Financial Statements
of
Prime Finance & Investment Limited
As at and for the period ended 30 September 2018

AMAR STOCK

Prime Finance & Investment Limited
Consolidated Balance Sheet
As at 30 September, 2018

	Amount in Taka	
	(Un-audited) 30-Sep-18	(Audited) 31-Dec-17
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	93,454	67,219
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	116,883,840	165,517,864
Total Cash	**116,977,294**	**165,585,083**
Balance with other banks and financial institutions		
In Bangladesh	579,868,745	972,746,274
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	**579,868,745**	**972,746,274**
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	1,050,185,380	1,196,532,642
Total Investments	**1,050,185,380**	**1,196,532,642**
Loans, advances and leases		
Loans, advances and leases etc.	10,307,123,248	12,213,504,923
Bills purchased and discounted	-	-
Total loans, advances and leases	**10,307,123,248**	**12,213,504,923**
Fixed assets including premises, furniture and fixtures	**343,476,125**	**350,419,373**
Other assets	**2,056,946,400**	**2,098,206,115**
Non - banking assets	**176,097,907**	**176,097,907**
Total assets	**14,630,675,099**	**17,173,092,317**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	1,925,118,241	2,142,490,132
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings accounts	-	-
Term deposits	6,942,835,792	8,938,854,327
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	**6,942,835,792**	**8,938,854,327**
Other liabilities	**3,094,404,465**	**2,956,984,196**
Total liabilities	**11,962,358,498**	**14,038,328,655**
Capital/ shareholders' equity		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	927,108,510	927,108,510
Share money deposit	-	-
Other reserves	-	-
Retained earnings	(2,016,225,233)	(1,551,843,270)
Revaluation reserve	221,943,750	221,943,750
Equity attributable to shareholders' of the company	**1,861,991,857**	**2,326,373,820**
Non-controlling interest	806,324,744	808,389,842
Total shareholders' equity	**2,668,316,601**	**3,134,763,662**
Total liabilities and shareholders' equity	**14,630,675,099**	**17,173,092,317**
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments	6,000,000	10,000,000
Total off-balance sheet items including contingent liabilities	**6,000,000**	**10,000,000**
Net Asset Value per share (NAV)	**6.82**	**8.52**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

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PRIME FINANCE & INVESTMENT LIMITED
Consolidated Profit and Loss Account (Un-audited)

for the period ended 30 September 2018

Amount In Taka

PARTICULARS	for the 9 months ended		for the 3rd quarter ended	
	30-Sep-18	30-Sep-17	30-Sep-18	30-Sep-17
Interest income	429,535,426	572,487,340	203,221,176	190,920,868
Interest paid on deposits, borrowings, etc.	(641,923,523)	(761,535,044)	(149,150,614)	(261,868,966)
Net interest income	**(212,388,097)**	**(189,047,704)**	**54,070,562**	**(70,948,098)**
Investment income	63,707,158	137,729,025	11,699,720	66,251,046
Fees, commission, exchange and brokerage	17,959,225	24,938,015	11,937,936	8,024,240
Other operating income	(5,445,208)	(11,414,046)	1,679,340	(1,860,833)
Other operating income	**76,221,175**	**151,252,994**	**25,316,996**	**72,414,453**
Total operating income (A)	**(136,166,922)**	**(37,794,710)**	**79,387,558**	**1,466,355**
Salaries and other employee benefits	102,480,040	133,348,022	34,080,560	34,893,610
Rent, taxes, insurance, electricity etc.	29,103,147	30,286,569	9,443,833	10,060,505
Legal expenses	845,452	968,650	514,500	17,250
Postage, stamp, telecommunication etc.	2,710,988	2,797,299	892,769	727,065
Stationery, printing, advertisements etc.	4,424,883	4,934,026	2,298,413	434,189
Managing Director's salary and fees	5,876,000	11,700,000	2,265,000	3,900,000
Directors' fees	608,891	704,004	88,889	24,000
Auditors' fees	56,061	47,438	18,687	15,813
Depreciation and repair of assets	14,320,711	13,463,647	4,759,450	4,612,525
Other expenses	10,899,393	12,091,133	3,246,093	3,883,515
Total operating expenses (B)	**171,325,566**	**210,340,788**	**57,608,194**	**58,568,472**
Profit before provision (C=A-B)	**(307,492,488)**	**(248,135,498)**	**21,779,364**	**(57,102,117)**
Provision for loans, advances and leases				
General provision	(33,717,886)	(108,856,305)	(13,055,188)	(133,914,538)
Specific provision	177,815,279	749,892,473	19,398,207	590,860,881
Provision for diminution in value of investments	3,893,332	22,423,218	2,469,789	7,949,058
Other provisions	-	-	-	-
Total provision (D)	**147,990,725**	**663,459,386**	**8,812,808**	**464,895,401**
Profit before tax (C-D)	**(455,483,213)**	**(911,594,884)**	**12,966,556**	**(521,997,518)**
Provision for taxation				
Current	12,028,889	8,996,872	1,594,723	1,972,064
Deferred	(1,065,041)	(1,175,903)	89,241	(417,653)
Total provision for tax	**10,963,848**	**7,820,969**	**1,683,964**	**1,554,411**
			-	-
Net profit after tax	**(466,447,061)**	**(919,415,853)**	**11,282,592**	**(523,551,929)**
Attributable to				
Shareholders of the company	(464,381,963)	(917,436,362)	10,162,200	(522,942,164)
Non-controlling interest	(2,065,098)	(1,979,491)	1,120,392	(609,765)
Earnings per share (EPS)	**(1.70)**	**(3.36)**	**0.04**	**(1.92)**
No. of outstanding shares	**272,916,483**	**272,916,483**	**272,916,483**	**272,916,483**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

