

ICB Islamic Bank Limited

Head Office

T.K. Bhaban (15th Floor)

13, Kazi Nazrul Islam Avenue, Karwan Bazar

Dhaka 1215

ICB Islamic Bank Limited

Auditors' report and financial statements
for the year ended 31 December 2014

S. F. AHMED & CO

Chartered Accountants

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Independent Auditors' Report to the Shareholders of ICB Islamic Bank Limited

We have audited the accompanying financial statements of ICB Islamic Bank Limited (the Bank) which comprise the balance sheet as at 31 December 2014, the profit and loss statement, statement of changes in equity, statement of cash flows and liquidity statement for the year then ended, and a summary of significant accounting policies and other explanatory notes and annexures thereto.

Management's responsibility for the financial statements and internal controls

Management of the Bank is responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards as explained in the relevant notes and for such internal control as management determines is necessary to enable the preparation of financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Banking Companies Act 1991 and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the financial statements of the Bank are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, except for the effect of the matters described in note 3.18.1.2, the financial statements referred to above which have been prepared in the format prescribed by Bangladesh Bank vide circular no. 14 dated 25 June 2003 and in accordance with relevant Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards give a true and fair view of the state of affairs of the Bank as at 31 December 2014 and results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994, the Banking Companies Act 1991, Bangladesh Securities and Exchange Rules 1987, rules and regulations issued by Bangladesh Bank and other applicable laws and regulations.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, the Banking Companies Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the auditors' responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the management's responsibility for the financial statements and internal control:
 - (i) internal audit, internal control and risk management arrangements of the Bank appeared to be materially adequate;
 - (ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (d) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements
- (e) the balance sheet and profit and loss statement of the Bank dealt with by the report are in agreement with the books of account:
- (f) the expenditures incurred during the year were for the purposes of the business of the Bank
- (g) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidelines issued by Bangladesh Bank
- (h) adequate provisions have been made for loans and advance, and other assets following the guidelines of Bangladesh Bank.
- (i) capital adequacy ratio as on 31 December 2014 was negative (97.26)% , against the requirement of 10%. The paid up capital of the Bank should have been raised to Taka 700 crore as per " The Oriental Bank Limited (Reconstruction) Scheme 2007" but there was Taka 664.70 crore as at 31 December 2014;
- (j) the information and explanations required by us have been received and found to be satisfactory; &
- (k) we have reviewed over 80% of risk-weighted assets of the Bank and we have spent approximately 3,200 man hours for the audit of the books and account of the Bank.

Dhaka, Bangladesh
Dated, 23 March 2015


S. F. AHMED & CO
Chartered Accountants

ICB Islamic Bank Limited

Balance Sheet

As at 31 December 2014

	Notes	2014 BDT	2013 BDT
PROPERTY AND ASSETS			
Cash	4	1,093,223,843	1,143,973,180
In hand (including foreign currencies)	4(a)	170,089,960	292,413,847
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	4(b)	923,133,883	851,559,334
Balance with other banks and financial institutions	5	99,202,896	57,442,448
In Bangladesh	5.1	61,596,070	20,946,793
Outside Bangladesh	5.2	37,606,826	36,495,655
Placement with banks and other financial institutions	6	1,870,000,000	1,570,000,000
Investments in shares and securities	7	210,569,450	210,569,450
Government		-	-
Others	7(c)	210,569,450	210,569,450
Investments	8	9,230,322,680	9,788,560,393
General Investments etc.	8.2(i)	9,227,406,715	9,785,648,428
Bills purchased and discounted	8.2(ii)	2,915,965	2,911,965
Fixed assets including premises	9	96,192,766	148,171,433
Other assets	10	463,963,989	424,864,338
Non - banking assets		959,466,815	959,262,355
Total assets		14,022,942,440	14,302,843,598
LIABILITIES AND CAPITAL			
Liabilities			
Placement from banks and other financial institutions	11	5,042,369,861	5,046,669,861
Deposits and other accounts	12	12,015,687,207	11,970,133,194
Al-wadeeah current and other deposits accounts		437,866,222	406,933,310
Bills payable		89,767,043	59,150,491
Mudaraba savings deposits		1,383,281,564	1,263,412,106
Mudaraba term deposits		10,104,772,379	10,240,637,287
Bearer certificate of deposit		-	-
Other mudaraba deposits		-	-
Other liabilities	13	6,594,100,437	6,628,725,693
Total liabilities		23,652,157,505	23,645,528,749
Capital / Shareholders' equity			
Paid up capital	14	6,647,023,000	6,647,023,000
Statutory reserve	15	78,810,975	78,810,975
Other reserve	16	553,950,908	553,950,908
Revaluation gains on investment in HTM securities	17	-	-
Surplus/(deficit) in profit and loss account / Retained earnings	18	(16,908,999,948)	(16,622,470,034)
Total Shareholders' equity		(9,629,215,065)	(9,342,685,151)
Total liabilities and Shareholders' equity		14,022,942,440	14,302,843,598





ICB Islamic Bank Limited


**Balance Sheet
As at 31 December 2014**


	Notes	2014 BDT	2013 BDT
<u>OFF- BALANCE SHEET ITEMS</u>			
Contingent liabilities	19	219,344,737	249,434,446
Acceptances and endorsements		23,357,000	23,357,000
Letters of guarantee	19.1	149,256,480	165,911,764
Irrevocable letters of credit	19.2	5,973,146	4,028,520
Bills for collection	19.3	40,758,111	56,137,162
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		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Liabilities against forward purchase and sale		-	-
Others		-	-
Total Off-Balance Sheet items including contingent liabilities		<u>219,344,737</u>	<u>249,434,446</u>

These financial statements should be read in conjunction with annexed notes

for ICB Islamic Bank Limited

 Chairman	 Director	 Director	 Managing Director
			see annexed report of the date


 Dhaka, Bangladesh
 Dated, 23 March 2015

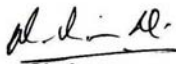
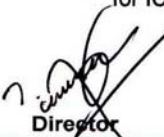





 S. F. AHMED & CO
 Chartered Accountants

ICB Islamic Bank Limited
Profit and Loss Statement
For the year ended 31 December 2014

	Notes	2014 BDT	2013 BDT
Investment income	21	557,422,702	642,077,041
Profit paid on deposits	22	(398,663,376)	(422,531,069)
Net investment income		158,759,325	219,545,973
Income from investments in shares and securities	23	5,861,286	9,174,829
Commission, exchange and brokerage	24	4,181,821	3,065,874
Other operating income	25	153,460,275	92,337,899
		163,503,382	104,578,602
Total operating income (A)		322,262,707	324,124,574
Less: Operating expenses			
Salary and allowances	26	241,528,152	267,964,733
Rent, taxes, insurance and electricity	27	117,312,887	104,789,450
Legal and professional expenses	28	33,252,727	7,551,034
Postage, stamp and telecommunication	29	11,053,593	12,401,226
Stationery, printing and advertisements	30	8,056,772	13,320,796
Managing Director's salary and fees	31	12,796,800	7,792,374
Directors' fees and expenses	32	1,880,629	3,925,010
Shariah supervisory committee's fees and expenses	33	96,000	27,600
Auditors' fees		500,000	500,000
Charges on investment losses		-	-
Depreciation and repair of Bank's assets	34	66,322,436	103,888,884
Other expenses	35	43,701,644	61,903,409
Total operating expenses (B)		536,501,639	584,064,516
Profit / (loss) before provision (C=A-B)		(214,238,932)	(259,939,942)
<u>Less: Provision for Investments and off balance sheet items</u>	36	70,128,203	417,078,058
Specific provision		68,538,297	445,753,560
General provision		-	(28,675,502)
Provision for off-balance sheet items		1,589,906	-
Provision for diminution in value of investments		-	-
Provision for contingency		-	-
Other provisions		-	-
Total provision (D)		70,128,203	417,078,058
Total profit / (loss) before taxes (C-D)		(284,367,135)	(677,018,000)
<u>Less: Provision for taxation</u>		2,162,778	3,733,278
Current tax	3.15(1)	2,162,778	3,733,278
Deferred tax	3.15(2)	-	-
Net profit/(loss) after taxation		(286,529,913)	(680,751,278)
Appropriations			
Statutory reserve	15	-	-
General reserve		-	-
Retained earnings carried forward	18	(286,529,913)	(680,751,278)
Earnings per share (EPS)	41	(0.43)	(1.02)

These financial statements should be read in conjunction with annexed notes

for ICB Islamic Bank Limited

 Chairman	 Director	 Director	 Managing Director
see annexed report of the date			
 Dhaka, Bangladesh Dated, 23 March 2015	 S. F. AHMED & CO Chartered Accountants		





ICB Islamic Bank Limited

Statement of Cash Flows
For the year ended 31 December 2014


	Notes	2014 BDT	2013 BDT
A. Cash flows from operating activities			
Investment income receipts in cash		563,369,336	610,183,772
Profit paid on deposits		(405,098,410)	(422,531,069)
Dividend receipts		1,427,953	3,141,495
Fees and commission receipts in cash		4,181,821	3,065,874
Recoveries of Investments previously written off		37,936,792	3,825,835
Cash payments to employees		(254,324,952)	(275,757,107)
Cash payments to suppliers		(4,399,392)	(8,084,757)
Income taxes paid		(14,471,397)	(12,127,217)
Receipts from other operating activities	37	100,530,090	92,337,899
Payments for other operating activities	38	(215,025,479)	(201,630,289)
Cash generated from operating activities before changes in operating assets and liabilities		(185,873,639)	(207,575,564)
Increase / (decrease) in operating assets and liabilities			
Statutory deposits		-	-
(Purchase)/Maturity of trading securities (Treasury bills)		-	-
Investments to other banks		-	-
Investments to customers		460,261,299	968,385,692
Placement from banks & other financial institutions		(4,300,000)	(4,900,000)
(Increase) /decrease of other assets	39	(29,207,489)	(1,146,852)
Deposits from other banks / borrowings		147,150,962	(65,734,496)
Deposits received from customers		(101,596,950)	(330,745,806)
Other liabilities on account of customers		-	-
Trading liabilities		-	-
Increase/(decrease) of other liabilities	40	13,083,762	113,254,958
		485,391,584	679,113,496
Net cash from operating activities		299,517,945	471,537,932
B. Cash flows from investing activities			
Debentures		-	-
Proceeds from sale of securities		-	-
Payments for purchases of securities		-	-
Purchase of property, plant and equipment		(5,388,765)	(4,395,965)
Payment against lease obligation		(3,118,069)	(5,519,093)
Proceeds from sale of property, plant and equipment		-	-
Net cash used in investing activities		(8,506,834)	(9,915,058)
C. Cash flows from financing activities			
Increase in paid-up capital		-	-
Dividend paid		-	-
Net Cash from financing activities		-	-
D. Net increase / (decrease) in cash and cash equivalents (A+ B + C)		291,011,111	461,622,873
E. Effects of exchange rate changes on cash and cash equivalents		-	-
F. Cash and cash equivalents at beginning of the period		2,771,415,628	2,309,792,755
G. Cash and cash equivalents at end of the period (D+E+F)		3,062,426,739	2,771,415,628
Cash and cash equivalents at end of the period			
Cash in hand (including foreign currencies)		170,089,960	292,413,847
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		923,133,883	851,559,334
Balance with other banks and financial institutions		99,202,896	57,442,448
Placement with banks & other financial institutions		1,870,000,000	1,570,000,000
Reverse repo		-	-
Prize bonds		-	-
		3,062,426,739	2,771,415,628
Net operating cash flows per share (Taka)		0.45	0.71

These financial statements should be read in conjunction with annexed notes

for ICB Islamic Bank Limited

 Chairman	 Director	 Director	 Managing Director
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see annexed report of the date


S. F. AHMED & CO
 Chartered Accountants

Dhaka, Bangladesh
 Dated, 23 March 2015

ICB Islamic Bank Limited

Statement of Changes in Equity
For the year ended 31 December 2014

Particulars	Paid-up capital BDT	Statutory reserve BDT	Share premium BDT	General/ Other reserves BDT	Assets revaluation reserve BDT	Revaluation surplus on Investment	Retained earnings BDT	Total BDT
Balance as at 1 January 2014	6,647,023,000	78,810,975	-	1,065,676	552,885,232	-	(16,622,470,034)	(9,342,685,151)
Changes in accounting policy	-	-	-	-	-	-	-	-
Balance as at 1 January 2014	6,647,023,000	78,810,975	-	1,065,676	552,885,232	-	(16,622,470,034)	(9,342,685,151)
Surplus / (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus / (deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	(286,529,913)	(286,529,913)
Dividends (Bonus shares)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriation made during the period	-	-	-	-	-	-	-	-
Balance as at 31 December 2014	6,647,023,000	78,810,975	-	1,065,676	552,885,232	-	(16,908,999,947)	(9,629,215,065)
Balance as at 31 December 2013	6,647,023,000	78,810,975	-	1,065,676	552,885,232	-	(16,622,470,034)	(9,342,685,151)

for ICB Islamic Bank Limited


Chairman


Director


Director


Managing Director

see annexed report of the date



Dhaka, Bangladesh
Dated, 23 March 2015


S. F. AHMED & CO
Chartered Accountants

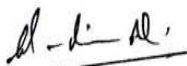
ICB Islamic Bank Limited

Liquidity Statement (Analysis of Maturity of Assets and Liabilities)

