ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক লিঃ

فارست سيكيوريتى اسلامى بنك ليميتد FIRST SECURITY ISLAMI BANK LTD.

সবার জন্যে সবসময়

Quarterly Financial Statement
March, 2018

Head Office

AMAR STOCK

FIRST SECURITY ISLAMI BANK LIMITED
CONSOLIDATED BALANCE SHEET (Un-audited)
AS AT 31 MARCH 2018

	31.03.2018 BDT	31.12.2017 BDT
PROPERTY AND ASSETS		
Cash	**21,929,909,394**	**25,177,139,774**
In hand (including foreign currencies)	1,543,956,500	1,691,479,252
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)	20,385,952,894	23,485,660,522
Balance with other Banks and Financial Institutions	**515,899,158**	**641,309,944**
In Bangladesh	19,842,502	82,762,601
Outside Bangladesh	496,056,656	558,547,343
Placement with Banks & Other Financial Institutions	**13,603,700,000**	**13,603,700,000**
Investments in Shares & Securities	**16,175,046,793**	**16,099,534,554**
Government	15,000,000,000	15,000,000,000
Others	1,175,046,793	1,099,534,554
Investments	**283,720,473,471**	**273,352,470,705**
General Investment etc.	282,877,658,640	272,697,811,880
Bills Purchased and Negotiated	842,814,831	654,658,825
Fixed Assets Including Premises, Furniture & Fixtures and Intangible Assets	**3,459,733,729**	**3,473,092,894**
Other Assets	**13,647,394,024**	**12,114,221,889**
Non Banking Assets	**25,145,280**	**25,145,280**
Total Assets	**353,077,301,848**	**344,486,615,040**
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks & Other Financial Institutions	**17,491,951,233**	**9,481,539,506**
Deposits and Other Accounts	**296,932,149,379**	**299,106,100,756**
Al-Wadia Current Deposits and Other Deposit Accounts	17,236,073,427	20,638,545,972
Bills Payable	1,764,844,052	1,805,435,584
Mudaraba Savings Deposits	24,961,699,725	26,626,552,818
Mudaraba Term Deposits	201,714,327,284	197,765,021,849
Other Mudaraba Deposits	51,255,204,891	52,270,544,533
Mudaraba Subordinated Bond	**5,000,000,000**	**5,382,000,000**
Other Liabilities	**21,223,936,584**	**18,406,049,243**
Total Liabilities	**340,648,037,196**	**332,375,689,505**
Capital/Shareholders' equity		
Paid-up Capital	7,128,175,820	7,128,175,820
Statutory Reserve	3,055,051,106	2,950,454,362
Other Reserve	516,507,063	516,507,063
Asset Revaluation Reserve	352,137,580	352,137,580
Retained Earnings	1,032,049,567	823,468,503
Total Shareholders' Equity	**12,083,921,137**	**11,770,743,328**
Non-controlling Interest	345,343,515	340,182,207
Total Liabilities and Shareholders' Equity	**353,077,301,848**	**344,486,615,040**

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FIRST SECURITY ISLAMI BANK LIMITED
CONSOLIDATED BALANCE SHEET (Un-audited)
AS AT 31 MARCH 2018

	31.03.2018 BDT	31.12.2017 BDT
OFF- BALANCE SHEET ITEMS		
Contingent Liabilities		
Acceptances and Endorsements	30,057,470,493	27,687,184,862
Letters of Guarantee	6,544,948,698	6,079,859,518
Irrevocable Letters of Credit	7,971,420,261	6,125,414,109
Bills for Collection	1,504,488,297	1,370,961,371
Other Contingent Liabilities	-	-
Total	**46,078,327,748**	**41,263,419,860**
Other Commitments		
Documentary Credits And Short Term Trade Related Transactions	-	-
Forward Assets Purchased And Forward Deposits Placed	-	-
Undrawn Note Issuance And Revolving Underwriting Facilities	-	-
Undrawn Formal Standby Facilities, Credit Lines And Other Commitments	-	-
Total	**-**	**-**
Total Off -Balance Sheet Items Including Contingent Liabilities	**46,078,327,748**	**41,263,419,860**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

