



INFORMATION SERVICES NETWORK LIMITED

TMC Building (4th Floor), 52, New Eskaton Road, Dhaka-1000.

BALANCE SHEET (UNAUDITED)

AS AT 30TH JUNE, 2014

PARTICULARS	30th June, 2014	31st Dec., 2013
NET ASSETS:		
Non-Current Assets	119,729,193	123,051,673
Tangible Fixed Assets, Net of accumulated depreciation	115,450,976	118,773,456
Investment (at cost)	1,951,036	1,951,036
Deferred Expenditure (IPTSP Project)	2,327,181	2,327,181
Current Assets	119,378,817	116,304,233
Accounts Receivable	102,672,324	99,745,113
Accrued Loan Interest	809,544	809,544
Loans, Advances and Deposits	15,579,815	15,498,115
Cash and Cash Equivalents	317,134	251,461
Current Liabilities & Provisions	63,421,428	61,352,828
Accrued Expenses	10,249,804	10,649,814
Liabilities for other Finance	10,524,130	10,882,509
Short Term Loan	35,243,054	33,340,554
Provision for Income Tax	7,404,441	6,479,951
Net Current Assets	55,957,388	54,951,405
Non-Current Liabilities.		
Deferred Tax Liabilities	(184,130)	(181,613)
NET ASSETS	175,502,451	177,821,465
FINANCED BY:		
Shareholders Equity	175,502,451	177,821,465
Share Capital	109,200,035	109,200,035
Retained Earnings-As per Profit and Loss Account	(715,973)	(1,713,716)
General Reserve	2,000,000	2,000,000
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Capital Reserve	63,018,389	66,335,146
	175,502,451	177,821,465

CASH FLOW STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED 30TH JUNE 2014

PARTICULARS	Amount (in Tk.)	
	Jan. - June 2014	Jan. - June 2013
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Turnover and other Income	30,620,981	27,442,386
Payment for Cost and Expenses	(28,318,441)	(26,112,804)
Total Cash Flow from Operating Activities	2,302,540	1,329,582
CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(3,890,925)	(3,165,262)
Share Issue Expenses	-	-
Share Investment	15,000	(1,300)
Vehicle Sales	-	730,000
Total Cash Flow from Investing Activities	(3,875,925)	(2,436,562)
CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend Paid	-	(110,515)
Short Term Loan	1,902,500	1,933,705
Earnest Money Refund	164,248	20,000
Advance & Deposits	(427,690)	(782,039)
Total Cash Flow from Financing Activities	1,639,058	1,061,151
Net Cash Inflow/ (Outflows) for the year (A+B+C)	65,673	(45,829)
Opening Cash and Bank Balance	251,461	359,560
Closing Cash and Bank Balance Total Tk.	317,134	313,731

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)


FOR THE HALF YEAR ENDED 30TH JUNE 2014

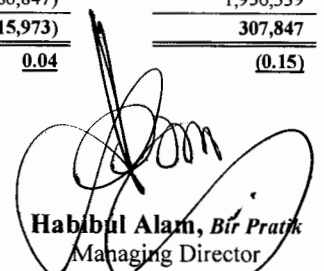
PARTICULARS	At 30th June, 2014	At 30th June 2013
Share Capital	109,200,035	109,200,035
General Reserve	2,000,000	2,000,000
Capital Reserve	63,018,389	70,020,432
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Retained Earnings	(715,973)	307,847
Shareholders Equity at 30th June 2014	175,502,451	183,528,314

PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE HALF YEAR ENDED 30TH JUNE, 2014

