

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড™

Mutual Trust Bank Ltd.

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Financial Statements 2020

2.18 Implementation of BASEL-III
Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (Revised Regulatory Capital Framework in line with Basel-III) vide its BRPD Circular 16 dated 21 December 2014. The BASEL-III implementation will start from January 2015 and full implementation will start from January 2020. The BASEL-III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratio and promoting counter-cyclical buffers and addressing systemic risk and interconnectiveness.

In 2020, the Bank is required to maintain minimum Common Equity Tier-1 (CET-1) capital ratio of 4.50%, capital conservation buffer 2.50%, minimum CET-1 plus conservation buffer of 7.00%, minimum Tier-1 capital ratio of 6.00%, minimum total capital ratio 10.00% and minimum total capital plus capital conservation buffer 12.50%.

Pillar-I: Minimum Capital Requirement
Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Trust Bank Ltd. has adopted the following measurement approaches for computing its Capital Adequacy Ratio:

Standardized Approach for Credit Risk
Basic Indicator Approach for Operational Risk, and
Standardized Approach for Market Risk

Pillar-II: Supervisory Review Process (SRP)
The Supervisory Review Process (the Second Pillar of Basel-III) of the risk-based capital adequacy framework is intended to ensure that banks have adequate capital to support the risks in the business and, concurrently, to encourage banks to develop and utilize superior risk management techniques in monitoring and managing risks. In compliance with the Pillar-II guidelines of the Bangladesh Bank under BASEL-III framework, Mutual Trust Bank Ltd. has formulated its own Capital approved Internal Capital Adequacy Assessment Process (ICAAP) to assess various risks that it is exposed to. Following Risk is to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Regulation Capital Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other Material Risk

Pillar-III: Market Discipline
The purpose of market discipline is to establish transparency and discipline in the financial markets so that stakeholders can assess the position of a bank with respect to the assets held by it as well as to identify the risks relating to these assets and the capital adequacy to meet probable losses. For this purpose, banks have to develop a set of disclosures containing information on the assets, exposures, risk assessment processes and the capital adequacy to meet the risks. The Pillar-III Disclosures are published on a yearly basis on the Bank's website also published in the Bank's Annual Report.

2.19 Audit Committee
In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the following 4 (Four) Directors of the Board:

Sl. No.	Name of the Director	Status with the Bank	Status with the Committee
01.	Mr. Nazim Sarwar	Independent Director	Chairman
02.	Mr. M. R. Roid JP	Director	Member
03.	Ms. Anila Chowdhury	Director	Member
04.	Mr. Faruk Ahmad Siddiq	Independent Director	Member

During the period, 04 (Two) meetings of the audit committee were held.
Audit committee reviews various audit/inpection reports at regular intervals. Upon scrutiny of the audit observations and comments, the committee advised management to remain within the policy guidelines and directives of the regulatory authorities.

As per circular, the committee places their report regularly to the board meetings of the Bank mentioning their activities & recommendations of the internal control system, compliance of rules and regulations and establishment of good governance within the organization.

2.20 Directors responsibility on statements
The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

2.21 Credit rating of the Bank
As per BRPD Circular no. 5 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISIL) based on the audited financial statements as at and for the year ended 31 December 2019. The following table has been awarded:

Particulars	Periods	Date of rating	Long term	Short term
Entry rating	January to December 2019	15 July 2020	AA	S1-2
Exit rating	January to December 2019	13 May 2019	AA	S1-2
Entry rating	January to December 2017	29 April 2018	AA	S1-2

2.22 Events after the reporting period
The global outbreak of COVID-19 pandemic is considered a non-adjusting post balance sheet event for the Bank. While the overall effect on the Bank's Business in the period subsequent to the balance sheet date relating to the COVID-19 global outbreak is still evolving at this point, there has been limited impact on the business since the outbreak. The directors and management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are confident that any foreseeable negative impact can be reasonably managed and have no adverse scenario plans in place.

All other material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS-10. Events after Reporting Period. Banks' recommendation for dividend distribution is a common item presented in the note no. 42.

2.23 Approval of Financial Statements
The financial statements were approved by the Board of Directors on 04 May 2021.

2.24 General

- a) These financial statements are presented in BDT, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest BDT.
- b) The expenses, irrespective of capital or revenue nature, accrued but not paid have been provided for in the books of the Bank.
- c) Figures of previous year have been maintained wherever necessary to conform to current period's presentation.
- d) No Asset has been set of against any Liability except MTB General Account.

