

PRIME FINANCE & INVESTMENT LIMITED

Financial Statements

as at and for the period ended 30 September 2014


PRIME FINANCE & INVESTMENT LIMITED
Consolidated Balance Sheet

as at 30 September 2014

(Figures in Taka)

	30-Sep- 2014 (un-audited)	31-Dec-2013 (audited)
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	55,000	45,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	116,887,364	117,852,644
Total cash	116,942,364	117,897,644
Balance with other banks and financial institutions		
In Bangladesh	528,891,153	500,200,526
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	528,891,153	500,200,526
Money at call and on short notice		
	-	-
Investments		
Government	-	-
Others	1,145,529,722	967,560,066
Total investments	1,145,529,722	967,560,066
Loans, advances and leases		
Loans, advances, leases etc.	13,257,899,098	12,901,715,481
Bills purchased and discounted	-	-
Total loans, advances and leases	13,257,899,098	12,901,715,481
Fixed assets including premises, furniture and fixtures	335,151,289	325,235,741
Other assets	3,153,354,557	2,527,205,504
Non banking assets	-	-
Total assets	18,537,768,183	17,339,814,963
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	2,727,489,583	2,865,064,682
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	7,809,546,029	6,770,963,595
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	7,809,546,029	6,770,963,595
Other liabilities	2,873,712,991	2,453,950,050
Total liabilities	13,410,748,603	12,089,978,327
Capital/shareholders' equity		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	851,649,949	851,649,949
Other reserve	-	-
Share money deposit	-	-
Retained earnings	487,273,809	668,214,189
Revaluation reserve	221,943,750	221,943,750
Non-controlling interest	836,987,242	778,863,918
Total shareholders' equity	5,127,019,580	5,249,836,637
Total liabilities and shareholders' equity	18,537,768,183	17,339,814,963
OFF-BALANCE SHEET ITEMS		
	-	-


Mohammad Shahidul Islam
 Chief Financial Officer


Asad Khan
 Managing Director

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

for the period ended 30 September 2014

(Figures in Taka)

	for the 9 months ended		for the 3rd quarter ended	
	30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
Interest income	1,398,201,350	1,180,331,201	481,210,636	293,380,023
Interest paid on deposits, borrowings, etc.	(1,018,086,799)	(1,006,635,782)	(324,248,336)	(290,746,790)
Net interest income	380,114,551	173,695,419	156,962,300	2,633,233
Investment income	149,890,221	67,854,877	65,764,441	38,951,777
Fees, commission, exchange and brokerage	69,897,119	75,472,197	24,800,112	25,990,271
Other operating income	101,208,931	190,101,353	28,501,294	70,479,325
Other operating income	320,996,271	333,428,427	119,065,847	135,421,373
Total operating income (A)	701,110,822	507,123,846	276,028,147	138,054,606
Salaries and other employee benefits	148,058,667	117,475,422	61,885,868	28,199,293
Rent, taxes, insurance, electricity etc.	29,580,132	15,125,677	10,275,224	7,694,411
Legal expenses	1,081,452	2,671,715	649,275	358,424
Postage, stamp, telecommunication etc.	2,750,845	1,855,452	853,237	545,665
Stationery, printing, advertisements etc.	9,436,583	7,744,344	2,398,084	1,214,735
Managing Director's salary and fees	10,000,000	7,200,000	3,750,000	2,400,000
Directors' fees	855,000	1,020,000	215,000	310,000
Auditors' fees	43,125	43,125	14,375	14,375
Depreciation and repair of assets	8,064,265	6,648,380	2,530,754	2,124,820
Other expenses	14,020,965	14,675,770	4,628,879	2,577,240
Total operating expenses (B)	223,891,034	174,459,885	87,200,696	45,438,963
Profit before provision (C=A-B)	477,219,788	332,663,961	188,827,451	92,615,644
Provision for loans, advances and leases				
General provision	15,575,183	(50,657,431)	11,851,171	(15,679,620)
Specific provision	68,896,053	120,076,444	47,058,445	22,185,113
Provision for diminution in value of investments	2,034,721	8,580,087	(23,861,200)	(6,283,437)
Other provisions	-	-	-	-
Total provision (D)	86,505,957	77,999,100	35,048,416	222,056
Profit before tax (C-D)	390,713,831	254,664,861	153,779,035	92,393,588
Total provision for tax	104,156,162	58,650,680	34,917,023	(3,142,704)
Net profit after tax	286,557,669	196,014,181	118,862,012	95,536,292
Attributable to				
Shareholders of the company	228,434,345	151,954,243	90,576,566	75,664,100
Non-controlling interest	58,123,324	44,059,938	28,285,446	19,872,192
Earnings per share	0.84	0.56	0.33	0.28
No. of outstanding shares	272,916,483	272,916,483	272,916,483	272,916,483