PARTICULARS	January-June				April-June (2nd quarter)	
	2014			2013	2014	2013
	Unit-1 ISP	Unit-2 IPTSP	Total			
Operating Revenue	23,340,521	2,559,320	25,899,841	23,250,399	11,738,037	9,922,664
Operating Expenses	(12,663,023)	(1,924,017)	(14,587,040)	(14,045,408)	(6,693,814)	(5,620,865)
Gross Profit	10,677,498	635,303	11,312,801	9,204,991	5,044,223	4,301,799
Other Income	4,926,840	-	4,926,840	4,399,647	2,715,927	1,725,166
	15,604,338	635,303	16,239,641	13,604,638	7,760,150	6,026,965
Other Expenses	(14,606,993)	(503,750)	(15,110,743)	(15,374,143)	(7,230,282)	(7,540,558)
Administrative Expenses	(12,588,187)	(503,750)	(13,091,937)	(13,321,728)	(6,162,118)	(6,578,115)
Financial Expenses	(2,018,806)	-	(2,018,806)	(2,052,415)	(1,068,164)	(962,443)
Net Profit before Tax	997,345	131,553	1,128,898	(1,769,505)	529,868	(1,513,593)
Deferred Tax Expenses	(2,517)	-	(2,517)	(7,679)	-	(4,424)
Provision for Income Tax	(128,638)	-	(128,638)	(110,675)	(58,994)	(110,675)
Net Profit after Tax	866,190	131,553	997,743	(1,887,859)	470,874	(1,628,692)
Profit / (Loss) Brought Forward	(785,493)	(928,223)	(1,713,716)	2,195,706	(1,186,847)	1,936,539
Balance Transferred to Balance Sheet	80,697	(796,670)	(715,973)	307,847	(715,973)	307,847
Earning Per Share (per value Tk.10/-)			0.09	(0.17)	0.04	(0.15)


Md. Nuruzzaman
Company Secretary


Habibul Alam, Bir Pratik
Managing Director

Information Services Network Ltd.

TMC Building, 52 New Eskaton Road, Dhaka-1000

Selected Notes to the Financial Statement (Un-audited) For the half year ended June 30, 2014

1. Reporting Entity

Information Services Network Limited was incorporated in Bangladesh on August 16, 1995 as a Public Limited Company under the Companies Act, 1994. The shares of this Company are listed in the stock exchange of Dhaka and Chittagong.

The main objective of the Company interalia is to carry on all its offices in and outside of Bangladesh for providing connectivity with the World's Information super highway and disseminate knowledge and information in electronic form and to develop, deliver and maintain computer based system and to publish IT based magazines. It has gone into commercial operation from 6th August, 1996.

2. Basis of Preparation of Financial Statements

These interim Financial statements should be read in conjunction with the Financial Statements for the year ended December 31, 2013 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. The accounting policies used are consistent with those used in the Annual Financial Statements. The Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified and or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

3.00 Fixed assets: Tk.115,450,976

The above amount is made up as follows

	30.06.2014	31.12.2013
Opening Balance at Cost	240,686,111	235,729,316
Add : Re-valuation surplus	-	-
Add : Addition during the year	3,893,925	5,483,439
Less : Adjustment during the year	-	526,644
Closing Balance at cost	244,580,036	240,686,111
Less: Accumulated depreciation	129,129,060	121,912,655
Written down value	115,450,976	118,773,456

4.00 Investment (at cost) : Tk.1,951,036

The above amount is made up as follows

	30.06.2014	31.12.2013
Investment in subsidiary	102,000	102,000
Investment in shares	1,849,036	1,849,036
	1,951,036	1,951,036

5.00 Deferred expenditure : Tk. 2,327,181

The above amount is made up as follows

	30.06.2014	31.12.2013
IPTSP Project	1,747,359	1,747,359
Share Issue Expenditure	579,822	579,822
	2,327,181	2,327,181

6.00 Accounts receivable: Tk. 102,672,324

This is arrived at as under :

	30.06.2014	31.12.2013
Opening Balance	99,745,113	94,788,473
Add: Addition during the period	7,040,796	10,676,929
	106,785,909	105,465,402
Less : Received during the period	4,113,585	5,720,289
Closing Balance	102,672,324	99,745,113

