National Housing Finance and Investments Limited

Balance Sheet (Unaudited)
As at September 30, 2018

	Note	September 2018 Taka	December 2017 Taka
Property and Assets			
Cash:	4.00		
In hand (including foreign currencies)		68,923	77,938
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		191,325,424	212,814,180
		191,394,347	**212,892,118**
Balance with banks and other financial institutions:	5.00		
In Bangladesh		6,062,968,431	4,813,965,603
Outside Bangladesh		-	-
		6,062,968,431	**4,813,965,603**
Money at call and on short notice	6.00	-	
Investments:	7.00		
Government		-	-
Others		129,439,328	132,094,351
		129,439,328	**132,094,351**
Loans and advances:	8.00		
Loans, cash credits, overdrafts etc.		12,195,416,684	10,245,332,407
Bills purchased and discounted		-	-
		12,195,416,684	**10,245,332,407**
Fixed assets including premises, furniture and fixtures	9.00	**229,653,092**	**234,161,187**
Other assets	10.00	**570,163,377**	**524,751,124**
Non-banking assets	11.00	-	-
Total Assets		**19,379,035,258**	**16,163,196,789**
Liabilities and capital			
Liabilities:			
Borrowing from other banks, financial institutions and agents	12.00	**1,390,325,034**	**1,720,842,480**
Deposits and other accounts:	13.00		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		7,530,000,000	3,930,000,000
Fixed deposits		7,579,510,559	7,724,983,097
Bearer certificate of deposits		-	-
Other deposits		13,094,267	13,181,489
		15,122,604,825	**11,668,164,585**
Other liabilities	14.00	**1,201,752,316**	**1,073,585,577**
Total Liabilities		**17,714,682,175**	**14,462,592,642**
Capital/Shareholders' equity:			
Paid up capital	15.02	1,063,920,000	1,063,920,000
Statutory reserve	16.00	444,563,665	411,384,918
Retained earnings	17.00	155,869,417	225,299,229
Total Shareholders' equity		**1,664,353,083**	**1,700,604,147**
Total liabilities and Shareholders' equity		**19,379,035,258**	**16,163,196,789**

-

	Note	September 2018 Taka	December 2017 Taka
Off-Balance Sheet Items			
Contingent Liabilities:		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		-	-
Other Commitments:		-	-
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities			
Un-disbursed contracted loans and leases	34.00	707,407,484	1,472,681,927
Undrawn formal standby facilities, credit lines and other commitments		-	-
		707,407,484	**1,472,681,927**
Total Off-Balance Sheet Items including contingent liabilities		707,407,484	1,472,681,927

The accompanying notes form an integral part of these financial statements

(Sayed Ahmed, FCMA)
Chief Financial Officer

(Md. Sarwar Kamal, FCS)
Company Secretary

(Md. Khalilur Rahman)
Managing Director

(Md.Kabir Reza, FCMA)
Director

(Latifur Rahman)
Chairman

National Housing Finance and Investments Limited

Profit and Loss Account
For the third quarter ended September 30, 2018
Unaudited

	Note	January 01 to September 30,	January 01 to September	July 01 to September 30,	July 01 to September 30,
Interest Income	19.00	1,431,561,847	991,811,980	494,832,937	337,288,214
Interest paid on deposits, borrowings etc.	20.00	976,953,943	579,815,280	360,577,288	211,560,591
Net interest income		**454,607,903**	**411,996,700**	**134,255,648**	**125,727,623**
Income from investment	21.00	4,449,106	15,368,329	329,812	3,000,995
Commission, exchange and brokerage	22.00	56,000	30,100	2,000	1,000
Other operating income	23.00	19,901,907	18,262,960	4,742,030	6,871,956
		24,407,013	**33,661,389**	**5,073,842**	**9,873,951**
Total operating income (A)		**479,014,916**	**445,658,089**	**139,329,491**	**135,601,574**
Salaries and allowances	24.02	63,100,145	58,876,734	22,627,208	22,863,974
Rent, taxes, insurance, electricity etc.	24.03	6,906,381	6,323,595	2,287,132	2,270,136
Legal expenses	24.04	1,946,568	2,342,868	226,500	257,650
Postage, stamps, telecommunication etc.	25.00	2,647,923	2,545,437	421,296	862,089
Stationery, printing, advertisement etc.	26.00	14,865,959	10,625,286	1,721,304	1,624,359
Managing Director's salary & fees	27.00	4,353,822	3,703,000	1,500,000	1,501,000
Directors' fees and expenses	24.01	1,481,200	1,549,409	395,600	482,359
Auditors' fees	28.00	-	-	-	-
Charges on loan losses		-	-	-	-
Depreciation on and repairs to institution's assets	29.00	7,984,326	8,077,777	2,942,220	3,264,147
Other expenses	30.00	11,471,249	9,688,967	4,177,282	3,199,576
Total operating expenses (B)		**114,757,573**	**103,733,073**	**36,298,542**	**36,325,290**
Profit before provisions (C=A-B)		**364,257,343**	**341,925,016**	**103,030,949**	**99,276,284**
Provisions for					
Loans, advances and leases	31.00	58,135,864	48,441,293	20,407,900	15,268,622
Diminution in value of investments	31.01	12,106,938	4,658,497	(526,737)	1,330,270
Others	31.02	(67,849)	(614,257)	(38,470)	(136,761)
Total provisions (D)		**70,174,953**	**52,485,533**	**19,842,693**	**16,462,131**
Total profit before taxation (E=C-D)		**294,082,391**	**289,439,483**	**83,188,256**	**82,814,152**
Provisions for taxation (F)	14.08	(128,188,655)	(111,544,648)	(35,052,505)	(38,610,458)
Net profit after taxation (E-F)		**165,893,736**	**177,894,836**	**48,135,752**	**44,203,694**
Appropriations:					
Statutory reserve	16.00	33,178,747	35,578,967	9,627,150	8,840,739
General reserve		-	-	-	-
Proposed dividend		-	-	-	-
		33,178,747	**35,578,967**	**9,627,150**	**8,840,739**
Retained surplus		**132,714,989**	**142,315,869**	**38,508,601**	**35,362,955**
Earnings per share	32.00	1.56	1.67	0.45	0.42