As at 31 December 2014

Particulars	Up to 1 month BDT	1-3 months BDT	3-12 months BDT	1-5 years BDT	Above 5 years BDT	Total BDT
Assets:						
Cash in hand	1093223843	-	-	-	-	1,093,223,843
Balance with other banks and financial institutions	99,202,896	-	-	-	-	99,202,896
Placement with banks & other financial institutions	1,270,000,000	400,000,000	200,000,000	-	-	1,870,000,000
Investments in shares and securities	-	200,000,000	-	-	10,569,450	210,569,450
Investments	276,909,680	461,516,134	1,846,064,536	5,538,193,608	1,107,638,722	9,230,322,680
Fixed assets including premises	-	-	2,885,783	7,695,421	85,611,562	96,192,766
Other assets	46,396,399	16,238,740	20,878,380	97,432,438	283,018,033	463,963,989
Non - banking assets	-	-	-	959,466,815	-	959,466,815
Total assets (A)	2,785,732,819	1,077,754,874	2,069,828,698	6,602,788,282	1,486,837,767	14,022,942,441
Liabilities:						
Placement from banks & other financial institutions	-	1,100,000	1,100,000	8,800,000	5,031,369,861	5,042,369,861
Deposits and other accounts	480,627,488	961,254,977	4,325,647,394	4,085,333,650	2,162,823,697	12,015,687,207
Other liabilities	205,735,934	203,098,293	105,505,607	6,079,760,603	-	6,594,100,437
Total liabilities (B)	686,363,422	1,165,453,270	4,432,253,001	10,173,894,253	7,194,193,558	23,652,157,505
Net liquidity gap (A - B)	2,099,369,397	(87,698,396)	(2,362,424,303)	(3,571,105,971)	(5,707,355,790)	(9,629,215,065)

for ICB Islamic Bank Limited


Chairman


Director


Director


Managing Director

see annexed report of the date



Dhaka, Bangladesh
Dated, 23 March 2015


S. F. AHMED & CO
Chartered Accountants

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

1. The Bank and its activities

1.1 Corporate information

ICB Islamic Bank Limited (the Bank) is the new legal name of former “The Oriental Bank Limited” which was incorporated on April 1987 as a Public Limited Company titled “Al-Baraka Bank Bangladesh Limited” under the Companies Act, 1913. Certificate for commencement of business was issued to the bank on 30 April, 1987. Bangladesh Bank (country's central bank) authorized to carry on the banking business in Bangladesh with effect from 04 May 1987 to undertake and carry out all kinds of banking, financial and business activities, transactions and operations in strict compliance with the principles of Islamic Law (Shariah) relating to business activities in particular avoiding usury in credit and sales transactions and any practice which accounts to usury and actual banking operations commenced on 20 May 1987. Registrar of Joint Stock Companies & Firms approved the revised name (The Oriental Bank Limited) on 31 December 2002 and Bangladesh Bank approval was accorded on 13 April 2003.

Bangladesh Bank took control of the management of the Bank on 19th June 2006 and appointed Chairman and Managing Director to carry out the functions of day to day affairs of the Bank. Steps were taken by the Government of Bangladesh and Bangladesh Bank to protect the interest of depositors. Measures were taken to restructure and recapitalize the Bank to keep the Bank functioning so that interest of all stakeholders of the Bank could be protected. The Government imposed a moratorium on the business of the Bank and Bangladesh Bank issued “The Oriental Bank Limited (Reconstruction) Scheme 2007” (The “Scheme”).

Switzerland-based ICB Financial Group Holdings AG has become the new majority owner of former Oriental Bank, a Bangladeshi Shariah-compliant bank as on 28 February 2008. Emphasis has been placed on improving the technology and infrastructure of the Bank, as well as retaining employees, with a view to providing an improved range of competitive products to customers.

1.2 Nature of business and principal activities

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shariah, the provisions of the Bank Company Act 1991 and Bangladesh Bank's directives.

The Bank renders commercial banking services to all types of customers. The range of services offered by the bank includes accepting deposit, making investment, discounting bills, conducting domestic and international money transfer, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as locker service, collections and issuing letters of credit guarantees and acceptances. Core business of the bank includes deposit mobilisation and investing activities comprising short-term, long-term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped into several sectors including Rural and Agriculture, Garments and Textiles, Jute, Cement and Bricks, Tannery, Steel and Engineering, Food and Beverage, Chemical and Pharmaceuticals, Printing and Packaging, Glass and Ceramics and Miscellaneous.

At a glance, the principal activities of the Bank are:

- a) To facilitate and handle all kinds of commercial banking services to its customers authorized by Bangladesh Bank;
- b) To handle the export and import trade; and
- c) To take part in international banking, etc.

ICB Islamic Bank Limited

Notes to financial statements

For the year ended 31 December 2014

2. Internal audit, internal control and risk management

The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Bangladesh Bank Department of Off-site Supervision (DOS) has issued Circular No.-02 dated 15 February 2012 on Risk Management Guidelines for Banks and instructed all scheduled banks operating in Bangladesh to follow this Guidelines for managing various risks which have been complied by the Bank.

Risk Management is the key element for sound corporate governance of the Bank. With a recent addition in regulatory mandates and increasingly active participation of shareholders, the Bank has become increasingly concerned to identify areas of risks in the business, whether it is financial, operational, ICT or reputation risk. The Bank identifies, measures, monitors and manages all risks of the Bank. Sophisticated risk management framework is going to be implemented to carry out efficient risk management exercises of the Bank including documenting and assessing risks, defining controls, managing assessments and audit, identifying issues, implementing recommendations and corrective plans. In accordance with Bangladesh Bank Guidance, the Bank has established a risk framework that consists of six core factors, i.e. (i) Credit/Investment Risk (ii) Asset and Liability/Balance Sheet Risk (iii) Foreign Exchange Risk (iv) Internal Control and Compliance Risk (v) Money Laundering Risk and (vi) Information and Communication Technology Risk.

In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, stress testing and managing the banking risks in other core risk areas.

The Bank has established an independent Risk Management Unit (RMU). The RMU conducts stress testing for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The Bank has also identified the following four key infrastructure components for effective risk management programs:

- a) Proactive Board of Directors and Senior Management's Supervision;
- b) Adequate Policies and Procedures;
- c) Proper Risk-Measurement, Monitoring and Management Information Systems; and
- d) Comprehensive Internal Controls.

2.1 Investment/Credit risk

Investment/Credit risk is simply defined as the failure of a bank borrower or counterparty to meet its obligations in accordance with agreed terms. Financial institutions have been facing difficulties over the years for a multitude of reasons. The major causes of serious banking problems continue to be directly related to tax Investment/Credit standards for borrowers and counterparties, poor portfolio risk management, or a lack of attention to changes in economic or other circumstances that can lead to deterioration in the Investment standing of a bank's counterparties. The goal of Investment/Credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining Investment/Credit risk exposure within acceptable levels. The effective management of Investment/Credit risk is a critical component of a comprehensive approach to risk management and essential to the long-term success of any banking organization. The Basel Committee is encouraging Banks to promote sound practices for managing Investment/Credit risk. The sound Investment/Credit risk management practices include the following areas:

- i. Establishing an appropriate Investment/Credit risk environment
- ii. Operating under a sound Investment/Credit-granting process
- iii. Maintaining an appropriate Investment administration, measurement and monitoring process;
- iv. Ensuring adequate controls over Investment risk

ICB Islamic Bank Limited

Notes to financial statements

For the year ended 31 December 2014

ICB- Islamic Bank Limited is keenly aware of the need to identify, measure, monitor and control Investment/Credit risk as well as to hold adequate capital against these risks for adequate compensation of risks incurred since exposure to Investment/Credit risk continues to be the leading source of problems in Banks world-wide. In this line Bank is following the system as per Guidelines of Bangladesh Bank. Bank has also adopted a policy to review the whole system, from time to time to cope with the multifarious situations.

To comply with the Directive of Bangladesh Bank (DOBB), the Bank has also taken steps for strengthening the function of Investment/Credit Administration i.e. Disbursement, Custodial Duties, Compliance, Investment/credit Monitoring and Recovery to maintain Investment/Credit Risk at the minimum level. In order to achieve this goal, Investment Administration and Supervision Department (IASD) is exerting all out efforts for completion of Security Documentation before disbursement, ensuring adequate Insurance Coverage to cover unforeseen risks, monitoring and follow up after disbursement of Investment/Credit to maintain the investment standard.

Recovery and Monitoring Department is engaged in monitoring the total Investment/Credit Classification position of the Bank vigilantly, managing all Classified and Special Mention Accounts to regularise for maximisation of recovery and ensuring appropriate investment loss provision timely.

2.2 Asset liability risk management

Asset Liability Management (ALM) is one of the key areas of risk management which mainly focuses on liquidity and profit rate risk of the bank. Decisions taken in the ALCO meetings were duly recorded and action plans were implemented by the branches/departments to optimize Bank's financial performances. As a part of regulatory requirement, the Board of Directors also reviewed the ALM manual and its components regularly.

2.3 Foreign exchange risk management

Foreign exchange risk is defined as the potential change in earnings due to unfavorable movement in exchange rates. Generally, the bank is less exposed to foreign exchange risk as all the transactions are carried out on behalf of the customers against L/C commitments and other remittance requirements. The bank has undertaken policy guidelines to minimize the foreign exchange risk for exposure in currency movement. Treasury department has separate front office. Its back office desks are responsible for currency transactions, deal verification and limit monitoring and settlement of transactions separately. The bank continuously revalued all foreign exchange positions at market rate as per the guidelines of Bangladesh Bank. All Nostro Accounts are timely reconciled and all outstanding entries are reviewed on a regular basis.

2.4 Anti-Money laundering risk management

The financial aspects of crime have become more complex due to rapid advancement in technology and the globalize character of the financial services industry. Money-Launderers often use their front companies which co-mingle the proceeds of illicit activity with legitimate funds in order to hide the ill-gotten gains. Therefore, prevention of laundering the proceeds of crime has become a major priority from all jurisdictions from which financial activities are carried out. The policy of the bank includes establishing adequate procedures of customer due diligence, reporting, record keeping, internal control, risk management and communication in order to forestall and prevent operations related to money laundering or financing of terrorism. Central Compliance Unit (CCU) of the Bank is performing supervisory and monitorial activities for the bank's internal procedures on anti-money laundering and anti-terrorism financing. It also ensures that bank complies with the anti-money laundering and anti-terrorism financing legislation, including the Know Your Customer rules.

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2.5 Internal control and compliance risk management

Adequate Internal Controls contribute significantly to the improvement of the performance of the banks through enforcing efficient managerial guards. Such control culture is duly reflected in the Policy Guidelines and Structural Changes of the Bank. Now the bank is considering sophisticated organisational structure to exercise strong control culture within the organisation by implementing policy guidelines of internal controls appropriately and strengthening internal controls system.

Internal Control and Compliance Division (ICCD) of the Bank comprises three units, namely (i) Compliance Unit, (ii) Monitoring Unit and (iii) Audit and Inspection Unit. The Division reviews and monitors Bank's Internal Control and Compliance Risk to help the Bank perform better through the use of its resources. The units of the Division are performing their functional activities in accordance with the Bank's own policies as well as guidance notes issued by Bangladesh Bank from time to time for mitigating the Internal Control and Compliance Risks of the Bank.

During the year 2014, Inspection teams of ICCD of the Bank and Bangladesh Bank carried out inspections on different Branches of the Bank and submitted reports thereof. Necessary remedial measures/corrective steps have been taken on the suggestions/observations made in the said reports. The summary of key points of the reports were also placed and discussed in the meeting of the Audit Committee of the Board of Directors. Appropriate actions have also been taken as per the decisions of the said Committee for protecting the Bank's assets.

Compliance: The bank has complied with the regulatory requirements including, the directives of Bangladesh Bank (primary regulator), National Board of Revenue, Securities and Exchange Commission, Registrar of Joint Stock Companies and Finance Ministry etc. having significant impact on the Bank's business.

Compliance is not a one-time event rather it is a continuous process. For this purpose, the bank's Internal Controls have been designed in such a manner so that the compliance with all the relevant regulatory requirements is carried out in each activity of the bank.

Now the Board of Directors and Senior Management of the bank has developed a high ethical and moral standard to ensure strong compliance culture in the bank. In this context, the bank gives priority on the following issues:-

- i. To encourage employees to comply with all the policies, procedures and regulations;
- ii. To maintain continuous liaison with the regulators at all level to obtain regular information on regulatory changes; and
- iii. To establish an effective communication process to distribute smoothly the relevant regulations among the officials of the concerned divisions and branches.

2.6 Information and communication technology risk management

The bank has adequately addressed ICT Risk Management. It is an in-depth exercise and continual process. The ICT Risk Management exercise mainly includes minimising financial loss to the institution in all events such as natural disaster, technological failure, human error etc.

In line with Central Bank directives, the Bank has redrawn its own Information and Communication Technology (ICT) Policies for operations and Services. Under these policy guidelines, a security policy has going to be worked out and implemented in the server system through Active Directory Services (ADS). It has also been trying to implement through Password Policy, Kerberos Policy, Audit Policy, Group Policy, User Rights, and Permission Policy etc. to abide by and adhere to what is laid down in the policy. It tries to centralize the administrative control to access the Network, Mailing System and access to Internet under this policy.