	2020	2019
3.0 Consolidated assets		
Cash in hand including foreign currency	2,452,000,000	2,457,000,000
Due from Banks and other financial institutions	1,010,000,000	951,375,000
Due from Government of Bangladesh	21,300,000	21,300,000
Due from Bangladesh Bank and in Agent Banks (including foreign currency)	2,858,948,246	2,858,948,246
Due from Bangladesh Bank and in Agent Banks (including foreign currency)	8,941,528,411	11,608,924,834
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MTB Exchange (BQ) Limited	878,026	477,031
	<u>603,927,989</u>	<u>632,918,334</u>

vi) Business other than banking business with any relation concern to the Directors as per Section 18(2) of the Bank Companies Act, 1991

Total December 2020	0.779.571.64	1.755.721.684	105.504.051	7.960.838.847	2.502.871.606	696.656.984	99.957.243	3.107.771.265	4.330.780.592
Total December 2019	0.740.402.088	1.687.671.062	128.753.046	6.779.323.104	2.116.718.748	497.684.315	107.321.086	2.800.871.005	4.220.351.649

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Off Shore Banking Unit (OBU)
Profit and Loss Account
Annexure-6

	1	2	3	4
1	1			
2		1		
3			1	
4				1

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Financial Statements 2020

6.00 Strategic Investment in Securities:

As per Income Tax Ordinance, 1984, S. R. O. 319-Law/Income Tax/ 2018 dated October 31, 2018, sale proceeds of 25% shares (sold to Strategic Investors by the DSE) to be invested in listed securities of any Stock Exchange in Bangladesh for a period of 3 (Three) years from the date of investment of entire sale proceeds to avail the tax incentive by the NBR. Accordingly, the proceeds have been invested by the company in the Capital Market.

Investment in listed securities (Annexure-B)	31 December 2020	31 December 2019
	40,382,014	39,920,046
	40,382,014	39,920,046

7.00 Advances and prepayments

Office Rent	6,005,987	12,111,496
Advance to Employees-Car	1,070,135	1,052,959
Advance to CSE for Membership	4,175,000	4,175,000
Advance to DSE for DSE-Tower	500,000	500,000
Advance to suppliers	12,648,424	11,978,763
	79,529,518	36,718,216

8.00 Investment in securities

Quoted share (Annexure-C)	897,283,318	725,723,093
Unquoted share (Placemnt share)	19,976,000	19,976,000
	917,259,318	745,699,093

9.00 Margin loan to clients

This amount represents the margin loan balance with clients provided by the company at the balance sheet date, which includes principal amount and accrued interest on margin loan during the year 2020.		
Opening Balance	2,719,986,781	2,648,201,456
Add: Addition during the year	201,450,000	108,576,197
Add: Interest during the year	70,953,888	68,733,309
Less: Written off during the year	74,485,369	48,989,716
Less: Adjustment during the year	219,731,622	56,534,465
	2,758,153,978	2,719,986,781

10.00 Accounts receivable

Receivable from (DSE) Broker (Note 10.01)	65,732,248	8,813,811
Receivable from (DSE) Dealer (Note 10.02)	1,013,010	77,154
Dividend receivable	66,458,258	15,427,758

10.01 Receivable from Dhaka Stock Exchange (DSE)-Broker

This balance has been resulted from sale of shares through Dhaka Stock Exchange Limited (DSE)-Broker.

10.02 Receivable from Dhaka Stock Exchange (DSE)-Dealer

This balance has been resulted from sale of shares through Dhaka Stock Exchange Limited (DSE)-Dealer.

11.00 Advance income tax

Opening Balance	117,712,051	87,580,057
Add: Addition during the year (Note 11.01)	32,571,720	30,131,994
Less: Adjusted during the year	1,394,690	-
	148,889,081	117,712,051

11.01 Addition during the year

Brokerage commission	26,813,972	21,379,948
Bank interest	2,035,462	4,245,031
Dividend income	3,722,246	4,807,015
	32,571,720	30,131,994

12.00 Cash and cash equivalents

Mutual Trust Bank Limited	100,000,000	100,000,000
United Capital Limited	44,000,000	74,000,000
Fah Finance Company Limited	44,000,000	30,000,000
	144,000,000	204,000,000