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Director

(Latifur Rahman)
Chairman

Statement of Changes in Equity

For the third quarter ended September 30, 2018

Figures in Taka

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Retained Earnings	Total
Balance as at September 30, 2017:	**1,063,920,000**	**395,934,254**	**-**	**163,496,572**	**1,623,350,826**
Balance as at January 01, 2018	1,063,920,000	411,384,918	-	225,299,229	1,700,604,147
Changes in accounting policy	-	-		-	-
Restated balance	1,063,920,000	411,384,918		225,299,229	1,700,604,147
Surplus/deficit on account of revaluation of properties	-	-	-	-	-
Surplus/deficit on account of revaluation of Investments	-	-	-	-	-
Currency transaction differences	-	-	-	-	-
Net gain/loss not recognized in the income statement	-	-	-	-	-
Net profit for the year	-	-	-	165,893,736	165,893,736
Dividends	-	-	-	(202,144,800)	(202,144,800)
Transfer to statutory reserve	-	33,178,747	-	(33,178,747)	-
Balance as at September 30, 2018	**1,063,920,000**	**444,563,665**	**-**	**155,869,417**	**1,664,353,083**

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

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National Housing Finance and Investments Limited

Cash Flow Statement
For the third quarter ended September 30, 2018

	September 30, 2018 Taka	September 30, 2017 Taka
A. Cash flows from operating activities		
Interest receipts in cash	1,387,373,518	922,914,496
Interest payments	(915,872,522)	(569,516,272)
Dividend receipts	3,115,863	4,444,281
Fees and commissions receipts in cash	56,000	30,100
Recoveries on loans previously written off	1,860,000	-
Cash payments to employees	(74,563,233)	(67,002,165)
Cash payments to suppliers	(17,839,306)	(13,319,821)
Income taxes paid	(148,168,748)	(150,021,287)
Receipts from other operating activities	21,235,150	29,187,007
Payments for other operating activities	(18,998,798)	(20,192,339)
Cash generated from operating activities before changes in operating assets and liabilities	**238,197,924**	**136,524,001**
Increase/(decrease) in operating assets and liabilities:		
Statutory deposits	-	-
Purchase/sale of trading securities	-	-
Loans, advances and leases to the client	(1,950,084,277)	(830,204,071)
Other assets	(38,877,590)	(36,228,883)
Term deposits	3,454,527,462	2,626,095,637
Other deposits	(87,222)	(4,066,797)
Trading liabilities	-	-
Other liabilities	56,986,789	44,979,215
	1,522,465,162	**1,800,575,101**
Net cash flow from operating activities	**1,760,663,087**	**1,937,099,101**
B. Cash flows from investing activities		
Proceeds from sale of securities	2,655,023	(33,596,709)
Payments for purchase of securities	-	-
Purchase /sale of property, plant & equipment	(3,150,807)	(9,486,946)
Purchase /sale of subsidiary	-	-
Net cash from investing activities	**(495,784)**	**(43,083,655)**
C. Cash flows from financing activities		
Receipts from issue of loan capital & debt securities	-	-
Payments for redemption of loan capital & debt securities	-	-
Receipt from ordinary shares	-	-
Loan from banks	(330,517,446)	501,597,954
Dividend paid	(202,144,800)	(191,505,600)
Net cash from financing activities	**(532,662,246)**	**310,092,354**
D. Net increase/(decrease) in cash	**1,227,505,057**	**2,204,107,800**
E. Effects of exchange rate changes on cash and cash equivalent	-	-
F. Cash and cash equivalent at beginning of the year	5,026,857,721	2,456,302,565
G. Cash and cash equivalent at end of the period	**6,254,362,778**	**4,660,410,365**
Cash and cash equivalent at end of the period		
Cash in hand (including foreign currencies)	68,923	78,969
Balance with Bangladesh Bank and its agent bank(s) (including foreign	191,325,424	198,850,547
Balance with banks and other financial institutions	6,062,968,431	4,461,480,849
Money at call and on short notice	-	-
	6,254,362,778	**4,660,410,365**

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

(Sayed Ahmed, FCMA)
Chief Financial Officer

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Company Secretary

(Md. Khalilur Rahman)
Managing Director

(Md. Kabir Reza, FCMA)
Director

(Latifur Rahman)
Chairman

Notes to the Financial Statements (Un-audited)
For the third quarter ended September 30, 2018

1.00 Reporting Entity

1.01 Legal status and nature of the company

National Housing Finance and Investments Limited (NHFIL) was incorporated on August 18, 1998 as a public limited company under the Companies Act 1994, obtaining license from Bangladesh Bank under the Financial Institutions Act 1993 on December 29, 1998. The main objectives of the Company are to carry on the business of financing the acquisition, construction, development and purchase of houses, plots, apartments, real estates, commercial spaces, etc.

The Company has obtained permission from Bangladesh Bank on June 03, 2003 to enter into lease finance operation keeping housing finance as its core business. The Company extends lease finance for all types of industrial, manufacturing and service equipments including vehicles to individual companies and corporate houses.

1.02 Principal Activities of NHFIL

The Company provides loan to the extent of 70.00% of the total purchase price of houses, plots and apartments under usual repayable terms varying from 5 years to 20 years. The properties for which loans are disbursed are kept under registered / equitable mortgage as security. In addition to this NHFIL also involves with other activities such as accepting deposits, SME, lease financing, project financing etc.

1.03 Basis of Reporting

This third quarter ended financial report has been prepared based on Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting".

These interim financial statements should be read in conjunction with the published financial statements for the year ended December 31, 2017, as they provide an update to previously reported information.

1.04 Accounting policies and method of computations

Accounting policies and method of computations followed in preparing these financial statements are consistent with those used in the annual financial statements, prepared and published for the year ended December 31, 2017.

1.05 Post Balance Sheet Events

All materials events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed in note no. 39 of these financial statements.

