

BALANCE SHEET AS ON 31 DECEMBER, 2002

PROPERTY AND ASSETS	NOTES	<u>2002</u> <u>TAKA</u>	<u>2001</u> <u>TAKA</u>
Cash:	3		
Cash in hand		2,102,659,114	2,274,355,105
Balance with Bangladesh Bank and Sonali Bank		6,804,722,482	5,716,678,338
		8,907,381,596	7,991,033,443
Balance with other banks:	4		
In Bangladesh		6,135,569,634	5,322,096,011
Outside Bangladesh		796,829,142	3,130,655,285
		6,932,398,776	8,452,751,296
Money at call and short notice	5	4,643,386,843	5,116,829,488
Investments:	6		
Government		28,197,186,532	18,751,081,889
Others		1,521,386,333	1,704,683,620
		29,718,572,865	20,455,765,509
Loans and advances	7		
Loans, cash credit, overdrafts etc (including bills purchased and discounted):			
In Bangladesh		95,599,558,469	89,279,300,896
Outside Bangladesh		4,149,185,252	4,014,595,192
		99,748,743,721	93,293,896,088
Premises and fixed assets	8	919,368,680	794,662,471
Other assets	9	17,364,796,923	15,936,843,023
		18,284,165,603	16,731,505,494
Total assets		<u>168,234,649,404</u>	<u>152,041,781,318</u>
Liabilities and equity			
Liabilities :			
Borrowing from other banks:	10		
In Bangladesh		66,680,666	14,825,350
Outside Bangladesh		2,710,464,602	4,121,210,355
		2,777,145,268	4,136,035,705
Deposit and other accounts:	11		
Current deposit and other accounts etc.		18,544,162,904	16,491,795,920
Bills payable		747,045,882	826,455,076
Savings bank deposits		42,393,062,316	39,469,025,907
Term deposits		77,208,289,129	68,279,101,137
		138,892,560,231	125,066,378,040
Other liabilities	12	23,412,385,946	19,697,419,407
Total Liabilities		<u>165,082,091,445</u>	<u>148,899,833,152</u>
Equity:			
Paid up capital	13	2,593,900,000	2,593,900,000
Statutory reserve	14	187,135,378	176,525,585
Other reserve	15	371,522,581	371,522,581
Total equity		3,152,557,959	3,141,948,166
Total Liabilities and equity		<u>168,234,649,404</u>	<u>152,041,781,318</u>
OFF BALANCE SHEET ITEMS			
Contingent liabilities:			
Acceptances and endorsements			
a) Letters of guarantee		4,056,355,288	3,688,573,848
b) Irrevocable letters of credit		25,369,811,457	15,394,653,217
c) Bills for collection		3,757,249,818	3,921,651,260
Total off-balance sheet items		<u>33,183,416,563</u>	<u>23,004,878,325</u>

These financial statements should be read in conjunction with the annexed notes.

Sd/ Begum Lutfun Nessa Asstt. General Manager	Sd/ Nazli Shamima Firdous Dy. General Manager	Sd/ Syed Abdul Hamid General Manager	Sd/ M. Ziaul Haq Deputy Managing Director
Sd/ Murshid Kuli Khan Managing Director	Sd/ M. Nurun Nabi Director	Sd/ Abu Saleh Director	Sd/ M. Ayubur Rahman Chairman
Dated. Dhaka 10 June, 2003	Sd/ Rahman Rahman Huq Chartered Accountants		Sd/ S.F Ahmed & Co. Chartered Accountants

PROFIT AND LOSS ACCOUNT
for the year ended 31 December, 2002

PARTICULARS	NOTES	<u>2002</u> TAKA	<u>2001</u> TAKA
Interest and discount	16	7,460,796,596	6,938,096,431
Interest paid on deposit and borrowing etc	17	6,925,341,287	6,642,174,835
Net interest income		535,455,309	295,921,596
Investment income	18	1,473,821,531	1,293,411,647
Commission, exchange and brokerage	19	1,781,033,853	1,283,474,276
Other operating income	20	206,586,003	188,331,776
Total operating income		3,461,441,387	2,765,217,699
		3,996,896,696	3,061,139,295
Salaries and allowances		2,096,504,337	1,985,151,160
Rent, taxes insurance and lighting etc.		256,754,279	282,199,156
Law charges		21,930,228	20,307,659
Postage, telegram, telephone and stamps		8,775,171	16,493,259
Auditors fees		1,279,319	1,453,964
Stationery, printing and advertisement etc.		65,574,900	72,680,242
Managing Director's salary and allowances		367,957	303,738
Director's fees		1,719,389	999,083
Depreciation and repair of fixed assets		100,967,571	91,353,143
Other expenditure	21	203,220,877	187,644,017
Total operating expenses		2,757,094,028	2,658,585,421
Profit before provisions		1,239,802,668	402,553,874
Provision for bad and doubtful debts	22	800,000,000	156,312,763
Other provisions	23	425,000,000	235,000,000
Total provisions		1,225,000,000	391,312,763
Total profit before taxation		14,802,668	11,241,111
Provision for taxation	24	-	-
Net profit after taxation		14,802,668	11,241,111
Appropriations			
Transferred to reserve fund		10,000,000	7,000,000
Transferred to benevolent fund		2,802,668	2,241,111
Transferred to insurance fund		2,000,000	2,000,000
		14,802,668	11,241,111

