Deferred Tax Liabilities	51,037,978	52,712,320
Opening Deferred Tax Liabilities	52,712,320	57,252,005
D.Tax (income) / expenses:	<b>(1,674,342)</b>	<b>(4,539,685)</b>