2.00 Earnings Per Share (EPS)

Earnings Per Share has been calculated based on number of shares outstanding for the third quarter ended September 30, 2018 and profit for the same period. The number of shares outstanding for the period was 106.392 million. Earnings per shares for the preceding third quarter ended of September 30, 2017 has also been calculated based on 106.392 million shares.

3.00 Rounding off and rearrangement of figures

Figures have been rounded off to the nearest Taka and 2017 figures have been reclassified/rearranged, where necessary, to conform to current period presentation.

		September 2018 Taka	December 2017 Taka
4.00	**Cash**		
	Cash in hand:		
	Local currency	68,923	77,938
	Foreign currencies	-	-
		68,923	**77,938**
	Balance with Bangladesh Bank and its agent Bank:		
	Local currency	191,325,424	212,814,180
	Foreign currencies	-	-
		191,325,424	**212,814,180**
		191,394,347	**212,892,118**

4.01 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, rules 5 of the Financial Institutions Regulations 1994 and FID circular # 6 dated November 06, 2003.

The CRR on the Company's term deposits received from public @ 2.50% has been calculated and maintained with Bangladesh Bank in current account and 5.00% SLR, including CRR, on the total liabilities has been maintained in the form of balance with banks and other financial institutions. Both the reserves maintained by the Company are in excess of the statutory requirements. Details of CRR & SLR maintained by the company are shown in the note: 4.01.01 & 4.01.02.

4.01.01 Cash Reserve Requirement (CRR)

Required reserve	186,221,209	202,824,315
Actual reserve held	191,325,424	212,814,180
Surplus/(deficit)	**5,104,214**	**9,989,864**

4.01.02 Statutory Liquidity Reserve (SLR)

Required reserve	497,523,592	454,925,687
Actual reserve held	5,633,191,496	3,780,100,485
Surplus/(deficit)	**5,135,667,904**	**3,325,174,798**

5.00 Balance with banks and other financial institutions

5.01 In Bangladesh

On current accounts (note: 5.01.01)	19,424,166	14,287,657
On Short Term Deposit (STD) Accounts (note: 5.01.02)	130,396,266	110,617,272
On Fixed Deposit Account (note: 5.01.03)	5,913,148,000	4,689,060,674
	6,062,968,431	**4,813,965,603**
Outside Bangladesh	-	-
	6,062,968,431	**4,813,965,603**

5.01.01 On Current Accounts

AB Bank Limited	184,465	184,465
Agrani Bank Limited	573,538	-
Bank Asia Limited	4,546,702	9,205,541
Janata Bank Limited	5,000	-
EXIM Bank Limited	184,149	184,149
National Bank Limited	6,503,394	3,557,098
One Bank Limited	-	521
Woori Bank Limited	7,525	2,525
Trust Bank Limited	14,360	14,360
Mercantile Bank Limited	7,405,032	1,138,708
The City Bank Limited	-	289
	19,424,166	**14,287,657**

		September 2018 Taka	December 2017 Taka
5.01.02	**On Short Term Deposit (STD) Accounts**		
	Islami Bank Bangladesh Limited	1,068,264	4,813,135
	AB Bank Limited	12,505	12,936
	Commercial Bank of Ceylon PLC	6,808,143	-
	Dutch Bangla Bank Limited	3,317,034	-
	Bank Asia Limited	9,884,636	7,148,018
	Mutual Trust Bank Limited	2,445,353	28,656.00
	Eastern Bank Limited	6,302,506	4,745,135
	Exim Bank Limited	4,957	4,957
	Jamuna Bank Limited	61,499,545	40,137,029
	National Bank Limited	2,285,852	323,849
	One Bank Limited	470,359	1,323,487
	Prime Bank Limited	214,412	-
	Premier Bank Limited	4,921,845	2,634,567
	Pubali Bank Limited	1,497,075	30,514,242
	Shahjalal Islami Bank Limited	10,328,760	2,875,859
	Sonali Bank Limited	7,089	2,089
	SBAC Bank Limited	53,555	7,495,833
	Southeast Bank Limited	7,570,483	-
	Trust Bank Limited	8,387,739	1,610,665
	United Commercial Bank Limited	-	863
	Bank Alfalah Limited	538,912	6,320,882
	Mercantile Bank Limited	2,777,244	625,069
		130,396,266	**110,617,272**
5.01.03	**On Fixed Deposit Account**		
	National Finance Limited	50,000,000	200,000,000
	BD Finance Limited	-	200,000,000
	Dhaka Bank Limited	3,000,000,000	-
	Exim Bank Limited	200,000,000	-
	Meridian Finance Limited	-	400,000,000
	Jamuna Bank Limited	1,600,000,000	1,600,000,000
	National Bank Limited	100,000,000	-
	Fareast Finance Limited	37,000,000	100,000,000
	Industrial and Infrastructure Development Finance Company Limited	50,000,000	-
	Bangladesh Commerce Bank Limited	-	20,333,800
	Bay leasing and Investment Limited	-	100,000,000
	Islamic Finance and Investment Limited	-	100,000,000
	International Leasing and Financial Services Limited	154,800,000	400,000,000
	Reliance Finance Limited	-	200,000,000
	IPDC Finance Limited	150,000,000	50,000,000
	CAPM Venture Capital & Finance Limited	100,000,000	200,000,000
	Premier leasing & Finance Limited	74,000,000	100,000,000
	SBAC Bank Limited	100,000,000	227,951,374
	Union Capital Limited	-	200,000,000
	GSP Finance (BD) Limited	100,000,000	150,000,000
	Hajj Finance Company Limited	-	170,000,000
	Social Islami Bank Limited	10,348,000	30,000,000
	MIDAS Financing Limited	-	100,000,000
	Prime Finance & Investment Limited	50,500,000	100,000,000
	Lankabangla Finance Limited	100,000,000	-
	The Farmers Bank Limited	36,500,000	40,775,500
		5,913,148,000	**4,689,060,674**
6.00	**Money at call and on short notice With Banking Companies**		
		-	-
		-	-
7.00	**Investments**		
	Government securities	-	-
	Other investments (note: 7.01)	129,439,328	132,094,351
		129,439,328	**132,094,351**