AMAR STOCK

FIRST SECURITY ISLAMI BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE PERIOD ENDED 31 MARCH 2018

	31 March 2018 BDT	31 March 2017 BDT
Investments Income	7,409,628,633	6,752,202,824
Profit Paid on Deposits	(5,595,509,159)	(4,798,381,779)
Net Investment Income	**1,814,119,474**	**1,953,821,045**
Income from Investment in shares and securities	68,296,879	33,600,612
Commission, Exchange and Brokerage	162,753,350	135,863,832
Other Operating Income	109,547,255	121,851,257
	340,597,484	**291,315,701**
Total Operating Income	**2,154,716,958**	**2,245,136,746**
Less: Operating Expenses		
Salary and Allowances	882,934,880	765,300,768
Rent, Taxes, Insurances, Electricity etc.	136,740,678	125,465,503
Legal Expenses	2,328,015	366,080
Postage, Stamps, Telecommunication etc.	22,105,987	6,828,994
Stationery, Printings, Advertisements etc.	40,531,026	29,372,322
Managing Director's Salary and Fees	3,422,742	3,212,500
Directors' Fees & Expenses	198,600	287,300
Shariah Supervisory Committee's Fees & Expenses	-	-
Auditor's Fees	215,625	182,563
Depreciation & Repair of Bank's Assets	108,270,380	101,673,637
Zakat Expenses	21,645,090	17,897,039
Other Expenses	215,475,909	191,624,271
Total Operating Expenses	**1,433,868,932**	**1,242,210,977**
Profit before Provision and Tax	**720,848,026**	**1,002,925,769**
Provisions for Investments including off-B/S items	120,600,000	330,000,000
Provisions for Diminution in Value of Investment in Shares	57,538,496	3,095,545
Provision for Other Assets	-	-
Total Provisions	**178,138,496**	**333,095,545**
Total Profit before Taxes	**542,709,530**	**669,830,224**
Provision for Current Tax	224,370,413	320,804,505
Deferred Tax Income	-	-
Total Provisions for Tax	**224,370,413**	**320,804,505**
Net Profit after Tax	**318,339,117**	**349,025,719**
Retained Earnings from Previous Year	823,468,503	793,919,776
	1,141,807,620	**1,142,945,495**
Appropriations:		
Statutory Reserve	104,596,744	128,896,100
Other Reserve	-	-
Non-controlling Interest	5,161,308	8,511,081
	109,758,053	**137,407,181**
Retained Earnings Carried Forward	**1,032,049,567**	**1,005,538,314**
Earnings Per Share (EPS)	**0.44**	**0.48**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

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FIRST SECURITY ISLAMI BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT (Un-audited)
FOR THE PERIOD ENDED 31 MARCH 2018

	31 March 2018 BDT	31 March 2017 BDT
A. Cash Flows from Operating Activities		
Investment Income Receipt	6,660,120,221	6,092,314,693
Profit paid on Deposits	(3,563,744,457)	(3,165,425,262)
Dividend Receipts	2,751,614	5,070,194
Fees & Commission Receipt	162,753,350	135,863,832
Payment to Employees	(886,357,622)	(768,513,268)
Payment to Suppliers	(55,408,679)	(46,810,349)
Income Tax Paid	(322,021,363)	(303,875,005)
Receipts from Other Operating Activities	113,672,660	121,851,257
Payment for Other Operating Activities	(377,672,936)	(320,293,931)
Operating Profit before changes in Operating Assets & Liabilities	**1,734,092,788**	**1,750,182,161**
Increase/(Decrease) in Operating Assets & Liabilities		
Investments to Customers	(8,554,236,870)	(15,811,810,905)
Other Assets	(1,270,990,760)	(878,876,305)
Deposits Received from Customers	(5,140,466,698)	(3,135,379,918)
Other Liabilities	2,393,733,347	1,827,256,325
Cash Generated from Operating Assets & Liabilities	**(12,571,960,981)**	**(17,998,810,803)**
Net Cash Inflow/(Outflow) from Operating Activities	**(10,837,868,193)**	**(16,248,628,642)**
B. Cash Flows from Investing Activities		
Investment in Shares and Securities	(75,512,239)	(82,367,532)
Purchase of Property, Plant and Equipment	(88,898,311)	(95,962,775)
Sale of Property, Plant and Equipment	1,225,850	-
Net Cash Inflow/(Outflow) from Investing Activities	**(163,184,700)**	**(178,330,307)**
C. Cash Flows from Financing Activities		
Receipt/(Payment) of Mudaraba Subordinated Bond	(382,000,000)	(382,000,000)
Increase/(Decrease) in Placement from Banks & FIS	8,010,411,727	4,377,978,415
Net Cash Inflow/(Outflow) from Financing Activities	**7,628,411,727**	**3,995,978,415**
D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)	**(3,372,641,166)**	**(12,430,980,534)**
Effect of Exchange Rate Change on Cash & Cash Equivalents	-	-
E. Opening Cash & Cash Equivalents	**39,422,149,718**	**47,326,467,680**
F. Closing Cash & Cash Equivalents (D+E)	**36,049,508,552**	**34,895,487,146**
The above closing Cash and Cash Equivalents include:		
Cash in Hand (Including Foreign Currencies)	1,543,956,500	1,319,301,369
Balance with Bangladesh Bank and its Agent Bank(s), Other Banks, FIS and Placement	34,505,552,052	33,576,185,777
	36,049,508,552	**34,895,487,146**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairm**