Mohammad Shahidul Islam
 Chief Financial Officer


Asad Khan
 Managing Director

PRIME FINANCE & INVESTMENT LIMITED
Consolidated Statement of Changes in Equity (Un-audited)
for the 9 months period ended 30 September 2014

(Figures in Taka)

	Paid up Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Non-controlling Interest	Total
Balance as at 1 January 2014	2,729,164,830	851,649,949	221,943,750	668,214,189	778,863,918	5,249,836,636
<i>Changes during the period</i>						
Net profit for the period (2014)	-	-	-	228,434,345	58,123,324	286,557,669
Payment of cash dividend (2013)	-	-	-	(409,374,725)	-	(409,374,725)
Balance as at 30 September 2014	2,729,164,830	851,649,949	221,943,750	487,273,809	836,987,242	5,127,019,580

	Paid up Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Non-controlling Interest	Total
Balance as at 1 January 2013	2,274,304,030	813,352,812	221,943,750	1,089,800,363	707,186,264	5,106,587,219
<i>Changes during the period</i>						
Net profit for the period (2013)	-	-	-	151,954,244	44,059,937	196,014,181
Issue of bonus share (2012)	454,860,800	-	-	(454,860,800)	-	-
Payment of cash dividend (2012)	-	-	-	(227,430,403)	-	(227,430,403)
Balance as at 30 September 2013	2,729,164,830	813,352,812	221,943,750	559,463,404	751,246,201	5,075,170,997

PRIME FINANCE & INVESTMENT LIMITED
Consolidated Cash Flow Statement (Un-audited)
for the 9 months period ended 30 September 2014

(Figures in Taka)

	30-Sep-2014	30-Sep-2013
A) OPERATING ACTIVITIES		
Interest receipts	1,256,434,793	1,182,716,061
Interest payments	(1,083,957,790)	(959,146,816)
Fees and commission receipts	176,434,043	176,438,148
Dividend receipts	8,942,337	24,059,271
Capital gain from sale of listed shares	104,945,575	31,147,885
Cash payments to employees	(144,844,377)	(83,407,218)
Cash payment to suppliers and management expenses	(33,702,555)	(45,866,467)
Income tax paid	(89,004,707)	(365,986,767)
Receipts from other operating activities	137,373,022	196,741,087
Payments for other operating activities	(42,296,548)	(44,962,066)
Cash generated before changes in operating assets and liabilities	290,323,793	111,733,118
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	(937,078,935)	(813,774,753)
Net borrowings and deposits from banks and other depositors	857,690,742	789,416,090
Cash generated from operating assets and liabilities	(79,388,193)	(24,358,663)
Net cash from operating activities	210,935,600	87,374,455
B) INVESTING ACTIVITIES		
Acquisition of fixed assets	(19,527,327)	(4,890,092)
Advance for purchase of fixed assets	(13,967,966)	-
Disposal of fixed assets	1,803,020	595,726
Sale of invested securities	800,384,875	643,812,600
Investment in securities	(949,841,199)	(597,300,899)
Net cash from investing activities	(181,148,597)	42,217,335
C) FINANCING ACTIVITIES		
Cash dividend paid	(409,374,725)	(227,430,403)
Net receipt/ (payment) for loan	407,323,069	-
Net cash from financing activities	(2,051,656)	(227,430,403)
D) Net increase/ (decrease) in cash and cash equivalents (A + B + C)	27,735,347	(97,838,614)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	618,098,170	985,423,107
G) Cash and cash equivalents at end of the period (D+E+F)	645,833,517	887,584,493
Cash and cash equivalents represents		
Cash in hand	55,000	45,000
Balance with Bangladesh Bank and its agent bank	116,887,364	93,683,627
Balance with other banks and financial institutions	528,891,153	793,855,866
Total Cash and cash equivalents	645,833,517	887,584,493

PRIME FINANCE & INVESTMENT LIMITED**Balance Sheet**

as at 30 September 2014

(Figures in Taka)

30- Sep-2014	31- Dec-2013
(un-audited)	(audited)