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2.7 Internal audit:

Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Bank were consistently followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The Audit Committee of the Bank meets periodically with the internal audit team to review their audit plans, assess the manner in which these auditors are performing their responsibilities and to discuss their reports on, internal controls and financial reporting issues. To ensure complete independence, the internal auditors have full and free access to the members of the Audit Committee to discuss any matter of substance.

A robust Risk Based Internal Audit (RBIA) has been implemented. Risk assessment by Internal Control focuses on compliance with the bank's policies together with regulatory requirements, social, ethical and environmental risks for risk minimization and to determine the future growth of the bank.

Internal audit activities:

- i. To review and approve "Internal Audit Charter";
- ii. To guide and approve "Internal Audit Plan";
- iii. To guide and review "Internal Audit Process and Procedure";
- iv. To guide bank management body for ensuring compliance on audit recommendation(s) and scope of development;
- v. To review compliance status of audit recommendation;
- vi. To review annual assessment of the performance of audit and inspection activity; and
- vii. To recommend audit findings to be placed to the Board of Directors.

2.8 Fraud and Forgeries:

Bank fraud is the use of potentially illegal means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently posing as a bank or other financial institution.

To mitigate the fraud the Bank has taken following initiatives:

- a) To review the corrective measures taken by the management with regard to reports relating to fraud-forgery, deficiencies in internal control and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis;
- b) Significantly improving the compliance culture and introducing stricter controls to eliminate fraud exposures.

There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

3. Summary of significant accounting policies and basis for preparation of financial statements

3.1 Statement of compliance

The financial statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and the requirements of the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

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For the year ended 31 December 2014**

i) Investment in shares and securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

ii) Revaluation gains/losses on Government securities

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on investments

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision at 0.25% to 5% under different categories of unclassified investments (good and special mentioned accounts) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of profit in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment is classified, profit on such investments are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an profit in suspense account, which is presented as liability in the balance sheet.

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Notes to financial statements

For the year ended 31 December 2014

v) Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

vii) Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

viii) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

ix) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, dated 25 June 2003 there must exist a face item named Non-banking asset.

x) Cash flow statement

Cash flow statement has been prepared in accordance with BAS-7, "Cash Flow Statements" and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 2003. The cash flow statement shows the structure of changes in cash and cash equivalent during the financial year. It is segregated into operating activities, investing activities and financial activities.

xi) Balance with Bangladesh Bank: (Cash Reserve Requirement)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

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xii) Presentation of intangible asset

BFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiii) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv) Investments net of provision

BFRS: Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on investments are presented separately as liability and can not be netted off against loans and advances

3.2 Consolidation

Separate set of records for consolidation of the statement of affairs and income and expense statement of the branches was maintained at the Head Office of the bank based on which these financial statements have been prepared. All significant inter-branch transactions are eliminated on consolidation.

3.3 Accruals and deferrals

Deferrals and accruals have been made as per the guidance of BASB Framework: BAS # 1: Presentation of Financial Statements. In order to meet their objectives, financial statements except for Statement of Cash Flows and related information are prepared on accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the periods to which they relate.

3.4 Revenue recognition

The revenues during the year are recognised on an accrual basis, which comply with the conditions of revenue recognition as provided in BAS # 18: Revenue.

3.4.1 Profit and expenses

Profit income and expenses for all profit-bearing financial instruments except for those classified as held-for-trading or designated at fair value are recognized in the income statement using the effective Profit rates of the financial assets or financial liabilities to which they relate. The effective Profit rate is the rate that exactly discounts estimated future cash receipts or payments earned or paid on a financial asset or financial liability through its expected life or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Group estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the ICB Islamic Bank that are an integral part of the effective Profit rate, including transaction costs and all other premiums or discounts. Profit on impaired financial assets is calculated by applying the original effective Profit rate of the financial asset to the carrying amount as reduced by any allowance for impairment.

3.4.2 Non-profit Income

3.4.2.1 Fees and commissions

Fees and commissions are accounted for as follows:

- i. Income earned on the execution of an act is recognised as revenue when the act is completed;
- ii. Income earned from providing services over a period of time is recognised over the service period during which the related service is provided or credit risk is undertaken; and
- iii. Income which forms an integral part of the effective profit rate of a financial instrument is recognised and recorded as profit income.

3.4.2.2 Dividend income

Dividend income is recognised when the right to receive the payment is established.

3.4.2.3 Investments in securities

Income on investments has been accounted for on accrual basis.

3.4.2.4 Letters of credit, letters of guarantee and others

Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

3.4.2.5 Profit paid and other expenses

In terms of the provision of BAS # 1: Presentation of Financial Statements, profit paid and other expenses are recognised on accrual basis.

3.5 Foreign currency translation

3.5.1 Foreign currencies transactions (BAS # 21)

- i. Transactions in foreign currencies are translated into taka at the foreign exchange rates prevailing on the balance sheet date.
- ii. Monetary assets and liabilities in foreign currencies are expressed in taka at the rates of exchange prevailing on the balance sheet date. (BAS # 21)
- iii. Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

The assets and liabilities in foreign currencies are translated to taka at exchange rates prevailing at the balance sheet date. The results of foreign entities are translated at the average rate of TT clean and TT and OD for the year

Exchange rates with major foreign currencies on 31 December 2014 were as follows:

Currency name	Exchange rate (Taka)
US Dollar	77.95
Euro	94.28
ACU	77.95
GBP	120.79

3.5.2 Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

3.5.3 Translation gains and losses (BAS # 21)

As per provision of BAS # 21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing on the dates of such transactions and exchange gains or losses arising out of the said transactions are recognised as income or expense for the year in which the exchange account is dealt with.

3.6 Exchange Equalization Account

This represents the amount arose from exchange gain due to de-valuation of Bangladesh Taka with foreign currencies up to 30 March,2003 and the system has been discontinued from 31 March, 2003. The amount is accounted for as per instruction issued by the Central Bank (Bangladesh Bank) from time to time.

3.7 Assets and their basis of valuation

3.7.1 Cash and cash equivalents

As per provision of BAS # 7: Cash Flow Statement, for the purpose of the Statement of Cash Flow of the bank, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and balances with central banks, treasury bills, and other eligible bills, amounts due from other banks and dealing securities other than those which are not available to finance the ICB- Islamic Bank's day to day operations.

3.7.2 Investments

Investments are stated at gross amount. Provision and Profit suspense against investments are shown separately as liability. Profit income is accounted for on accrual basis until the investments are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

As per BRPD circular no. 14 dated 23 September 2012, Profit on classified Investments (other than bad/loss investments) are required to be credited to profit suspense account instead of income account. Such profit kept in suspense account should be reversed to income account only when respective investment accounts become regular and / or realized in cash.

3.7.2.1 Provision for Investment

Provision against classified loans and advances is made on the basis of periodical review by the management and instruction contained in BCD Circular No. 12 dated 04 September 1995, BRPD circular No. 16 dated 06 December 1998, BRPD circular No. 09 dated 14 May 2001, BRPD circular No. 02 dated 15 February 2005, BRPD circular No. 05 dated 27 April 2005 and BRPD circular No. 32, dated 27 October 2010, BRPD Circular No 14 dated 23 September 2012, BRPD Circular No. 05 dated 29 May 2013. The provisioning rate as per Bangladesh Bank circulars are as follows:

Business Unit		Unclassified		Classified		
		Standard	SMA	SS	DF	BL
Short term Agri. Credit		5%	-	5%	5%	100%
Consumer	Housing Finance	2%	2%	20%	50%	100%
	Loan for Professionals	2%	2%	20%	50%	100%
	Other than Housing financing & Professionals	5%	5%	20%	50%	100%
Housing Finance		0.25%	0.25%	20%	50%	100%
Loan for Professionals		2%	2%	20%	50%	100%
Other than Housing financing & Professionals		1%	1%	20%	50%	100%
Off balance sheet exposure - 1%						

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3.7.2.2 Security against Investments:

- i. Project investment-land and building, FDR and other movable assets have been taken as a security in the form of mortgage.
- ii. Working capital and trading investment–Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building, FDR and other movable assets as a mortgage.
- iii. House building investment-Lands and buildings are taken as security in the form of mortgage.

3.7.2.3 Bills purchased and discounted

Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz.

- i. Payable in Bangladesh and
- ii. Payable outside Bangladesh.

The bills purchased and discounted have been analyzed in the form/terms as per the maturity grouping.

3.8 Investment in shares and securities

The Group determines the classification of its investments at initial recognition and classifies its financial assets as follows:

3.8.1 Financial assets at fair Value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term if so designated by management.

3.8.2 Investment and receivables

Investment and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money, goods or services directly to a debtor with no intention of trading the receivables.

3.8.3 Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. If the Group sells other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

3.8.4 Available-for-sale investment

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in profit rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity and available-for-sale are recognized on trade-date (the date on which the ICB Islamic Bank commits to purchase or sell the asset). Investment is recognized when cash is advanced to the borrowers. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Investment and receivables and held-to-maturity investments are carried at amortized cost using the effective Profit method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity is recognized in profit or loss. However, Profit calculated using the effective Profit method is recognized in the income statement. Dividends from available-for sale equity instruments are recognized in the income statement when the entity's right to receive payment is established. The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the ICB Islamic Bank establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants

3.8.5 Valuation Method

Investments have been shown under two broad categories viz Government Securities and Other Investments.

Investments have been considered as follows:

Particulars	Valuation Method
Government Securities:	
Government Treasury Bills	Market Value
Other Investments:	
Shares of CDBL	Cost Price
Bangladesh Commerce Bank Limited	Cost Price

3.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

3.10 Acceptance receivables and payables

Acceptance receivables and payables are stated at the value of the Letter of Credit or realised value of the Letter of Credit accepted by accepting banks. The acceptance receivables are presented net of allowance for possible losses.

3.11 Foreclosed properties

Foreclosed properties are recorded at the lower of its fair value (less costs to sell) and the carrying amount of the investment (net of impairment allowance) at the date of foreclosure. No depreciation is provided in respect of foreclosed properties. Any subsequent write down of foreclosed properties to fair value (less cost to sell) is recorded as a fair value change and included in the income statement. Any subsequent increase of the fair value (less cost to sell), to the extent this does not exceed the cumulative fair value change, is recognised in the income statement.

3.12 Prepaid lease payments

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

3.13 Software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on straight-line basis over the expected useful lives of three to five years. Costs associated with developing or maintaining computer software programmers are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Bank and that will probably generate economic benefits exceeding costs beyond one year are recognised as Core Banking Software.

3.14 Property and equipment

Buildings comprise mainly of bank branches and offices. All property and equipment are stated at historical cost/revaluation less any impairment losses and depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Bank and the cost of the items can be measured reliably. All other repairs and maintenance are charged to the Profit and Loss Account during the financial period in which they are incurred.

Depreciation on fixed assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

<u>Name of the assets</u>	<u>Depreciation rate</u>
i. Buildings :	5%
ii. Furniture and fittings:	10%
iii. Motor vehicles:	20%
iv. Computer hardware:	20%
v. Renovation :	20%
vi. Intangible assets:	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Property and Equipment is subject to an impairment review if there are events or changes in circumstances which indicate that the carrying amount may not be recoverable. Up to 31 December 2007 bank charged depreciation on fixed assets using the reducing balance method which changed in 2008 and adjustment are incorporated with current year depreciation.

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3.14.1 Non banking assets

This represents assets acquired by the bank upon the agreement with the client and Honorable court's order against investment. Bank has taken the ownership of the non-banking assets on the basis of power of attorney of Bishal Centre on 8 March 2005 and Kushal Centre on 13 June 2000, against settlement of Investments. Bank is now trying to perfect the documentation by obtaining mutation.

3.15 Taxation

Tax expenses represent the sum of the tax currently payable and deferred tax.

3.15.1 Current tax

Income tax on the profit or loss for the year comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognized directly in shareholder's equity in which case it is recognized in shareholder's equity.

As per requirement of BAS # 12: Income Taxes, the Bank has a policy to measure current tax liability at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Tax rate is 42.5% as prescribed in finance Act 2014 on taxable profits of the banks and financial institutions. The bank was not required to provide income tax as it has previous assessed loss which will offset the taxable income. But as per requirement of Income Tax Ordinance 1984, minimum tax @ 0.30% of gross receipts has been provided in accounts.

3.15.2 Deferred Tax

As per provision of BAS # 12: Income Taxes, deferred tax assets and deferred tax liabilities shall be measured and shall be reflected the tax consequence of the entity at the balance sheet date.

Deferred tax is recognised, using the liability method on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences; unused tax loss and unused tax credit can be utilised. The tax rate (42.5%) prevailing at the balance sheet date is used to determine deferred tax.

The bank did not recognise any deferred tax during the year as there would have arisen deferred tax income if deferred tax was recognised due to huge loss of the bank at balance sheet the date which is adjustable against future profits.

3.16 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT). All values are rounded to the nearest Taka.

3.17 Critical accounting estimates and judgments in applying accounting policies

As per provision of BAS # 1 : Presentation of Financial Statements, the preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.17.1 Valuation of financial instruments

The Bank's accounting policy for valuation of financial instruments is included in Note 7. As 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.