Prime Finance & Investment Limited
Consolidated Cash Flow Statement (Un-audited)
for the 9 months period ended 30 September 2018

PARTICULARS	Amount in Taka	
	30-Sep-18	30-Sep-17
A) Operating Activities		
Interest receipts	329,050,649	597,748,730
Interest payments	(645,802,637)	(707,879,484)
Fees and commission receipts	2,760,128	4,895,236
Dividend and gain receipts	68,216,584	97,907,844
Cash payments to employees	(101,011,318)	(112,120,352)
Cash payments for operational expenses	(61,634,542)	(67,157,141)
Income taxes paid	(13,118,139)	(6,269,463)
Receipts from other operating activities	574,748,673	316,442,040
Payments for other operating activities	(208,777)	(80,000)
Cash generated before changes in operating assets and liabilities	**153,000,621**	**123,487,410**
Increase/ (decrease) in operating assets and liabilities		
Net loans and advances to customers	1,485,182,819	1,227,912,397
Net loans and deposits from banks and other depositors	(2,222,706,553)	(632,122,605)
Cash generated from operating assets and liabilities	**(737,523,734)**	**595,789,792**
Net cash from operating activities	**(584,523,113)**	**719,277,202**
B) Investing Activities		
Acquisition of fixed assets	(6,460,540)	(8,017,815)
Disposal of fixed assets	-	-
Sale of securities	184,200,687	494,614,230
Investment in securities	(41,905,288)	(811,113,589)
Net cash used in investing activities	**135,834,859**	**(324,517,174)**
C) Financing Activities		
Cash dividend paid	-	-
Net receipt/ (payment) for loan	7,202,936	(73,553,685)
Net cash used in financing activities	**7,202,936**	**(73,553,685)**
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(441,485,318)**	**321,206,343**
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	**1,138,331,357**	**501,930,585**
G) Cash and cash equivalents at end of the period (D+E+F)	**696,846,039**	**823,136,928**
Cash and cash equivalents represents		
Cash in hand	93,454	73,682
Balance with Bangladesh Bank and its agent bank	116,883,840	145,253,784
Balance with other banks and financial institutions	579,868,745	677,809,462
Total cash and cash equivalents	**696,846,039**	**823,136,928**
Net operating cash flow per share (NOCFPS)	**(2.14)**	**2.64**

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Prime Finance & Investment Limited
Consolidated Statement of Changes in Equity (Un-audited)
for the 9 months period ended 30 September 2018

Amount in Taka

PARTICULARS	Attributable to equity holders of Prime Finance & Investment Ltd.				Non-controlling Interest	Total
	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings		
Balance as at 1 January 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,551,843,270)**	**808,389,842**	**3,134,763,662**
Net profit for the period (2018)	-	-	-	(464,381,963)	(2,065,098)	(466,447,061)
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 September 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,016,225,233)**	**806,324,744**	**2,668,316,601**
Balance as at 1 January 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,092,766,302)**	**806,436,957**	**3,591,887,745**
Net profit for the period (2017)	-	-	-	(917,436,362)	(1,979,491)	(919,415,853)
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 September 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,010,202,664)**	**804,457,466**	**2,672,471,892**