SN	A/C No.		
Mutual Trust Bank Ltd (SND)	0002-032000724	100,843	96,316
Mutual Trust Bank Ltd (SND)	0002-032000438	265,024	248,055
Mutual Trust Bank Ltd (SND)	0002-032000181	382,185	-
Mutual Trust Bank Ltd (CCA)	0087-032000266	336,535,787	307,237,730
Mutual Trust Bank Ltd (SND)	0002-032000280	888,657	30,253
Mutual Trust Bank Ltd (SND)	0087-032000278	751,524	4,035,315
Mutual Trust Bank Ltd (SND)	0002-032000164	11,248,888	-
Mutual Trust Bank Ltd (Dealer)	0087-032000287	1,174,488	180,366
Mutual Trust Bank Ltd (Strategic)	0087-032000376	80,098	20,042
Mutual Trust Bank Ltd (IPO)	0087-032000965	28,842,403	296,045
IFIC Bank limited (Dealer)	109035868041	451,864	308,963
Standard Chartered (CCA)	01114647901	330,475,204	414,480,011
Standard Chartered (SND)	02114647901	90,313	40,687
		699,199,205	354,668,353
Cash in hand (Cheque in hand)		10,610,303	951,375
		853,809,408	659,419,728

Shareholder		
Mutual Trust Bank Limited	100,000,000	100,000,000
United Capital Limited	44,000,000	74,000,000
Fah Finance Company Limited	44,000,000	30,000,000
	144,000,000	204,000,000

Shareholder		
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Mutual Trust Bank Ltd.

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Financial Statements 2020

inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management otherwise intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report the following:

- 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;
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of these books;
- The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns;

Place: Dhaka
Date: March 03, 2021.

MTB Capital Ltd. Statement of Financial Position At 31 December 2020				
Particulars	Notes	Amount in BDT 2020	2019	
ASSETS		3,708,919	4,300,077	
Non-Current Assets		3,708,919	4,300,077	
Property, Plant & Equipment	4	3,708,919	4,300,077	
Current Assets		638,561.28	477,923.923	
Investment in Securities	8	262,994.112	165,600.175	
Margin Loan to Clients	7	291,457.048	241,114.607	
Accounts Receivable	7	37,800.614	17,441.697	
Advance to Customers	8	27,821.003	41,296.779	
Cash & Cash Equivalents	9	18,558.752	8,741.189	
Total Assets		642,270.448	477,923.923	
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' Equity		377,228.308	363,848.678	
Share Capital	10	358,835.500	339,889,000	
Retained Earnings	11	21,442.818	23,959,678	
LIABILITIES				
Non-Current Liabilities		123,123	141,535	
Deferred Tax Liability	12	123,123	141,535	
Current Liabilities		264,818.687	113,923.710	
Accounts Payable	13	21,844.001	10,850.432	
Provision for Diminution in Value of Investments	14	32,000.000	30,000.000	
Provision for Margin Loan	15	32,000.000	30,000.000	
Provision for Current Tax	16	36,678.383	51,717.778	
Other Liabilities	17	12,072.081	1,265.502	
Total Liabilities		264,818.687	113,923.710	
Total Shareholders' Equity and Liabilities		642,270.448	477,923.923	
Net Assets Value (NAV) per share	19	105.73	101.95	

The annexed notes are integral part of these Financial Statements.

Chief Executive Officer
Signature
Place: Dhaka
Date: March 03, 2021.

MTB Capital Ltd. Statement of Profit or Loss and other Comprehensive Income For the year ended 31 December 2020				
Particulars	Notes	Amount in BDT 2020	2019	
Operating Income		46,828,723	69,705,647	
Interest Income	20	22,893,511	33,470,666	
Income from Investment	21	12,784,445	9,204,906	
Underwriting Commission	22	67,500	538,750	
Issue Management Fees	23	3,436,000	7,980,937	
Settlement Fees and Documentation Charges	24	2,829,715	1,485,606	
Portfolio Management Fees	25	3,178,778	4,228,744	
Trustee Fees	26	656,000	1,150,000	
Other Operating Income	27	980,974	1,546,038	
Less: Operating Expense		20,659,394	20,504,219	
Office & Administrative Expenses	28	20,659,394	20,504,219	
Operating Profit		26,169,329	49,201,428	
Less: Interest Expense	29	3,352,742	-	
Profit before Provision and Tax		22,806,587	49,201,428	
Provision	30	4,000,000	22,000,000	
Provision for Diminution in Value of Investments	31	2,000,000	12,000,000	
Net Profit after Tax		18,806,587	17,201,428	
Cash Tax Expenses	32	5,328,627	13,198,157	
Deferred Tax Expense (Income)		(18,412)	(14,837)	
Net Profit after Tax		13,479,960	4,003,271	
Earnings per Share	33	3.78	1.12	

The annexed notes are integral part of these Financial Statements.

