



INFORMATION SERVICES NETWORK LIMITED

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

BALANCE SHEET (UNAUDITED)

AS AT 30TH JUNE, 2013

PARTICULARS	30th June, 2013	31st Dec., 2012
NET ASSETS:		
Non-Current Assets	129,183,845	134,277,429
Tangible Fixed Assets, Net of accumulated depreciation	124,522,258	129,617,142
Investment (at cost)	2,334,406	2,333,106
Deferred Expenditure (IPTSP Project)	2,327,181	2,327,181
Current Assets	114,153,338	111,349,133
Accounts Receivable	96,887,305	94,788,473
Accrued Loan Interest	809,544	809,544
Loans, Advances and Deposits	16,142,758	15,391,556
Cash and Cash Equivalents	313,731	359,560
Current Liabilities & Provisions	59,639,435	56,363,348
Accrued Expenses	9,057,167	8,126,624
Liabilities for other Finance	9,894,057	9,592,893
Short Term Loan	34,320,917	32,387,212
Provision for Income Tax	6,367,294	6,256,619
Net Current Assets	54,513,903	54,985,785
Non-Current Liabilities.		
Deferred Tax Liabilities	(169,434)	(161,755)
NET ASSETS	183,528,314	189,101,459
FINANCED BY:		
Shareholders Equity	183,528,314	189,101,459
Share Capital	109,200,035	104,000,033
Retained Earnings-As per Profit and Loss Account	307,847	7,395,708
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	70,020,432	73,705,718
	183,528,314	189,101,459

CASH FLOW STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED 30TH JUNE 2013

PARTICULARS	Amount (in Tk.)	
	Jau. - June 2013	Jan. - June 2012
CASH FLOW FROM OPERATING ACTIVITIES:		
Collection from Turnover and other Income	27,442,386	26,772,601
Payment for Cost and Expenses	(26,112,804)	(26,058,489)
Total Cash Flow from Operating Activities	1,329,582	714,112
CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of Fixed Assets	(3,165,262)	(3,332,151)
Share Issue Expenses	-	(148,572)
Share Investment	(1,300)	(67,380)
Vehicle Sales	730,000	-
Total Cash Flow from Investing Activities	(2,436,562)	(3,548,103)
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid	(110,515)	-
Short Term Loan	1,933,705	1,360,777
Earnest Money Refund	20,000	315,505
Advance & Deposits	(782,039)	(85,885)
Total Cash Flow from Financing Activities	1,061,151	1,590,397
Net Cash Inflow (Outflow) for the year (A+B+C)	(45,829)	(1,243,594)
Opening Cash and Bank Balance	359,560	1,577,752
Closing Cash and Bank Balance Total Tk.	313,731	334,158

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)


FOR THE HALF YEAR ENDED 30TH JUNE 2013

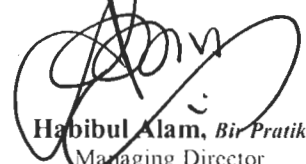
PARTICULARS	At 30th June, 2013	At 30th June 2012
Share Capital	109,200,035	104,000,033
General Reserve	2,000,000	2,000,000
Capital Reserve	70,020,432	40,649,764
Dividend Equalization Fund	1,000,000	1,000,000
Inflation & Currency Fluctuation Fund	1,000,000	1,000,000
Retained Earnings	307,847	6,205,716
Shareholders Equity at 30th June 2013	183,528,314	154,855,513

PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE HALF YEAR ENDED 30TH JUNE, 2013

PARTICULARS	January-June				April-June (2nd quarter)	
	2013			2012	2013	2012
	Unit-1 ISP	Unit-2 IPTSP	Total			
Operating Revenue	22,984,924	265,475	23,250,399	26,269,485	9,922,664	11,682,184
Operating Expenses	(13,589,137)	(456,271)	(14,045,408)	(13,178,898)	(5,620,865)	(5,651,637)
Gross Profit	9,395,787	(190,796)	9,204,991	13,090,587	4,301,799	6,030,547
Other Income	4,399,647	-	4,399,647	4,113,931	1,725,166	1,580,346
	13,795,434	(190,796)	13,604,638	17,204,518	6,026,965	7,610,893
Other Expenses	(15,262,452)	(111,691)	(15,374,143)	(15,405,057)	(7,540,558)	(7,345,177)
Administrative Expenses	(13,210,037)	(111,691)	(13,321,728)	(13,877,562)	(6,578,115)	(6,924,146)
Financial Expenses	(2,052,415)	-	(2,052,415)	(1,527,495)	(962,443)	(421,031)
Net Profit before Tax	(1,467,018)	(302,487)	(1,769,505)	1,799,461	(1,513,593)	265,716
Deferred Tax Expenses	(7,679)	-	(7,679)	(14,302)	(4,424)	(14,302)
Provision for Income Tax	(110,675)	-	(110,675)	-	(110,675)	-
Net Profit after Tax	(1,585,372)	(302,487)	(1,887,859)	1,785,159	(1,628,692)	251,414
Profit / (Loss) Brought Forward	2,696,775	(501,069)	2,195,706	4,420,557	1,936,539	5,954,302
Balance Transferred to Balance Sheet	1,111,403	(803,556)	307,847	6,205,716	307,847	6,205,716
Earning Per Share (per value Tk.10/-)			(0.17)	0.17	(0.15)	0.03