Dhaka, 25 April 2018

FIRST SECURITY ISLAMI BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Un-audited)

FOR THE PERIOD ENDED 31 MARCH 2018

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Assets Reval. Reserve	Retained Earnings	Non-controlling Interest	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Balance as on 01 January 2018	**7,128,175,820**	**2,950,454,362**	**516,507,063**	**352,137,580**	**823,468,503**	**340,182,207**	**12,110,925,534**
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	**7,128,175,820**	**2,950,454,362**	**516,507,063**	**352,137,580**	**823,468,503**	**340,182,207**	**12,110,925,534**
Net Profit for the Period	-	-	-	-	318,339,117	-	318,339,117
Bonus Share Issued	-	-	-	-	-	-	-
Transfer to Statutory Reserve	-	104,596,744	-	-	(104,596,744)	-	-
Transfer to Other Reserve	-	-	-	-	-	-	-
Revaluation Reserve to Other Reserve	-	-	-	-	-	-	-
Capital Increase in Subsidiary	-	-	-	-	-	-	-
Non-controlling Interest	-	-	-	-	(5,161,308)	5,161,308	-
Total Group Shareholders' Equity as on 31 March 2018	**7,128,175,820**	**3,055,051,106**	**516,507,063**	**352,137,580**	**1,032,049,567**	**345,343,515**	**12,429,264,652**

FOR THE PERIOD ENDED 31 MARCH 2017

Balance as on 01 January 2017	**6,788,738,880**	**2,412,128,110**	**402,850,965**	**362,198,654**	**793,919,776**	**300,600,194**	**11,060,436,579**
Net Profit for the period	-	-	-	-	349,025,719	-	349,025,719
Cash Dividends	-	-	-	-	-	-	-
Transfer to Statutory Reserve	-	128,896,100	-	-	(128,896,100)	-	-
Non-controlling Interest	-	-	-	-	(8,511,081)	8,511,081	-
Total Group Shareholders' Equity as on 31 March 2017	**6,788,738,880**	**2,541,024,210**	**402,850,965**	**362,198,654**	**1,005,538,314**	**309,111,275**	**11,409,462,298**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

FIRST SECURITY ISLAMI BANK LIMITED
BALANCE SHEET (Un-audited)
AS AT 31 MARCH 2018

	31.03.2018 BDT	31.12.2017 BDT
PROPERTY AND ASSETS		
Cash	**21,929,859,949**	**25,177,115,132**
In hand (including foreign currencies)	1,543,907,055	1,691,454,610
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)	20,385,952,894	23,485,660,522
Balance with other Banks and Financial Institutions	**514,905,976**	**636,314,862**
In Bangladesh	18,849,320	77,767,519
Outside Bangladesh	496,056,656	558,547,343
Placement with Banks & Other Financial Institutions	**13,603,700,000**	**13,603,700,000**
Investments in Shares & Securities	**15,909,193,596**	**15,908,894,701**
Government	15,000,000,000	15,000,000,000
Others	909,193,596	908,894,701
Investments	**283,971,621,476**	**273,593,618,710**
General Investment etc.	283,128,806,645	272,938,959,885
Bills Purchased and Negotiated	842,814,831	654,658,825
Fixed Assets Including Premises, Furniture & Fixtures and Intangible Assets	**3,451,386,283**	**3,464,011,431**
Other Assets	**12,828,983,910**	**11,330,679,178**
Non Banking Assets	**25,145,280**	**25,145,280**
Total Assets	**352,234,796,470**	**343,739,479,294**
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks & Other Financial Institutions	**17,424,946,558**	**9,481,539,506**
Deposits and Other Accounts	**296,945,980,797**	**299,120,844,464**
Al-Wadia Current Deposits and Other Deposit Accounts	17,249,904,845	20,653,289,680
Bills Payable	1,764,844,052	1,805,435,584
Mudaraba Savings Deposits	24,961,699,725	26,626,552,818
Mudaraba Term Deposits	201,714,327,284	197,765,021,849
Other Mudaraba Deposits	51,255,204,891	52,270,544,533
Mudaraba Subordinated Bond	**5,000,000,000**	**5,382,000,000**
Other Liabilities	**20,884,387,147**	**18,083,419,191**
Total Liabilities	**340,255,314,502**	**332,067,803,161**
Capital/Shareholders' equity		
Paid-up Capital	7,128,175,820	7,128,175,820
Statutory Reserve	3,055,051,106	2,950,454,362
Other Reserve	516,507,063	516,507,063
Assets Revaluation Reserve	352,137,580	352,137,580
Retained Earnings	927,610,399	724,401,308
Total Shareholders' Equity	**11,979,481,968**	**11,671,676,133**
Total Liabilities and Shareholders' Equity	**352,234,796,470**	**343,739,479,294**