PROPERTY AND ASSETS**Cash**

In hand (including foreign currencies)	50,000	40,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	116,887,364	117,852,644
Total cash	116,937,364	117,892,644

Balance with other banks and financial institutions

In Bangladesh	522,629,178	498,023,350
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	522,629,178	498,023,350

Money at call and on short notice

-	-
---	---

Investments

Government	-	-
Others	822,672,303	656,713,636
Total investments	822,672,303	656,713,636

Loans, advances and leases

Loans, advances, leases etc.	10,910,887,138	10,778,958,556
Bills purchased and discounted	-	-
Total loans, advances and leases	10,910,887,138	10,778,958,556

Fixed assets including premises, furniture and fixtures

331,460,119	320,660,693
-------------	-------------

Other assets	3,354,659,096	2,922,413,264
---------------------	----------------------	----------------------

Non banking assets	-	-
---------------------------	----------	----------

Total assets	16,059,245,198	15,294,662,144
---------------------	-----------------------	-----------------------

LIABILITIES AND CAPITAL**Liabilities**

Borrowings from other banks, financial institutions and agents	2,625,738,145	2,728,975,100
---	----------------------	----------------------

Deposits and other accounts

Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	7,809,546,028	6,770,963,595
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	7,809,546,028	6,770,963,595

Other liabilities	1,629,409,549	1,532,046,607
--------------------------	----------------------	----------------------

Total liabilities	12,064,693,722	11,031,985,302
--------------------------	-----------------------	-----------------------

Capital/shareholders' equity

Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	851,649,949	851,649,949
Other reserve	-	-
Retained earnings	191,792,947	459,918,313
Revaluation reserve	221,943,750	221,943,750
Total shareholders' equity	3,994,551,476	4,262,676,842

Total liabilities and shareholders' equity	16,059,245,198	15,294,662,144
---	-----------------------	-----------------------

OFF-BALANCE SHEET ITEMS

-	-
---	---



Mohammad Shahidul Islam
Chief Financial Officer



Asad Khan
Managing Director

PRIME FINANCE & INVESTMENT LIMITED
Profit and Loss Account (Un-audited)
for the period ended 30 September 2014

(Figures in Taka)

	for the 9 months ended		for the 3rd quarter ended	
	30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
Interest income	1,193,792,792	1,054,728,643	394,212,698	341,074,397
Interest paid on deposits, borrowings, etc.	(966,403,667)	(970,595,799)	(304,783,333)	(328,313,062)
Net interest income	227,389,125	84,132,844	89,429,365	12,761,335
Investment income	113,068,700	52,854,877	54,439,855	17,905,556
Fees, commission, exchange and brokerage	5,170,606	5,777,052	1,611,919	1,775,050
Other operating income	99,307,274	186,561,540	27,309,509	70,127,403
Other operating income	217,546,580	245,193,469	83,361,283	89,808,009
Total operating income (A)	444,935,705	329,326,313	172,790,648	102,569,344
Salaries and other employee benefits	125,615,184	100,886,015	56,838,199	27,198,977
Rent, taxes, insurance, electricity etc.	20,880,641	12,212,830	7,010,454	6,681,844
Legal expenses	935,702	2,503,215	534,275	346,574
Postage, stamp, telecommunication etc.	2,581,532	1,708,150	796,179	502,102
Stationery, printing, advertisements etc.	9,129,669	7,211,402	2,277,265	877,558
Managing Director's salary and fees	5,050,000	4,050,000	2,100,000	1,350,000
Directors' fees	430,000	715,000	100,000	245,000
Auditors' fees	-	-	-	-
Depreciation and repair of assets	6,652,621	5,495,437	2,112,745	1,723,860
Other expenses	11,715,005	13,224,640	4,284,260	1,840,495
Total operating expenses (B)	182,990,354	148,006,689	76,053,377	40,766,410
Profit before provision (C=A-B)	261,945,351	181,319,624	96,737,271	61,802,934
Provision for loans, advances and leases				
General provision	15,575,183	(50,657,431)	11,851,171	(15,679,620)
Specific provision	68,896,053	120,076,444	47,058,445	22,185,113
Provision for diminution in value of investments	2,500,000	8,580,087	(14,045,498)	8,580,087
Other provisions	-	-	-	-
Total provision (D)	86,971,236	77,999,100	44,864,118	15,085,580
Profit before tax (C-D)	174,974,115	103,320,524	51,873,153	46,717,354
Total provision for tax	33,724,756	17,456,187	3,724,756	861,541
Net profit after tax	141,249,359	85,864,337	48,148,397	45,855,814
Earnings per share	0.52	0.31	0.18	0.17
No. of outstanding shares	272,916,483	272,916,483	272,916,483	272,916,483


