



# Prime Finance & Investment Limited

## Audited Financial Statements as at and for the year ended 31 December 2016

### Consolidated Balance Sheet

as at 31 December

	2016	(Figures in Taka) 2015	
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
In hand (including foreign currencies)	81,663	70,971	
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	146,370,632	172,482,807	
<b>Total cash</b>	<b>146,452,295</b>	<b>172,553,778</b>	
<b>Balance with other banks and financial institutions</b>			
In Bangladesh	355,478,290	1,313,109,080	
Outside Bangladesh	-	-	
<b>Total balance with other banks and financial institutions</b>	<b>355,478,290</b>	<b>1,313,109,080</b>	
Money at call and on short notice	-	-	
<b>Investments</b>			
Government	-	-	
Others	893,366,521	927,765,138	
<b>Total Investments</b>	<b>893,366,521</b>	<b>927,765,138</b>	
<b>Loans, advances and leases</b>			
Loans, advances and leases etc.	14,800,363,094	14,362,636,774	
Bills purchased and discounted	-	-	
<b>Total loans, advances and leases</b>	<b>14,800,363,094</b>	<b>14,362,636,774</b>	
Fixed assets including premises, furniture and fixtures	360,154,552	360,314,247	
Other assets	2,358,186,133	2,637,256,558	
Non-business assets	-	-	
<b>Total assets</b>	<b>18,914,000,885</b>	<b>19,773,635,575</b>	
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	3,299,527,828	3,093,925,014	
<b>Deposits and other accounts</b>			
Current and other accounts	-	-	
Bills payable	-	-	
Savings accounts	-	-	
Term deposits	9,016,194,779	9,544,207,157	
Bearer certificates of deposit	-	-	
Other deposits	-	-	
<b>Total deposits and other accounts</b>	<b>9,016,194,779</b>	<b>9,544,207,157</b>	
<b>Other liabilities</b>	<b>3,006,390,533</b>	<b>2,593,949,865</b>	
<b>Total liabilities</b>	<b>15,322,113,140</b>	<b>15,232,082,036</b>	
<b>Capital/shareholders' equity</b>			
Paid up capital	2,729,164,830	2,729,164,830	
Statutory reserve	927,108,510	927,108,510	
Share money deposit	-	-	
Other reserves	-	-	
Retained earnings	(1,092,766,302)	(142,161,088)	
Revaluation reserve	221,943,750	221,943,750	
<b>Equity attributable to shareholders' of the company</b>	<b>2,785,450,788</b>	<b>3,736,056,002</b>	
Non-controlling interest	806,436,957	805,497,537	
<b>Total shareholders' equity</b>	<b>3,591,887,745</b>	<b>4,541,553,539</b>	
<b>Total liabilities and shareholders' equity</b>	<b>18,914,000,885</b>	<b>19,773,635,575</b>	
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	-	-	
Letters of guarantee	-	-	
Irrevocable letters of credit	-	-	
Bills for collection	-	-	
Other contingent liabilities	-	-	
<b>Total Contingent liabilities</b>	<b>-</b>	<b>-</b>	
<b>Other commitments</b>			
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	-	-	
Un-disbursed contracted loans, advances and leases	117,000,000	281,182,425	
<b>Total other commitments</b>	<b>117,000,000</b>	<b>281,182,425</b>	
<b>Total off-balance sheet items including contingent liabilities</b>	<b>117,000,000</b>	<b>281,182,425</b>	
<b>Net Asset Value per share (NAV)</b>	<b>10.21</b>	<b>13.69</b>	
sd/- Company Secretary	sd/- Managing Director	sd/- Director	sd/- Chairman
Syful Shamsul Alam & Co. Chartered Accountants			

Registered Office: 63 Dilkusha Commercial Area, Dhaka-1000

### Consolidated Profit and Loss Account

for the year ended 31 December

	2016	(Figures in Taka) 2015	
Interest income	897,385,356	1,442,666,720	
Interest paid on deposits, borrowings etc.	(1,054,430,992)	(1,396,679,672)	
<b>Net interest income</b>	<b>(157,045,636)</b>	<b>45,987,048</b>	
Investment income	34,033,029	(386,130)	
Fees, commission, exchange and brokerage	31,692,842	61,441,038	
Other operating income	(293,080,742)	58,997,084	
	<b>(227,354,871)</b>	<b>120,051,992</b>	
<b>Total operating income (A)</b>	<b>(384,400,507)</b>	<b>166,039,040</b>	
Salaries and other employee benefits	177,857,652	212,151,371	
Rent, taxes, insurance, electricity etc.	43,807,592	33,006,141	
Legal expenses	822,077	705,575	
Postage, stamp, telecommunication etc.	3,697,252	6,076,318	
Stationery, printing, advertisements etc.	5,409,410	7,191,953	
Managing director's salary and fees	15,600,000	15,000,000	
Directors' fees	1,120,010	996,116	
Auditors' fees	402,500	402,500	
Charges on loan losses	-	-	
Depreciation and repair of assets	17,552,083	16,619,124	
Other expenses	23,207,610	22,995,531	
<b>Total operating expenses (B)</b>	<b>289,476,186</b>	<b>315,144,629</b>	
<b>Profit before provision (C=A-B)</b>	<b>(673,876,693)</b>	<b>(149,105,589)</b>	
<b>Provision for loans, advances and leases</b>			
General provision	(672,751)	48,657,252	
Specific provision	270,789,682	192,703,013	
Provision for diminution in value of investment	(32,040,794)	28,155,594	
Other provision	28,388,000	1,035,000	
<b>Total provision (D)</b>	<b>266,464,137</b>	<b>270,550,859</b>	
<b>Total profit before tax (C-D)</b>	<b>(940,340,830)</b>	<b>(419,656,448)</b>	
<b>Provision for taxation</b>			
Current	11,262,164	7,887,337	
Deferred	(1,937,200)	(48,896)	
	<b>9,324,964</b>	<b>7,838,441</b>	
<b>Net profit after tax</b>	<b>(949,665,794)</b>	<b>(427,494,889)</b>	
<b>Attributable to</b>			
Shareholders of the company	(950,605,214)	(417,152,781)	
Non-controlling interest	939,420	(10,342,108)	
<b>Appropriations</b>			
Statutory reserve	-	-	
General reserve	-	-	
Proposed cash dividend	-	-	
Proposed stock dividend	-	-	
<b>Weighted average no. of outstanding shares</b>	<b>272,916,483</b>	<b>272,916,483</b>	
<b>Earnings per share (EPS)</b>	<b>(3.48)</b>	<b>(1.53)</b>	
sd/- Company Secretary	sd/- Managing Director	sd/- Director	sd/- Chairman
Syful Shamsul Alam & Co. Chartered Accountants			