		September 2018 Taka	December 2017 Taka
7.01	**Other Investments**		
	Preference Shares	20,000,000	30,000,000
	Ordinary Shares (note: 7.01.01)	109,439,328	102,094,351
		129,439,328	**132,094,351**

7.01.01 **Investment in ordinary shares**

Name of Company	Cost Price	Number of Shares	Cost Value	Market Price	Market Value as on 30.09.2018	Provision for diminution in value of share
ACI Formulations Limited	189.64	162,150	30,749,486	155.80	25,262,970	5,486,516
The ACME Laboratories Limited	117.16	55,000	6,443,624	88.70	4,878,500	1,565,124
M.L. Dyeing Limited	10.00	6,040	60,400	22.00	132,880	(72,480)
Lankabangla Finance limited	38.49	218,000	8,390,672	26.10	5,689,800	2,700,872
Becon Pharmaceuticals Limited	21.33	330,968	7,060,505	18.30	6,056,714	1,003,791
IDLC Finance Limited	78.69	207,500	16,327,959	59.60	12,367,000	3,960,959
VFS Thread Dyeing Limited	10.00	7,038	70,380	31.00	218,178	(147,798)
Aman Cotton Fibrous Limited	40.00	15,692	627,680	53.70	842,660	(214,980)
Titas Gas Limited	49.64	350,000	17,374,642	39.50	13,825,000	3,549,642
Bangladesh Shipping Corporation	50.56	149,603	7,563,495	41.90	6,268,366	1,295,129
Advent Pharma Limited	10.00	3,457	34,570	33.30	115,118	(80,548)
Silva Pharmaceuticals Limited	10.00	18,387	183,780	10.00	183,780	-
SK Trims & Industries Limited	10.00	10,082	100,820	34.20	344,804	(243,984)
Bashundhara Paper Mills Limited	80.00	21,613	1,729,040	113.50	2,453,075.50	(724,036)
Intraco Refueling Station Limited	10.00	5,334	53,340	30.50	162,687	(109,347)
Golden Harvest Agro Industries Limited	45.76	30,000	1,372,731	38.40	1,152,000	220,731
Dhaka Electric Supply Company Limited	47.95	70,000	3,356,215	43.80	3,066,000	290,215
LafargeHolcim Bangladesh Limited	69.04	115,000	7,939,899	51.90	5,968,500	1,971,399
Total			**109,439,238**		**88,988,034**	**20,451,204**

Opening Balance	8,344,266	184,305
Charge /(recovery) during the year	12,106,938	8,159,961
Balance as on September 30, 2018	**20,451,204**	**8,344,266**

		September 2018 Taka	December 2017 Taka
8.00	**Loans and advances**		
	Mortgage loans	10,900,554,694	8,873,727,141
	Lease finance	89,877,686	98,989,785
	Term loans	339,532,890	441,934,218
	Small & Medium Enterprises Loan	750,782,300	754,100,735
	Loan Against Fixed Deposits	43,301,312	39,621,891
	Staff loan (note: 8.01)	71,367,801	36,958,636
		12,195,416,684	**10,245,332,407**
8.01	**Staff Loan**		
	Personal loan	39,222,001	15,472,451
	Car loan	2,109,801	3,665,477
	House building loan	30,035,999	17,820,708
		71,367,801	**36,958,636**

8.02 **Details of Large Loan**

As at 30th September 2018 there was no client with whom amount of outstanding and classified loans, advances and leases exceeded 15.00% of the total capital of the Company.

8.03 **Particulars of Loans, Advances and Leases**

Loans considered good in respect of which the Company is fully secured	11,290,965,125	10,582,217,816
Loans considered good against which the Company holds no security other than debtors' personal guarantee	41,331,802	34,610,379
Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	998,178,743	998,178,743
Loans adversely classified-no provision not maintained there against	-	-
	12,330,475,671	**11,615,006,939**
Loans due by directors or officers of the bank or any of them either separately or jointly with any other persons	71,367,801	36,958,636
Loans due from companies or firms in which the directors or officers of the Company have interest as directors, partners or managing agents or, in case of private companies, as members	-	-
Maximum total amount of advance, including temporary advance made at any time during the year to directors or managers or officers of the Company or any of them either separately or jointly with any other person	-	-
Maximum total amount of advance, including temporary advances granted during the year to companies or firms in which the directors of the Company are interested as directors, partners or managing agents or, in case of private companies, as members.	-	-
Due from banks/financial institutions	-	-
Classified loans, advances and leases:		
a) Classified loans, advances and leases on which interest has not been charged (Note-8.09)	388,817,600	524,680,654
b) Loans written off	-	38,726,772
c) Realized from previous written off	-	-
d) Provision on bad loans, advances and leases	108,716,173	82,252,462
e) Interest credited to the interest suspense account (Note-14.05)	148,486,908	110,550,694
f) Cumulative amount of the written off loans/Leases:		
Opening balance	298,540,088	259,813,316
Amount written off during the year	-	38,726,772
Cumulative to date	298,540,088	298,540,088
Recovery from write-off	-	-
Written off loans for which law suit filed	298,540,088	298,540,088

8.04 The directors of the Company have not taken any loan from National Housing during the year or there is no outstanding loan balances with any directors of the company.

9.00 **Fixed assets including premises, furniture and fixtures for 2018**

	September 2018 Taka	December 2017 Taka
Cost		
Opening balance	295,539,107	287,217,919
Add: Addition during the year	3,150,807	10,259,241
	298,689,914	**297,477,160**
Less: Disposed during the year	-	(1,938,053)
Balance as on 30.09.2018	**298,689,914**	**295,539,107**
Less: Accumulated depreciation (9.01)	(69,036,822)	(61,377,920)
Written down value as on 30.09.2018	**229,653,092**	**234,161,187**

9.01 **Accumulated depreciation**

Opening balance	61,377,920	52,496,581
Add: Depreciation charged during the year	7,658,902	10,690,416
	69,036,822	**63,186,997**
Less: Adjustment during the year	-	(1,809,077)
Balance as on 30.09.2018	**69,036,822**	**61,377,920**

