



# Prime Finance & Investment Limited

Audited Financial Statements  
as at and for the year ended 31 December 2012

Consolidated Balance Sheet		
as at 31 December		
	2012	(Figures in BDT) 2011
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>		
In hand (including foreign currencies)	45,000	45,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	204,147,495	59,523,740
<b>Total cash</b>	<b>204,192,495</b>	<b>59,568,740</b>
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	781,230,612	544,717,347
Outside Bangladesh	-	-
<b>Total Balance with other banks and financial institutions</b>	<b>781,230,612</b>	<b>544,717,347</b>
Money at call and on short notice	-	-
<b>Investments</b>		
Government	-	-
Others	1,193,609,479	1,300,164,193
<b>Total Investments</b>	<b>1,193,609,479</b>	<b>1,300,164,193</b>
<b>Loans, advances and leases</b>		
Loans, advances and leases	11,433,699,033	10,396,598,999
Bills purchased and discounted	-	-
<b>Total Loans, advances and leases</b>	<b>11,433,699,033</b>	<b>10,396,598,999</b>
Fixed assets including premises, furniture and fixtures	327,619,010	327,674,192
Other assets	2,079,301,138	2,487,518,286
Non business assets	-	-
<b>Total assets</b>	<b>16,019,651,768</b>	<b>15,116,241,756</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	<b>2,795,522,546</b>	<b>4,019,152,726</b>
<b>Deposits and other accounts</b>		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	5,614,795,490	4,315,609,590
Bearer certificates of deposit	-	-
Other deposits	-	-
<b>Total Deposits and other accounts</b>	<b>5,614,795,490</b>	<b>4,315,609,590</b>
<b>Other liabilities</b>	<b>2,502,746,513</b>	<b>2,097,082,449</b>
<b>Total liabilities</b>	<b>10,913,064,549</b>	<b>10,431,844,765</b>
<b>Capital/shareholders' equity</b>		
Paid up capital	2,274,304,030	1,624,502,880
Statutory reserve	813,352,812	755,711,970
Share money deposit	-	18,000,000
Other reserve	-	-
Retained earnings	1,089,800,363	1,561,846,535
Minority interest	707,186,264	502,391,856
Revaluation reserve	221,943,750	221,943,750
<b>Total shareholders' equity</b>	<b>5,106,587,219</b>	<b>4,684,396,992</b>
<b>Total liabilities and shareholders' equity</b>	<b>16,019,651,768</b>	<b>15,116,241,756</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 and other commitments	-	-
<b>Total Other commitments</b>	<b>-</b>	<b>-</b>
<b>Total off-Balance Sheet items including contingent liabilities</b>	<b>-</b>	<b>-</b>
sd/-	sd/-	sd/-
Company Secretary	Managing Director	Chairman
		sd/-
		A. Qasem & Co.
		Chartered Accountants

Consolidated Profit and Loss Account		
for the year ended 31 December		
	2012	(Figures in BDT) 2011
Interest income	1,452,480,283	1,313,236,929
Interest paid on deposits, borrowings, etc.	(1,327,489,669)	(1,006,608,135)
<b>Net interest income</b>	<b>124,990,614</b>	<b>306,628,795</b>
Investment income	170,315,422	491,119,530
Fees, Commission, exchange and brokerage	110,334,181	190,966,083
Other operating income	235,982,836	249,442,571
<b>Total</b>	<b>516,632,439</b>	<b>931,528,184</b>
<b>Total operating income (A)</b>	<b>641,623,053</b>	<b>1,238,156,979</b>
Salaries and other employee benefits	108,448,962	117,684,531
Rent, taxes, insurance, electricity etc.	11,864,981	10,818,754
Legal expenses	609,476	1,683,197
Postage, stamp, telecommunication etc.	2,222,448	15,160,917
Stationery, printing, advertisements etc.	8,478,578	10,147,248
Managing Director's salary and fees	9,600,000	8,825,954
Directors' fees	1,010,000	1,315,000
Auditors' fees	287,500	235,125
Depreciation and repair of assets	8,367,482	7,222,030
Other expenses	19,879,496	17,852,861
<b>Total operating expenses (B)</b>	<b>170,768,923</b>	<b>190,945,617</b>
<b>Profit before provision (C=A-B)</b>	<b>470,854,130</b>	<b>1,047,211,362</b>
<b>Provision for loans, advances and leases</b>		
General provision	38,529,899	(61,100,149)
Specific provision	62,825,574	121,385,203
Provision for diminution in value of investments	(43,582,153)	32,725,435
<b>Total provision (D)</b>	<b>57,773,320</b>	<b>93,010,489</b>
<b>Profit before tax (C-D)</b>	<b>413,080,810</b>	<b>954,200,873</b>
<b>Provision for tax</b>		
Current	112,931,394	181,364,264
Deferred	(40,811)	24,066
<b>Total Provision for tax</b>	<b>112,890,583</b>	<b>181,388,330</b>
<b>Net profit after tax</b>	<b>300,190,227</b>	<b>772,812,543</b>
<b>Attributable to</b>		
Shareholders of the company	235,395,819	672,516,582
Minority interest	64,794,408	100,295,961
<b>Appropriations</b>		
Statutory reserve	57,640,842	104,414,528
General reserve	-	-
Proposed cash dividend	227,430,403	-
Proposed stock dividend	454,860,806	649,801,152
Retained surplus	(439,741,824)	18,596,862
<b>Weighted average no. of outstanding shares</b>	<b>227,430,403</b>	<b>162,450,288</b>
<b>Earnings per share (restated)</b>	<b>1.04</b>	<b>2.96</b>
sd/-	sd/-	sd/-
Company Secretary	Managing Director	Chairman
		sd/-
		A. Qasem & Co.
		Chartered Accountants