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FIRST SECURITY ISLAMI BANK LIMITED
BALANCE SHEET (Un-audited)
AS AT 31 MARCH 2018

	31.03.2018 BDT	31.12.2017 BDT
OFF- BALANCE SHEET ITEMS		
Contingent Liabilities		
Acceptances and Endorsements	30,057,470,493	27,687,184,862
Letters of Guarantee	6,544,948,698	6,079,859,518
Irrevocable Letters of Credit	7,971,420,261	6,125,414,109
Bills for Collection	1,504,488,297	1,370,961,371
Other Contingent Liabilities	-	-
Total	**46,078,327,748**	**41,263,419,860**
Other Commitments		
Documentary Credits And Short Term Trade Related Transactions	-	-
Forward Assets Purchased And Forward Deposits Placed	-	-
Undrawn Note Issuance And Revolving Underwriting Facilities	-	-
Undrawn Formal Standby Facilities, Credit Lines And Other Commitments	-	-
Total	**-**	**-**
Total Off -Balance Sheet Items Including Contingent Liabilities	**46,078,327,748**	**41,263,419,860**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

AMAR STOCK

FIRST SECURITY ISLAMI BANK LIMITED
PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE PERIOD ENDED 31 MARCH 2018

	31 March 2018 BDT	31 March 2017 BDT
Investments Income	7,384,605,912	6,734,082,476
Profit Paid on Deposits	(5,595,509,159)	(4,798,381,779)
Net Investment Income	**1,789,096,753**	**1,935,700,697**
Income from Investment in Shares and Securities	64,171,474	27,611,608
Commission, Exchange and Brokerage	155,502,268	122,240,566
Other Operating Income	108,921,505	121,122,757
	328,595,247	**270,974,931**
Total Operating Income	**2,117,692,000**	**2,206,675,628**
Less: Operating Expenses		
Salary and Allowances	877,591,386	759,623,225
Rent, Taxes, Insurances, Electricity etc.	135,171,105	124,066,345
Legal Expenses	2,328,015	366,080
Postage, Stamps, Telecommunication etc.	21,996,184	6,698,774
Stationery, Printings, Advertisements etc.	40,437,529	29,304,192
Managing Director's Salary and Fees	3,422,742	3,212,500
Directors' Fees & Expenses	73,600	174,800
Shariah Supervisory Committee's Fees & Expenses	-	-
Auditor's Fees	215,625	182,563
Depreciation & Repair of Bank's Assets	107,536,363	98,707,851
Zakat Expenses	21,645,090	17,897,039
Other Expenses	213,152,143	188,866,216
Total Operating Expenses	**1,423,569,782**	**1,229,099,585**
Profit before Provision and Tax	**694,122,218**	**977,576,043**
Provisions for Investments including off-B/S items	113,600,000	330,000,000
Provisions for Diminution in Value of Investment in Shares	57,538,496	3,095,545
Provision for Other Assets	-	-
Total Provisions	**171,138,496**	**333,095,545**
Total Profit before Taxes	**522,983,722**	**644,480,498**
Provision for Current Tax	215,177,888	312,824,334
Deferred Tax Income	-	-
Total Provisions for Tax	**215,177,888**	**312,824,334**
Net Profit after tax	**307,805,834**	**331,656,164**
Retained Earnings from Previous Year	724,401,308	736,050,186
	1,032,207,143	**1,067,706,350**
Appropriations:		
Statutory Reserve	104,596,744	128,896,100
Other Reserve	-	-
	104,596,744	**128,896,100**
Retained Earnings Carried Forward	**927,610,399**	**938,810,251**
Earnings Per Share (EPS)	**0.43**	**0.47**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