Chief Executive Officer
Signature
Place: Dhaka
Date: March 03, 2021.

MTB Capital Ltd. Statement of Changes in Equity For the year ended 31 December 2020			
Particulars	Paid-up Capital	Retained Earnings	Total
Balance as at January 01, 2020	339,889,000	23,959,678	363,848,678
Net profit for the year after tax	-	13,479,960	13,479,960
Stock Dividend	16,994,500	(16,994,500)	-
Balance as at 31 December 2020	356,883,500	20,445,138	377,328,638
Balance as at 31 December 2019	339,889,000	23,959,678	363,848,678

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2020			
Particulars	Amount in BDT 2020	2019	
Net Profit during the year (after Tax)	13,479,960	4,003,271	
Add: Amount consider as Non Cash items:			
Depreciation charged during the year	591,157	683,462	
Increase(decrease) in Provision for diminution in value of Investments	2,000,000	15,000,000	
Increase(decrease) in Provision for Margin Loan	(15,042,395)	13,212,994	
Increase(decrease) in Deferred Tax Liability	(18,412)	(14,837)	
Increase(decrease) in Other Liabilities	18,307,181	(165,000)	
Sub-total of Non Cash Items	7,837,531	35,716,619	
Changes in Working Capital Components			
Increase(decrease) in Accounts Payable	9,998,449	(9,807,518)	
Increase(decrease) in Accounts Receivable	(20,188,917)	5,063,016	
Increase(decrease) in Advance & Prepayment	13,445,776	(10,072,443)	
Net Cash Flow from Operating Activities	24,572,800	24,902,945	

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2020			
Particulars	Amount in BDT 2020	2019	
Cash Flow from Investing Activities:			
Increase(decrease) in Investment in Securities	(97,933,537)	(8,315,035)	
Increase(decrease) in purchase of Premises & Fixed Asset	(50,443)	(94,290)	
Net Cash Flow from Investing Activities	(148,376,978)	(8,409,315)	
Cash Flow from Financing Activities:			
Increase(decrease) in Short term Borrowings	133,621,742	-	
Net Cash Flow from financing activities	133,621,742	-	
D) Net Cash increase / (decrease) (A+B+C)	9,817,563	(9,412,538)	
E) Opening Cash and Cash Equivalents	8,741,189	18,153,727	
F) Closing Cash and Cash Equivalents	18,558,752	8,741,189	

Net Operating Cash Flow per Share (NOCFPS) (Note: 34.00) 6.89 6.98

Chief Executive Officer
Signature
Place: Dhaka
Date: March 03, 2021.

MTB Capital Ltd. Notes to the Financial Statements For the year ended 31 December 2020			
1.00	Legal Status of the Company		

MTB Capital Ltd. (MTBCL), a fully owned subsidiary of Mutual Trust Bank Limited, was incorporated in Bangladesh as a private limited company. MTBCL obtained registration certificate No. MB-55/2010 under the Bangladesh Securities and Exchange Commission Act, 1997 on December 06, 2010 as a full fledged merchant bank and obtained registration No. C-8040 from the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on October 08, 2009 under the Companies Act, 1994. The company has commenced its operation on April 18, 2011.

The registered office of the company is situated at 111 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000, Bangladesh.

2.00 Nature of Business
The main activities of the company are issue management, underwriting, portfolio management whether discretionary or non-discretionary, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, bond services etc.

3.00 Significant Accounting Policies
3.01 Basis of preparation of Financial Statements
The Financial Statements of the company are made up to 31 December 2020 and prepared under the historical cost convention except investment in securities as a going concern and in accordance with the Companies Act 1994, International Financial Reporting Standards (IFRS), the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange Limited listing Regulations, Income Tax Ordinance, 1984 and other laws and rules applicable in Bangladesh.