3.18 Liabilities and provision

3.18.1 Retirement benefits of employees

3.18.1.1 Provident fund

Provident fund benefits are given to the staff of the bank in accordance with the registered Provident fund rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognised fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The fund is operated by a Board of Trustees consisting of 06 (six) members of the bank. All confirmed employees of the bank are contributing 10% of their basic salary as subscription of the fund. The bank also contributes equal amount to the fund. Contributions made by the bank are charged as expense. Profit earned from the investments is credited to the members' account on half yearly basis.

3.18.1.2 Gratuity

As per service rules of the bank, every permanent employee is entitled to 50% of basic salary for 5 to 10 years, 75% of basic salary for 10 to 15 years and 100% of basic salary for more than 15 years for every completed year of services with the bank. But sufficient provision was not created for gratuity in the financial statements as at 31 December 2014.

On 121st Board of the Directors meeting held on 21 July, 2014. it resolved that provision is to be made on monthly basis.

Estimated liability as at 31 December 2014 on accrual basis was Taka 50,250,000 against which an amount of Taka 18,425,394 was provided as provision for gratuity. Management is, however, optimistic to cover the shortfall in forthcoming years.

3.18.2 Provisions and accrued expenses

Provisions and accrued expenses are recognised in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.19 Deposits and other accounts

As per requirement of paragraph 39 of BFRS # 7: Financial Instruments: Disclosures, deposits and other accounts including bills payable of the bank have been analysed in terms of the maturity grouping showing separately other deposits and inter-bank deposits.

3.20 Contingent liabilities, commitments and other off-balance sheet items

As required in BAS # 37, Contingent Liabilities, commitments and other off-balance sheet items are presented in details in the financial statements.

3.21 Nostro reconciliation position:

The bank maintains 04 Nostro accounts with various banks outside the country. Reconciliation of nostro accounts has been completed up to 31 December 2014.

3.22 Statement of cash flows

BAS # 1: Presentation of Financial Statements, requires that a statement of cash flows is to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows. Statement of Cash Flow has been prepared under the direct method for the period, classified by operating, investing and financing activities as prescribed in BAS # 7, statement of cash flows.

3.23 Comparative Information

As per requirement of BAS # 1: Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

3.24 Earning per share (EPS)

Earning per share has been calculated in accordance with BAS # 33: Earning per share (EPS) which has been shown on the face of profit and loss account and the computation of EPS has been stated in Note 41.

3.24.1 Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.24.2 Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighted factor. The time-weighted factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

3.25 General

- a) Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison;
- b) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014 BDT	2013 BDT
4. Cash		
(a) In hand		
i) Local currency	159,300,951	280,588,420
ii) Foreign currencies (note 4.1)	10,789,009	11,825,427
Sub-total (a)	<u>170,089,960</u>	<u>292,413,847</u>
(b) Balance with Bangladesh Bank and its agent bank(s) (note 4.2)		
Balance with Bangladesh Bank (note 4.2)	885,904,993	809,130,432
Balance with Sonali Bank (as agent of Bangladesh Bank)	37,228,890	42,428,902
Sub-total (b)	<u>923,133,883</u>	<u>851,559,334</u>
Grand total (a+b)	<u><u>1,093,223,843</u></u>	<u><u>1,143,973,180</u></u>

4.1 Foreign currencies

Foreign Currency	Amount in F.C	Exchange Rate		
US Dollar	24,783	77.95	1,931,820	2,198,226
Great Britain Pound	72,920	120.79	8,807,693	9,571,116
Euro	525	94.28	49,496	56,085
Total			<u><u>10,789,009</u></u>	<u><u>11,825,427</u></u>

4.2 Cash with Bangladesh Bank and its agent bank(s)

Balance with Bangladesh Bank

(i) Local currency	869,614,439	777,772,900
(ii) Foreign currencies	16,290,554	31,357,531
Sub-total (a)	<u>885,904,993</u>	<u>809,130,432</u>

Balance with Sonali Bank

In local currency (b)	37,228,890	42,428,902
Grand Total (a+b)	<u>923,133,883</u>	<u>851,559,334</u>

4.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of Banking Companies Act 1991, BRPD circular nos. 11 and 12, dated 25 August 2005 and MPD circular no. 116/2010-1712, dated in 01 December 2010 and MPD circular nos. 4 and 5 dated 01 December 2010 and MPD circular no. 01 dated 23 June 2014.

The statutory Cash Reserve Requirement on the Bank's time and demand liabilities at the rate 6.5% has been calculated and maintained with Bangladesh Bank in local currency and 5.5% Statutory Liquidity liabilities has also been maintained in the form of cash in hand, balance with Bangladesh Bank and its agent bank, TT in transit and unencumbered approved securities. CRR and SLR maintained by the Bank are shown below:

(a) Cash Reserve Requirement		
Required reserve	640,310,000	602,805,890
Actual reserve maintained	869,615,000	777,772,900
Surplus / (deficit)	229,305,000	174,967,010
(b) Statutory Liquidity Ratio		
Required reserve (including CRR)	1,182,110,000	1,155,377,950
Actual reserve maintained (including CRR) (note 4.4)	1,266,144,280	1,300,790,222
Surplus / (deficit)	84,034,280	145,412,272
Total required reserve	<u>1,182,110,000</u>	<u>1,155,377,950</u>
Actual reserve held	<u>1,266,144,280</u>	<u>1,300,790,222</u>
Total surplus	<u><u>84,034,280</u></u>	<u><u>145,412,272</u></u>

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014 BDT	2013 BDT
4.4 Held for Statutory Liquidity Ratio		
Cash in hand (note 4.a i)	159,300,951	280,588,420
Cash with Bangladesh Bank and its agent bank	906,843,329	820,201,802
Government securities (note 7. a)	-	-
Government bonds (note 7.c. iii)	200,000,000	200,000,000
	<u>1,266,144,280</u>	<u>1,300,790,222</u>
5. Balance with other banks and financial institutions		
In Bangladesh (note 5.1)	61,596,070	20,946,793
Outside Bangladesh (note 5.2)	37,606,826	36,495,655
	<u>99,202,896</u>	<u>57,442,448</u>
5.1 In Bangladesh		
Current account	12,993,067	4,941,482
Islami Bank Bangladesh Ltd	250,842	256,992
Sonali Bank Ltd (HO Balance)	10,790,982	1,615,121
Dutch Bangla Bank Ltd.	1,951,243	3,069,369
Mudaraba Short Term/Short Term Deposit Account	13,242,831	5,009,391
Prime Bank Ltd.	2,158,392	2,084,382
National Credit and Commerce Bank Ltd-IME	6,311,575	
Trust Bank Ltd.	4,772,864	2,925,009
PLS MD Savings/Savings Account	35,360,172	10,995,920
Al-Arafah Islami Bank Ltd. (MD)	5,305,341	5,074,491
Shahjalal Bank Ltd. (MSB A/C)	11,213	10,900
AB Bank Ltd.	30,033,793	5,900,704
Social Islami Bank Ltd. (MSD)	9,826	9,826
	<u>61,596,070</u>	<u>20,946,793</u>
5.2 Outside Bangladesh (NOSTRO Accounts)		
Current account		
ICICI Bank Ltd., Mumbai, India	1,081,471	1,078,704
ICICI Bank Ltd., Hong Kong	-	1,857,582
Mashreq Bank, New York WES	34,223,760	31,373,289
AB Bank Ltd., Mumbai	201,499	91,356
Sonali Bank, Kolkata	2,100,096	2,094,723
(Annexure - A)	<u>37,606,826</u>	<u>36,495,655</u>

ICB Islamic Bank Limited

Notes to financial statements

For the year ended 31 December 2014

	2014 BDT	2013 BDT
5.3 Maturity grouping of balance with other banks and financial institutions		
Payable on demand	99,202,896	57,442,448
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	99,202,896	57,442,448

6. Placement with banks and other financial institutions

<u>Name of the Bank/ Financial Institutions</u>	<u>Maturity At</u>	<u>Nature</u>		
AB Bank Ltd.	01-01-2015	MTD	180,000,000	-
IIDFC	05-01-2015	MTD	60,000,000	100,000,000
Mutual Trust Bank Ltd.	05-01-2015	MTD	50,000,000	100,000,000
Mutual Trust Bank Ltd.	06-01-2015	MTD	80,000,000	100,000,000
AB Bank Ltd.	08-01-2015	MTD	60,000,000	-
Mutual Trust Bank Ltd.	11-01-2015	MTD	100,000,000	50,000,000
Mutual Trust Bank Ltd.	12-01-2015	MTD	100,000,000	50,000,000
Eastern Bank Ltd.	13-01-2015	MTD	60,000,000	200,000,000
Mutual Trust Bank Ltd.	15-01-2015	MTD	100,000,000	120,000,000
Prime Finance & Investment Ltd.	19-01-2015	MTD	50,000,000	200,000,000
IIDFC	21-01-2015	MTD	50,000,000	-
AB Bank Ltd.	22-01-2015	MTD	50,000,000	-
AB Bank Ltd.	25-01-2015	MTD	80,000,000	-
Mutual Trust Bank Ltd.	27-01-2015	MTD	150,000,000	-
AB Bank Ltd.	29-01-2015	MTD	100,000,000	-
IIDFC	01-02-2015	MTD	100,000,000	-
IIDFC	22-02-2015	MTD	50,000,000	-
Prime Finance & Investment Ltd.	25-02-2015	MTD	50,000,000	50,000,000
PLFSL	17-03-2015	MTD	100,000,000	-
Union Capital Ltd.	30-03-2015	MTD	100,000,000	-
IIDFC	31-05-2015	MTD	100,000,000	-
PLFSL	15-06-2015	MTD	100,000,000	-
BRAC Bank Ltd.	-	-	-	550,000,000
Lanka Bangla Finance Ltd.	-	-	-	50,000,000
			1,870,000,000	1,570,000,000

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

		2014 BDT	2013 BDT
7. Investments in shares and securities			
	Holding Share	Cost	
a) Government		-	-
Sub-total (a)		-	-
b) Investment in subsidiary companies		-	-
Sub-total (b)		-	-
C) Others:			
i) Bangladesh Commerce Bank Ltd. (Un-quoted)	900,000	9,000,000	9,000,000
ii) CDBL (Un-quoted) Bonus shares	156,945 414,236	1,569,450	1,569,450
Total CDBL	571,181		
iii) Islamic bonds		200,000,000	200,000,000
Total Others		210,569,450	210,569,450
Total (a+b+c)		210,569,450	210,569,450
(i) Investment classified as per Bangladesh Bank Circular:			
Held for trading (HFT)		-	-
Held to maturity (HTM)		-	-
Other securities		210,569,450	210,569,450
		210,569,450	210,569,450
(ii) Investment classified as per nature:			
a) Government securities:			
28 days treasury bills		-	-
30 days treasury bills		-	-
91 days treasury bills		-	-
182 days treasury bills		-	-
364 days treasury bills		-	-
Reverse repo with Bangladesh Bank		-	-
2 years treasury bills		-	-
5 years treasury bills		-	-
		-	-
Government bonds:			
Prize bonds		-	-
Government bonds		-	-
		-	-
b) Other investments:			
Shares and bonds		210,569,450	209,000,000
Total (a+b)		210,569,450	209,000,000
7.1 Maturity grouping of investments			
On demand		-	-
Up to 1 month		-	-
Over 1 month but not more than 3 months		200,000,000	200,000,000
Over 3 months but not more than 6 months		-	-
Over 6 months but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		10,569,450	10,569,450
		210,569,450	210,569,450
7.2 Investment in shares			
Quoted:		-	-
Unquoted:			
Bangladesh Commerce Bank Ltd. (90,000 Shares)		9,000,000	9,000,000
Central Depository Bangladesh Limited. (571,181 Shares)		1,569,450	1,569,450
		10,569,450	10,569,450
		10,569,450	10,569,450

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	2014 BDT	2013 BDT
7.2.1	Investment in shares of Bangladesh Commerce Bank Limited (BCBL) refers to conversion of balance receivable into share capital of BCBL which is a non-listed Public Limited Company.	
7.2.2	During the year 2006 a sum of Taka 1 (one) million was invested for 1 (one) million shares of Central Depository and another 569,450 shares were obtained as right share, issued by CDBL. Bangladesh Limited (CDBL). Per share value was Taka 1 (one). Now per share value is Taka 10 (ten).	
8. Investments		
General Investments etc. (note-8.2.i)	9,227,406,715	9,785,648,428
Bills purchased and discounted (note-8.2.ii)	2,915,965	2,911,965
	9,230,322,680	9,788,560,393
8.1 Maturity-wise classification		
(i) Repayable on demand With a residual maturity of	276,909,680	293,656,812
(ii) Not more than 3 months	461,516,134	489,428,020
(iii) Over 3 months but not more than 1 year	1,846,064,536	1,957,712,079
(vi) Over 1 year but not more than 5 years	5,538,193,608	5,873,136,236
(v) More than 5 years	1,107,638,722	1,174,627,247
	9,230,322,680	9,788,560,393
8.2 Mode-wise Investment		
(i) General Investments etc.		
Inside Bangladesh		
Murabaha-Com.-Advance Agt. Imported Merchandise (AIM)	394,891,042	417,035,317
Murabaha (Pledge)	85,887,279	86,015,464
Murabaha Under Secured Guarantee (MUSG)	156,096,548	62,406,538
Bai-Muajjal(Hypothecation)	3,812,244,529	3,829,222,763
Bai-Muajjal - PC	14,736,692	14,397,682
Bai-Muajjal - TR	1,017,586,601	1,027,588,412
Payments Against Documents (Cash)	82,977,566	83,520,156
Bai-Muajjal (ICBIBLCFS)	115,269,907	50,045,774
Bai Muajjal - Forced Investment (Against B/B - L/C)	107,050,646	125,749,104
Staff Loan - Provident Fund	17,462,227	33,358,584
Hire Purchase	2,654,006,836	3,220,483,509
HP House Building - Staff	628,305	725,629
HP House Building - General	768,568,535	835,099,496
	9,227,406,715	9,785,648,428
Outside Bangladesh	-	-
	9,227,406,715	9,785,648,428
(ii) Bills purchased and discounted (note 8.9)		
Payable Inside Bangladesh		
Inland bills purchased	2,915,965	2,911,965
Payable Outside Bangladesh		
Foreign bills purchased and discounted	-	-
	2,915,965	2,911,965
	9,230,322,680	9,788,560,393
8.2.1 Geographical Location-wise classification of investments		
(i) Inside Bangladesh		
In Urban Areas	9,230,322,680	9,788,560,393
In Rural Areas	-	-
	9,230,322,680	9,788,560,393
(ii) Outside Bangladesh		
	-	-
	9,230,322,680	9,788,560,393