Mohammad Shahidul Islam
Chief Financial Officer


Asad Khan
Managing Director

PRIME FINANCE & INVESTMENT LIMITED
Statement of Changes in Equity (Un-audited)
for the 9 months period ended 30 September 2014

(Figures in Taka)

	Paid up Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at 1 January 2014	2,729,164,830	851,649,949	221,943,750	459,918,313	4,262,676,842
<i>Changes during the period</i>					
Net profit for the period (2014)	-	-	-	141,249,359	141,249,359
Payment of cash dividend (2013)	-	-	-	(409,374,725)	(409,374,725)
Balance as at 30 September 2014	2,729,164,830	851,649,949	221,943,750	191,792,947	3,994,551,476

	Paid up Capital	Statutory Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at 1 January 2013	2,274,304,030	813,352,812	221,943,750	989,020,968	4,298,621,560
<i>Changes during the period</i>					
Net profit for the period (2013)	-	-	-	85,864,337	85,864,337
Issue of bonus share (2012)	454,860,800	-	-	(454,860,800)	-
Payment of cash dividend (2012)	-	-	-	(227,430,403)	(227,430,403)
Balance as at 30 September 2013	2,729,164,830	813,352,812	221,943,750	392,594,101	4,157,055,493

Prime Finance & Investment Limited
Cash Flow Statement (Un-audited)
for the 9 months period ended 30 September 2014

(Figures in Taka)

	30-Sep-2014	30-Sep-2013
A) OPERATING ACTIVITIES		
Interest receipts	1,241,556,559	1,190,303,997
Interest payments	(1,083,938,856)	(926,554,575)
Fees and commission receipts	5,170,606	5,777,052
Dividend receipts	8,123,126	21,706,992
Capital gain from sale of listed shares	104,945,574	31,147,885
Cash payments to employees	(106,991,250)	(83,407,218)
Cash payment to suppliers and management expenses	(33,702,555)	(13,600,374)
Income tax paid	(24,004,707)	(146,521,459)
Receipts from other operating activities	137,373,022	160,319,107
Payments for other operating activities	(42,296,548)	(44,962,066)
Cash generated before changes in operating assets and liabilities	206,234,970	194,209,341
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	(937,078,935)	(804,024,753)
Net borrowings and deposits from banks and other depositors	857,690,743	763,251,120
Cash generated from operating assets and liabilities	(79,388,192)	(40,773,633)
Net cash from operating activities	126,846,778	153,435,708
B) INVESTING ACTIVITIES		
Acquisition of fixed assets	(16,577,139)	(2,270,880)
Disposal of fixed assets	1,803,020	595,726
Sale of invested securities	784,188,555	601,812,600
Investment in securities	(949,841,199)	(597,300,899)
Net cash from investing activities	(180,426,763)	2,836,547
C) FINANCING ACTIVITIES		
Cash dividend paid	(409,374,725)	(227,430,403)
Net receipt/ (payment) for loan	486,605,259	-
Net cash from financing activities	77,230,534	(227,430,403)
D) Net increase/ (decrease) in cash and cash equivalents (A + B + C)	23,650,548	(71,158,148)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	615,915,994	947,525,025
G) Cash and cash equivalents at end of the period (D+E+F)	639,566,542	876,366,877
Cash and cash equivalents at the end of the period represents		
Cash in hand (including foreign currencies)	50,000	40,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	116,887,364	93,683,627
Balance with other banks and financial institutions	522,629,178	782,643,250
Total cash and cash equivalents	639,566,542	876,366,877

PRIME FINANCE & INVESTMENT LIMITED
Selected explanatory notes
as at and for the period ended 30 September 2014

Reporting entity

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

Basis of preparation

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

Accounting policies

The Accounting policies and method of computation adopted for the preparation of these interim financial statements are the same as those applied in preparation of annual financial statements for the year ended 31 December 2013.

Approval of third quarterly report

These third quarterly financial statements for the period ended 30 September 2014 were approved by the Board of Directors on 25 October 2014.

General

The third quarterly financial statements for the period ended 30 September 2014 are unaudited. The comparative figures have been re-stated and re-arranged whenever considered necessary to ensure comparability with the current financial statements. Figures are rounded-off to the nearest integer.