P.C. World Advertisement	1,774,348	1,774,348
Internet Bill (DSL)	22,227,864	20,416,268
Internet Bill (D/U)	17,074,220	17,026,963
Software Sales	22,917,218	23,123,268
Networking & IT Solutions	15,590,829	15,561,409
IP Phone Bill	2,365,135	1,836,853
Data Service Bill	4,240,201	3,710,848
Fax Bill	107,470	107,470
Web Hosting & Development	9,487,649	9,737,769
VAT from party	6,887,390	6,449,917
	102,672,324	99,745,113

7.00 Advances, deposits and prepayments: Tk.15,579,815

This is made up as follows :

	30.06.2014	31.12.2013
Loan to subsidiary company	1,635,343	1,635,343
Other Advance and Prepayments	13,944,472	13,862,772
	15,579,815	15,498,115

8.00 Accrued expenses: Tk. 10,249,804

This is made up as under:

	30.06.2014	31.12.2013
Opening Balance	10,649,814	8,126,624
Add: Addition during the period	3,879,626	6,025,012
	14,529,440	14,151,636
Less : Paid/adjustment during the period	4,279,636	3,501,822
Closing Balance	10,249,804	10,649,814

9.00 Liabilities for other finance: Tk.10,524,130

The above amount is made up as follows:

	30.06.2014	31.12.2014
Security money (Internet)	372,476	372,476
Security money (Fax)	448,847	448,847
VAT	6,887,390	6,449,917
Provision for deminution of share value	-	795,852
Shareholders dividend	2,815,417	2,815,417
	10,524,130	10,882,509

10.00 Short Term Loan : Tk.35,243,054

The above amount is made up as follows:

	30.06.2014	31.12.2013
Bank Loan (MBL)	13,345,971	13,345,971
SOD Loan for Flat	8,750,000	8,750,000
Loan from Managing Director	9,147,083	9,244,583
Loan for GP Project	2,000,000	-
HRC Shipping	2,000,000	2,000,000
	35,243,054	33,340,554

11.00 Operating revenue: Tk.25,899,841

This is made up as following

	30.06.2014	30.06.2013
Internet bill (D/U)	375,351	553,498
Internet bill (DSL/UUCP A/C)	14,670,001	14,706,509
Data Service bill	2,636,506	1,591,571
IP Phone Bill	3,106,399	305,296
	20,788,257	17,156,874
Less : VAT	2,711,512	2,221,315
Net sales after VAT	18,076,745	14,935,559
Sales of software	5,099,176	5,515,020

Networking and IT solutions
Total

2,723,920	2,799,820
25,899,841	23,250,399

12.00 Operating expenses: TK.14,587,040

This consists of as follows :

	30.06.2014	30.06.2013
Bandwidth charge	6,456,900	7,325,062
Data Connectivity Exp.	1,010,161	1,081,414
Telephone line rental	25,392	83,904
Call carrying charge	1,429,298	61,665
Salary & Allowance	3,096,712	2,857,404
Depreciation	2,568,577	2,635,959
	14,587,040	14,045,408

13.00 Other income: TK.4,926,840

This consists of as follows :

	30.06.2014	30.06.2013
Connectivity	636,315	765,609
Web hosting & development	2,264,770	2,758,184
Re-installation and servicing	259,795	136,780
Office rent (Rev.)	219,905	-
E-mail forwarding	653,608	-
Hardware sale	99,468	84,000
Dividend	-	-
Domain registration	84,000	78,652
Gain from vehicle sale	-	203,356
Miscellaneous	12,500	45,500
Spamwall Income	40,500	-
Antivirus CD sales	1,000	-
SMS service	432,779	70,866
VPN Charge	222,200	253,700
IP Phone connectivity	-	3,000
	4,926,840	4,399,647



Md. Nuruzzaman
Company Secretary



Habibul Alam, Bir Pratik
Managing Director