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, 2013

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 inter alia 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, 2012 (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 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.124,522,258

The above amount is made up as follows

	30.06.2013	31.12.2012
Opening Balance at Cost	235,729,316	195,536,397
Add : Re-valuation surplus	-	35,195,416
Add : Addition during the year	3,165,262	4,997,503
Less : Adjustment during the year	526,644	-
Closing Balance at cost	238,367,934	235,729,316
Less: Accumulated depreciation	113,845,676	106,112,174
Written down value	124,522,258	129,617,142

4.00 Investment (at cost) : Tk.2,334,406

The above amount is made up as follows

	30.06.2013	31.12.2012
Investment in subsidiary	102,000	102,000
Investment in shares	2,232,406	2,231,106
	2,334,406	2,333,106

5.00 Deferred expenditure : Tk. 2,327,181

The above amount is made up as follows

	30.06.2013	31.12.2012
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. 96,887,305

This is arrived at as under :

	30.06.2013	31.12.2012
Opening Balance	94,788,473	82,314,542
Add: Addition during the period	6,450,872	19,735,560
	101,239,344	102,050,102
Less : Received during the period	4,352,039	7,261,629
Closing Balance	96,887,305	94,788,473
P.C. World Advertisement	1,774,348	1,774,348
Internet Bill (DSL)	20,509,886	18,191,790
Internet Bill (D/U)	17,046,094	16,909,242
Software Sales	22,645,028	23,110,328
Networking & IT Solutions	15,556,589	15,767,419
IP Phone Bill	1,089,798	974,623
Data Service Bill	2,655,160	2,480,750
Fax Bill	107,470	107,470
Web Hosting & Development	9,306,515	9,687,765
VAT from party	6,196,417	5,784,738
	96,887,305	94,788,473

7.00 Advances, deposits and prepayments: Tk.16,142,758

This is made up as follows :

Loan to subsidiary company
Other Advance and Prepayments

30.06.2013	31.12.2012
1,635,343	1,635,343
14,507,415	13,756,213
16,142,758	15,391,556

8.00 Accrued expenses: Tk. 9,057,167

This is made up as under:

Opening Balance
Add: Addition during the period

Less : Paid/adjustment during the period
Closing Balance

30.06.2013	31.12.2012
8,126,624	6,387,013
4,207,201	6,162,242
12,333,825	12,549,255
3,276,658	4,422,631
9,057,167	8,126,624

9.00 Liabilities for other finance: Tk.9,894,057

The above amount is made up as follows:

Security money (Internet)
Security money (Fax)
VAT
Shareholders dividend

30.06.2013	31.12.2012
372,476	372,476
448,847	448,847
6,196,417	5,784,738
2,876,317	2,986,832
9,894,057	9,592,893

10.00 Short Term Loan : Tk.34,320,917

The above amount is made up as follows:

Bank Loan (MBL)
SOD Loan for Flat
Loan from Managing Director
HRC Shipping

30.06.2013	31.12.2012
15,185,152	13,737,576
8,800,000	8,750,000
8,335,765	7,899,636
2,000,000	2,000,000
34,320,917	32,387,212

11.00 Operating revenue: Tk.23,250,399

This is made up as following

Internet bill (D/U)
Internet bill (DSL/UUCP A/C)
Data Service bill
IP Phone Bill

Less : VAT

Net sales after VAT

Sales of software
Networking and IT solutions

Total

30.06.2013	30.06.2012
553,498	2,469,234
14,706,509	15,669,396
1,591,571	-
305,296	678,256
17,156,874	18,816,886
2,221,315	2,454,376
14,935,559	16,362,510
5,515,020	6,487,020
2,799,820	3,419,955
23,250,399	26,269,485

12.00 Operating expenses: TK.14,045,408

This consists of as follows :

	30.06.2013	30.06.2012
Bandwidth charge	7,325,062	7,194,560
Data Connectivity Exp.	1,081,414	-
Telephone line rental	83,904	41,952
Call carrying charge	61,665	-
Salary & Allowance	2,857,404	3,358,650
Depreciation	2,635,959	2,583,736
	14,045,408	13,178,898.

13.00 Other income: TK.4,399,647

This consists of as follows :

	30.06.2013	30.06.2012
Connectivity	765,609	441,743
Web hosting & development	2,758,184	3,003,420
Re-installation and servicing	136,780	132,550
Modem Sales	-	24,000
E-mail forwarding	-	-
Hardware sale	84,000	147,660
Dividend	-	1,200
Domain registration	78,652	85,460
Gain from vehicle sale	203,356	-
Miscellaneous	45,500	1,920
CDBL Income	-	9,148
Antivirus CD sales	-	12,480
SMS service	70,866	179,850
VPN Charge	253,700	74,400
IP Phone connectivity	3,000	100
	4,399,647	4,113,931

14.00 Dividend - 2012

The Shareholders of the company has approved 5% stock dividend for the year 2012 in the annual general meeting held on June 20, 2013. The company consistently follows the policy of recognising proposed dividend after its approval by the shareholders in the annual general meeting. Hence, the proposed dividend for 2012 has been accounted for in these interim financial statements. EPS has been computed taking into account the additional number of shares issued.



Md. Nuruzzaman
Company Secretary



Habibul Alam, Bir Pratik
Managing Director