### Consolidated Statement of Changes in Equity

for the year ended 31 December 2016

Particulars	Attributable to equity holders of Prime Finance & Investment Limited						Total
	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non-controlling interest		
<b>Balance as at 1 January 2016</b>	2,729,164,830	927,108,510	221,943,750	(142,161,088)	805,497,537	4,541,553,539	
Net profit for the year 2016	-	-	-	(950,605,214)	939,420	(949,665,794)	
Transfer to statutory reserve	-	-	-	-	-	-	
Issue of right share	-	-	-	-	-	-	
Issue of bonus share (2015)	-	-	-	-	-	-	
Payment of cash dividend (2015)	-	-	-	-	-	-	
<b>Balance as at 31 December 2016</b>	<b>2,729,164,830</b>	<b>927,108,510</b>	<b>221,943,750</b>	<b>(1,092,766,302)</b>	<b>806,436,957</b>	<b>3,591,887,745</b>	
<b>Balance as at 1 January 2015</b>	<b>2,729,164,830</b>	<b>927,108,510</b>	<b>221,943,750</b>	<b>616,137,297</b>	<b>815,839,645</b>	<b>5,310,194,032</b>	
Net profit for the year 2015	-	-	-	(417,152,781)	(10,342,108)	(427,494,889)	
Transfer to statutory reserve	-	-	-	-	-	-	
Issue of right share	-	-	-	-	-	-	
Issuance of bonus share (2014)	-	-	-	-	-	-	
Payment of dividend (2014)	-	-	-	(341,145,604)	-	(341,145,604)	
<b>Balance as at 31 December 2015</b>	<b>2,729,164,830</b>	<b>927,108,510</b>	<b>221,943,750</b>	<b>(142,161,088)</b>	<b>805,497,537</b>	<b>4,541,553,539</b>	

These Audited Financial Statements of the Company for the year ended 31 December 2016 are published as per Bangladesh Bank DFIM circular no. 11 dated 23 December 2009

### Consolidated Cash Flow Statement

for the year ended 31 December

	2016	(Figures in Taka) 2015
<b>A) OPERATING ACTIVITIES</b>		
Interest receipts	1,083,583,202	1,549,800,416
Interest payments	(878,324,345)	(1,133,031,224)
Fees and commission receipts	11,099,721	11,081,672
Dividend receipts	24,624,587	34,387,785
Capital gains from sale of listed shares	(8,944,134)	(48,978,425)
Cash payments to employees	(158,496,390)	(194,902,578)
Cash payments to suppliers and management expenses	(86,396,633)	(90,375,975)
Income taxes paid	(15,282,352)	(14,447,171)
Receipts from other operating activities	87,513,841	120,537,008
Payments for other operating activities	(2,859,866)	(18,429,799)
<b>Cash generated before changes in operating assets and liabilities</b>	<b>56,517,631</b>	<b>215,641,709</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Net loans and advances to customers	(626,146,631)	(619,670,329)
Loans and deposits from banks and other customers	(341,601,344)	1,390,765,595
<b>Cash generated from operating assets and liabilities</b>	<b>(967,747,975)</b>	<b>771,095,266</b>
<b>Net cash generated from operating activities</b>	<b>(911,230,344)</b>	<b>986,736,975</b>
<b>B) INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(14,672,241)	(53,146,360)
Disposal of fixed assets	350,000	125,000
Sale of securities	671,699,826	2,212,777,811
Investment in securities	(650,239,899)	(1,867,490,969)
<b>Net cash used in investing activities</b>	<b>7,137,686</b>	<b>(292,265,482)</b>
<b>C) FINANCING ACTIVITIES</b>		
Dividend paid	-	(341,145,604)
Short term loan	(79,639,615)	(151,946,412)
<b>Net cash used in financing activities</b>	<b>(79,639,615)</b>	<b>(493,092,016)</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(983,732,273)</b>	<b>785,910,441</b>
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	1,485,662,858	699,752,417
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>	<b>501,930,585</b>	<b>1,485,662,858</b>
<b>Cash and cash equivalents at end of the year represents</b>		
Cash in hand (including foreign currencies)	81,663	70,971
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	146,370,632	172,482,807
Balance with other banks and financial institutions	355,478,290	1,313,109,080
	<b>501,930,585</b>	<b>1,485,662,858</b>

Detail of the published audited financial statements for the year ended 31 December 2016 are available in the web site of the company. The address of the web site is

www.primefinancebd.com