3.02 Statement of Cash Flows
Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) - 7 "Statement of Cash Flows".

3.03 Property, Plant and Equipment
3.03.1 Recognition and measurement:
Property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

3.03.2 Depreciation
Depreciation is charged using reduction method as per International Accounting Standard (IAS)-16 "Property plant & equipment". The rates of depreciation used are as follows:

Category of assets	Rate of depreciation
Furniture & Fixture	10%
Office Equipment	20%
Interior Decoration	10%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss and other Comprehensive Income.

3.04 Revenue Recognition
The accounting policies adopted for the recognition of revenue are as follows:

3.04.1 Interest Income
Interest on margin loan to investors is recognized as revenue on an accrual basis and interest receivable on cash loans is capitalized with original loan on quarterly basis.

3.04.2 Dividend Income
Dividend income on investment in securities has been recognized when the shareholders right to receive payment is established.

3.04.3 Capital gain / (loss) on sale of Securities
Capital gain/(loss) on sale of securities is accounted for based on difference between average sale proceeds of securities and cost of securities sold.

3.04.4 Fees and commission Income
Fees and commission income includes portfolio management fees, settlement charges, issue management fees, underwriting commissions, trustee fees and any other such fees and commissions.

3.05 Cash and Bank balance
Cash and bank balance includes cash in hand and cash at bank, which are held and are available for use by the company without any restriction.

3.06 Investment in Securities
Investment in securities is recognized at the end of the period at cost price of investment made by the company.

3.07 Reporting in the period
These financial statements cover one year from 1st January 2020 to 31 December 2020.

3.08 General

i) Comparative information have been disclosed for all numerical information of the financial statements and also the narrative and descriptive information so as to clarify the current year position with that to preceding year.

Changes Format:
Statement of financial position format has been changed for ensuring better comparability in line with IAS-1 without changes facts & figures. Prior period figure has remained unchanged and no rearrangement has been made due to change format.

ii) The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.

		Amount in BDT	
		2020	2019
4.00	Property, Plant & Equipment		
	Opening Balance	12,698,889	12,604,599
	Addition during the year	-	94,290
	Total Cost	12,698,889	12,698,889
	Depreciation:		
	Opening Balance	8,398,812	7,715,350
	Add: Depreciation charged during the year	591,157	683,462
	Closing Balance	8,989,970	8,398,812
	Written Down Value	3,708,919	4,300,077

(Detail is shown in Annexure - A)

5.00 Investment in Securities
Investment in securities represent the cost price of securities which have been invested by the company in the capital market.

Quoted Shares (Annexure-B)	2020	2019
Unquoted Shares	262,994,112	165,600,175
Total	262,994,112	165,600,175

6.00 Margin Loans to Clients
Margin Loan to Investors - Non-Discretionary Account (NDA)
Margin Loan to Investors - Discretionary Account (DA)
291,457,048 **241,114,607**

7.00 Accounts Receivable
Underwriting Commission
Issue Management Fees
Trustee Fees
Dividend Receivable
Management Fees
Receivable from MTB Securities Ltd.
Receivable from CMSL Securities Ltd.
Rental Income
IPOs
1,288,818 **1,538,818**
4,538,115 **7,117,556**
20,000 **500,000**
2,702,364 **3,386,536**
- **62,831**
5,223,778 **4,093,778**
14,173,171 **14,164,544**
37,500 **37,500**
37,630,614 **17,441,697**

8.00 Advance and Prepayments
Advance Income Tax (Note: 8.01)
Advance to Employees (Note: 8.02)
27,126,360 **40,116,584**
694,643 **1,150,195**
27,821,003 **41,266,779**

8.01 Advance Income Tax
Opening Balance
Add: Addition during the year
Less: Adjustment made during the year
40,116,584 **29,677,469**
4,789,234 **10,439,115**
12,729,448 **27,126,360**
27,126,360 **40,116,584**

8.02 Advance to Employees
Advance to Employee Car
694,643 **1,150,195**
694,643 **1,150,195**

9.00 Cash & Cash Equivalents
This is made up as under:
3,917 **20,965**

Cash in Hand
Cash at Bank (Mutual Trust Bank)
MTB-001-021010572 (CD)
MTB Tower 0087-0210000208 (Own Portfolio)
MTB Tower 0087-0210000045 (SND)
MTB Tower 0087-0210000054 (IPO)
MTB Tower 0087-0210000214 (NDA)
MTB Tower 0087-0210000205 (DA)
MTB Tower 0087-0210000223 (GA)
- **578**
7,052,787 **760,173**
334,190 **569,575**
18,758 **22,103**
2,586,926 **1,779,869**
2,183,921 **2,567,313**
6,378,253 **3,020,411**
18,558,835 **8,720,234**
18,558,752 **8,741,189**