These financial statements should be read in conjunction with the annexed notes.

Sd/ Begum Lutfun Nessa Asstt. General Manager	Sd/ Nazli Shamima Firdous Dy. General Manager	Sd/ Syed Abdul Hamid General Manager	Sd/ M. Ziaul Haq Deputy Managing Director
Sd/ Murshid Kuli Khan Managing Director	Sd/ M. Nurun Nabi Director	Sd/ Abu Saleh Director	Sd/ M. Ayubur Rahman Chairman
Dated. Dhaka 10 June, 2003	Sd/ Rahman Rahman Huq Chartered Accountants	Sd/ S.F Ahmed & Co. Chartered Accountants	

CASH FLOW STATEMENT

for the year ended 31 December, 2002

	NOTES	<u>2002</u> <u>TAKA</u>	<u>2001</u> <u>TAKA</u>
A) Cash flow from operating activities			
Interest and commission received		7,787,233,104	7,233,531,323
Interest payment		(6,925,341,287)	(6,642,174,835)
Receipts from other operating activities		1,661,183,348	1,176,371,160
Income from investment		1,473,821,531	1,293,411,647
Cash payments to employees		(2,096,872,294)	(1,985,151,160)
Cash payments to suppliers		(65,574,900)	(72,680,242)
Payments for other operating activities		(522,584,092)	(536,827,516)
Total operating activities	25	<u>1,311,865,410</u>	<u>466,480,377</u>
(Increase)/decrease in operating assets		(1,427,953,900)	(1,877,366,380)
Deposits held for regulatory and monetary control purpose		609,793	1,323,979
Loans and advances to customers		(6,454,847,633)	(12,340,954,382)
Other short term assets		1,520,352,520	(5,291,922,310)
(Increase)/decrease in operating liabilities		2,485,163,871	628,869,484
Deposits from customers		13,826,182,191	20,388,448,51
Net cash from operating activities before income		9,949,506,842	1,508,398,542
<i>Net cash from operating activities (A)</i>		<u>11,261,372,252</u>	<u>1,974,878,919</u>
B) Cash flows from investing activities			
Purchase of securities (investment)		(9,262,807,356)	103,861,099
Purchase of property, plant and equipments		(196,768,951)	(155,415,981)
<i>Net cash from investing activities (B)</i>		<u>(9,459,576,307)</u>	<u>(51,554,882)</u>
C) Cash flows from financing activities			
Increase/(decrease) in long term borrowings		(1,358,890,437)	2,052,696,072
<i>Net cash from financing activities (C)</i>		<u>(1,358,890,437)</u>	<u>2,052,696,072</u>
D) Net increase in cash and cash equivalents (A+B+C)		442,905,508	3,976,020,109
E) Cash and cash equivalent at the beginning of the year (E)		13,107,862,931	9,131,842,822
F) Cash and cash equivalent at the end of the year (D+E)	26	<u>13,550,768,439</u>	<u>13,107,862,931</u>

Statement of changes in equity for the year ended 31 December, 2002

Particulars	Paid-up capital Taka	Statutory reserve Taka	Asset revaluation		Total Taka
			reserve	profit/(loss)	
			Taka	Taka	
Balance at 1 January 2002	2,593,900,000	176,525,585	371,522,581	-	3,141,948,166
Difference in currency transaction	-	609,793	-	-	609,793
Transferred from profit and loss account	-	10,000,000	-	-	10,000,000
Balance at 31 December 2002	<u>2,593,900,000</u>	<u>187,135,378</u>	<u>371,522,581</u>	<u>-</u>	<u>3,152,557,959</u>