Prime Finance & Investment Limited
Balance Sheet
As at 30 September, 2018

	Amount in Taka	
	(Un-audited) 30-Sep-18	(Audited) 31-Dec-17
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	60,000	60,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	116,883,840	165,517,864
Total cash	**116,943,840**	**165,577,864**
Balance with other banks and financial institutions		
In Bangladesh	542,326,931	936,184,346
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	**542,326,931**	**936,184,346**
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	314,454,476	419,456,320
Total investments	**314,454,476**	**419,456,320**
Loans, advances and leases		
Loans, advances and Leases etc.	8,802,124,996	10,744,017,271
Bills purchased and discounted	-	-
Total loans, advances and leases	**8,802,124,996**	**10,744,017,271**
Fixed assets including premises, furniture and fixtures	**327,404,491**	**334,410,421**
Other assets	**2,303,496,909**	**2,347,275,372**
Non - banking assets	**176,097,907**	**176,097,907**
Total assets	**12,582,849,550**	**15,123,019,501**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	1,417,474,845	1,644,162,863
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings accounts	-	-
Term deposits	6,942,835,792	8,938,854,327
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	**6,942,835,792**	**8,938,854,327**
Other liabilities	**2,610,034,175**	**2,466,213,255**
Total liabilities	**10,970,344,812**	**13,049,230,445**
Capital/ shareholders' equity		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	927,108,510	927,108,510
Other reserves	-	-
Retained earnings	(2,265,712,352)	(1,804,428,034)
Revaluation reserve	221,943,750	221,943,750
Total shareholders' equity	**1,612,504,738**	**2,073,789,056**
Total liabilities and shareholders' equity	**12,582,849,550**	**15,123,019,501**
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments	6,000,000	10,000,000
Total off-balance sheet items including contingent liabilities	**6,000,000**	**10,000,000**
Net Asset Value per share (NAV)	**5.91**	**7.60**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

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PRIME FINANCE & INVESTMENT LIMITED
Profit and Loss Account (Un-audited)

for the period ended 30 September 2018

Amount In Taka

PARTICULARS	for the 9 months ended		for the 3rd quarter ended	
	30-Sep-18	30-Sep-17	30-Sep-18	30-Sep-17
Interest income	410,874,060	544,453,011	199,819,902	182,554,184
Interest paid on deposits, borrowings, etc.	(623,724,072)	(734,621,108)	(143,222,214)	(254,684,863)
Net interest income	**(212,850,012)**	**(190,168,097)**	**56,597,688**	**(72,130,679)**
Investment income	54,813,958	92,712,967	5,831,217	53,069,236
Fees, commission, exchange and brokerage	1,233,893	3,733,217	426,841	1,013,692
Other operating income	(18,913,332)	(15,773,630)	(420,553)	(1,355,628)
Other operating income	**37,134,519**	**80,672,554**	**5,837,505**	**52,727,300**
Total operating income (A)	**(175,715,493)**	**(109,495,543)**	**62,435,193**	**(19,403,379)**
Salaries and other employee benefits	81,485,738	105,659,992	27,162,164	28,210,517
Rent, taxes, insurance, electricity etc.	23,421,351	23,634,434	7,602,735	7,814,015
Legal expenses	342,700	925,750	34,500	17,250
Postage, stamp, telecommunication etc.	2,431,014	2,475,880	802,754	625,473
Stationery, printing, advertisements etc.	3,194,390	3,693,086	2,038,620	290,705
Managing Director's salary and fees	3,926,000	6,300,000	2,265,000	2,100,000
Directors' fees	440,000	384,000	80,000	24,000
Auditors' fees	-	-	-	-
Depreciation and repair of assets	8,756,648	8,849,746	2,905,050	3,027,746
Other expenses	8,650,913	9,551,472	2,613,331	3,230,615
Total operating expenses (B)	**132,648,754**	**161,474,360**	**45,504,154**	**45,340,321**
Profit before provision (C=A-B)	**(308,364,247)**	**(270,969,903)**	**16,931,039**	**(64,743,700)**
Provision for loans, advances and leases				
General provision	(33,717,886)	(108,856,305)	(13,055,188)	(133,914,538)
Specific provision	177,815,279	749,892,473	19,398,207	590,860,881
Provision for diminution in value of investments	1,428,675	-	1,428,675	-
Other provisions	-	-	-	-
Total provision (D)	**145,526,068**	**641,036,168**	**7,771,694**	**456,946,343**
Profit before tax (C-D)	**(453,890,315)**	**(912,006,071)**	**9,159,345**	**(521,690,043)**
Provision for taxation				
Current	8,459,044	3,636,959	588,494	755,124
Deferred	(1,065,041)	(1,175,903)	89,241	(417,653)
Total provision for tax	**7,394,003**	**2,461,056**	**677,735**	**337,471**
			-	-
Net profit after tax	**(461,284,318)**	**(914,467,127)**	**8,481,610**	**(522,027,514)**
Earnings per share (EPS)	**(1.69)**	**(3.35)**	**0.03**	**(1.91)**
No. of outstanding shares	**272,916,483**	**272,916,483**	**272,916,483**	**272,916,483**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