ICB Islamic Bank Limited

Notes to financial statements

For the year ended 31 December 2014

	2014 BDT	2013 BDT
8.2.2 Division-wise classification of Investments		
<u>Name of the Division</u>		
Dhaka Division	7,970,326,460	8,595,717,334
Chittagong Division	825,772,935	756,686,124
Khulna Division	278,662,237	301,391,203
Rajshahi Division	33,520,321	22,735,147
Barisal Division	20,299,381	33,267,975
Sylhet Division	101,741,344	78,762,610
Rangpur Division	-	-
	<u>9,230,322,680</u>	<u>9,788,560,393</u>
8.3 Group-wise classification of Investments		
a) Investments to Directors	-	-
b) Investments to Chief Executive and other senior executives	-	-
c) Investments to customer groups:		
i) Export financing	2,617,488	2,615,488
ii) House building loan	768,568,535	835,825,126
iii) Consumers credit scheme	330,048,076	233,317,706
iv) Small and medium enterprises	3,885,442,528	3,766,923,724
v) Staff loan	18,090,533	33,358,584
vi) Other Investments	2,746,601,625	2,826,280,636
	<u>7,751,368,785</u>	<u>7,698,321,264</u>
d) Industrial Investments		
i) Agricultural industries	-	-
ii) Textile industries	-	-
iii) Food and allied industries	25,445,702	535,701,663
iv) Leather, chemical, cosmetics, etc.	-	-
v) Tobacco industries	-	-
vi) Service Industries	990,059,237	949,254,964
vii) Transport and communication industries	-	-
viii) Other industries	463,448,956	605,282,503
	<u>1,478,953,894</u>	<u>2,090,239,130</u>
	<u>9,230,322,680</u>	<u>9,788,560,393</u>
8.4 Classification of status-wise investment		
Unclassified	<u>Percentage</u>	
Standard including staff loan	21.75%	2,007,379,772
Special mention account (SMA)	0.73%	67,759,772
	22.48%	2,075,139,544
Classified		
Sub-standard	0.20%	18,117,579
Doubtful	0.03%	2,548,018
Bad / Loss	77.29%	7,134,517,539
	77.52%	7,155,183,136
	<u>100%</u>	<u>9,230,322,680</u>
		<u>9,788,560,393</u>

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Notes to financial statements
For the year ended 31 December 2014

		2014 BDT	2013 BDT
8.5	Particulars of Investments		
i)	Investments considered good in respect of which the Bank is fully secured	2,075,139,544	2,612,645,106
ii)	Investments considered good against which the Bank holds no security other than the debtors' personal guarantee	290,731,274	347,708,552
iii)	Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors		
iv)	Investments adversely classified; provision not maintained there against	-	-
		<u>2,365,870,818</u>	<u>2,960,353,658</u>
v)	Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	58,409,870	34,217,530
vi)	Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii)	Maximum total amount of advances / investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of advances / investments, including temporary advances / investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	-	-
ix)	Due from banking companies	-	-
x)	Classified Investments		
	a) Classified Investments on which profit has not been charged (note 8.4)	<u>7,134,517,539</u>	<u>7,078,382,533</u>
	b) Provision on classified Investments (note 13.1)	<u>4,092,968,430</u>	<u>4,118,174,934</u>
	c) Provision required against Investments classified as bad debts	<u>3,978,898,139</u>	<u>3,995,615,575</u>
	d) Profit credited to profit suspense account (note 13.2)	<u>1,477,930,193</u>	<u>1,438,758,625</u>
xi)	Cumulative amount of written off Investments		
	Opening Balance	5,851,155,406	5,598,930,532
	Amount written-off during the year	-	252,224,874
		<u>5,851,155,406</u>	<u>5,851,155,406</u>
	Amount realised against Investments previously written off	<u>37,936,792</u>	<u>3,825,835</u>
	The amount of written off / classified Investments for which law suits have been filed	<u>3,627,049,734</u>	<u>2,873,555,977</u>

Written-off amount includes, written-off Taka 3,685,282,078 on which the Bank has the right to law suits and waived Taka 2,165,873,328 on which it has no right to law suits.

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Notes to financial statements

For the year ended 31 December 2014

			2014 BDT	2013 BDT
8.6 Sector-wise Investments including bills purchased and discounted				
Public sector			-	-
Co-operative sector			-	-
Private sector			9,230,322,680	9,788,560,393
			9,230,322,680	9,788,560,393
8.7 Details of large Investments				
Number of clients with outstanding amount and classified Investments exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 6,647 million as at 31 December 2014 (it was Taka 6,647 million in 2013).				
Number of clients				Nil
Amount of outstanding advances / investments				Nil
Amount of classified advances / investments				Nil
Measures taken for recovery				Nil
8.8 Particulars of required provision for Investments				
<u>Status</u>	<u>Base for provision</u>	<u>Rate (%)</u>		
General Provision				
Investments (Excluding SMA)	2,007,379,772	Various	25,971,301	29,669,759
Special mention account (SMA)	67,759,772	Various	575,590	469,081
			26,546,891	30,138,840
<u>Status</u>	<u>for provision</u>	<u>(%)</u>		
Specific provision				
Sub-standard	4,577,869	20	915,574	4,378,760
Doubtful	421,290	50	210,645	4,491,778
Bad / Loss	3,978,898,139	100	3,978,898,139	4,109,304,397
			3,980,024,358	4,118,174,935
Required provision for Investments			4,006,571,248	4,148,313,775
Total provision maintained (note 13.1)			4,123,107,271	4,148,313,775
Excess / (short) provision as at 31 December 2014			116,536,022	-
8.9 Bills purchased and discounted				
Payable in Bangladesh			2,915,965	2,911,965
Payable outside Bangladesh			-	-
			2,915,965	2,911,965
8.9.1 Maturity grouping of bills purchased and discounted				
Payable within one month			583,193	582,393
Over one month but less than three months			1,457,983	1,455,983
Over three months but less than six months			874,790	873,590
Six months or more			-	-
			2,915,966	2,911,966
9. Fixed assets including premises				
Furniture and fixtures			65,780,436	77,498,435
ATM			2,443,813	6,459,831
Software			3,043,983	18,345,572
Office equipments			19,179,873	35,583,497
Vehicles			5,744,661	10,284,099
Net book value at the end of the year (Annexure B)			96,192,766	148,171,434

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014 BDT	2013 BDT
10. Other assets		
Stationery and stamps	6,263,869	6,197,406
Prepaid expenses	24,001,036	26,034,952
Income receivable	20,444,919	25,024,155
Advance payment of income tax	135,407,830	120,936,433
Advance deposits	817,085	1,497,754
Advance agt. Rent	80,162,506	47,537,556
Possession rights of premises	1,932,610	2,033,050
Branch adjustments account (note 10.1)	69,683,432	64,660,200
Suspense account (note 10.2)	61,612,032	65,846,405
Sundry assets (note 10.3)	<u>3,210,320,060</u>	<u>3,211,777,818</u>
	3,610,645,379	3,571,545,728
<u>Less: Provision (note 10.4)</u>	<u>3,259,422,841</u>	<u>3,259,422,841</u>
	351,222,538	312,122,887
Deferred tax assets	<u>112,741,451</u>	<u>112,741,451</u>
	<u>463,963,989</u>	<u>424,864,338</u>

10.1 Branch adjusted account

General Accounts Debit	67,087,937	67,000,000
General Accounts Credit	<u>(2,589,000)</u>	<u>(2,339,800)</u>
	64,498,937	64,660,200
GL Intermediate Account	5,184,495	-
	<u>69,683,432</u>	<u>64,660,200</u>

Branch adjustment account represents outstanding Inter-branch and Head Office transactions (net) originated but yet to be responded at the balance sheet date. However, the status of unresponded entries as on 31 December 2014 are given below:

Un-reconciled entries of Inter Branch Transactions In Bangladesh

	Number of Unresponded entries			
	Dr	Cr	Dr	Cr
Up to 3 months	2	6	88,000	393,000
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	1	5	66,999,937	(2,982,000)
	<u>3</u>	<u>11</u>	<u>67,087,937</u>	<u>(2,589,000)</u>

10.2 Suspense account

Sundry debtors	14,892,870	16,001,365
Protested bill	32,297,085	32,297,085
Advance against TA/DA	25,668	156,672
Advance payment of profit	14,010,825	16,850,526
Advance to swift	23,760	540,756
Bill payment	361,823.09	-
ATM cash feeding account	-	-
	<u>61,612,032</u>	<u>65,846,405</u>

10.3 Sundry assets

Adjustable blocked account	1,896,679,556	1,897,577,556
Adjustable blocked account-2006	1,307,669,839	1,307,669,839
Tax on profit reversal a/c-2007	-	-
Clearing adjustment A/C	28,125	587,883
Stock of sign board (*)	2,466,895	2,466,895
Non resident UK	3,301,487	3,301,487
A/C receivable - Bangladesh Bank	174,158	174,158
	<u>3,210,320,060</u>	<u>3,211,777,818</u>

(*) Stock of sign board is recorded at cost price.

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	2014 BDT	2013 BDT
10.4 Provision for other assets		
Balance as on 1 January	3,259,422,841	3,259,422,841
Less: Excess provision transferred to other liabilities	-	-
Add: Provision transfer from other liabilities (note 13)	-	-
Balance as on 31 December	<u>3,259,422,841</u>	<u>3,259,422,841</u>
Item-wise breakup of the above provision for other assets is as under:		
Adjustable block A/c Head Office	1,896,679,556	1,897,577,556
Adjustable block A/c-2006 Different Branches	1,307,669,839	1,307,669,839
Non-Resident UK	3,301,487	3,301,487
Adv against legal charges	10,106,233	10,106,233
Protested bill	32,297,085	32,297,085
Suspense A/c- sundry debtor	8,470,641	8,470,641
Excess provision	898,000	-
	<u>3,259,422,841</u>	<u>3,259,422,841</u>
11. Placement from banks and other financial institutions		
In Bangladesh (note 11.1)	5,042,369,861	5,046,669,861
Outside Bangladesh (note 11.2)	-	-
	<u>5,042,369,861</u>	<u>5,046,669,861</u>
11.1 In Bangladesh		
Name of the Bank/Financial Institutions	Maturity At	Nature
Bangladesh Bank (Islami investment bonds fund)	Under Scheme	Frozen
		1,808,520,555
Rediscount from Bangladesh Bank	Under Scheme	Frozen
		2,634,900,000
Call Borrowing	Under Scheme	Frozen
		598,949,306
		<u>5,042,369,861</u>
		<u>5,046,669,861</u>
11.2 Outside Bangladesh	-	-
11.3 Security against borrowings from other banks, financial institutions and agents		
Secured (Bill of Exchange and DP note)	5,042,369,861	5,046,669,861
Unsecured	-	-
	<u>5,042,369,861</u>	<u>5,046,669,861</u>
11.4 Maturity grouping of borrowings from other banks, financial institutions and agents		
Payable on demand	-	-
Up to 1 month	-	-
Over 1 month but within 3 months	1,100,000	1,100,000
Over 3 months but within 1 year	1,100,000	1,100,000
Over 1 year but within 5 years	8,800,000	8,800,000
Over 5 years	5,031,369,861	5,035,669,861
	<u>5,042,369,861</u>	<u>5,046,669,861</u>