For details please refer to Annexure - A

		September 2018 Taka	December 2017 Taka
10.00	**Other assets**		
	Income Generating Other Assets:	-	-
	Non-income Generating Other Assets:		
	Advance against fixed assets	92,139,027	77,249,503
	Security deposits	154,460	154,460
	Advance income tax (note: 10.01)	293,317,423	326,304,486
	Advance against branch office	67,738	21,600
	Advance against office rent	2,104,000	2,150,100
	Stamp & Security Paper	366,570	273,431
	Deferred tax assets (note: 10.03)	3,021,365	3,021,365
	Other receivables (note: 10.02)	178,992,795	115,576,178
		570,163,377	**524,751,124**
10.01	**Advance Income Tax**		
	Balance as at 1st January	**326,304,486**	**430,620,104**
	Add: Advance tax for the year:		
	Tax paid during the year	111,990,496	172,024,136
	Tax deducted at source	36,178,252	20,182,939
	Less: Adjusted against tax provision	(181,155,812)	(296,522,692)
		(32,987,064)	**(104,315,617)**
	Balance as at 30th September	**293,317,423**	**326,304,486**
10.02	**Other Receivables**		
	Cheque dishonored charges	420,648	464,547
	Accounts receivable	22,356,934	3,330,539
	Interest on bank deposits	138,888,975	94,700,646
	Receivable from Dhaka Stock Exchange Ltd.	1,399,845	4,713,440
	Receivable from Multi Securities	7,120	7,120
	Receivable from ETBL Securities	278,880	470,470
	Receivable from UFT Co. Ltd	3,696	21,440
	Legal charges receivable	13,736,006	11,421,158
	Others	1,900,691	446,819
		178,992,795	**115,576,178**
10.03	**Deferred tax assets**		
	Balance as at 1st January	3,021,365	3,399,235
	Add: Addition during the year	-	(377,870)
		3,021,365	**3,021,365**
11.00	**Non-banking assets**	-	-

		September 2018 Taka	December 2017 Taka
12.00	**Borrowing from banks, other financial institutions and agents**		
	Secured		
	In Bangladesh:		
	Secured Overdraft		
	Banking companies:		
	Eastern Bank Limited	7,358,204	96,591,304
	Agrani Bank Limited	-	-
	SBAC Bank Limited	-	-
	Mercantile Bank Limited	5,170,452	50,032,839
	Mutual Trust Bank Limited	471,431	402
	Prime Bank Limited	-	23,653,048
	Pubali Bank Limited	30,983,066	201,380,182
	United Commercial Bank Limited	1,879,129	8,307,590
		45,862,283	**379,965,364**
	Non-banking financial institution	-	-
		45,862,283	**379,965,364**
	Outside Bangladesh	-	-
	Sub-total:	**45,862,283**	**379,965,364**
	Term Loan :		
	Banking companies:		
	SBAC Bank Limited	-	-
	Eastern Bank Limited	86,450,000	1,500,000
	Woori Bank Ltd.	162,000,000	162,000,000
		248,450,000	**163,500,000**
	Non-banking financial institution	-	-
		248,450,000	**163,500,000**
	Outside Bangladesh	-	-
	Sub-total:	**248,450,000**	**163,500,000**
	Bangladesh Bank Loan:		
	SME loan	380,901,764	508,627,235
	HML Refinance Scheme	245,110,987	268,749,881
	Sub-total:	**626,012,751**	**777,377,116**
	Un-secured		
	Money at call and on short notice:		
	Banking companies:		
	Sonali Bank Limited	170,000,000	150,000,000
	Agrani Bank Limited	150,000,000	100,000,000
	National Credit and Commerce Bank Limited	150,000,000	-
	Janata Bank Limited	-	150,000,000
		470,000,000	**400,000,000**
	Non-banking financial institution	-	-
		470,000,000	**400,000,000**
	Outside Bangladesh	-	-
	Sub-total:	**470,000,000**	**400,000,000**
	Total:	**1,390,325,034**	**1,720,842,480**
13.00	**Deposits and other accounts**		
	Bank Term deposits	7,530,000,000	3,930,000,000
	Customer deposits	7,579,510,559	7,724,983,097
	Other deposits (note: 13.01)	13,094,267	13,181,489
		15,122,604,825	**11,668,164,585**
13.01	**Other Deposits**		
	Home mortgage loan deposit	1,604,993	1,594,993
	Margin deposit	2,230,390	2,219,850
	Refundable share money deposit	6,210,394	6,210,394
	Lease deposit	3,048,490	3,156,252
		13,094,267	**13,181,489**

		September 2018 Taka	December 2017 Taka
14.00	**Other liabilities**		
	Provision for loans, advances ,investments and others(note: 14.01 to 14.04)	271,636,849	201,461,896
	Interest suspense (note: 14.05)	148,486,908	110,550,694
	Provision for gratuity (note: 14.06)	-	3,903,586
	Withholding tax payable	7,879,952	493,190
	VAT & Excise duty payable	3,045,178	189,750
	Provision for current tax (note: 14.07)	378,882,748	431,849,906
	Interest payable	358,702,845	297,621,424
	Accrued expenses (note: 14.09)	-	287,500
	Unclaimed dividend	16,273,646	15,711,392
	Accounts Payable	136,411	7,245,677
	Sundry deposit	16,707,778	4,270,562
	Sundry liabilities	-	-
		1,201,752,316	**1,073,585,577**
14.01	**Specific Provision on Loans, Advances**		
	Balance as at 1st January	94,107,101	74,323,684
	Less: Fully provided debt written off	-	(37,036,572)
	Provision after written off	94,107,101	37,287,112
	Add: Provision made during the year	151,495,724	172,152,231
	Less: Provision recovered	(108,028,344)	(115,332,242)
	Net charge in the profit & loss account	**43,467,380**	**56,819,989**
	Add: Recoveries of amounts previously written off	-	-
	Less: Written off of provision no longer required	-	-
	Provisions held at 30th September	**137,574,481**	**94,107,101**
14.02	**General Provision on Loans, Advances and Leases**		
	Balance as at 1st January	91,292,214	110,265,523
	Add: Provision made during the year	28,730,568	94,161,496
	Less: Provision recovered	(14,062,084)	(113,134,804)
	Net charge in the profit & loss account	14,668,484	(18,973,309)
	Balance as at 30th September	**105,960,698**	**91,292,214**