FIRST SECURITY ISLAMI BANK LIMITED
CASH FLOW STATEMENT (Un-audited)
FOR THE PERIOD ENDED 31 MARCH 2018

		31 March 2018 BDT	31 March 2017 BDT
A.	**Cash Flows from Operating Activities**		
	Investment Income Receipt	6,635,097,500	6,061,642,586
	Profit paid on Deposits	(3,563,744,457)	(3,165,425,262)
	Dividend Receipts	2,751,614	5,070,194
	Fees & Commission Receipt	155,502,268	122,240,566
	Payment to Employees	(881,014,128)	(762,835,725)
	Payment to Suppliers	(54,674,662)	(42,315,852)
	Income Tax Paid	(322,013,363)	(303,875,005)
	Receipts from Other Operating Activities	108,921,505	121,122,757
	Payment for Other Operating Activities	(373,451,297)	(320,284,715)
	Operating Profit before changes in Operating Assets & Liabilities	**1,707,374,980**	**1,715,339,544**
	Increase/(Decrease) in Operating Assets & Liabilities		
	Investments to Customers	(8,564,978,885)	(15,890,810,905)
	Other Assets	(1,236,123,355)	(753,553,370)
	Deposits Received from Customers	(5,141,378,988)	(3,049,955,607)
	Other Liabilities	2,393,006,483	1,662,739,892
	Cash Generated from Operating Assets & Liabilities	**(12,549,474,745)**	**(18,031,579,989)**
	Net Cash Inflow/(Outflow) from Operating Activities	**(10,842,099,765)**	**(16,316,240,445)**
B.	**Cash Flows from Investing Activities**		
	Investment in Shares and Securities	(298,895)	(14,796,685)
	Purchase of Property, Plant and Equipment	(88,898,311)	(95,926,745)
	Sale of Property, Plant and Equipment	1,225,850	-
	Net Cash Inflow/(Outflow) from Investing Activities	**(87,971,356)**	**(110,723,430)**
C.	**Cash Flows from Financing Activities**		
	Receipt/(Payment) of Mudaraba Subordinated Bond	(382,000,000)	(382,000,000)
	Increase/(Decrease) in Placement from Banks & FIS	7,943,407,052	4377978415
	Net Cash Inflow/(Outflow) from Financing Activities	**7,561,407,052**	**3,995,978,415**
D.	**Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)**	**(3,368,664,069)**	**(12,430,985,460)**
	Effect of Exchange Rate Change on Cash & Cash Equivalents	-	-
E.	**Opening Cash & Cash Equivalents**	**39,417,129,994**	**47,324,142,183**
F.	**Closing Cash & Cash Equivalents (D+E)**	**36,048,465,925**	**34,893,156,723**
	The above closing Cash and Cash Equivalents include:		
	Cash in Hand (Including Foreign Currencies)	1,543,907,055	1,319,287,303
	Balance with Bangladesh Bank and its Agent Bank(s), Other Banks, FIS and Placement	34,504,558,870	33,573,869,420
		36,048,465,925	**34,893,156,723**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

FIRST SECURITY ISLAMI BANK LIMITED
STATEMENT OF CHANGES IN EQUITY (Un-audited)