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	2014 BDT	2013 BDT
12. Deposits and other accounts		
Deposits from banks (note 12.1.a)	2,341,826,819	2,194,675,857
Deposits from customers (note 12.1.b)	9,673,860,388	9,775,457,338
	<u>12,015,687,207</u>	<u>11,970,133,194</u>
12.1 (a) Deposits from banks		
Al-wadeeah current and other deposits accounts	-	-
Bills payable	-	-
Mudaraba savings deposits	-	-
Mudaraba Term Deposits (MTD)	2,341,826,819	2,194,675,857
	<u>2,341,826,819</u>	<u>2,194,675,857</u>
(b) Deposits from customers		
i) Al-wadeeah current and other deposits accounts		
Al-wadeeah current and other deposits accounts	364,307,748	316,546,247
Foreign currency deposits	4,288,410	6,907,950
Sundry deposits (note 12.3)	69,270,064	83,479,113
	<u>437,866,222</u>	<u>406,933,310</u>
ii) Bills payable		
Pay orders issued	89,765,443	58,952,940
Demand draft	1,600	1,600
Foreign demand draft	-	-
Banker Cheque Issued	-	195,951
	<u>89,767,043</u>	<u>59,150,491</u>
iii) Mudaraba savings deposits	1,383,281,564	1,263,412,106
iv) Mudaraba Term Deposits (MTD)		
Mudaraba Term deposits	6,956,577,408	7,371,272,786
Mudaraba Short Term deposits	538,400,217	424,885,237
Scheme deposits	267,967,935	249,803,408
	<u>7,762,945,560</u>	<u>8,045,961,430</u>
	<u>9,673,860,388</u>	<u>9,775,457,338</u>
	<u>12,015,687,207</u>	<u>11,970,133,194</u>
12.2 Deposits and other accounts		
Al-wadeeah current and other deposits accounts		
Deposits from banks (note 12.1.a)	-	-
Deposits from customers (note 12.1.b.i)	437,866,222	406,933,310
	<u>437,866,222</u>	<u>406,933,310</u>
Bills payable		
Deposits from banks (note 12.1.a)	-	-
Deposits from customers (note 12.1.b.ii)	89,767,043	59,150,491
	<u>89,767,043</u>	<u>59,150,491</u>
Mudaraba savings deposits		
Deposits from banks (note 12.1.a)	-	-
Deposits from customers (note 12.1.b.iii)	1,383,281,564	1,263,412,106
	<u>1,383,281,564</u>	<u>1,263,412,106</u>
Mudaraba Term Deposits (MTD)		
Deposits from banks (note 12.1.a)	2,341,826,819	2,194,675,857
Deposits from customers (note 12.1.b.iv)	7,762,945,560	8,045,961,430
	<u>10,104,772,379</u>	<u>10,240,637,287</u>
	<u>12,015,687,207</u>	<u>11,970,133,194</u>
12.3 Sundry deposits		
Security deposit receipt	6,442,107	7,049,915
FC fund purchased	47,062	47,062
Non resident Taka	997,196	2,155,095
Non resident US\$	3,701,912	9,796,528
Profit payable on deposits	57,920,125	64,355,159
Unclaimed deposit	57,249	49,674
Others	104,413	25,680
	<u>69,270,064</u>	<u>83,479,113</u>

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	2014 BDT	2013 BDT
12.4 Maturity analysis of deposits		
Up to 1 month	480,627,488	478,805,328
Over 1 month but within 3 months	961,254,977	957,610,656
Over 3 months but within 1 year	4,325,647,394	4,309,247,950
Over 1 year but within 5 years	4,085,333,650	4,069,845,286
Over 5 years but within 10 years	1,922,509,953	1,915,221,311
Over 10 years	240,313,744	239,402,664
	<u>12,015,687,207</u>	<u>11,970,133,194</u>
13. Other liabilities		
Adjusting account credit	202,011,732	185,486,050
Adjustable block a/c-2006	558,768,359	558,768,359
Sundry creditors	135,231,577	181,152,916
L/C Cover other currencies	6,792,228	6,855,368
Provision for investment (note 13.1)	4,123,107,271	4,148,313,775
Profit suspense account (note 13.2)	1,477,930,193	1,438,758,625
Provision for sundry assets (note 13.3)	3,198,858	3,198,858
TDS on profit paid	7,886,943	8,086,961
TDS on office rent	122,030	63,464
TDS on other sources	300,163	443,192
Excise duty on deposits	8,296,652	8,935,043
Excise duty on investment account	1,958,340	890,420
Risk fund ICBILCFS	-	-
VAT deducted at source	2,188,635	1,192,968
A/C Payable - shanchay patra	-	-
Cash security others	598,500	647,500
ATM option amount	-	-
Cash assistant against export	4,469,250	4,469,250
Profit reversal account-2007	-	-
Lease obligation (note 13.4)	7,782,703	10,900,772
Clearing adjustment	28,125	587,883
Godown rent payable	760,009	760,009
Other payables	32,580,517	52,878,611
Provision for tax	15,774,673	13,611,895
Provision on off-balance sheet items (note 13.5)	4,313,679	2,723,773
Provision on nostro accounts (note 13.6)	-	-
	<u>6,594,100,437</u>	<u>6,628,725,693</u>
13.1 Provision for Investment		
Movement in specific provision on classified Investments:		
Provision held as on 1 January	4,118,174,934	3,841,383,717
<u>Less:</u> Fully provided debts written off/Waived during the year	(93,744,801)	(168,962,343)
<u>Add:</u> Recoveries of amounts previously written off	-	-
<u>Add:</u> Specific provision made during the year for other accounts	-	-
<u>Less:</u> Provision no longer required	-	-
<u>Add:</u> Excess provision transferred from Adjustable blocked account	-	28,675,502
<u>Add:</u> Excess provision transferred from General provision	-	-
<u>Add:</u> Net charge to profit and loss account (note-36)	68,538,297	417,078,058
Provision held as on 31 December	<u>4,092,968,430</u>	<u>4,118,174,934</u>
Movement in general provision on unclassified Investments		
Provision held as on 1 January	30,138,841	58,814,343
<u>Add:</u> General provision made during the year (note 36)	-	-
<u>Less:</u> General provision transfer to specific provision during the year (note 36)	-	(28,675,502)
Total Provision held as on 31 December	<u>30,138,841</u>	<u>30,138,841</u>
	<u>4,123,107,271</u>	<u>4,148,313,775</u>
13.2 Profit suspense account		
Balance as on 1 January	1,438,758,625	1,410,678,988
<u>Add:</u> Amount transferred during the year	192,419,473	187,456,261
<u>Less:</u> Amount recovered from during the year	(149,016,290)	(76,114,093)
<u>Less:</u> Amount written-off/waived during the year	(4,231,615)	(83,262,531)
Balance as on 31 December	<u>1,477,930,193</u>	<u>1,438,758,625</u>

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	2014 BDT	2013 BDT
13.3 Provision for sundry assets		
Balance as on 01 January	3,198,858	3,198,858
Add: Transferred from Provision for other assets (note 10.4)	-	-
Less: Transferred to Provision for other assets (note 10.4)	-	-
Balance as on 31 December	3,198,858	3,198,858

13.4 Lease obligation

This represents the amount payable to Industrial and Infrastructure Development Finance Company Limited on account of supply of four vehicles under the finance lease. Movement of the amount is given below:

Balance as on 1 January	10,900,772	16,419,865
Add: Addition during the year	-	-
Less: Payment made during the year	(3,118,069)	(5,519,093)
Balance as on 31 December	7,782,703	10,900,772

13.5 Provision on off-balance sheet items

Provision held as on 1 January	2,723,773	2,723,773
Add: Provision made/(released) during the year (note-36)	1,589,906	-
Provision held as on 31 December	4,313,679	2,723,773

13.6 Status of unresponded entire of Nostro Accounts (Our Books) as at 31 December 2014 are given below:

<u>In Foreign Currency</u>	Number of Unresponded entries		Unresponded entries (Amount-Taka in Thousand)	
	Dr	Cr	Dr	Cr
Up to 3 months	2	5	1	1
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
	2	5	1	1

As per Circular No.FEOD(FEMO/01/2005-677 dated 13 September, 2005 there is no debit entries more than three month. So provision is not required for existing unresponded entries.

13.7 Exchange equalization account

Balance as on 1 January	-	-
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Balance as on 31 December	-	-

14. Share capital

14.1 Authorized capital

1,500,000,000 ordinary shares of Taka 10 each	15,000,000,000	15,000,000,000
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14.2 Issued, subscribed and fully paid up capital

365,674,300 ordinary shares of Taka 10 each issued for cash	3,656,743,000	3,656,743,000
36,910,600 ordinary shares of Taka 10 each issued as right for cash	369,106,000	369,106,000
262,117,400 ordinary shares of Taka 10 each issued against depositors	2,621,174,000	2,621,174,000
	6,647,023,000	6,647,023,000

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14.3 Raising of share capital

The history of raising of share capital of ICB Islamic Bank Limited is given below:

Accounting year	Declaration	No of share	Value in capital	Cumulative
1987	Sponsors shareholders	12,750,000	127,500,000	127,500,000
1988	Sponsors shareholders	375,000	3,750,000	131,250,000
1990	Initial Public Offer (IPO)	1,875,000	18,750,000	150,000,000
1993	1st Right Issue	10,955,300	109,553,000	259,553,000
2003	2nd Right Issue	25,955,300	259,553,000	519,106,000
2008	Shares issued in the name of ICB Holding Group A.G at per Bangladesh Bank 'The Oriental Bank Reconstruction Scheme'07'	350,674,300	3,506,743,000	4,025,849,000
2008	Shares issued in the name of depositors as per Bangladesh Bank guideline 'The Oriental Bank Reconstruction Scheme'07'	262,117,400	2,621,174,000	6,647,023,000
Total		664,702,300	6,647,023,000	

14.4 Slab wise list as at 31 December 2014

	Number of shares	(%) of share holding		
Sponsors (Foreign Investors)	352,174,300	52.98%	3,521,743,000	3,521,743,000
Sponsors (Local)	45,197,300	6.80%	451,973,000	451,973,000
Institutions	108,580,279	16.34%	1,085,802,790	1,135,618,000
Non- resident Bangladeshi	456,910	0.07%	4,569,100	5,102,100
General public	158,293,511	23.81%	1,582,935,110	1,532,586,900
	664,702,300	100%	6,647,023,000	6,647,023,000

14.5 A range wise distribution schedule of the above shares is given below as required by the regulation 37 of the Listing Regulations of Dhaka Stock Exchange Limited

Shareholding range	Number of share holders	Number of Shares	(%) of share holding
01 - 500	7,362	2,610,092	0.39%
501 - 5,000	9,393	19,420,828	2.92%
5,001 - 10,000	1,411	11,229,497	1.69%
10,001 - 20,000	801	12,120,761	1.82%
20,001 - 30,000	280	7,184,288	1.08%
30,001 - 40,000	152	5,388,996	0.81%
40,001 - 50,000	117	5,542,549	0.83%
50,001 - 100,000	179	13,606,689	2.05%
100,001 - 1,000,000	172	50,978,600	7.67%
1,000,001 and over	49	536,620,000	80.73%
	19,916	664,702,300	100%

14.6 Name of the Directors as at 31 December 2014

SI	Name of the directors	Status	Remarks
1	Mr. Mohd. Nasir Bin Ali	Chairman	Nominated directors by ICB Financial Group Holdings AG holding 350,674,300 shares i.e. 52.76% .
2	Mr. Tee Kim Chan	Director	
3	Mr. Sasidharan Gopalan Nair	Director	
4	Ms. Hashimah Binti Ismail	Director	
5	Ms. Lee Ooi Kim	Director	
6	Mr. Sivagukan Thambirajah	Director	
7	Mr. Abdul Hafiz Choudhury	Independent Director	

	2014 BDT	2013 BDT
14.7 Capital adequacy ratio (BASEL II)		
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01,14 ,10 and 05 dated January 08, 1996, November 16,1996, November 25, 2002 and May 14,2007 respectively, required capital of the Bank at the close of business on 31 December 2014 was Taka 4000 million as against available core capital of Taka (10182.10) million and supplementary capital of Taka 310.89 million making a total capital of Taka 10182.10 million thereby showing a surplus / (deficit) capital / equity of Taka (14182.10) million at that date. Details are shown below:		
Tier-I (Core capital)		
Paid up capital (note 14.2)	6,647.02	6,647.02
Statutory reserve (note 15)	78.81	78.81
General reserve (note 16)	1.07	1.07
Surplus/(deficit) in profit and loss account / Retained earnings (note 18)	(16,909.00)	(16,622.47)
	<u>(10,182.10)</u>	<u>(9,895.57)</u>
Deduction from Tier-I (Core Capital)		
Shortfall in provisions required against classified assets	-	-
Total Eligible Tier-I Capital	<u>(10,182.10)</u>	<u>(9,895.57)</u>
Tier-II (Supplementary capital)		
General provision maintained against unclassified investments (note 13.1)	30.14	30.14
General provision on off-balance sheet item (note 13.5)	4.31	2.72
50% of Asset revaluation reserve (note 16.1)	276.44	276.44
Exchange equalization account (note 13.7)	-	-
	<u>310.89</u>	<u>309.30</u>
Tier-III (Additional Supplementary capital)	-	-
A) Total capital	<u>(10,182.10)</u>	<u>(9,895.57)</u>
B) Total risk weighted assets	<u>10,365.58</u>	<u>11,017.82</u>
C) Required capital based on 10% of RWA i.e Taka 103.66 million or 4,000 million which ever is higher	<u>4,000.00</u>	<u>4,000.00</u>
D) Surplus / (deficit) (A-C)	<u>(14,182.10)</u>	<u>(13,895.57)</u>
Capital adequacy ratio	<u>(98.23)%</u>	<u>(89.81)%</u>