		September 2018 Taka	December 2017 Taka
14.03	**Provision on investments in share**		
	Balance as at 1st January	8,344,266	184,305
	Add: Provision made during the year	17,631,394	13,718,365
	Less: Provision recovered	(5,524,456)	(5,558,404)
	Net charge in the profit & loss account	12,106,938	8,159,961
	Balance as at 30th September	**20,451,204**	**8,344,266**
14.04	**Provision on others**		
	Balance as at 1st January	7,718,315	9,547,252
	Add: Provision made during the year	-	564,515
	Less: Provision recovered	(67,849)	(703,252)
	Net charge in the profit & loss account	(67,849)	(138,737)
		7,650,466	9,408,515
	Less: Fully provided debt written off	-	(1,690,200)
	Provisions held at 30th September	**7,650,466**	**7,718,315**
14.05	**Interest Suspense Account**		
	Balance as at 1st January	110,550,694	99,726,389
	Add: Interest suspense charged during the year	179,471,123	179,609,978
	Less: Interest suspense realized during the year	(141,534,909)	(168,785,673)
	Net charge in the profit & loss account	37,936,214	10,824,305
		148,486,908	110,550,694
	Less: Interest written off	-	-
	Balance as at 30th September	**148,486,908**	**110,550,694**

Write-off of Loans/Leases

As per FID Circular no. 03 dated 15th March 2007 of Bangladesh Bank a financial institution should write-off its loans/leases to clean-up its financial statements subject to fulfillment of the criteria.As per Bangladesh Bank guidelines, National Housing Finance and Investments Limited has written-off its loans/leases as under:

(Figures in Taka)

Balance at 1st January	298,540,088	259,813,316
Net loans/leases written-off during the year	-	38,726,772
No. of agreements written-off	19	19
No. of clients written-off	16	16
Interest suspense against written-off loans/leases	-	-
Provision adjusted against written-off loans/leases	-	(38,724,154)
Recovery of loans/leases write-off loans/leases	-	-
Balance of loans/leases written-off at 30th September 2018	**298,540,088**	**298,540,088**

14.06	**Provision for Gratuity**		
	Balance as at 1st January	3,903,586	3,113,945
	Add: Provision made during the year	48,300	4,099,516
	Less: Payment made during the year	(3,951,886)	(3,309,875)
	Less: Provision written back during the year	-	-
	Balance as at 30th September	-	**3,903,586**
14.07	**Provision for Current Tax**		
	Balance as on 1st January	431,849,906	555,381,950
	Add: Provision made during the year	128,188,654	162,335,439
	Add: Short provision for the year 2014 & 2015	-	10,655,210
	Less: Adjustment of advance tax	(181,155,812)	(296,522,692)
	Balance as at 30th September	**378,882,748**	**431,849,906**
14.08	**Provision for taxation Net Charged for in the Profit & Loss Account**		
	Current tax (note: 14.07)	128,188,655	111,544,648
	Add/ (less): Deferred tax	-	-
		128,188,655	**111,544,648**

Provisions for current tax has been made on the basis of the profit for the year as adjusted for taxation purposes in accordance with the provisions of Income Tax Ordinance, 1984 and amendments made thereto. The current tax rate for the Company is 37.50% on taxable income.

		September 2018 Taka	December 2017 Taka
14.09	**Accrued Expenses**		
	Promotion and publicity	-	-
	Audit fees	-	287,500
	Sundry creditors	-	-
		-	287,500
15.00	**Share Capital**		
15.01	**Authorized Capital:**		
	200,000,000 ordinary shares of Tk.10 each	2,000,000,000	2,000,000,000
15.02	**Issued, Subscribed and fully Paid-up Capital:**		
	106,392,000 ordinary shares of Tk.10 each	**1,063,920,000**	**1,063,920,000**
	% of holding:	**% of holding**	**% of holding**
	Sponsors	70.13%	81.64%
	General public	29.87%	18.36%
		100.00%	100.00%
	Number of holding:		
	Sponsors	74,607,751	86,857,557
	General public	31,784,249	19,534,443
		106,392,000	**106,392,000**
16.00	**Statutory reserve**		
	Balance as at 1st January	411,384,918	360,355,287
	Reserve made during the year	33,178,747	51,029,631
	Balance as at 30th September	**444,563,665**	**411,384,918**

Statutory reserve has been created at the rate of 20.00% of the net profit of Tk. 165,893,736 as per Bangladesh Bank's guidelines.

17.00	**Retained earnings**		
	Balance as at 1st January	225,299,229	212,686,303
	Add: Net profit after tax for the year	165,893,736	255,148,157
		391,192,965	**467,834,460**
	Less: Allocations:		
	Transferred to statutory reserve	(33,178,747)	(51,029,631)
	Issue of Bonus Share	-	-
	Dividend	(202,144,800)	(191,505,600)
		(235,323,547)	**(242,535,231)**
	Balance as at 30th September	**155,869,417**	**225,299,229**