Prime Finance & Investment Limited
Cash Flow Statement (Un-audited)
for the 9 months period ended 30 September 2018

PARTICULARS	Amount in Taka	
	30-Sep-18	30-Sep-17
A) Operating Activities		
Interest receipts	395,586,880	546,169,726
Interest payments	(629,616,211)	(683,806,151)
Fees and commission receipts	1,233,893	3,733,217
Dividend and gain receipts	54,813,958	92,712,967
Cash payments to employees	(85,411,738)	(90,435,568)
Cash payments for operational expenses	(38,480,371)	(55,753,867)
Income taxes paid	(10,316,570)	(5,205,923)
Receipts from other operating activities	45,832,570	41,508,012
Payments for other operating activities	(208,777)	(80,000)
Cash generated before changes in operating assets and liabilities	**(266,566,366)**	**(151,157,587)**
Increase/ (decrease) in operating assets and liabilities:		
Net loans and advances to customers	1,941,892,275	1,254,912,397
Net loans and deposits from banks and other depositors	(2,222,706,553)	(632,122,605)
Cash generated from operating assets and liabilities	**(280,814,278)**	**622,789,792**
Net cash from operating activities	**(547,380,644)**	**471,632,205**
B) Investing Activities		
Acquisition of fixed assets	(112,640)	(3,880,053)
Disposal of fixed assets	-	-
Sale of securities	184,200,687	494,614,230
Investment in securities	(79,198,842)	(676,145,079)
Net cash from investing activities	**104,889,205**	**(185,410,902)**
C) Financing Activities		
Cash dividend paid	-	-
Issuance of shares	-	-
Net cash from financing activities	**-**	**-**
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(442,491,439)**	**286,221,303**
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	1,101,762,210	476,852,487
G) Cash and cash equivalents at end of the period (D+E+F)	**659,270,771**	**763,073,790**
Cash and cash equivalents at end of the period represents		
Cash in hand	60,000	60,000
Balance with Bangladesh Bank and its agent bank	116,883,840	145,253,784
Balance with other banks and financial institutions	542,326,931	617,760,006
Total cash and cash equivalents	**659,270,771**	**763,073,790**
Net operating cash flow per share (NOCFPS)	**(2.01)**	**1.73**

AMAR STOCK

Prime Finance & Investment Limited
Statement of Changes in Equity (Un-audited)
for the 9 months period ended 30 September 2018

Amount in Taka

PARTICULARS	Paid up capital	Statutory reserve	Revaluation reserves	Retained earnings	Total
Balance as at 1 January 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,804,428,034)**	**2,073,789,056**
Net profit for the period (2018)	-	-	-	(461,284,318)	(461,284,318)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-
Balance as at 30 September 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,265,712,352)**	**1,612,504,738**
Balance as at 1 January 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,342,421,737)**	**2,535,795,353**
Net profit for the period (2017)	-	-	-	(914,467,127)	(914,467,127)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-
Balance as at 30 September 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,256,888,864)**	**1,621,328,226**

PRIME FINANCE & INVESTMENT LIMITED
Selected explanatory notes
as at and for the period ended 30 September 2018

Reporting entity

Prime Finance & Investment Limited is one of the leading Non Banking Financial Institutions, known for its diversified financial services. The company was incorporated in the year 1996 as a Public Limited Company under the Companies Act, 1994 and licensed by Bangladesh Bank under the Financial Institutions Act, 1993.

Basis of preparation

These third quarterly financial statements are being prepared in condensed form in accordance with the requirements of Bangladesh Accounting Standard (BAS-34) 'Interim Financial Reporting', Securities and Exchange Rules 1987, Regulations issued by Bangladesh Bank and other applicable laws and regulations.

Accounting policies

The Accounting policies and method of computation adopted for the preparation of these interim financial statements are the same as those applied in preparation of annual financial statements for the year ended 31 December 2017.

Approval of third quarterly report

These third quarterly financial statements for the period ended 30 September 2018 were approved by the Board of Directors on 30 October 2018.

Significant deviation in financial results

The main reason for significant deviation in net profit/ (loss) between two quarters is decrease of the provisions for loans, advances and leases which is made complying with the FID circular no. 8 dated 03 August 2002 issued by Bangladesh Bank in this regard. On the other hand, the main reason for significant deviation in Net Operating Cash Flow is early settlement of loans, advances and leases and settlement of borrowings and deposites with banks and ther depositors during this period.

General

The third quarterly financial statements for the period ended 30 September 2018 are un-audited. The comparative figures have been re-stated and re-arranged whenever considered necessary to ensure comparability with the current financial statements. Figures are rounded-off to the nearest integer.

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