14.8 Capital Requirement

	2014		2013	
	Required	Held	Required	Held
Tier-I	5.00%	(98.23)%	5.00%	(89.81)%
Tier-II	5.00%	3.00%	5.00%	2.81%
Tier-III	-	-	-	-
	10.00%	(98.23)%	10.00%	(89.81)%

14.9 Minimum Capital Requirement Under Basel II

Minimum Capital Requirement (MCR) under Risk Based Capital Adequacy

Item no.	Sl.	Particulars	BDT in million
1	A.	Eligible Capital :	
2	1	Tier-1 (Core Capital)	(10,182.10)
3	2	Tier-2 (Supplementary Capital)	310.90
4	3	Tier-3 (eligible for market risk only)	-
5	4	Total Eligible Capital :	(10,182.10)
6	B.	Total Risk Weighted Assets (RWA):	10,365.58
7	C.	Capital Adequacy Ratio (CAR) (A ₄ / B) *100	(98.23)
8	D.	Core Capital to RWA (A ₁ / B) *100	(98.23)
9	E.	Supplementary Capital to RWA (A ₂ / B) *100	3
10	F.	Minimum Capital Requirement (MCR)	4,000

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	2014 BDT	2013 BDT
15. Statutory reserve		
Balance on 1 January	78,810,975	78,810,975
Add: Addition during the year (20% of pre-tax profit)	-	-
Balance at 31 December	78,810,975	78,810,975
16. Other reserve		
General reserve	1,065,676	1,065,676
Share premium	-	-
Investment loss offsetting reserve	-	-
Asset revaluation reserve (note 16.1)	552,885,232	552,885,232
Dividend equalization account	-	-
	553,950,908	553,950,908
16.1 Asset revaluation reserve		
Balance on 1 January	552,885,232	552,885,232
Addition/(adjustment) during the year	-	-
Balance at 31 December	552,885,232	552,885,232
Immovable property was revalued as on 31 December 2009 by Hoda Vasi Chowdhury & Co. Chartered Accountants.		
17. Revaluation gains on investment in HTM securities	-	-
18. Retained earnings / movement of profit and loss account		
Balance on 1 January	(16,622,470,034)	(15,941,718,756)
Prior year adjustments	-	-
Add: Profit/(Loss) during the period	(286,529,913)	(680,751,278)
	(16,908,999,948)	(16,622,470,034)
Less: Transfer to statutory reserve	-	-
Balance at 31 December	(16,908,999,948)	(16,622,470,034)
19. Contingent liabilities		
Letters of guarantee (note 19.1)	149,256,480	165,911,764
Acceptances and endorsements	23,357,000	23,357,000
Irrevocable Letters of Credit (note 19.2)	5,973,146	4,028,520
Bills for collection (note 19.3)	40,758,111	56,137,162
	219,344,737	249,434,446
19.1 Letters of guarantee		
Letters of guarantee (Local)	149,256,480	165,911,764
Letters of guarantee (Foreign)	-	-
Foreign counter guarantees	-	-
	149,256,480	165,911,764
Less: Margin	-	-
	149,256,480	165,911,764
Money for which the Bank is contingently liable in respect of guarantees given favoring:		
Directors or officers	-	-
Government	-	-
Banks and other financial institutions	-	-
Others	149,256,480	165,911,764
	149,256,480	165,911,764
Less: Margin	-	-
	149,256,480	165,911,764
19.2 Irrevocable letters of credit		
Letters of credit (Inland)	-	-
Letters of credit (General)	4,831,146	2,886,520
Back to back L/C	1,142,000	1,142,000
	5,973,146	4,028,520
19.3 Bills for collection		
Inward local bills for collection	259,837	14,297,262
Inward foreign bills for collection	40,498,274	41,839,900
	40,758,111	56,137,162

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	2014 BDT	2013 BDT
20. Profit and loss statement		
Profit:		
Profit, discount and similar income (note 20.1)	557,422,702	642,077,041
Income from investments in shares and securities (note 23)	5,861,286	9,174,829
Fees, commission and brokerage (note 20.2)	4,991,524	2,596,244
Gains less losses arising from dealing in foreign currencies (note 24.1)	(809,704)	469,630
Other operating income (note 25)	153,460,275	92,337,899
	720,926,083	746,655,643
Expenses:		
Profit paid on deposits, borrowings, etc. (note 22)	398,663,376	422,531,069
Administrative expenses (note 20.3)	435,705,974	442,876,394
Other operating expenses (note 35)	43,701,644	61,903,409
Depreciation on banking assets (note 34)	57,094,022	79,284,713
	935,165,016	1,006,595,585
	(214,238,932)	(259,939,942)
20.1 Profit, discount and similar income		
Profit on investments (note 21)	557,422,702	642,077,041
Profit on treasury bills / reverse repo / bonds (note 23)	-	-
	557,422,702	642,077,041
20.2 Fees, commission and brokerage		
Commission (note 24)	4,991,524	2,596,244
Brokerage (note 24)	-	-
	4,991,524	2,596,244
20.3 Administrative expenses		
Salary and allowances (note 26)	241,528,152	267,964,733
Rent, taxes, insurance, electricity, etc. (note 27)	117,312,887	104,789,450
Legal expenses (note 28)	33,252,727	7,551,034
Postage, stamp, telecommunication, etc. (note 29)	11,053,593	12,401,226
Stationery, printing, advertisement, etc. (note 30)	8,056,772	13,320,796
Managing Director's salary and fees (note 31)	12,796,800	7,792,374
Directors' fees (note 32)	1,880,629	3,925,010
Shariah Supervisory Committee's fees and expenses (note 33)	96,000	27,600
Auditors' fees	500,000	500,000
Repair of Bank's assets (note 34)	9,228,414	24,604,171
	435,705,974	442,876,394
21. Investment Income		
(i) Income from general investment		
Murabaha-Com.-Advance Agt. Imported Mer. (AIM)	2,013,260	4,342,004
Murabaha (Pledge)	113,722	193,126
Murabaha Under Secured Guarantee (MUSG)	7,671,916	17,209,301
Bai-Muajjal(Hypothecation)	141,372,649	134,871,941
Bai-Muajjal - PC	-	-
Bai-Muajjal - TR	49,102,581	58,057,141
Bai-Muajjal - LBDP	-	-
Bai-Muajjal (ICBILCFS)	9,923,170	6,834,728
Bai Muajjal - Forced Investment (Against B/B - L/C)	813,284	4,512,563
Staff Loan- Provident Fund	2,294,188	3,230,456
Hire Purchase	102,528,787	168,912,644
HP House Building - Staff	68,838	87,167
HP House Building - General	113,819,685	125,244,499
Local Bills Discounted	-	-
Foreign Bills Purchased & Discounted	-	-
Payments agt. Doc - WES (PAD -WES)	-	-
Payments agt. Doc - Cash (PAD - Cash)	-	-
Others	-	-
	429,722,079	523,495,570
<u>Add: Transferred from/ (to) Profit Suspende</u>	-	-
Sub Total (i)	429,722,079	523,495,570

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014 BDT	2013 BDT
(ii) Profit on deposits with other islamic banks		
In Bangladesh		
Profit on balance with other banks and financial institutions	127,628,256	118,485,364
Outside Bangladesh		
Profit received from foreign banks	72,366	96,107
Sub Total (ii)	127,700,623	118,581,471
Grand Total (i+ii)	557,422,702	642,077,041
22. Profit paid on deposits		
(a) Profit paid on deposits:		
Savings bank / Mudaraba savings deposits	48,743,732	42,303,128
Short term deposits	11,281,936	4,536,619
Term deposits / Mudaraba term deposits	318,779,602	356,316,637
Deposits under scheme	19,854,708	19,361,216
Repurchase agreement (repo)	-	-
Others (note-22.1)	3,398	13,469
(b) Profit paid on local bank accounts	-	-
(c) Profit paid on foreign bank accounts	-	-
	398,663,376	422,531,069
22.1 Others		
Profit paid to islamic bank bond fund	-	-
Profit paid on rediscount	3,398	13,469
Discount paid to bank	-	-
Remittance charge	-	-
Profit paid insta profit	-	-
Profit paid on F.C	-	-
	3,398	13,469
23. Income from investments in shares and securities		
(i) Inside Bangladesh		
Islamic Investment Bond	4,433,333	6,033,334
Income from treasury bills / Reverse repo / bonds	-	-
Dividend on shares	1,427,953	3,141,495
Sub Total (i)	5,861,286	9,174,829
(ii) Outside Bangladesh	-	-
Grand Total (i+ii)	5,861,286	9,174,829
24. Commission, exchange and brokerage		
Commission on L/Cs	1,784,362	1,021,066
Commission on L/Gs	2,202,744	924,090
Commission on export bills	-	-
Commission on bills purchased	-	-
Commission on accepted bills	5,353	-
Commission on OBC, IBC, etc.	-	-
Commission on PO, DD, TT, TC, etc.	354,730	363,220
Commission for services rendered to issue of shares	-	-
Other commission	644,335	287,869
	4,991,524	2,596,244
Exchange gain (note - 24.1) - including gain from FC dealings	(809,704)	469,630
Brokerage	-	-
	4,181,821	3,065,874
24.1 Exchange gain		
Exchange gain	(809,704)	469,630
Less: Exchange loss	-	-
	(809,704)	469,630

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014	2013
	BDT	BDT
25. Other operating income		
Rent recovered	10,533,060	7,461,535
Service and other charges	25,496,892	22,458,299
Postage / telex / SWIFT/ fax recoveries	64,670	42,026
Incidental charges	7,477	-
Profit on sale of fixed assets	1,085,808	62,185
Miscellaneous earnings	116,272,368	62,313,855
	<u>153,460,275</u>	<u>92,337,899</u>
26. Salaries and allowances		
Basic pay	107,885,986	120,740,525
Allowances	89,341,366	108,644,086
Bonus	17,730,307	19,394,782
Bank's contribution to provident fund	8,970,494	10,185,340
Gratuity	17,600,000	9,000,000
	<u>241,528,152</u>	<u>267,964,733</u>
27. Rent, taxes, insurance and electricity		
Rent, rate and taxes	89,922,356	77,408,597
Insurance	13,825,447	15,694,368
Power and electricity	13,565,084	11,686,486
	<u>117,312,887</u>	<u>104,789,450</u>
28. Legal & Professional expenses		
Legal expenses	33,252,727	7,551,034
Other professional charges	-	-
	<u>33,252,727</u>	<u>7,551,034</u>
29. Postage, stamp and telecommunication		
Postage	1,868,062	1,337,760
Telegram, telex, fax and e-mail	6,003,000	6,779,275
Telephone - office	3,177,531	4,226,975
Telephone - residence	5,000	57,216
	<u>11,053,593</u>	<u>12,401,226</u>
30. Stationery, printing and advertisements		
Office and security stationery	3,043,890	5,651,366
Computer consumable stationery	1,355,502	2,433,391
Publicity and advertisement	3,657,380	5,236,039
	<u>8,056,772</u>	<u>13,320,796</u>
31. Managing Director's salary and fees		
Basic pay	7,488,000	3,081,067
Allowances	3,312,000	3,221,867
Bonus	1,248,000	1,200,000
Pension and Gratuity	-	-
Bank's contribution to provident fund	748,800	289,440
	<u>12,796,800</u>	<u>7,792,374</u>
32. Directors' fees and expenses		
i) Directors Fees for attending Board/Executive Committee/Other Committee Meeting	130,000	23,000
ii) TA/DA/Hotel Fare for Local & Foreign Directors	1,750,629	3,902,010
iii) Others	-	-
	<u>1,880,629</u>	<u>3,925,010</u>
Each Director is paid Taka 5,000 for each Board meeting attendance.		
33. Shariah Supervisory Committee's Fees & Expenses		
i) Shariah Supervisory Board member's Fees for attending meeting	96,000	27,600
iii) Others	-	-
	<u>96,000</u>	<u>27,600</u>

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014	2013
	BDT	BDT
34. Depreciation and repair of Bank's assets		
Depreciation - (Annexure-B)		
Fixed assets	57,094,022	79,284,713
Repairs		
Immovable property	92,140	83,010
Furniture and fixtures	121,678	347,679
Office equipments	5,966,786	2,990,337
Software maintenance	1,139,750	19,205,000
Bank's vehicles	1,908,060	1,978,145
	<u>9,228,414</u>	<u>24,604,171</u>
	<u>66,322,436</u>	<u>103,888,884</u>
35. Other expenses		
Car expenses	334,277	571,406
Liveries and uniforms	-	10,000
Medical expenses	49,983	40,221
Bank charges and commission paid	3,423,165	3,286,015
Loss on sale of fixed assets	66,730	118,522
Fuel - generator and vehicle.	4,833,555	6,601,982
Swift expenses	2,526,598	7,257,869
Recruitment expenses	3,288,750	-
ATM Card expenditure	-	18,400
Subscription and membership fees	677,000	2,261,600
Donations	63,600	685,640
Travelling expenses	2,937,790	5,274,556
Local conveyance, labour, etc.	1,733,126	1,756,431
Entertainment	1,017,341	2,229,292
Business development	58,080	-
Training and internship	243,678	253,010
EGM/AGM expenses	4,000,000	6,329,000
Consulting and other charges	206,000	306,760
Security services	8,801,714	7,992,143
Office maintenance	5,933,747	4,760,313
Miscellaneous expenses	3,506,510	12,150,250
	<u>43,701,644</u>	<u>61,903,409</u>
36. Provision for Investments & off balance sheet items		
Provision for bad and doubtful Investments	(31,461,703)	445,753,560
Provision for unclassified Investments	-	(28,675,502)
Provision for contingency	-	-
Other provisions	-	-
Provision for off-balance sheet items	1,589,906	-
	<u>(29,871,797)</u>	<u>417,078,058</u>
37. Receipts from other operating activities		
Income from merchant banking operation		
Rent recovered	10,533,060	7,461,535
Service and other charges	25,496,892	22,458,299
Postage / Telex / Fax / SWIFT charge recoveries	64,670	42,026
Incidental charges	7,477	-
Gain from sale of treasury bond / shares	-	-
Profit on sale of fixed assets	1,085,808	62,185
Deferred tax income	-	-
Miscellaneous earnings	63,342,183	62,313,855
	<u>100,530,090</u>	<u>92,337,899</u>