		September 2018 Taka	September 2017 Taka
18.00	**Income statement**		
	Income:		
	Interest, discount and other similar income (note: 19.00)	1,431,561,847	991,811,980
	Dividend income (note: 21.00)	3,115,863	4,444,281
	Fees, commission & brokerage (note: 22.00)	56,000	30,100
	Gains less losses arising from investment in securities(note: 21.00)	1,333,243	10,924,047
	Other operating income (note: 23.00)	19,901,907	18,262,960
		1,455,968,860	**1,025,473,369**
	Expenses:		
	Interest on borrowing, fees and commission (note: 20.00)	976,953,943	579,815,280
	Losses on loan, advances and leases (note: 31.00)	58,135,864	48,441,293
	Administrative expenses	95,301,998	85,966,329
	Other operating expenses (note: 30.00)	11,471,249	9,688,967
	Depreciation on banking assets (note: 29.00)	7,984,326	8,077,777
		1,149,847,380	**731,989,646**
		306,121,480	**293,483,723**
19.00	**Interest income**		
	Interest on mortgage loan:		
	Home mortgage loan	822,260,161	659,040,139
	Commercial mortgage loan	84,062,752	50,566,033
	Project mortgage loan	30,315,312	23,270,937
		936,638,225	**732,877,109**
	Less: Interest suspense	(26,315,978)	(34,151,570)
		910,322,247	**698,725,539**
	Interest on lease finance:		
	Industrial equipment	2,645,395	7,401,794
	Vehicles	722,691	3,525,681
	Delinquent interest	2,858,370	10,093,958
	Interest on term finance	92,632,034	76,502,566
		98,858,490	**97,523,999**
	Less: Interest suspense	(11,620,236)	(2,142,323)
		87,238,254	**95,381,676**
	Interest on fixed deposits	395,947,684	174,679,187
	Interest on short term deposit	32,437,180	16,468,133
	Interest on loan against FDR	4,021,725	5,290,342
	Interest on staff loan	1,594,757	1,267,103
		1,431,561,847	**991,811,980**
20.00	**Interest paid on deposits, borrowings etc.**		
	Call money interest	16,839,375	13,434,444
	Secured overdraft interest	17,134,266	3,982,961
	Term deposit interest	416,057,418	120,965,623
	Term loan interest	37,251,302	13,150,636
	Customer Deposit Int. - Kotipoti Scheme	89,794	-
	Customer Deposit Int. - Housing Deposit Scheme	8,877	-
	Customer Deposit Int. - Mohila Savings Scheme	12,668	-
	Customer Deposit Int. - Money Multiplier Scheme	867,641	-
	Customer deposit interest - Term Deposit	412,501,603	347,131,663
	Customer deposit interest - Income Account	22,765,081	29,284,549
	Customer deposit interest - Double Money Account	16,015,589	16,351,762
	Customer deposit interest - Triple Money Account	4,678,169	2,259,551
	Customer deposit interest-MSS	2,066,649	1,355,574
	Customer deposit interest-MLNR	3,615,207	2,646,142
	HML refinance interest	8,323,323	10,381,890
	SME loan interest	18,726,981	18,870,484
		976,953,943	**579,815,280**

		September 2018 Taka	September 2017 Taka
21.00	**Investment Income**		
	Dividend on ordinary shares	928,363	1,319,281
	Dividend on preference shares	2,187,500	3,125,000
	Gain on sale of shares	4,335,767	12,007,063
	Loss on sale of shares	(3,002,524)	(1,083,016)
		4,449,106	**15,368,329**
22.00	**Commission, exchange and brokerage**		
	Fees	56,000	30,100
		56,000	**30,100**
23.00	**Other operating income**		
	Application, processing and documentation fees	17,740,327	14,329,192
	Delinquent charge-MSS,MLNR etc.	4,360	3,909
	Interest on call Money lending	-	-
	Other income	2,157,220	3,929,859
		19,901,907	**18,262,960**
24.00	**Administrative expenses**		
24.01	**Directors' fees and expenses**		
	This represents fees paid for attending board meetings and other committee meetings @ Tk. 8,000/- per attendance per person.	1,481,200	1,549,409
		1,481,200	**1,549,409**
24.02	**Salaries and allowances**		
	Salary & allowances (note: 24.02.01)	60,267,037	49,316,575
	Provident fund contribution	2,784,808	2,502,701
	Gratuity	48,300	108,150
	Bonus	-	6,949,308
		63,100,145	**58,876,734**

24.02.01 This includes managerial remuneration of Taka 38.89 million and balance amount Taka 24.21 million is on account of staff salary, bonus and other allowances. The number of employees including contract based employees were 164 and 147 for the year 2018 & 2017 respectively.

24.03	**Rent, taxes, insurance, electricity etc.**		
	Office maintenance	1,471,446	105,250
	Office rent	2,293,440	2,201,620
	Security Guard	800,660	660,160
	City corporation Taxes	-	49,248
	Electricity	1,516,470	1,322,759
	Utilities	127,482	1,285,776
	Insurance (note: 24.03.01)	696,883	698,782
		6,906,381	**6,323,595**

24.03.01 Taka 696,883 being premium paid for insurance coverage against damages/loss of the Company's fixed assets by fire, earthquake etc.

24.04	**Legal expenses**		
	Legal and professional	362,000	266,500
	Legal charges	12,000	300
	Membership fees and subscription	1,572,568	2,076,068
		1,946,568	**2,342,868**
25.00	**Postage, stamps, telecommunication etc.**		
	Courier	135,959	144,663
	Postage	31,918	29,012
	Stamps & security paper	1,330,196	1,365,356
	Telephone, fax & e-mail	1,149,850	1,006,406
		2,647,923	**2,545,437**
26.00	**Stationery, printing, advertisement etc.**		
	Printing	745,536	1,176,148
	Stationery	1,153,321	674,837
	Business Commission	2,313,813	2,466,333
	Promotion & publicity	10,653,289	6,307,968
		14,865,959	**10,625,286**

		September 2018 Taka	September 2017 Taka
27.00	**Managing Director's salary and fees**		
	Salary & allowances	4,094,893	3,123,000
	Provident fund contribution	258,929	180,000
	Bonus	-	400,000
		4,353,822	3,703,000
28.00	**Auditors' fees**	-	-
29.00	**Depreciation on and repairs to assets**		
	Depreciation:		
	Building	2,895,226	981,402
	Newly acquired Building	1,005,977	3,111,268
	Furniture	1,365,329	1,507,649
	Office equipment	1,574,990	1,306,635
	Motor vehicle	817,380	1,021,725
		7,658,902	7,928,679
	Repair and maintenance	325,424	149,098
		7,984,326	8,077,777
30.00	**Other expenses**		
	Traveling expenses	170,528	237,239
	Conveyance bill	1,868,530	1,633,433
	Training	444,728	234,901
	Bank charges and excise duty	2,283,680	1,223,671
	Books, periodicals and others	31,503	47,646
	Office refreshments	1,863,255	1,234,847
	Motor car	4,005,464	4,196,513
	Office general expenses	417,964	470,492
	AGM Expenses	311,599	305,619
	Trade License Fees	-	89,802
	Computer Software Expenses	19,941	-
	Investment expenses share	54,057	14,804
		11,471,249	9,688,967
31.00	**Provisions for loan and advances**		
	For classified loans, advances and leases	43,467,380	77,111,884
	For unclassified loans, advances and leases	14,668,484	(28,670,592)
		58,135,864	48,441,293
31.01	**Provision for investments**		
	Made during the year	17,631,394	10,032,596
	Recovery during the year	(5,524,456)	(5,374,099)
		12,106,938	4,658,497
31.02	**Others**		
	Provisions for legal charges	(10,570)	(360,405)
	Provisions for cheque dishonored & clearing charges	(57,279)	(253,852)
		(67,849)	(614,257)
32.00	**Earnings per share**		
	a) Earnings attributable to the ordinary shareholders(Taka)	165,893,736	177,894,836
	b) Number of ordinary shares outstanding during the year	106,392,000	106,392,000
	c) Weighted average number of ordinary shares outstanding during the year	106,392,000	106,392,000
	d) Basic earnings per share (a/c)	1.56	1.67