Cash and Cash Equivalents
3,917 **20,965**

10.00 Share Capital
Authorized Capital
30,000,000 Ordinary Shares of BDT 100 each.
500,000,000 **500,000,000**

Issued, Subscribed and Paid-up Capital:
3,568,835 Ordinary Shares of BDT 100 each
356,883,500 **339,889,000**

Particulars	No. of Shares	Amount	Percentage
Mutual Trust Bank Limited	3,568,835	356,889,300	99.996%
Mr. Md. Hedayatullah	142	14,200	0.004%
Total	3,568,835	356,889,300	100%

11.00 Retained Earnings
Opening Balance
Add: Net Profit after Tax during the year
Less: Stock Dividend
23,959,678 **50,835,407**
13,479,960 **4,003,271**
16,994,500 **30,899,000**
20,445,138 **23,959,678**

12.00 Deferred Tax Liability
Opening Balance
Deferred Tax during the year (Note-32.02)
141,535 **156,372**
(18,412) **(14,837)**
123,123 **141,535**

13.00 Short Term Loan
Mutual Trust Bank Ltd.
MTB SOD (G) Business
133,621,742 **-**
133,621,742 **-**

14.00 Accounts Payable
Liability to BDT
Audit fees payable
Payable to MTB Securities Ltd.
Payable to CMSL Securities Ltd.
Client Deposits
VAT, Source Tax and Others
414,556 **414,556**
54,000 **55,000**
259,262 **4,101,266**
696,000 **1,779,869**
13,381,159 **5,093,288**
1,121,816 **1,136,643**
20,848,881 **10,850,432**

15.00 Provision for diminution in value of Investments
Opening Balance
Add: Provision made



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Financial Statements 2020

25.00 Portfolio Management Fees

Non-discretionary Account
Discretionary Account

26.00 Trustee Fees

Rental income
Transmission fee

Annual BO account charge
IPO Charge

Dematerialisation fee

28.00 Office & Administrative Expenses

Salaries and Allowances
Office Rent Expense

Telephone, Postage, Fax, Stamp
Printing & Stationery

Advertising Expense
Directors' Fee

Auditors' Fee
Depreciation Expenses

Repairs and Maintenance
Car Expense

CBDL Charge
Entertainment

Cleaning Service Charge
Fees and Registration

Bank Charges and Excise Duty
Conveyance

Interest Expense
Travelling Expense

Books & Newspaper
Domain and Hosting Charge

Professional Fees
IPO Expenses

29.00 Interest Expense

Interest on Loan from Mutual Trust Bank Ltd.

30.00 Provision for diminution in value of Investments

This provision is made as per BSEC guideline and to reduce the risk of Investment.

31.00 Provision for margin loan

This provision is made as per BSEC guideline and to reduce the risk of Investment.

32.00 Income Tax Expenses

Current Tax (Note-32.01)
Deferred Tax (Note-32.02)

Income Tax Expenses is calculated as per guideline of Income Tax Ordinance and Rules.

32.01 Current Tax

32.02 Deferred Tax Expense(Income)

(Detail is shown in Annexure - C)

33.00 Earnings per share

Net profit after tax
Number of ordinary shares outstanding

34.00 Earnings per share

Net operating cash flows per share (NOCFPS)

35.00 Related Party Transaction

Salaries and Allowances
Mutual Trust Bank Ltd.

36.00 Number of employees

The number of employees engaged for the whole year or part thereof, who received a total remuneration of Taka 36,000 or above were 07 persons.

37.00 Events after the balance sheet date

Subsequent to the reporting date, the Board of Directors recommended 5% stock dividend.

MTB Capital Ltd.

Schedule of Property, Plant & Equipment
As at 31 December 2020

Annexure - A
(Amount in BDT)

Particulars

Cost

Accumulated Depreciation

Net Book Value

Depreciation

Revised cost

Accumulated Depreciation

Net Book Value

Depreciation

Revised cost

Accumulated Depreciation

Net Book Value

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