ICB Islamic Bank Limited
Notes to financial statements
For the year ended 31 December 2014

	2014	2013
	BDT	BDT
38. Payments for other operating activities		
Rent, rates and taxes	117,312,887	104,789,450
Legal expenses	33,252,727	7,551,034
Postage and communication charges, etc.	11,053,593	12,401,226
Directors' fees	1,880,629	3,925,010
Shariah Supervisory Committee's fees & expenses	96,000	27,600
Auditors' fees	500,000	500,000
Donations and subscriptions	740,600	2,947,240
Conveyance and travelling expenses, etc.	4,670,916	7,030,987
Business development expenses	58,080	-
Training, internship expenses	243,678	253,010
Publicity and advertisement	3,657,380	5,236,039
Repair of Bank's assets	9,159,464	24,604,171
Miscellaneous expenses	32,399,525	32,364,522
	<u>215,025,479</u>	<u>201,630,289</u>
39. (Increase) / decrease of other assets		
Stationery and stamps	(66,463)	639,838
Advance deposits and advance rent	(29,809,925)	819,909
Branch adjustment account	(5,023,232)	(922,195)
Suspense account	4,234,373	(1,214,563)
Sundry assets	1,457,758	(469,841)
	<u>(29,207,489)</u>	<u>(1,146,852)</u>
40. Increase / (decrease) of other liabilities		
Sundry creditors	(45,921,340)	(3,824,520)
L/C cover	(63,140)	664,937
Tax Deducted at source	(284,482)	(6,802,775)
Excise duty	429,529	(2,993,533)
Risk fund /CBIBLCFS	-	(1,267,845)
VAT deducted at source	995,668	(1,233,873)
Expenditure and other payables	28,055,730	293,565,751
Adjustments of provision against written-off/waved	-	252,224,874
Provisions	29,871,797	(417,078,058)
	<u>13,083,762</u>	<u>113,254,958</u>
41. Earning per share (EPS)		
Net profit after tax (Numerator)	<u>(286,529,913)</u>	<u>(680,751,278)</u>
Weighted average number of ordinary shares outstanding (Denominator)	<u>664,702,300</u>	<u>664,702,300</u>
Basic earnings per share (EPS)	<u>(0.43)</u>	<u>(1.02)</u>
42. Number of employees		

The number of employees engaged for the whole year or part thereof who received a total remuneration of Taka 86,400 per annum or above were 617.

43. Disclosure on Audit committee

(a) Particulars of audit committee

The audit committee of the Board was duly constituted by the Board of Directors of the Bank in accordance with the BRPD Circular no. 12 dated December 23, 2002 of Bangladesh Bank.

Pursuant to the BRPD Circular no. 12 dated 23.12.2002 and subsequent BRPD Circular no. 11 dated 27.10.2013, the Board of Directors reconstituted the Audit Committee in its 124th meeting held on 10.12.2014 consisting of the following 4 (four) members of the Board:

<u>Name</u>	<u>Status with bank</u>	<u>Status with committee</u>	<u>Educational Qualification</u>
Mr. Abdul Hafiz Choudhury	Independent Director	Chairman	B. Com. (Hons), M.Com, FCA
Mr. Sasidharan Gopalan Nair	Director	Member	MBA-Finance
Ms. Hashimah Binti Ismail	Director	Member	Bachelor of Laws (Hons)
Mr. Sivagukan Thambirajah	Director	Member	BS (Hons)

(b) Meetings held by the committee during the year by date:

<u>Meeting No</u>	<u>Held on</u>
28th	11 February 2014
29th	06 March 2014
30th	11 May 2014
31st	20 July 2014
32nd	25 September 2014
33rd	27 October 2014
34th	09 December 2014

(c) The audit committee has discussed the following issues during the period 2014

- i) The Terms of reference of the Audit Committee as stated in the BRPD Circular No.11 dated 27/10/2013
- ii) The committee reviewed the Internal Audit Reports along with Investigation Reports of the different ICBIBL branches/departments conducted by the Internal Audit Team of the Bank from time to time and also the status of compliance thereof.
- iii) The committee reviewed Internal Audit Chartered, Code of Ethics of Internal Auditor and Risk Management Framework.
- iv) The committee reviewed Court cases filed against bank.
- v) The committee reviewed the progress strengthening the Internal Control system & procedures, strict compliance of Anti-Money Laundering Act and also the Internal Audit Team of the Bank.
- vi) The Committee places its Report to the Board of the Bank for review and monitoring the activities with recommendations on Internal Control system, compliance of rules and regulations of the Regulatory Bodies.
- vii) The committee reviewed the annual financial statements for the year 2013 including the annual report.
- viii) The committee also reviewed the half-yearly financial statements of the Bank as of June 30, 2014.

(d) Steps taken for implementation of an effective internal control procedure of the Bank:

Through circular the committee placed its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of Good Governance within the organization.

44. Related Party Disclosures

(i) Particulars of Directors of the Bank as at 31 December 2014

The ICB Financial Group Holdings AG, who have acquired 350,674,300 shares i.e. 52.76% as per clause 3(c) of "The Oriental Bank Limited (Reconstruction) scheme 2007", nominated following directors:

Sl. No.	Name of the persons	Designation	Present Address
1	Mr. Mohd. Nasir Bin Ali	Chairman	12 Jalan SS7/9, Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia
2	Mr. Tee Kim Chan	Director	17, First Floor, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan, Malaysia
3	Ms. Hashimah Binti Ismail	Director	A-25-02, Changkat View Condominium, 18 Jalan Dutamas Raya, 51200 Kuala Lumpur, Malaysia
4	Mr. Sasidharan Gopalan Nair	Director	No 16 JalanRebung 11, 41200 Klang, Malaysia
5	Mr. Abdul Hafiz Choudhury	Independent Director	House # 34, Road # 1, Banani, Dhaka-1213, Bangladesh
6	Ms. Lee Ooi Kim	Director	15, Jalan Dutamas Melor 1, 50480 Kuala Lumpur, Malaysia
7	Mr. Sivagukan Thambirajah	Director	179-A, Jalan Rasah , 70300 Seremban, Negeri Sembilan, Malaysia

(ii) Significant contracts where Bank is a party and wherein Directors have interest

Nature of contract	Branch Name	Name of Director and related by	Remarks
None	Not applicable	None	Not applicable

(iii) Related party transactions

Nil

(iv) Shares issued to Directors and Executives without consideration or exercisable at a discount

Nil

(v) Lending policies to related parties

Lending to related parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.

(vi) Loans and advances to Directors and their related concern

Nil

(vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991.

Nil

(viii) Investment in the Securities of Directors and their related concern

Nil

(ix) Investment in the Securities of Directors and their related concern

Nil





45. Events after the Balance Sheet date

There are no events to report which had an influence on the balance sheet or the profit and loss account for the year ended 31 December 2014.


46. Contingent Liability

A claim of BDT. 73.64 Crore against the Money Suit No 68/2003 was decreed in lower court against the bank, however the bank has appealed in high court. And the Honorable high court issued stay order for the aforesaid claim.

for ICB Islamic Bank Limited

 Chairman
 Director
 Director
 Managing Director

Dhaka, Bangladesh
Dated, 23 March 2015



Balance with other banks-Outside Bangladesh (Nostro Account) as at 31 December 2014

Name of the Bank	Account type	2014			2013			
		Currency type	FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
AB Bank, Mumbai, India	CD	ACU	2,585	77.95	201,499	1,175.00	77.75	91,356
ICICI Bank Ltd., Mumbai, India	CD	ACU	13,874.01	77.95	1,081,471	13,874.01	77.75	1,078,704
ICICI Bank, Hong Kong	CD	USD	-	-	-	23,891.73	77.75	1,857,582
Mashreq Bank, New York WES	CD	USD	439,051	77.95	34,223,760	403,514.97	77.75	31,373,289
Sonali Bank, Kolkata	CD	ACU	26,942	77.95	2,100,096	26,941.78	77.75	2,094,723
Total					37,606,826			36,495,655

ICB Islamic Bank Limited
Schedule of fixed assets
For the year ended 31 December 2014

Annexure B

Particulars	Amounts in Taka				Rate	Amounts in Taka				Net book value as at 31 December 2014
	COST					DEPRECIATION				
	Opening balance as on 01 January 2014	Addition during the Year	Disposals/ Adjustments during the year	Total balance as at 31 December 2014		Opening balance as on 01 January 2014	Charge for the year	Disposals/ adjustments during the year	Total balance as at 31 December 2014	
Furniture and fixtures	124,879,418	595,294	858,674	124,616,038	10%	47,380,983	11,529,841	75,222	58,835,601	65,780,436
ATM	22,131,387	-	-	22,131,387	20%	15,671,556	4,016,018	-	19,687,574	2,443,813
Software	135,213,850	3,469,396	687,400	137,995,846	20%	116,868,277	18,083,585	-	134,951,862	3,043,984
Office equipment	158,897,265	3,689,702	1,240,990	161,345,977	20%	123,313,768	18,925,142	72,806	142,166,104	19,179,873
Vehicles	27,011,066	153,811	153,812	27,011,065	20%	16,726,968	4,539,437	-	21,266,405	5,744,660
As at 31 December 2014	468,132,986	7,908,203	2,940,876	473,100,312		319,961,552	57,094,022	148,028	376,907,545	96,192,766
As at 31 December 2013	463,754,579	4,482,962	(104,555)	468,132,986		240,694,396	79,284,713	17,557	319,961,552	148,171,433

ICB Islamic Bank Limited**Name of Directors and their interest in different entities****Annexure C**

The ICB Financial Group Holdings AG acquired 350,674,300 shares i.e. 52.76% as per clause 3(c) of " The Oriental Bank Limited (Reconstruction) scheme 2007", nominated following directors:

SI no.	Name of Directors	Status with ICBIBL	Entities where they have interest
1	Mr. Mohd. Nasir Bin Ali	Chairman	None
2	Mr. Tee Kim Chan	Director	None
3	Mr. Sasidharan Gopalan Nair	Director	None
4	Ms. Hashimah Binti Ismail	Director	None
5	Ms. Lee Ooi Kim	Director	None
6	Mr. Sivagukan Thambirajah	Director	None
7	Mr. Abdul Hafiz Choudhury	Independent Director	1. In-active Partner, Rahman Rahman Huq, Chartered Accountants 2. Independent Director, Green Delta Insurance Company Ltd. 3. Director, Green Delta Securities Ltd. 4. Director, Green Delta Capital Ltd. 5. Director, New Zealand Dairy Products Bangladesh Ltd. 6. Member, Governing Council, Independent University, Bangladesh 7. Chairman, Finance Committee, Independent University, Bangladesh 8. Vice President, United Nations Association of Bangladesh 9. Nominated Conciliator, Centre for Settlement of Investment Disputes (ICSID), an affiliate of World Bank based on Washington, USA.

Highlights on the overall activities as at and for the year ended 31 December 2014

Amounts in million

Sl No.	Particulars	2014	2013
1	Paid-up capital	6,647.02	6,647.02
2	Total capital (Tier-I & II)	(10,182.10)	(9,895.57)
3	Capital surplus / (deficit)	(14,182.10)	(13,895.57)
4	Total assets	14,022.94	14,302.84
5	Total deposits	12,015.69	11,970.13
6	Total investments	9,230.32	9,788.56
7	Total contingent liabilities and commitments	219.34	249.43
8	Investments deposit ratio	% 77%	82%
9	Percentage of classified investments against total investments	% 77.52%	73.31%
10	Profit after tax and provision	(286.53)	(680.75)
11	Amount of classified investments during the year	7,155.18	7,175.92
12	Provisions kept against classified investments	4,092.97	4,118.17
13	Provision surplus / (deficit)	116.54	-
14	Cost of fund	% 7.80%	8.41%
15	Interest earning assets	11,410.10	11,626.57
16	Non-interest earning assets	2,603.27	2,666.69
17	Return on investment (ROI) in shares and securities	% 3%	4%
18	Return on Assets (ROA)	-2.04%	-4.76%
19	Income from investments in shares and securities	5.86	9.17
20	Net Asset value per Share	Taka (14.49)	(14.06)
21	Earnings per share	Taka (0.43)	(1.02)
22	Operating profit per share	Taka (0.32)	(0.39)
23	Price earning ratio	Times (12.79)	(5.86)