Prior year Basic Earning Per Share calculation has been revised due to calculation of weighted average number of ordinary shares. Earnings per share (EPS) has been computed by dividing the net profit after tax (NPAT) by the weighted average number of ordinary shares outstanding as on 30th September 2018 as per BAS-33" Earnings Per Share". No diluted EPS was required to be calculated for the year since there was no scope for dilution of shares during the year.

		September 2018 Taka	September 2017 Taka
33.00	**Increase/(Decrease) of other deposits**		
	Closing balance:		
	Term deposits	15,109,510,559	11,085,255,863
	Other deposits	13,094,267	14,402,739
		15,122,604,825	**11,099,658,602**
	Opening balance:		
	Term deposits	11,654,983,097	8,459,160,226
	Other deposits	13,181,489	18,469,536
		11,668,164,585	**8,477,629,762**
		3,454,440,240	**2,622,028,840**
34.00	**Sanction and disbursement**		
	Sanction	3,469,450,000	2,676,880,513
	Disbursement	2,762,042,516	1,876,239,593
	Undisbursed	**707,407,484**	**800,640,920**
34.a			
	Contingent liabilities		
	Government	-	-
	Directors	-	-
	Bank and other Financial Institution	-	-
	Other	**707,407,484**	**800,640,920**

35.00 Audit committee of the board

The audit committee was formed by the Board of Directors of National Housing Finance And Investments Limited. The members of the committee are as under:

SL No	Name	Status with the Company	tus with the Commit	Educational Qualification
01	Professor Imran Rahman	Independent Director	Chairman	MBA (IBA), BSC (Eco.) in Math. Economics UK
02	Mr. Md. Kabir Reza	Director	Member	M.Com (Acc.), FCMA
03	Mr. Azmal Hossain	Director	Member	B.Com
04	Mr. Akhtar Ahmed	Director	Member	B.A (Hons), M.A.(DU), ACII
05	Syed Tanveer Hussain	Independent Director	Member	M.A. In Development Economics (USA)

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank's DFIM circular no. 13, dated October 26, 2011 and Bangladesh Securities and Exchange Commission notification ref. no. SEC/CMRRCD/2006-158/129/Admin/43, dated July 03, 2012. During the year the committee meet 3(three) times in which among others, the following issues were discussed:

01 Audit and inspection report of Bangladesh Bank Inspection Team and External Auditors of National Housing.
02 Ensuring an effective Internal Control System and Risk Management System.
03 Review the unaudited Financial Statements.
04 Stressing on the importance of the regulatory compliance.
05 Review of conflict of interests.
06 Review of the credit policy of the Company.
07 Any other matters which deems necessary.

36.00 Company information

Last year's figures and account heads have been rearranged to conform current year's presentation in accordance with the Bangladesh Bank DFIM Circular # 11 dated December 23, 2009.

37.00 Geographical area of operation

Company's geographical area of operation was in Dhaka, Chittagong, Bogra and Rangpur in the year 2018.

38.00 Capital expenditure commitment

There was neither any outstanding contract nor any Board authorization for capital expenditure as at September 30, 2018.

		September 2018 Taka	September 2017 Taka

39.00 Subsequent events-disclosure under BAS 10: "events after the balance sheet date"

No material event has been occurred after the Balance Sheet date, which could materially effect the value of the financial statements.

40.00 Claims against the company not acknowledge as debt

There is no claim at the Balance Sheet date, which has not been acknowledged by the Company.

41.00 Credit facility availed

There was no credit facility available to the Company under any contract as on Balance Sheet date other than trade credit available in the ordinary course of business.

42.00 Previous year's figures have been rearranged where necessary to conform to current year's presentation. Figures have been rounded nearest Taka.

Fixed assets including premises, furniture and fixtures for 2018

(Annexure-A)

Figures in Taka

Particulars	Cost				Rate	Depreciation				Written down value as on 30.09.18	Written down value as on 31.12.17
	Balance as on 01.01.18	Disposed during the year	Addition during the year	Balance as on 30.09.18		Balance as on 01.01.18	Adjust-ments for disposal	Charged during the year	Balance as on 30.09.18		
Land & building	96,509,093	-	-	96,509,093	10.00%	27,512,239	-	883,273	28,395,512	68,113,581	68,996,854
Newly acquired Building	142,555,215	-	-	142,555,215	3.00%	8,425,013	-	3,017,930	11,442,943	131,112,272	134,130,202
Furniture	27,229,569	-	30,281	27,259,850	10.00%	9,049,422	-	1,365,329	10,414,751	16,845,099	18,180,147
Office equipment	17,707,746		3,120,526	20,828,272	20.00%	10,302,958	-	1,574,990	11,877,948	8,950,324	7,404,788
Motor vehicle	11,537,484	-	-	11,537,484	20.00%	6,088,288	-	817,380	6,905,668	4,631,816	5,449,196
Total:	**295,539,107**	**-**	**3,150,807**	**298,689,914**		**61,377,920**	**-**	**7,658,902**	**69,036,822**	**229,653,092**	**234,161,187**