FOR THE PERIOD ENDED 31 MARCH 2018

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Assets Reval. Reserve	Retained Earnings	Total
	BDT	BDT	BDT	BDT	BDT	BDT
Balance as on 01 January 2018	**7,128,175,820**	**2,950,454,362**	**516,507,063**	**352,137,580**	**724,401,308**	**11,671,676,134**
Changes in Accounting Policy	-	-	-	-	-	-
Restated Balance	**7,128,175,820**	**2,950,454,362**	**516,507,063**	**352,137,580**	**724,401,308**	**11,671,676,134**
Net Profit for the Period	-	-	-	-	307,805,834	307,805,834
Transfer to Statutory Reserve	-	104,596,744	-	-	(104,596,744)	-
Transfer to Other Reserve	-	-	-	-	-	-
Revaluation Reserve transfer to Other Reserve	-	-	-	-	-	-
Total Shareholders' Equity as on 31 March 2018	**7,128,175,820**	**3,055,051,106**	**516,507,063**	**352,137,580**	**927,610,399**	**11,979,481,968**
FOR THE PERIOD ENDED 31 MARCH 2017						
Balance as on 01 January 2017	**6,788,738,880**	**2,412,128,110**	**402,850,965**	**362,198,654**	**736,050,186**	**10,701,966,795**
Net Profit for the period	-	-	-	-	331,656,164	331,656,164
Transfer to Statutory Reserve	-	128,896,100	-	-	(128,896,100)	-
Revaluation Reserve transfer to Other Reserve	-	-	-	-	-	-
Total Shareholders' Equity as on 31 March 2017	**6,788,738,880**	**2,541,024,210**	**402,850,965**	**362,198,654**	**938,810,250**	**11,033,622,959**

Head of FAD **Company Secretary** **Managing Director** **Director** **Chairman**

Dhaka, 25 April 2018

First Security Islami Bank Ltd.

Selective Notes to the Financial Statements

As at and for the period ended 31 March 2018

01. Basis of Accounting

The financial statements as at and for the period ended 31 March 2018 have been prepared in accordance with Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting", Bangladesh Financial Reporting Standard, Income Tax Ordinance 1984, Bangladesh Bank Circulars, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

02. Accounting Policies

In case of preparing these financial statements, the Accounting Policies which have been followed are same as applied in the financial statements of the Bank for preceding period.

03. Basis of Consolidation

The consolidated financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards 10-"Consolidated Financial Statements". The Consolidated Financial Statements are prepared as at and for the period ended 31 March 2018.

All intra-group transactions, balances, income and expenses are eliminated at the time of consolidation.

04. Cash and Cash Equivalent

As per BRPD circular no. 15 dated November 09, 2009 and BAS-7, cash and cash equivalents include notes and coins in hand, balances lying with ATM, unrestricted balance held with Bangladesh Bank and its agent Bank, balance with other Banks and Financial Institutions, Placement with Banks and other Financial Institutions.

05. Depreciation on Property, Plant and Equipment

As required in paragraph 43 of IAS 16-Property, Plant and Equipment depreciation has been charged at the reducing balance method, except on motor vehicles and building on which straight-line method is applied. Depreciation on addition to fixed assets is charged when the asset is available for use and the charge of depreciation is ceased after the asset is sold out/disposed off/fully depreciated.

06. Provisions

a) General Investments and Investments in Shares & Securities

Provision for general investment and investment in shares & securities has been made as per directives of Bangladesh Bank issued from time to time.

b) Taxation

Provision for income tax has been made on taxable income after necessary add back in accordance with the provisions of Finance Act 2017, Income Tax Ordinance 1984 and other relevant legislation as applicable.

07. Retirement Benefits of Employees

Required in BAS-19 Employee Benefit, provident fund and gratuity benefits are given to eligible staff of the bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan.

08. Mudaraba Subordinated Bond

The Bank issued Redeemable non-convertible FSIBL 1st Mudaraba Subordinated Bond to the tune of Taka 2,500,000,000.00 as Supplementary Capital (Tier-2) of the Bank for a term of 6 years to strengthen the capital base of the Bank under Basel-II. The bond had been fully subscribed by the 02.01.2013. However, the amount of Tk. 2,000,000,000.00 had already been paid up to 31 March 2018 as principal redemption.

The Board of Directors of the Bank in its 181st meeting held on February 12, 2017 has decided to issue fully Redeemable non-convertible FSIBL 2nd Mudaraba Subordinated Bond (Private Placement) amounting to BDT 4,500,000,000.00 (Four hundred fifty crore) only through private placements with 7 years maturity for enhancement of Tier-II capital as per requirement of Basel –III. The Bangladesh Securities and Exchange Commission has given consent vided their letter No. BSEC/CI/DS-08/2017/435 dated August 27, 2017 and Bangladesh Bank approval letter no. BRPD(BFIS)661/14B(P)/2017-6560 dated 05.10.2017. The FSIBL 2nd Mudaraba Subordinated Bond has fully been subscribed by BDT 4,500,000,000.00 as on 31 December 2017.

09. Others

Figures relating to previous year/period included in this period have been rearranged wherever considered necessary.

AMAR STOCK