Consolidated Statement of Changes in Equity						
for the year ended 31 December						
						(Figures in BDT)
<b>Particulars</b>	<b>Paid up capital</b>	<b>Statutory reserve</b>	<b>Other reserve</b>	<b>Retained earnings</b>	<b>Minority interest</b>	<b>Total</b>
<b>Balance as at 1 January 2012</b>	<b>1,624,502,880</b>	<b>755,711,970</b>	<b>221,943,750</b>	<b>1,561,846,535</b>	<b>502,391,856</b>	<b>4,666,396,992</b>
Net profit for the year 2012	-	-	-	235,395,819	64,794,408	300,190,227
Transfer to statutory reserve	-	57,640,842	-	(57,640,842)	-	-
Issue of right share	-	-	-	-	240,000,000	240,000,000
Issue of bonus share (2011)	649,801,150	-	-	(649,801,150)	-	-
Payment of dividend	-	-	-	-	(100,000,000)	(100,000,000)
<b>Balance as at 31 December 2012</b>	<b>2,274,304,030</b>	<b>813,352,812</b>	<b>221,943,750</b>	<b>1,089,800,363</b>	<b>707,186,264</b>	<b>5,106,587,219</b>
<b>Balance as at 1 January 2011</b>	<b>902,501,600</b>	<b>651,297,442</b>	<b>221,943,750</b>	<b>1,715,745,762</b>	<b>402,095,895</b>	<b>3,893,584,449</b>
Net profit for the year 2011	-	-	-	672,516,581	100,295,961	772,812,543
Transfer to statutory reserve	-	104,414,528	-	(104,414,528)	-	-
Issuance of bonus share (year 2010)	722,001,280	-	-	(722,001,280)	-	-
<b>Balance as at 31 December 2011</b>	<b>1,624,502,880</b>	<b>755,711,970</b>	<b>221,943,750</b>	<b>1,561,846,535</b>	<b>502,391,856</b>	<b>4,666,396,992</b>

These Audited Financial Statements of the Company for the year ended 31 December 2012 are published as per DFIM circular no.11 dated 23 December 2009.

Consolidated Cash Flow Statement		
for the year ended 31 December		
	2012	(Figures in BDT) 2011
<b>A) OPERATING ACTIVITIES</b>		
Interest receipts	1,290,624,479	1,273,080,700
Interest payments	(1,035,081,223)	(3,188,280,904)
Fee and commission receipts	15,328,078	3,225,317,438
Dividend receipts	169,853,565	10,969,908
Capital gains from sale of listed shares	93,254,230	480,152,322
Cash payments to employees	(48,580,224)	(73,434,787)
Cash payments to suppliers and management expenses	(153,438,912)	(89,634,964)
Income taxes paid	(191,999,598)	(124,577,121)
Receipts from other operating activities	552,041,256	596,002,423
Payments for other operating activities	(1,601,250)	(936,931,864)
<b>Cash generated before changes in operating assets and liabilities</b>	<b>690,400,401</b>	<b>1,172,663,151</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Net loans and advances to customers	(856,166,743)	(891,547,082)
Loans and deposits from banks and other customers	347,247,970	(266,048,186)
<b>Cash generated from operating assets and liabilities</b>	<b>(508,918,773)</b>	<b>(1,157,595,268)</b>
<b>Net cash generated from operating activities</b>	<b>181,481,628</b>	<b>15,067,883</b>
<b>B) INVESTMENT ACTIVITIES</b>		
Acquisition of property, plant and equipment	(8,332,580)	(11,347,715)
Disposal of fixed assets	-	40,000
Payments of employee home loan	(21,650,000)	-
Sale of securities	1,035,675,084	1,153,221,949
Investment in securities	(884,988,957)	(1,323,867,438)
Investment in PFI Securities Ltd.	10,000,000	-
Investment in Prime Finance Capital Management Ltd.	(19,393,947)	18,000,000
<b>Net cash used in investing activities</b>	<b>111,309,600</b>	<b>(163,953,204)</b>
<b>C) FINANCING ACTIVITIES</b>		
Dividend paid	(250,000,000)	-
Share money deposit receipts	222,000,000	-
Payment for financial expense	(33,654,208)	-
Short term loan	150,000,000	-
<b>Net cash used in financing activities</b>	<b>88,345,792</b>	<b>-</b>
<b>D) Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>381,137,020</b>	<b>(148,885,321)</b>
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	604,286,087	753,171,408
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>	<b>985,423,107</b>	<b>604,286,087</b>
<b>Cash and cash equivalents at end of the year represents</b>		
Cash in hand (including foreign currencies)	45,000	45,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	204,147,495	59,523,740
Balance with other banks and financial institutions	781,230,612	544,717,347
<b>Total</b>	<b>985,423,107</b>	<b>604,286,087</b>
<b>Supplemental schedule for non-cash financing activities</b>		
Bonus share issued	649,801,150	722,001,280

Details of the published audited financial statement for the year ended 31 December 2012 are available in the web-site of the company. The address of the web-site is

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www.primefinancebd.com